

INSIDE THIS REPORT

SECTION 1

At a Glance

Company Profile	02
Corporate Information	03

SECTION 2

Chairman's Statement	04
----------------------	----

SECTION 3

Management Discussion and Analysis

Overview of Business Environment	06
Review of Business Performance	07
Business Model	14
Risk Profile and Management Approach	15
Performance Review of Subsidiaries	16

SECTION 4

Group Financial Highlights	18
----------------------------	----

SECTION 5

Sustainability Statement	19
--------------------------	----

SECTION 6

Governance

Profile of Board of Directors	78
Profile of Key Senior Management	80
Corporate Governance Overview Statement, Risk Management and Internal Control	81
Board Audit & Risk Management Committee Report	94

SECTION 7

Financial Statements	99
----------------------	----

SECTION 8

Additional Information

Notice of Annual General Meeting & Statement Accompanying Notice of Annual General Meeting	160
Other Information	165
Form of Proxy	



Company Profile



Hume Cement Industries Berhad (“HCIB”) is principally an investment holding company whilst its subsidiaries are engaged in the manufacturing and sale of cement and cement related products, and manufacturing, marketing and sale of concrete and concrete related products.

HCIB is a public listed company and its shares are traded on the Main Market of Bursa Malaysia Securities Berhad.

Corporate Information

BOARD OF DIRECTORS



YBhg Datuk Kwek Leng San
(Chairman)

Ms Tai Sook Yee

**YBhg Datuk Ir. Ahmad 'Asri
Bin Abdul Hamid**

**YBhg Dato' Mohamad
Kamarudin Bin Hassan**

COMPANY SECRETARIES

Ms Wong Wei Fong
Ms Zoe Lim Hoon Hwa

AUDITORS

KPMG PLT
Level 10, KPMG Tower
8, First Avenue, Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7721 3388
Fax : 03-7721 3399

REGISTRAR

Hong Leong Share Registration Services Sdn Bhd
Level 25, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2088 8818
Fax : 03-2088 8990
Email : hlsrs@hongleong.com

REGISTERED OFFICE

Level 31, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2080 9200
Fax : 03-2080 9238
Email : cosec-hlmg@hlmg.com.my

COUNTRY OF INCORPORATION/DOMICILE

A public limited liability company, incorporated and domiciled in Malaysia

Chairman's Statement

“

To our Valued Shareholders,

On behalf of the Board of Directors of Hume Cement Industries Berhad (“HCIB” or “the Company”), I am pleased to present our annual report and audited financial statements for the financial year ended 30 June 2025 (“FY2025”).

”

OVERVIEW OF FY2025

FY2025 was a year marked by resilience and sustained progress amidst a challenging global landscape. Geopolitical conflicts have disrupted global supply chains and elevated input costs, placing further pressure on businesses worldwide. This was further exacerbated by the trade war and higher tariffs imposed by the United States of America.

Operating against this challenging backdrop, the business agility and tenacity of the team at HCIB have nonetheless forged a progressive path forward to register total revenue of RM1,114.6 million in FY2025, reflecting a 7.5% decrease from revenue of RM1,205.2 million in financial year ended 30 June 2024 (“FY2024”). Despite this, Profit After Tax (“PAT”) recorded an increase, with RM223.2 million in FY2025 as compared to RM210.9 million in FY2024, marking a significant breakthrough achieved through cost reductions from continuous improvements in operational excellence and production efficiency, as well as a one-off gain from the disposal of asset held for sale.

HCIB Group (“the Group”) reaffirms our strong commitment to pursue shareholder value creation. In FY2025, the Group’s total dividend payout was RM72.5 million or 10 sen per share.



Chairman's Statement

(Cont'd)

HCIB is cognisant that sound governance and ethical integrity are essential pillars of long-term success. In alignment with the Malaysian Code on Corporate Governance ("MCCG"), the Group continues to cultivate a culture anchored in responsible leadership, transparency, and effective risk oversight. Equal emphasis is also placed on fair employment practices, labour rights, and the fostering a values-driven corporate environment.

With sustainability as our guiding beacon, the Group remains firmly committed to actively advancing Environmental, Social and Governance ("ESG") initiatives while maintaining a strong focus on health and safety.

To drive sustained relevance in a competitive landscape, HCIB continues to invest in process improvements and product development. Such concerted efforts enable the Group to meet evolving industry demands while enhancing operational efficiency and value delivery.

HCIB's position as a leading solutions provider in the building materials industry has been further reinforced through various industry accolades and recognitions, one of which is the Gold MiSHA Excellence Award in OSH Risk Management (Manufacturing Sector – Heavy Industry) 2024.

On behalf of the Board, I would like to express my deepest appreciation to our shareholders, customers, business partners, and all stakeholders for their continued trust and support throughout FY2025. I am also deeply grateful to our employees - your commitment, resilience, and collective drive have been instrumental to the Group's achievements, especially in navigating an increasingly complex and dynamic environment.

I would also like to extend my gratitude to my fellow Board members and the Senior Management team for their steadfast leadership and strategic insights in upholding the Group's values and long-term vision.

As we navigate the evolving business landscape, we remain committed to pushing boundaries, embracing transformation, and unlocking new opportunities that benefit not only our shareholders but also the wider stakeholders we serve and the environment we all share.

With the strength of our people, the clarity of our purpose, and the trust of our stakeholders, I am confident that HCIB is well positioned to reach greater heights in the year ahead.

DATUK KWEK LENG SAN

Chairman



Management Discussion and Analysis



Hume Cement Industries Berhad (“HCIB” or “the Group”) is pleased to present the Management Discussion and Analysis (“MD&A”) for the financial year ended 30 June 2025 (“FY2025”). This review outlines the Group’s operational performance, strategic developments, and financial results across the reporting period from 1 July 2024 to 30 June 2025.



OVERVIEW OF BUSINESS ENVIRONMENT

The financial year ended 30 June 2025 (“FY2025”) unfolded against a backdrop of continued global economic uncertainty. Ongoing geopolitical tensions, inflationary pressures, and currency volatility impacted both demand patterns and cost structures across industries. These external challenges, combined with rising commodity prices and cautious consumer sentiment, tested the resilience of businesses globally, including those in construction and infrastructure.

Despite these headwinds, Malaysia’s economy demonstrated relative stability, recording estimated GDP growth of 4.4%. Bank Negara Malaysia maintained the Overnight Policy Rate (“OPR”) at 3% throughout the financial year, providing monetary support for investment and spending. Continued policy initiatives under the Twelfth Malaysia Plan also helped sustain construction activity, supported by public infrastructure commitments and domestic demand.

In line with national trends, the local construction sector remained stable, albeit tempered by labour constraints, material price volatility, and selective project launches. Foreign Direct Investment (“FDI”) remained robust, buoyed by Malaysia’s comparative advantages in skilled labour, affordable operating costs, and maturing technological capabilities.

Amidst these macro conditions, HCIB maintained operational momentum. For the financial period ended 30 June 2025, the Group recorded revenue of RM1,114.6 million and profit before tax (“PBT”) of RM295.1 million.

For the financial period under review, the Group’s continuous improvements in operational excellence and production efficiency contributed positively to its financial performance. This was further supported by the positive economic factors, such as the lower commodity price of coal and a favourable USD foreign exchange rate.

In FY2025, the Group initiated the cessation of its concrete operations in Peninsular Malaysia, and the process is expected to extend into the subsequent financial year. This strategic realignment reflects the Group’s commitment to concentrating resources on core business segments and advancing higher-priority initiatives.

HCIB’s early adoption of ESG integration has placed the Group in a favourable position to meet Bursa Malaysia’s growing requirements. Key focus areas such as carbon intensity reduction, operational energy efficiency, and community engagement initiatives were conducted within the Group’s operations during the year.

Climate-related challenges, ranging from unseasonal rainfall to longer dry spells, have also reinforced the urgency of climate resilience planning. HCIB remains steadfast in reducing its environmental impact through the adoption of alternative fuels and increased utilisation of Supplementary Cementitious Materials (“SCMs”). Our environmental monitoring and reporting capabilities were further enhanced during FY2025 to meet stakeholder expectations and regulatory readiness.

In navigating these dynamics, the Group’s agility, discipline, and long-term view have remained central to our progress. We remain committed to our role in supporting the nation’s development agenda, while enhancing stakeholder value through responsible and future-focused operations.

Management Discussion and Analysis

(Cont'd)

REVIEW OF BUSINESS PERFORMANCE

In line with sound corporate governance and long-term business resilience, HCIB has undertaken a comprehensive assessment of external operating conditions through the internationally recognised sectors of Political, Economic, Social, Technological, Environmental, and Legal ("PESTEL") framework.

This exercise enabled the Group to systematically identify key external risks and opportunities that may impact operations, financial performance, and strategic direction. Based on these insights, HCIB has formulated targeted mitigation measures and strategic responses to strengthen operational agility and ensure continued value creation.

The following sections outline the material factors identified under each PESTEL domain, along with the Group's corresponding response strategies.



➤ POLITICAL SECTOR

Ongoing geopolitical tensions, including the prolonged Russia-Ukraine conflict, instability in the Middle East, and trade tariffs imposed by the United States, continued to present uncertainty across global markets in FY2025.

These developments have contributed to persistent supply chain disruptions and volatility in key input materials. For HCIB, these circumstances translated into intermittent sourcing challenges and upward pressure on operating costs.

With this in mind, the Group remains vigilant of these macro-political shifts, given their potential to impact both pricing stability and long-term sourcing strategies.

Management Discussion and Analysis

(Cont'd)

Potential Impacts	Our Response
<p><u>Volatile Commodity and Input Cost Pressures</u></p> <p>Global geopolitical developments continued to influence commodity markets in FY2025. While coal prices moderated during the year, they are still subject to high volatility, driven by geopolitical escalation or trade policy shifts, and remain a key concern.</p> <p>Any sustained increase in input costs could exert pressure on profit margins and challenge the Group's cost competitiveness, particularly in a price-sensitive construction sector.</p>	<p><u>Broadening Procurement Partnerships</u></p> <p>HCIB is proactively expanding and diversifying its supplier base, particularly for key imported commodities, to mitigate geopolitical risks and supply chain disruptions. With periodic review of its procurement strategies, the Group enhances supply continuity, cost predictability, and operational resilience, while strengthening negotiating leverage. This strategic approach will continue to guide HCIB's efforts in securing sustainable sourcing and long-term cost efficiency.</p> <p><u>Risk Management and Hedging Strategies</u></p> <p>Amid heightened market volatility in FY2025, HCIB has reinforced its commitment to disciplined risk management through prudent hedging. The Group monitors geopolitical, commodity, and currency trends to pre-empt cost disruptions, employing forward foreign exchange contracts to safeguard margins on USD-denominated purchases.</p> <p>These actions, alongside supplier diversification, underpin HCIB's broader strategy to ensure cost stability and maintain its competitive edge in uncertain market conditions.</p>

Outlook

HCIB adopts a proactive and resilient approach to managing global volatility by monitoring geopolitical shifts and reinforcing risk mitigation through supplier and financial strategies.

➤ ECONOMIC SECTOR

In FY2025, Malaysia's economy maintained a measured growth trajectory, amid a climate of global economic softening and inflationary pressures. The construction sector remained stable, supported by government infrastructure spending and ongoing private sector activity.

As part of its risk-informed approach, the Group has identified these economic variables as material factors and continues to implement targeted strategies to mitigate their impact and support long-term operational and financial resilience.

Potential Impacts	Our Response
<p><u>Currency Stability and Exchange Rate Risk</u></p> <p>Throughout FY2025, the Malaysian Ringgit has regained favourability, particularly against the US Dollar, significantly raising HCIB's defence against foreign currency-denominated input costs, notably coal and spare parts, easing pressure on profit margins. Nonetheless, the Group retains internal efficiency initiatives, helping to offset currency volatility risks that still remain a key risk to the Group's overall cost structure and profitability.</p>	<p><u>Currency Forward Contract Mechanism</u></p> <p>To mitigate currency volatility, HCIB has adopted forward contracts within its procurement and treasury operations, enabling fixed exchange rates for future foreign-denominated purchases, especially raw materials. This strategy enhances cost predictability, supports pricing stability, and helps protect operating margins in a volatile exchange rate landscape.</p>

Management Discussion and Analysis

(Cont'd)

Potential Impacts	Our Response
<p><u>Interest Rate</u></p> <p>Any upward revision in interest rates would increase financing costs, potentially affecting HCIB's capital expenditure plans and return on investment thresholds. As such, interest rate movements continue to be closely monitored as part of the Group's financial planning framework.</p> <p><u>Rising Inflation</u></p> <p>Rising inflation is expected to drive up operating expenses, which include energy and labour, hence tightening HCIB's margins and intensifying pricing pressures.</p>	<p><u>Procurement Strategies</u></p> <p>To navigate potential interest rate changes and financing cost pressures, HCIB employs a hybrid procurement strategy that balances fixed-price and index-linked contracts for key raw materials. This approach allows for the Group to capitalise on favourable market fluctuations, which improves cash flow management, boosts cost predictability, and reinforces financial resilience, especially when borrowing constraints limit flexibility.</p> <p><u>Monitoring Interest Rates</u></p> <p>HCIB closely tracks interest rate movements as part of its capital management strategy. This vigilance enables the Group to assess opportunities for optimising its financing structure, including swapping to borrowings at improved terms and cheaper financing rates whilst identifying alternative, cost-effective funding channels.</p> <p><u>Driving Market Expansion and Customer Diversity</u></p> <p>HCIB is advancing a long-term resilience strategy by expanding into new markets and diversifying its customer base across sectors and regions. This approach helps spread risk, reduces reliance on any single segment, and bolsters the Group's ability to navigate economic fluctuations while driving more sustainable, multi-channel growth.</p> <p><u>Financial Planning and Forecasting</u></p> <p>Vigilant financial forecasting is integral to HCIB's strategic planning, enabling the Group to anticipate challenges, adapt swiftly, and align financial decisions with evolving market conditions. This approach supports cash flow protection and strengthens operational agility.</p>

Outlook

By remaining vigilant of economic variables, HCIB leverages its financial planning, procurement flexibility, and customer diversification efforts to reduce its vulnerability to macroeconomic shifts.

Looking ahead, HCIB maintains a cautiously optimistic outlook on Malaysia's economic trajectory and is well-positioned to navigate uncertainties, seize emerging opportunities, and sustain long-term competitive growth.

Management Discussion and Analysis

(Cont'd)

> SOCIAL

HCIB recognises that strong social foundations are essential to long-term business resilience. Social risk management that spans both internal workforce wellbeing and external community relations plays a pivotal role in sustaining operational continuity, stakeholder trust, and the Group’s social license to operate.

Internally, the health, safety, and morale of our employees remain a core priority, directly influencing productivity, retention, and the Group’s competitive positioning. Externally, HCIB continues to cultivate constructive, long-term relationships with local communities through consistent engagement and mutual respect.

By actively listening to community concerns and aligning our social initiatives with real needs on the ground, the Group is better positioned to foster meaningful impact, which leads to strengthening not only our presence within the industry but also our contribution to the wider social fabric in which HCIB operates.

Potential Impacts	Our Response
<p><u>Occupational Health and Safety Risks</u></p> <p>Neglecting health and safety at HCIB risks operational disruption, legal exposure, and reputational damage whilst also harming productivity, morale, and talent retention. Strong protocols are vital to sustaining workforce stability and long-term performance.</p>	<p><u>Prioritising Employee Health & Safety</u></p> <p>HCIB upholds a firm commitment to health and safety as a cornerstone of operational excellence. Through structured protocols, regular risk assessments, and continuous training, the Group ensures a secure working environment. This proactive approach not only supports workplace stability but also reinforces HCIB’s reputation as an employer of choice, hence boosting morale, retention, and long-term industry competitiveness.</p>
<p><u>Reputational Risks</u></p> <p>Limited community engagement and poor responsiveness to social concerns may invite public resistance, escalate tensions, and disrupt HCIB’s operations. Negative media exposure could also damage the Group’s hard-earned reputation, weaken customer trust, and impact market share and sales.</p>	<p><u>Societal Outreach</u></p> <p>HCIB regards community engagement as essential to responsible business, fostering strong local partnerships through open dialogue, feedback, and collaborative initiatives. By supporting local community development, the Group enhances its role as a trusted partner, safeguards its reputation, and strengthens long-term social harmony and operational stability.</p>
<p><u>Violation of Human Rights</u></p> <p>Failure to engage transparently with local communities may lead to public resistance, operational disruptions, and reputational damage, threatening HCIB’s license to operate.</p> <p>Negative media coverage can erode trust, weaken brand equity, and affect market performance. HCIB therefore treats community engagement as a strategic priority for long-term sustainability.</p>	<p><u>Simen Rahmah Initiative</u></p> <p>HCIB’s participation in the government’s Simen Rahmah initiative highlights its commitment to social inclusivity and national progress by supplying subsidised cement for affordable housing projects aimed at underserved communities.</p> <p>This effort extends HCIB’s role beyond commercial interests, promoting housing access and social equity.</p>

Outlook

Moving forward, HCIB will continue to refine and expand its social initiatives to ensure they remain responsive, inclusive, and aligned with stakeholder expectations. With a strong sense of responsibility and long-term commitment, the Group aspires to be a catalyst for positive change, both within its workforce and across the communities it touches.

Management Discussion and Analysis

(Cont'd)

➤ TECHNOLOGY

HCIB continues to advance its digital transformation agenda through strategic investments in automation, process optimisation, and customer-facing technologies. These efforts are focused on enhancing plant efficiency, reducing operational bottlenecks, and enhancing customer relationships.

Driven by Malaysia's broader Fourth Industrial Revolution ("4IR") vision, the Group recognises that integrating smart technologies is no longer optional but essential for future-readiness. By embedding innovation into its operational model, HCIB positions itself to lead in an increasingly digital and competitive landscape.

Potential Impacts	Our Response
<p><u>Competitive Edge Opportunity</u></p> <p>Digitalisation and automation can equip HCIB with enhanced operational visibility, deeper customer insights, and agile decision-making.</p> <p>These technologies streamline labour-intensive processes, improve efficiency, and reduce costs, thereby strengthening competitiveness and adaptability in a fast-evolving business landscape.</p>	<p><u>Customer Relationship Management ("CRM")</u></p> <p>HCIB aims to strengthen customer satisfaction and loyalty by delivering more personalised, efficient, and responsive service using an advanced CRM system.</p> <p>Through better alignment between internal systems and customer-facing teams, the Group is focused on creating a more seamless and value-driven client experience.</p>
<p><u>Efficiency and Productivity</u></p> <p>HCIB's focus on smart control systems and automation drives greater efficiency, enabling faster market responsiveness and reduced turnaround times.</p> <p>These advancements not only elevate customer satisfaction and performance outcomes but also support cost optimisation, boost productivity, and further the Group's sustainability and operational excellence agenda.</p>	<p><u>Implementation of Robotic Processing Automation ("RPA") for Routine Tasks</u></p> <p>HCIB views Robotic Process Automation (RPA) as a strategic lever to boost efficiency and lower operating costs by automating routine, high-frequency tasks.</p> <p>In doing so, the Group expects to enhance resource optimisation while achieving meaningful cost efficiencies, as automation reduces reliance on manual processes and streamlines operational workflows.</p>
<p><u>Effective and Efficient Customer Service</u></p> <p>HCIB is using digital platforms and real-time support tools to improve service responsiveness and consistency, which is key to earning customer trust and loyalty.</p> <p>By harnessing technology to analyse customer behaviour, the Group can tailor offerings and deliver more personalised experiences, boosting engagement and brand strength in a competitive market.</p>	<p><u>Upgraded Distribution Control System ("DCS")/ Programmable Logic Controllers ("PLCs") for Plant Operations</u></p> <p>HCIB is driving productivity and resource efficiency through upgraded DCS and PLC systems that enable real-time monitoring and precise process control.</p> <p>These enhancements ensure stable, responsive operations and consistent output quality, hence optimising performance across diverse production demands.</p>

Outlook

By leveraging automation and data-driven technologies, HCIB is confident these capabilities will support the Group's long-term goal of enhancing productivity, improving efficiency, and building resilience in an increasingly digital marketplace.

In the coming period, HCIB remains committed to embedding innovation across its operations. As technological advancements continue to reshape the industrial landscape, the Group is focused on harnessing these tools to drive sustainable growth and play a leading role in the evolution of a more future-ready, technology-driven industry.

Management Discussion and Analysis

(Cont'd)

➤ ENVIRONMENTAL

As responsible stewards of the environment, HCIB remains committed to integrating sustainable practices that minimise our environmental footprint and support the transition to a low-carbon future.

This commitment is underscored by our recognition of the growing environmental risks tied to emissions, pollution, and climate change. These factors not only affect regulatory compliance but also influence stakeholder expectations and trust. As such, environmental management continues to be one of the strategic priorities across all levels of the Group.

Potential Impacts	Our Response
<p><u>Penalties from Non-Compliance</u></p> <p>Non-compliance with relevant environmental regulations exposes the Group to potential penalties and legal sanctions. This may undermine investor confidence, leading to notable financial exposure.</p> <p>Beyond financial risks, reputational damage remains a key concern, given stakeholders’ high expectations for responsible environmental standards and ethical practices.</p>	<p><u>Alternative Fuel Usage</u></p> <p>Reducing environmental impact is central to HCIB’s strategy as it supports the Group’s transition towards a low-carbon economy. The Group continues to pursue initiatives aimed at decarbonising its operations and maximising resource efficiency to support long-term sustainability goals.</p> <p>Through increased use of alternative fuels, SCMs, and industrial by-products, HCIB is advancing a circular production model that supports both sustainability and decarbonisation.</p>
<p><u>Risk of Closure</u></p> <p>Recurring instances of non-compliance with environmental standards could jeopardise the Group’s licence to operate, which could trigger regulatory interventions, including business closures.</p> <p>Such closures may impair financial performance while impacting employees and local stakeholders who rely on the Group’s operations. Additionally, competitors may take advantage of such business disruptions, making it difficult for the Group to regain market share.</p>	<p><u>Environment Footprint Monitoring</u></p> <p>HCIB commits to transparency in environmental reporting to build stakeholder trust and demonstrate accountability.</p> <p>By disclosing measurable performance data and continuously monitoring emissions, the Group proactively identifies risks, ensures regulatory compliance, and minimises its environmental footprint.</p>
<p><u>Community Discontent</u></p> <p>Adverse community sentiment regarding unresolved environmental issues in the form of dust, noise, and water pollution can culminate in protests or boycotts against HCIB’s operations.</p> <p>This may impair HCIB’s reputation, disrupt operations, and impede strategic growth in new markets.</p>	<p><u>Community Engagement</u></p> <p>HCIB is committed to fostering strong relationships with the communities in which we operate by promoting transparency, understanding, and mutual respect. We actively engage in community welfare efforts, including donations and participation in local initiatives, while also sharing information about our environmental protection practices and safety measures.</p> <p>By maintaining open channels of dialogue, HCIB is able to understand community concerns, gather suggestions, and work toward addressing such issues in a timely and constructive manner. This approach reinforces community trust and ensures the Group remains responsive to the expectations of our local community.</p>

Outlook

In response to escalating environmental concerns, HCIB acknowledges the growing stakeholder demand for elevated standards in environmental stewardship. We proactively align with these expectations by implementing purposeful initiatives that advance our sustainability agenda.

Through these measures, we aim to play a pivotal role in driving industry-wide progress towards environmental sustainability and nurturing a greener, more resilient future.

Management Discussion and Analysis

(Cont'd)

➤ LEGAL

HCIB is committed to upholding the highest standards of legal compliance and ethical conduct as part of its long-term sustainability strategy. By identifying and managing legal risks early, the Group aims to protect business continuity, safeguard stakeholder trust, and build a resilient foundation for future growth.

The Group maintains strict adherence to labour laws, reinforces its anti-corruption framework, and ensures corporate practices remain aligned with regulatory expectations. With growing global attention on carbon reduction, HCIB is also preparing for the legal complexities arising from emerging mechanisms such as carbon credits. These developments further highlight the need for a proactive and structured approach to legal risk management.

Potential Impacts	Our Response
<p><u>Penalties from Non-Compliance</u></p> <p>HCIB prioritises legal compliance as a pillar of responsible business conduct, reinforcing its integrity and stakeholder trust.</p> <p>By proactively managing legal risks and enhancing internal controls, the Group safeguards profitability, minimises exposure to regulatory penalties, and ensures alignment with ethical expectations across its operations.</p>	<p><u>Implementation of ISO 37001 Anti-Bribery and Corruption Management System ("ABCMS")</u></p> <p>HCIB's implementation of the SIRIM-certified ISO 37001 anti-bribery system reflects a strong commitment to transparency, ethical conduct, and robust governance.</p> <p>By integrating ABCMS across operations, the Group reinforces legal compliance, reduces corruption-related risks, and fosters a resilient, accountable culture that enhances stakeholder trust and operational integrity.</p>
<p><u>Reputational Damage</u></p> <p>HCIB recognises that maintaining legal and ethical integrity is critical to attracting top talent, earning investor confidence, and preserving long-term competitiveness.</p> <p>To safeguard its reputation and stakeholder trust, the Group upholds transparent and responsible conduct across all levels, consistently mitigating the risks of legal infractions, negative publicity, and business constraints.</p>	<p><u>Employees' Awareness and Information</u></p> <p>HCIB fosters ethical conduct by equipping employees to identify and address compliance risks, supported by transparency-driven awareness initiatives that promote accountability and confidence in reporting misconduct.</p> <p>Regular briefings and knowledge-sharing sessions on evolving legal requirements help keep teams informed and aligned with the Group's overarching compliance framework.</p>
<p><u>Increased Response Costs to Constant Regulatory Changes</u></p> <p>Frequent regulatory changes and the increasing complexity of compliance requirements could trigger costly system upgrades and disrupt operations. This, in turn, poses a material risk to HCIB, with potential impacts on the Group's operational efficiency and cost management.</p>	<p><u>Proactive Monitoring of Regulatory Compliance</u></p> <p>By staying ahead of compliance requirements, HCIB proactively monitors regulatory developments to mitigate risks tied to unexpected legislative changes in order to protect financial performance and ensures business continuity.</p>

Outlook

HCIB actively monitors evolving regulations and adapts its practices accordingly to maintain continuous compliance. By aligning operations with emerging legal standards, the Group seeks to establish a robust foundation for sustainable and responsible business growth.

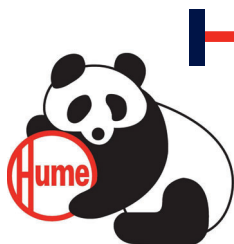
This proactive stance underscores HCIB's unwavering commitment to legal compliance, ethical business conduct, and business transparency. By effectively managing legal risks, the Group not only safeguards its reputation but also ensures long-term resilience and stakeholder trust, which are essential to its ongoing success.

Management Discussion and Analysis

(Cont'd)

BUSINESS MODEL

HCIB is principally an investment holding company, whilst the principal activities engaged in by its subsidiaries are those of investment holding, the manufacturing and sale of cement and cement-related products, and the marketing and sale of concrete and concrete-related products.

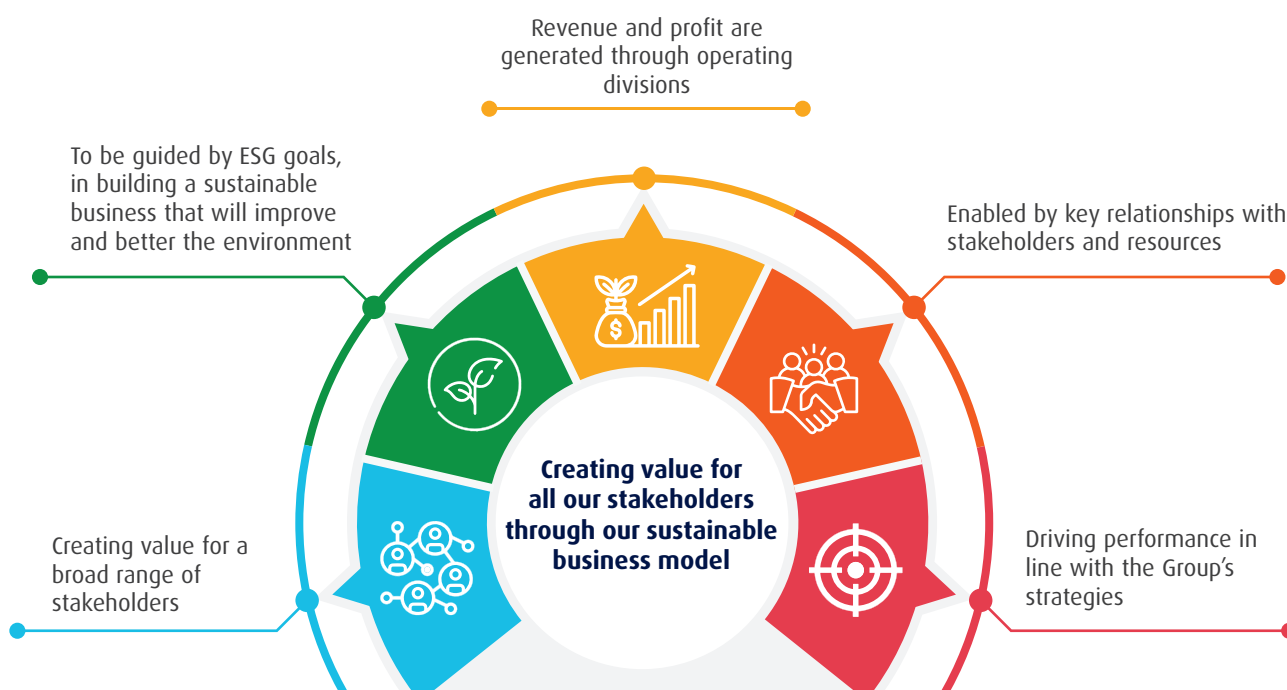


Hume Cement Sdn Bhd ("HCMT") commenced operations in 2012 with the commissioning of its first production line, followed by a second line in 2016. The company operates a fully integrated cement facility situated in Gopeng, Perak, utilising state-of-the-art technology in its production processes. Currently, HCMT has a total installed capacity of 3.0 million tonnes of clinker and 5.0 million tonnes of cement per annum.

Hume Concrete Sdn Bhd ("HCCT") commenced operations as early as 1929 with the establishment of its first precast concrete factory. Currently, HCCT operates two strategically located factories across Malaysia, enabling supply to customers throughout Peninsular and East Malaysia. HCCT has since established itself as Malaysia's premier manufacturer of precast concrete products for the construction industry.



The Group strives to establish a business capable of sustainably meeting the demands of stakeholders today, while also securing value for future generations. Central to this effort is the careful alignment of stakeholder interests and the collaborative pursuit of mutual objectives. By integrating robust financial performance with responsible environmental and social practices, the Group underscores its belief that true value extends beyond profitability alone.



Management Discussion and Analysis

(Cont'd)

RISK PROFILE AND MANAGEMENT APPROACH

Recognising the critical role that risk management plays in organisational integrity, the Group maintains a robust and continuous risk review process. This involves thorough and regular evaluations of potential operational and financial vulnerabilities to ensure informed decision-making.

To support this, the Group leverages a robust affirmative action plan to ensure business agility in addressing emerging risks and seizing new opportunities.

Through this rigorous approach, the Group is positioned to swiftly adapt to market changes, uphold stakeholder confidence, and ensure sustained business resilience.

Credit Risks

Description

- At its core, credit risk represents the chance of counterparties defaulting or failing to meet their expected payment obligations, potentially affecting the Group's financial performance and stability. The Group primarily faces credit risk exposure through customer receivables, bank balances, short-term deposits, and active forward exchange contracts. Essentially, credit risk involves the possibility of financial losses arising from a customer's or counterparty's inability to fulfil contractual commitments related to financial instruments.

Strategic Approach

- The Group's receivables mainly stem from dependable, long-term customers. To safeguard financial health, receivables are rigorously assessed for accuracy and impairment risk. A structured credit management policy guides this evaluation, including thorough financial checks for customers seeking significant credit. Ongoing credit exposure monitoring further fortifies asset protection and supports strong financial performance.
- Receivables identified as carrying substantial overdue amounts and posing elevated credit risks are subject to focused, individual assessments by the Group. The Group conducts periodic ageing analyses as well to facilitate effective management of these exposures.
- The Group consistently seeks the most competitive market rates available for fixed-rate investment instruments, strategically utilising its short-term deposits to optimise returns while effectively managing liquidity and credit risk exposure.

Liquidity Risk

Description

- Liquidity risk arises when the Group encounters challenges in maintaining sufficient cash or funding resources to meet obligations as they fall due, which could impact operational continuity and financial stability. The Group primarily faces liquidity risk through its financial obligations, including payables, loans, and borrowings. This risk reflects the potential for cash flow constraints that may disrupt the timely settlement of financial commitments.

Strategic Approach

- The Group ensures timely repayment of financial obligations and funding requirements by monitoring and managing operating cash flows and funding requirements.
- The Group maintains financial stability by maintaining sufficient cash reserves to cover working capital requirements. This approach is central to maintaining prudent liquidity management across its operations.

Management Discussion and Analysis

(Cont'd)

Market Risks

Description

- Market risk reflects the potential impact of external price volatility on the Group's overall financial performance and risk exposure. The Group is exposed to market risk through fluctuations in foreign exchange rates, interest rates, and other price movements that may affect its financial instruments and investment portfolio. These changes can result in unexpected gains or losses, directly influencing both the Group's financial position and future cash flows.

Strategic Approach

- To mitigate the impact of foreign currency fluctuations, the Group uses derivative instruments such as forward exchange contracts. Material exposures are evaluated individually, and hedging is applied on a case-by-case basis to ensure effective risk management tailored to each transaction.
- To manage interest rate fluctuations and optimise overall borrowing costs, the Group maintains a balanced mix of fixed and floating rate facilities. This approach provides the flexibility needed to adapt to changing market conditions while supporting long-term financial stability.

Operational Risks

Description

- Operational risk arises from the inherent uncertainties within the Group's core activities, including fluctuations in the cost and availability of raw materials, skilled labour, and critical spare parts.
- The Group addresses operational challenges through proactive risk management strategies that support resilience and ensure compliance with evolving legal, regulatory, health, and environmental standards. This forward-looking approach allows the Group to adapt effectively as industry requirements change.

Strategic Approach

- The Group takes a comprehensive view in identifying and assessing potential operational risks through a structured review process. This is supported by a robust risk management system embedded across all levels of operations. Regular oversight by Senior Management and the Audit and Risk Management Committee, with governance from the Board, ensures that operational risk factors are systematically reviewed and addressed.
- The Group's preventative risk management efforts help create a strong foundation for business stability and long-term sustainability. This readiness is reinforced through detailed evaluations, where risk reports are carefully reviewed and translated into clear action plans aimed at reducing or addressing key exposures.

PERFORMANCE REVIEW OF SUBSIDIARIES

Hume Cement Sdn Bhd ("HCMT")

HCMT continued to strengthen its customer-focused value proposition by offering a comprehensive range of cement products designed to meet diverse project specifications. This is supported by the company's flagship brand, Panda Cement, which continues to anchor its reputation as a leading cement manufacturer in Malaysia.

In the financial year under review, continuous improvement efforts within the Group's plant have yielded tangible results, leading to measurable gains in productivity and system reliability. This, in turn, has driven more cost-efficient production outcomes.

Management Discussion and Analysis

(Cont'd)

To further support long-term operational efficiency and cost management, the Group focused on extending the lifespan of key equipment while integrating digital transformation tools. These technologies enhanced inspection processes, improved equipment performance, and contributed to greater plant efficiency.

Despite an increasingly competitive market, HCMT remained agile in aligning its operations with customer needs and market demand. Its continuous drive to optimise resource use, upgrade infrastructure, and embrace digital innovation underscores the Group's commitment to excellence and sustainable performance.

Hume Concrete Sdn Bhd ("HCCT")

Backed by a solid portfolio of experience, HCCT is firmly recognised as a pioneer in Malaysia's precast concrete industry. Its longstanding reputation is built on the consistent delivery of high-quality, value-engineered products specifically designed to support infrastructure development.

The decision to reduce the number of manufacturing sites of its concrete business in Peninsular Malaysia was made following a comprehensive strategic review to optimise operations and enhance long-term sustainability. This move aligns closely with the Group's broader efforts to adapt its operating model and ensure long-term viability, with the remaining operations committing to pursue ongoing operational excellence initiatives.

Guided by its principles of quality and affordability, HCCT maintains a strong commitment to providing practical, customer-oriented solutions. This approach has enabled the company to sustain its position as a trusted industry partner.

SHAREHOLDER VALUE CREATION

The Group views dividend distribution as a key mechanism in delivering shareholder value. The Board takes a holistic approach when determining payout levels, considering a range of financial indicators, including profitability, capital expenditure needs, debt repayment obligations, capital adequacy, and other relevant financial indicators.

This measured and consistent approach to capital allocation reinforces the Group's broader strategy to balance reinvestment for growth with meaningful returns to shareholders.

In FY2025, the Company declared and paid a total of 10 sen per share as first and second interim single-tier dividends, reflecting its ongoing commitment to rewarding shareholders.

PROSPECTS MOVING FORWARD

The Group remains focused on strengthening its operational capabilities and production efficiency to support long-term business sustainability. Strategic investments in manufacturing infrastructure and ongoing enhancement of R&D initiatives are positioning the Group to develop innovative product offerings that respond to evolving market needs.

In parallel, the Group is enhancing its market positioning by building brand awareness and visibility. Through targeted marketing, stronger customer engagement, and consistent product quality, the Group seeks to reinforce brand trust, sustain customer loyalty, and drive growth in a competitive marketplace.

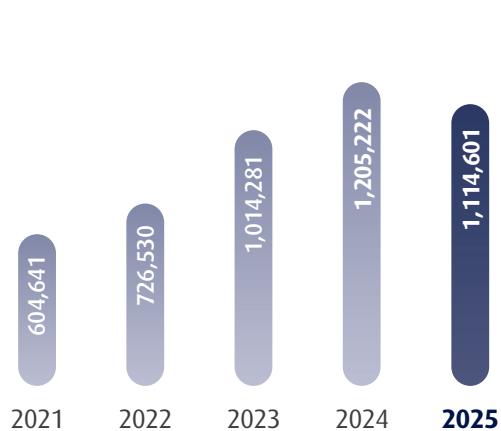
With environmental sustainability becoming increasingly central to regulatory frameworks and stakeholder expectations, the Group is proactively aligning its operations and governance practices to meet these rising standards. This includes reinforcing compliance mechanisms and embedding sustainability principles into core decision-making processes.

While the external operating environment remains fluid, the Group maintains a prudent yet confident outlook. By continuing to pursue growth opportunities across its product portfolio and enhancing enterprise agility, the Group is well-equipped to navigate emerging challenges and deliver sustained value over the long term.

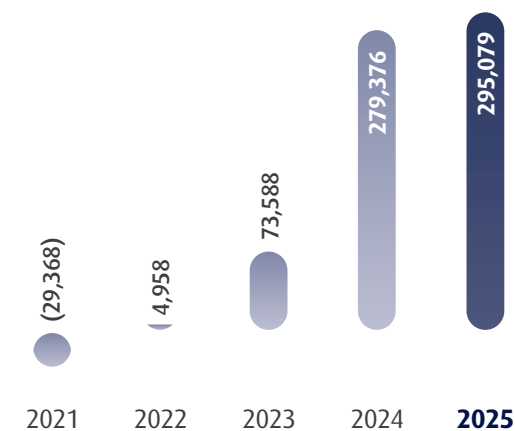
Group Financial Highlights

RM'000	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	604,641	726,530	1,014,281	1,205,222	1,114,601
Profit/(Loss) Before Taxation	(29,368)	4,958	73,588	279,376	295,079
Profit/(Loss) Attributable Owners Of The Company	(27,360)	3,118	60,034	210,939	223,171
Net Earnings/(Loss) Per Share (sen)	(5.5)	0.6	11.9	36.0	30.8
Net Dividend Per Share (sen)	-	-	-	8.0	10.0
Total Equity	364,757	368,019	428,833	584,863	727,914
Total Assets	1,210,056	1,297,648	1,186,241	1,222,112	1,219,725
Capital Expenditure	14,300	14,712	19,322	33,155	26,698

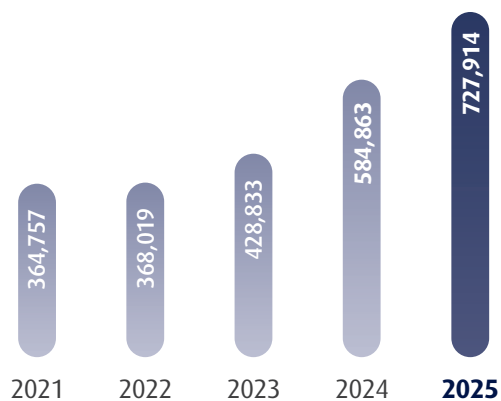
REVENUE
(RM'000)



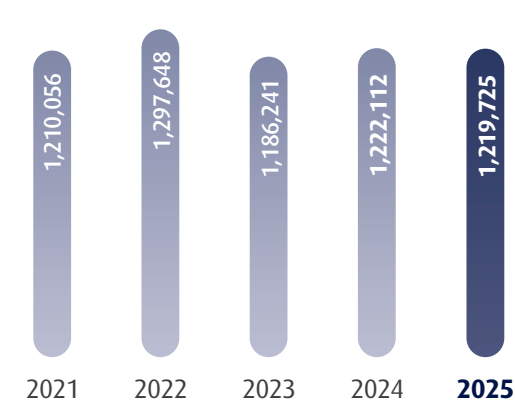
PROFIT/(LOSS) BEFORE TAXATION
(RM'000)



TOTAL EQUITY
(RM'000)



TOTAL ASSETS
(RM'000)



Sustainability Statement

1.0 ABOUT THIS STATEMENT

1.1 INTRODUCTION

Hume Cement Industries Berhad (“HCIB” or “the Group”) is proud to present its Sustainability Statement for the financial year 2025 (“SS2025”). This report aims to outline the Group’s efforts and performance in managing economic, environmental, social, and governance (“EESG”) matters between 1st July 2024 and 30th June 2025 (“FY2025”), unless otherwise noted. Where relevant, the Group has also included three-year data (FY2023 to FY2025) to help illustrate possible performance trends over time.

While HCIB functions primarily as an investment holding company, this SS2025 shall focus on the business activities of its main subsidiaries, Hume Cement Sdn Bhd (“HCMT”), Hume Concrete Sdn Bhd, and Hume Concrete (EM) Sdn Bhd (collectively referred to as “HCCT”). HCMT, sited in Gopeng, Perak, focuses on the production of cement. Meanwhile, HCCT activities in Malaysia’s construction sector can be traced back to its first precast concrete plant back in 1929. Today, HCCT continues to supply precast concrete products in Malaysia.

Through this SS2025, the Group hopes to help stakeholders understand how it aims to continue building long-term value responsibly, both financially and non-financially. To get a complete picture of HCIB’s approach to sustainability, this statement should be read together with the Chairman’s Message, Management Discussion and Analysis (“MD&A”), Statement of Risk Management and Internal Control, and the Corporate Governance Overview Statement that can be found within this Annual Report.

1.2 REPORTING FRAMEWORK APPLIED

The preparation of this Sustainability Statement has been guided by the following frameworks and guidelines:

- Bursa Malaysia’s Sustainability Reporting Guide Third Edition
- International Financial Reporting Standards (“IFRS”) S1 and S2
- National Sustainability Reporting Framework (“NFRS”)
- United Nations Sustainable Development Goals (“UNSDGs”)
- Global Reporting Initiative (“GRI”) Standards
- FTSE4Good Bursa Malaysia Index

1.3 STATEMENT OF USE

This Statement is made following the Board’s approval on 26 August 2025.

1.4 REPORTING SCOPE AND BOUNDARY

This SS2025 covers HCIB’s operations in Malaysia, where the Group has direct controlling interests or management control, with the primary focus on the operations of HCMT and HCCT. While there are other subsidiaries under the Group, they have been excluded from this SS2025 as they are not considered materially significant to the Group’s overall performance. As such, the focus of this report is limited to the following:

Operating companies	Location
Group (“HCIB”)	- Petaling Jaya, Selangor (Head Office)
Hume Cement Sdn Bhd (“HCMT”)	- Gopeng, Perak
Hume Concrete Sdn Bhd (“HCCT”)	- Beranang, Selangor - Kuantan, Pahang (<i>up to February 2025</i>) - Kota Kinabalu, Sabah (“Hume Concrete (EM) Sdn Bhd”)

Additionally, HCCT’s operations in Kuantan, Pahang, have ceased as of March 2025. As such, data from this location is only available up to February 2025.

Throughout the SS2025, mentions of “HCIB” or “the Group” shall refer to the full organisation. Meanwhile, “HCCT” or “HCMT” shall be used when referencing the specific subsidiaries. “HCCT” may also be used to collectively refer to all its production facilities, unless otherwise specified.

Sustainability Statement

(Cont'd)

1.5 LIMITATIONS

All data and information provided in this report are based on HCIB's current capabilities in gathering relevant quantitative and qualitative information from internal operations and external partners. The same data collection standards apply across the Group's value chain.

While the Group strives for accuracy, some data gaps remain. HCIB endeavours to improve its data collection and monitoring processes continuously for future reporting.

1.6 FORWARD-LOOKING STATEMENTS

Some parts of this SS2025 may include future plans, targets, or forecasts that reflect the Group's strategic direction and expectations based on current market conditions and internal evaluations. These forward-looking statements are formulated using the best available data and assumptions at the time of writing. However, the Group acknowledges that due to various external and internal uncertainties, actual outcomes may differ significantly from what is projected.

As such, readers are advised to approach these statements with a balanced understanding and to consider them as indicative rather than guaranteed future results.

1.7 ASSURANCE AND APPROVAL

The data and disclosures presented in this SS2025 have been verified by HCIB's management team and the respective data owners. Additionally, this report has also been reviewed and approved by the Group's Board of Directors for an additional layer of accountability.

In addition, selected disclosures have undergone internal review by the Group's Internal Audit department. These disclosures have also been reviewed and approved by the Board Audit and Risk Management Committee ("BARMC"). A complete Statement of Assurance is included in the appendices of this SS2025.

1.8 DISTRIBUTION AND FEEDBACK

To constantly improve the Group's sustainability approaches, HCIB welcomes constructive feedback from its valued stakeholders. Please direct any queries, feedback, or suggestions to:

Hume Sustainability Department
sustainability@humecementind.com

2.0 SUSTAINABILITY OVERVIEW

2.1 SUSTAINABILITY HIGHLIGHTS



FTSE4Good

HCIB has received a 4-star rating in FY2025 under the FTSE Russell ESG Rating Methodology. This is currently the highest rating given to publicly listed companies on the Main Market and reflects the Group's ongoing efforts at ESG disclosures.

Sustainability Statement

(Cont'd)

Apart from that, in FY2025, the Group has also seen progress in other areas of sustainability, which entails the following:

Sustainability Pillar	Highlight
Economic	<ul style="list-style-type: none"> HCIB's operations comply with ISO 9001, ISO 14001, and ISO 45001 certifications for quality, environment and safety. HCMT's laboratory in Gopeng has been accredited according to ISO/IEC 17025 standards.
Environmental	<ul style="list-style-type: none"> HCMT's Gopeng cement plant holds ISO 14001 certification for environmental management systems. HCMT's Panda Green and Panda Yellow cement products were certified with the Singapore Green Label. Panda Green and Panda Yellow cement products have been listed in My HIJAU, the official green recognition scheme endorsed by the Malaysian government. In FY2025, HCMT planted 207 trees in its plant in Gopeng. HCMT has progressively reduced around 11% of its CO₂e emissions intensity since 2019.
Social	<ul style="list-style-type: none"> Collectively, the Group has provided 5,978 hours of safety training to their employees. The Group has implemented an OSH Management System aligned with ISO 45001:2018 standards HCIB has contributed RM25,118.50 to local community development through Corporate Social Responsibility ("CSR") initiatives
Governance	<ul style="list-style-type: none"> 100% of HCIB's plants have received ISO 37001 certification for Anti-Bribery & Corruption Management System ("ABCMS").

2.2 MEMBERSHIPS IN ASSOCIATION

The Group participates in the industry through memberships in various industry associations. Participation in these associations aims to allow HCIB to keep up to date with the current sustainability best practices and be a part of the discussion. HCIB's membership in associations and professional bodies is as follows:

Association	Operating Company
Cement & Concrete Association Malaysia	HCMT
American Concrete Institute – Malaysian Chapter	HCMT
Federation of Malaysian Manufacturers ("FMM")	HCMT & HCCT
Malaysian Employer Federation ("MEF")	HCMT & HCCT
Malaysian Photovoltaic Industry Association ("MPIA")	HCCT

2.3 AWARDS & ACCOLADES

Awards

GOLD MiSHA Excellence Award in OSH Risk Management (Manufacturing Sector - Heavy Industry) 2024

- Gold Award

National Occupational Safety and Health ("OSH") Award 2023

- Award in the Mining and Quarry sector

Sustainability Statement

(Cont'd)

Certifications

HCMT – SIRIM QAS International Certifications		
<ul style="list-style-type: none">• ISO 9001: 2015• MS EN 197-1: 2014• ISO 37001:2016	<ul style="list-style-type: none">• ISO 14001: 2015• MS EN 413-1: 2012	<ul style="list-style-type: none">• ISO 45001: 2018• ISO/IEC 17025: 2017
HCCT – SIRIM QAS International Certifications		
<ul style="list-style-type: none">• ISO 9001: 2015• MS 881: Part 3: 1991• MS 1314: Part 6: 2004• BS EN 1168: 2005+A3: 2011 CIS 24:2021	<ul style="list-style-type: none">• ISO 37001: 2016• SIRIM ECO 065:2019• MS EN 206: 2016 CIS 21: 2018• BS EN 13747: 2005+A2: 2010 CIS 24: 2021	<ul style="list-style-type: none">• MS 881: Part 1: 1991• MS 1314: Part 3: 2004• BS EN 13225: 2013 CIS 24: 2021
HCCT – CIDB		
<ul style="list-style-type: none">• CIS24 : 2023 – BS EN 13225 : 2013		



GOLD MiSHA Excellence Award in OSH Risk Management (Manufacturing Sector - Heavy Industry) 2024



National Occupational Safety and Health (“OSH”) Award 2023

3.0 SUSTAINABILITY GOVERNANCE

3.1 SUSTAINABILITY FRAMEWORK AND APPROACH

VISION		
To be a leader in sustainable cement and concrete products manufacturing, providing innovative solutions to build a better future for generations to come		
MISSION		
To produce high quality products while contributing positively to the environment and creating value for all stakeholders.		
<div>ENVIRONMENTAL Contributing positively to the environment</div>	<div>SOCIAL Composing positive impacts on social systems internally and externally</div>	<div>GOVERNANCE Conducting business ethically</div>
<div>1. Energy</div> <div>2. Other Air Pollutants</div> <div>3. GHG Emissions & Climate Change</div> <div>4. Waste Management</div> <div>5. Water Management</div> <div>6. Biodiversity</div>	<div>1. Health & Safety</div> <div>2. Labour Standards & Employee Management</div> <div>3. Local Community Engagement</div> <div>4. Human Rights</div> <div>5. Supply Chain Management</div>	<div>1. Data Privacy</div> <div>2. Corporate Governance</div> <div>3. Anti Bribery & Corruption</div>

Sustainability Statement

(Cont'd)

HCIB's sustainability framework serves as a guiding blueprint for integrating sustainability considerations into its operations. Built around the key environmental, social, and governance ("ESG") pillars, the framework aims to provide clear direction on how sustainability principles should be reflected across the Group's day-to-day operations.

This framework aligns with HCIB's overall vision and mission, helping to guide the translation of strategic priorities into consistent and practical actions throughout the organisation. It supports the Group's top-down governance model by giving both the Board and Senior Management a common structure to oversee, evaluate, and refine sustainability efforts. At the same time, it enables smooth collaboration across the Group. Through the framework, both management and operational teams can implement ESG-related initiatives with a shared understanding of expectations.

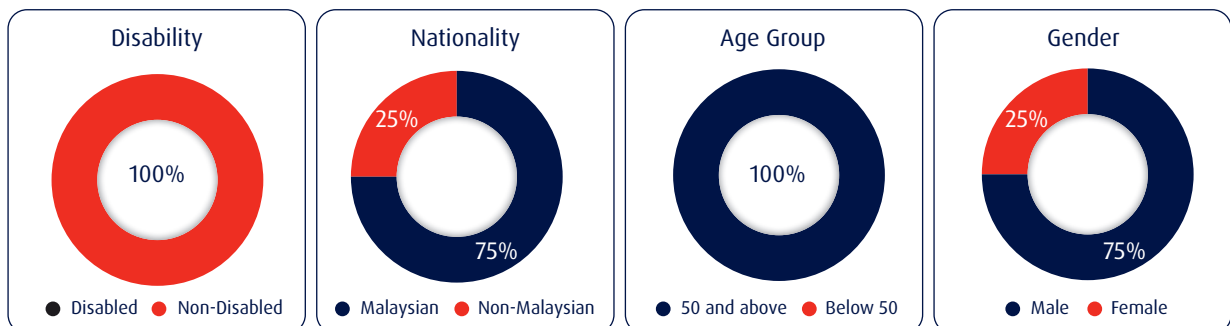
3.2 SUSTAINABILITY GOVERNANCE STRUCTURE



HCIB aims to consistently uphold a strong corporate governance structure as a core part of its sustainability journey. Central to the Group's sustainability governance structure is the Board of Directors ("Board"), who play a leading role in setting the direction for the Group's sustainability strategies and monitoring their progress. Through this top-down approach, HCIB promotes direct Board oversight on all major sustainability matters, such as health and safety, as well as climate change-related risks and opportunities.

The Group's Board itself comprises four members, three of whom are Independent Non-Executive Directors. This large proportion of independent directors helps provide objective and impartial oversight of the Group's sustainability approach, enabling balanced decision-making that reflects the interests of HCIB and its stakeholders. The composition of the Board in FY2025 is as follows:

HCIB's Latest Board Diversity



To support more detailed oversight and decision-making, the Board has established several Board-level committees. Among these, the Board Audit and Risk Management Committee ("BARMC") plays a key role in sustainability governance. As part of its role, the BARMC reviews the Group's risk management framework to promote an approach that remains effective and relevant with HCIB's overall business direction. This includes assessing and overseeing major business risks, including those linked to sustainability and climate change. In fact, two members of the BARMC oversee sustainability and climate change, as well as health and safety, so that these matters receive focused attention at the Board level.

Sustainability Statement

(Cont'd)

Further information on the Group’s corporate governance practices can be found in the Corporate Governance Overview Statement within this Annual Report and the CG Report.

The sustainability directives of the Board are supported by the management team through the Group’s Sustainability Steering Committee (“SSC”) and Sustainability Working Committee (“SWC”). These committees help bridge strategic oversight from the Board with day-to-day operations, helping to ensure that sustainability aspirations are translated into practical initiatives and measurable outcomes. At the operational level, the SSC and SWC work with Heads of Departments (“HODs”) and subject matter leaders across both HCMT and HCCT. These operational teams are aligned according to the core themes outlined in the Group’s sustainability framework. This structure helps to promote cross-functional collaboration and effective execution of sustainability strategies in the organisation.

While the Group oversees sustainability governance, HCIB ultimately takes a decentralised approach to sustainability and climate change-related risk management. This approach allows each subsidiary to prioritise risks that are relevant to its operations while aiming to align with the Group’s overall strategic direction. In this way, each subsidiary retains autonomy in managing its relevant ESG risks and opportunities, while receiving strategic guidance from the SSC and SWC.

To maintain consistency throughout all operations, any potential risks identified at the operational level are integrated into the Group’s broader corporate risk framework. These risks are monitored and periodically reviewed by the BARMC.

Ultimately, this governance structure endeavours to promote two-way communication. While the Board sets high-level sustainability goals, feedback and progress from the ground are communicated upwards through the SSC and SWC. This aims to allow the Group’s sustainability practices to remain relevant, adaptive, and in line with real-time operational insights. By maintaining this strong governance foundation, HCIB strives to continue to embed sustainability into its business in a structured and accountable manner.

3.3 STAKEHOLDER PARTICIPATION

Beyond internal governance structures, HCIB recognises the importance of engaging its external stakeholders in its overall governance and decision-making process. One of the key avenues for this engagement is the Annual General Meeting (“AGM”).

The AGM acts as an inclusive platform where key stakeholders are invited to participate in reviewing the Group’s performance and providing feedback. It enables the Board to respond to the questions and concerns raised by shareholders related to the Group’s performance.

This annual engagement demonstrates HCIB’s commitment to transparency, accountability, and open dialogue. By holding the AGM and promoting meaningful stakeholder participation, the Group aims to strengthen stakeholder trust, build long-term relationships, and reinforce governance practices that remain inclusive and responsive to external expectations.

ITEM		FY2023	FY2024	FY2025
AGM	AGM Notice Filing Date (DD-MM-YYYY)	04-10-2023	08-10-2024	07-10-2025
	AGM Date (DD-MM-YYYY)	02-11-2023	07-11-2024	06-11-2025
	Number of days between the date of notice and the date of the meeting	28	29	29

Note: Please refer to this Annual Report for the FY2025 Notice of AGM.

3.4 CORPORATE GOVERNANCE POLICIES AND PRACTICES

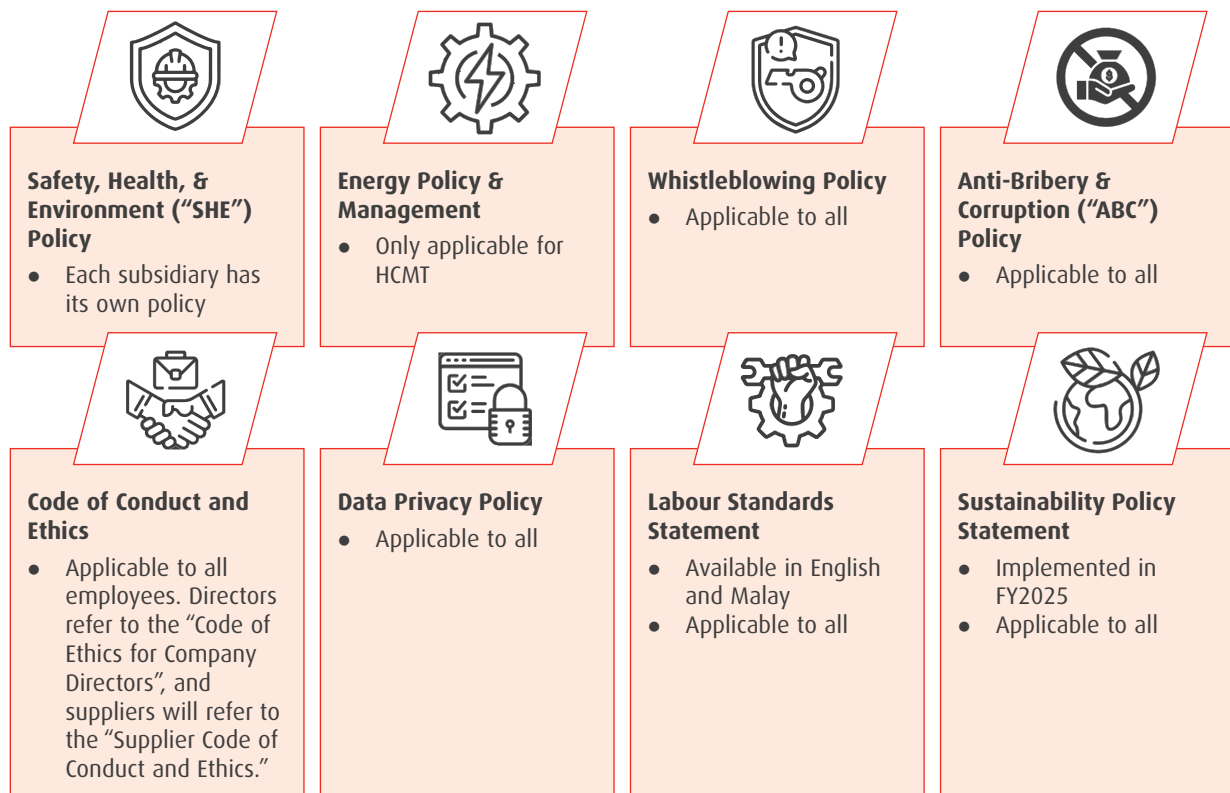
Effective corporate governance begins with a strong foundation of clear and robust policies. With this in mind, the Group has put in place several formal policies that promote ethical and responsible practices throughout its operations. These policies work in tandem with HCIB’s sustainability framework and governance structure by functioning as practical guides that embed ethical conduct and sustainability considerations into daily decision-making.

Sustainability Statement

(Cont'd)

In FY2025, HCIB took steps to strengthen its commitment to sustainable practices by developing and adopting a Sustainability Policy Statement. This policy reflects the Group's aim to integrate economic, environmental, social, and governance ("EESG") principles across its entire operations. At the same time, it supports the Group's aspirations to pursue sustainability by integrating business practices that align with HCIB's needs for profitable growth. This approach supports a sustainable future, not just for generations to come, but also for the Group as a company.

In addition to this newly developed policy, the following lists several other key policies the Group has adopted over the years to support responsible and ethical business practices. For more detailed information on each, please refer to HCIB's website at Codes and Policies (humecementind.com)



3.4.1 ANTI-CORRUPTION AND ETHICAL CONDUCT

Anti-corruption practices and ethical conduct are central to guiding HCIB's decision-making across all levels of the organisation, safeguarding the Group's reputation and stakeholders' trust.



Sustainability Statement

(Cont'd)

HCIB maintains a zero-tolerance stance towards all forms of corruption and unethical conduct, as outlined by the Hong Leong Manufacturing Group Code of Conduct and Ethics, along with HCIB's own ABC Policy and Code of Conduct and Ethics. These frameworks serve as the foundation for ethical decision-making across the Group's operations and uphold compliance with the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and other relevant national regulations.

In general, the Board and Senior Management oversee and are responsible for the Group's ABCMS. The Board and Senior Management play an active role not only in refining the Group's policies but also in helping to drive their implementation across all levels of the organisation. To reinforce this governance structure further, HCIB has established a dedicated Compliance Committee, endorsed by key leadership bodies including the Board Audit and Risk Management Committee ("BARMC"), the Managing Director, and the Compliance Manager. This function supports the administration of the Group's Anti-Bribery and Corruption Management System ("ABCMS"), developed in accordance with ISO 37001:2016 standards. In FY2025, the ABCMS underwent an audit by SIRIM, with the outcome reaffirming its compliance with relevant anti-bribery standards.

The ABCMS applies to all HCIB subsidiaries and employees. Under the Hong Leong Manufacturing Group Self-Declaration Policy, annual declarations of compliance are required from key departments such as Procurement, Supply Chain, Sales & Marketing, Finance, Security, Internal Audit, Legal, and Secretariat, as well as management personnel from level M5 and above. Furthermore, employees are required to adhere to the Hong Leong Manufacturing Group Gift and Entertainment Policy, which mandates twice-yearly declarations to promote transparency and avoid conflicts of interest, while directors declare annually.

Employee awareness and education are also central to HCIB's anti-corruption strategy. In FY2025, a total of 733 hours of anti-corruption training were conducted across the organisation. These training sessions were customised to suit different job roles and risk exposures, with modules covering various forms of corruption, such as bribery, conflict of interest, fraud, and abuse of power, as well as guidance on recognising, preventing, and reporting unethical conduct.

Employee Category	Percentage of Employees Who Received Anti-Corruption Training (%)		
	FY2023	FY2024	FY2025
Management	100	100	84
Executive	100	100	88
Non-executive	100	100	87
General Workers	100	100	0

To promote further transparency and accessibility, information on the Group's anti-corruption objectives and practices is disseminated through various channels. These include employee informational materials, periodic updates on the Group's intranet, and public access to HCIB's ABC policy and commitments via our official website. HCIB also maintains and promotes whistleblowing channels to provide a safe and confidential avenue for reporting suspected misconduct.

As of FY2025, the Group has implemented ABCMS across all operating companies, each certified to ISO 37001:2016. No incidents of corruption were reported throughout the year, reflecting the effectiveness of HCIB's anti-corruption measures and the organisation's continued emphasis on upholding ethical business conduct.

Indicators	FY2023	FY2024	FY2025
Political contribution made (RM)	0	0	0
Staff disciplined or dismissed for anti-corruption policy breaches	0	0	0
Fines, penalties, or settlements related to corruption (RM)	0	0	0
Confirmed incidents of corruption and action taken	0	0	0

Sustainability Statement

(Cont'd)

3.4.2 WHISTLEBLOWING POLICY AND MECHANISMS

HCIB provides a safe and confidential environment for employees to raise concerns about misconduct, reinforcing the Group's commitment to transparency and ethical governance.

The Group continues to maintain a comprehensive Whistleblowing Policy that allows all employees across the Group, at any level of organisation, to report potential misconduct. This includes unethical practices such as fraud, bribery, corruption, or any other unlawful behaviour within the working environment.

The Whistleblowing Policy outlines clear and accessible reporting channels to facilitate ease of use and trust in the process. Employees may submit concerns through a designated Whistleblowing Form or directly contact the Chairman of the BARMC via email. All reports are channelled to the BARMC Chairman for independent and impartial assessment, adhering to procedures set out in the policy framework. This independent oversight helps maintain impartiality and thoroughness in the review of all disclosures.

Confidentiality is an important component of HCIB's whistleblowing process. The policy assures that any report made in good faith is handled with strict confidentiality, and whistleblowers are safeguarded against any form of retaliation, harassment, or disciplinary actions, even if subsequent investigations do not confirm the allegations made. All reports are treated with the highest level of discretion, and the identity of the whistleblower is protected in accordance with applicable legal provisions. HCIB remains firmly committed to creating a safe reporting environment where individuals can speak up without fear of adverse consequences.

3.4.3 REGULATORY COMPLIANCE

Adherence to regulatory standards is embedded within HCIB's operational framework, enabling the Group to maintain consistency, responsiveness, and integrity across all its operations.

HCIB strives to uphold compliance with all relevant laws and regulations governing our business activities. This commitment is anchored in the Group's Safety, Health, and Environment ("SHE") Policy, which establishes operational benchmarks and guides responsible conduct across its operations.

Environmental regulatory requirements are addressed through the implementation of Environmental Management Systems ("EMS"), which are aligned with the SHE Policy to promote sustainable practices and support full regulatory compliance. In parallel, the Group's Occupational Health and Safety Management System ("OHSMS") supports the fulfilment of legal obligations concerning workplace health, safety, and employee wellbeing.

For consistent application of these standards, each subsidiary has a dedicated SHE Committee composed of departmental heads, SHE officers, and employee representatives. These committees are supervised by the Head of Plant, General Manager, and Regional Managers, and meet regularly to evaluate SHE performance and compliance levels. Findings are consolidated in the Plant Performance Report ("PPR"), which provides strategic insights to the Managing Directors and the Group's SSC, enabling informed decision-making and continuous improvement at the Group level.

In FY2025, the Group incurred a fine of RM30,000. This was issued to HCCT Beranang following a fatality case involving a contractor.

Regulatory Compliance	FY2023	FY2024	FY2025
Incidents of non-compliance with regulations resulting in a fine or penalty	1	0	1
Incidents of non-compliance with regulations resulting in a warning	0	0	0
Total monetary value of significant fines	RM1,500	0	RM30,000
Total number of non-monetary sanctions	0	0	0
Cases brought through dispute resolution mechanisms	0	0	0

Sustainability Statement

(Cont'd)

3.5 SUPPLY CHAIN MANAGEMENT

Effective supply chain management is vital to HCIB’s ability to deliver consistent quality and build operational efficiency throughout its operations.

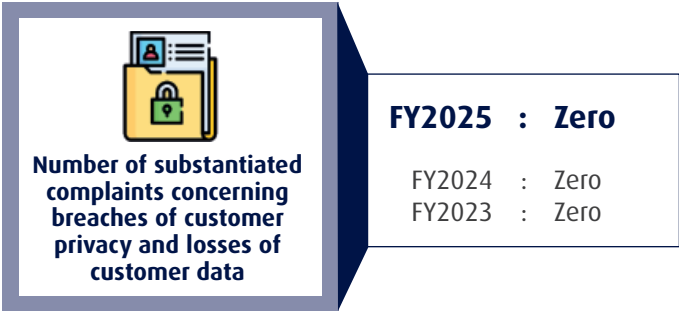
HCIB’s operations are supported by a diverse network of suppliers, vendors, and service providers, which collectively form a vital part of the Group’s value chain. While HCIB engages with international partners, it places strategic emphasis on long-term relationships with local suppliers to reinforce stable delivery schedules, consistent material quality, and greater cost efficiency. This localisation approach supports business continuity, improves production planning, and reduces exposure to supply chain disruptions.

Regardless of their origin, HCIB conducts due diligence prior to engaging new suppliers and service providers, aiming to identify potential risks early and support more responsible procurement decisions. To this end, the Group has established a Supplier Code of Conduct and Ethics, which defines the minimum expectations regarding business integrity, environmental compliance, and ethical labour practices. Suppliers must also commit to the Group’s ABC Policy and ABCMS. Together with the Supplier Code of Conduct and Ethics, these requirements set out the minimum expectations for legal compliance, ethical conduct, and responsible business behaviour. Should any supplier be found in violation of these standards, the Group reserves the right to terminate the relationship and blacklist the supplier from future engagements.

At the operational level, internal standard operating procedures (“SOPs”) guide HCIB’s subsidiaries in executing due diligence measures across high-risk areas such as supplier onboarding, recruitment, and tendering processes. These SOPs help maintain transparency, reduce the risk of unethical practices, and support procurement decisions being made in accordance with Group policies. Collectively, these efforts reflect HCIB’s ongoing commitment to a responsible, ethical, and sustainable supply chain that supports long-term business resilience.

3.6 DATA PRIVACY AND CYBERSECURITY

In an increasingly digital operating environment, HCIB recognises the need to safeguard critical data to protect stakeholder trust.



In alignment with the Personal Data Protection Act (“PDPA”) 2010, personal data is collected lawfully, with the informed and explicit consent of data owners. Clear and accessible notices are issued to individuals regarding the nature, purpose, and duration of data collection and storage, reinforcing transparency and accountability in data management practices. Any such data collected is handled with care and is not disclosed to any third party. The only exception to this is if said data is required by law enforcement agents or if HCIB has the explicit consent of the data owners.

Given the potential risks involved and their possible impact on operations and data integrity, HCIB places importance on taking a proactive approach to risk management. To mitigate such risks, the Group continues to explore investment in its digital infrastructure to identify and rectify potential weaknesses in its IT systems. Cybersecurity awareness is also embedded within the organisational culture, and employees are reminded of fundamental best practices to safeguard digital privacy and data protection.

To date, the Group has not had any instances of data breaches or loss of sensitive customer data.

Sustainability Statement

(Cont'd)

4.0 STAKEHOLDER ENGAGEMENT

HCIB strives to actively engage its stakeholders through open and ongoing dialogue. This collaborative approach is essential to align business objectives with evolving expectations.

Key stakeholders are fundamental to the success and continuity of the Group's business operations. Understanding their expectations, concerns, and aspirations is crucial for informed decision-making and responsible corporate conduct. As such, the Group adopts an open and constructive approach to stakeholder engagement, aiming to foster mutual trust, transparency, and long-term collaboration. This is as summarised below:

Relevant Material Topics	Engagement Channel
Customers Customers are important stakeholders to HCIB as they drive demand for the Group's products and services.	
Risks: Changing preferences and expectations	Opportunities: Present opportunities for growth and innovation through constructive feedback and loyalty
<ul style="list-style-type: none"> • Anti-Bribery & Corruption • Data Privacy 	<ul style="list-style-type: none"> • Customer feedback surveys • Conferences and meetings • Visits to customers • Corporate website
Employees (including Management) Employees and leadership form the backbone of the Group's operations, executing operational performance and driving strategic growth in line with HCIB's vision.	
Risks: Talent retention, productivity, and labour disputes	Opportunities: Offer chances for innovation, improved performance, and a strong, organised culture
<ul style="list-style-type: none"> • Labour Standards & Employee Management • Health & Safety • Human Rights • Corporate Governance • Anti-Bribery & Corruption 	<ul style="list-style-type: none"> • Employee engagement programmes • Internal communication channels (e-mails, work groups, etc.) • Town hall/briefings • Training sessions • Genba walks • '5S' activities • Surveys
Suppliers/Business Partners Suppliers and business partners enable HCIB to continue operations and consistently deliver quality products. Their collaboration also helps uphold ESG standards across the Group's value chain.	
Risks: Operational disruption, reputational risks, and non-compliance with Group standards	Opportunities: Drive cost efficiency, collaborative innovation, and responsible sourcing
<ul style="list-style-type: none"> • Supply Chain Management • GHG Emissions & Climate Change • Waste Management • Other Air Pollutants • Energy • Human Rights • Anti-Bribery & Corruption 	<ul style="list-style-type: none"> • Site visits and meetings • Audits and surveys • Vendor registration and feedback • Exhibitions, conferences, and technical roadshows
Government Agencies/Regulators Government agencies and regulators define the operating landscape for HCIB. Constructive engagement helps the Group stay compliant and aligned with national development priorities.	
Risks: Non-compliance issues and unpredictable policies	Opportunities: Access to government incentives/ subsidies and favourable operating conditions

Sustainability Statement

(Cont'd)

Relevant Material Topics	Engagement Channel
<ul style="list-style-type: none"> Corporate Governance Anti-Bribery & Corruption Health & Safety GHG Emissions & Climate Change Other Air Pollutants Waste Management Biodiversity Data Privacy 	<ul style="list-style-type: none"> Dialogues and meetings Exhibitions and conferences Formal and informal correspondence Site visits Government initiatives and programmes
Local Community/Non-Governmental Organisations (“NGOs”) These stakeholders help HCIB identify emerging ESG-related risks and develop more inclusive and responsible operational practices.	
Risks: Social unrest or negative public opinion	Opportunities: Provide opportunities for building a positive reputation and achieving social licence to operate through community engagement and support
<ul style="list-style-type: none"> Local Community Engagement GHG Emissions & Climate Change Other Air Pollutants Waste Management Human Rights Anti-Bribery & Corruption 	<ul style="list-style-type: none"> Site visits CSR activities Sponsorships and donations
Shareholders/Investors Shareholders and investors are important for providing the capital the Group needs for growth and business expansion.	
Risks: Financial performance and market volatility	Opportunities: Funding, strategic guidance, and increased market credibility
<ul style="list-style-type: none"> Corporate Governance Anti-Bribery & Corruption GHG Emissions & Climate Change 	<ul style="list-style-type: none"> Annual general meetings Investor briefings Corporate affairs correspondences Corporate website and publications Financial disclosures
Employee Unions Employee unions contribute to fair and inclusive workplaces, helping HCIB balance operational goals with the needs of its workforce.	
Risks: Industrial action, strained relations, and potential regulatory breaches	Opportunities: Fosters inclusive dialogue, promotes fair practices, and reinforces workplace stability
<ul style="list-style-type: none"> Labour Standards & Employee Management Health & Safety Human Rights 	<ul style="list-style-type: none"> Formal union meetings Various ad-hoc communication sessions
Industry Associations Industry associations offer HCIB valuable platforms for policy advocacy, benchmarking, and collective innovation. They can help advance best practices across the sector and drive progress through collaboration with the Group's peers.	
Risks: Lack of advocacy and missed trends	Opportunities: Access to shared knowledge, shape industry standards, and raise corporate profile
<ul style="list-style-type: none"> Corporate Governance GHG Emissions & Climate Change Human Rights 	<ul style="list-style-type: none"> Meetings Conferences Working Committees

Effective engagement and two-way communication enable the Group to better understand how its operations are perceived, address emerging concerns promptly, and respond more effectively to evolving stakeholder expectations. In doing so, HCIB helps maintain its social licence to operate and supports the creation of shared value for parties involved.

Sustainability Statement

(Cont'd)

5.0 ASSESSING MATERIALITY

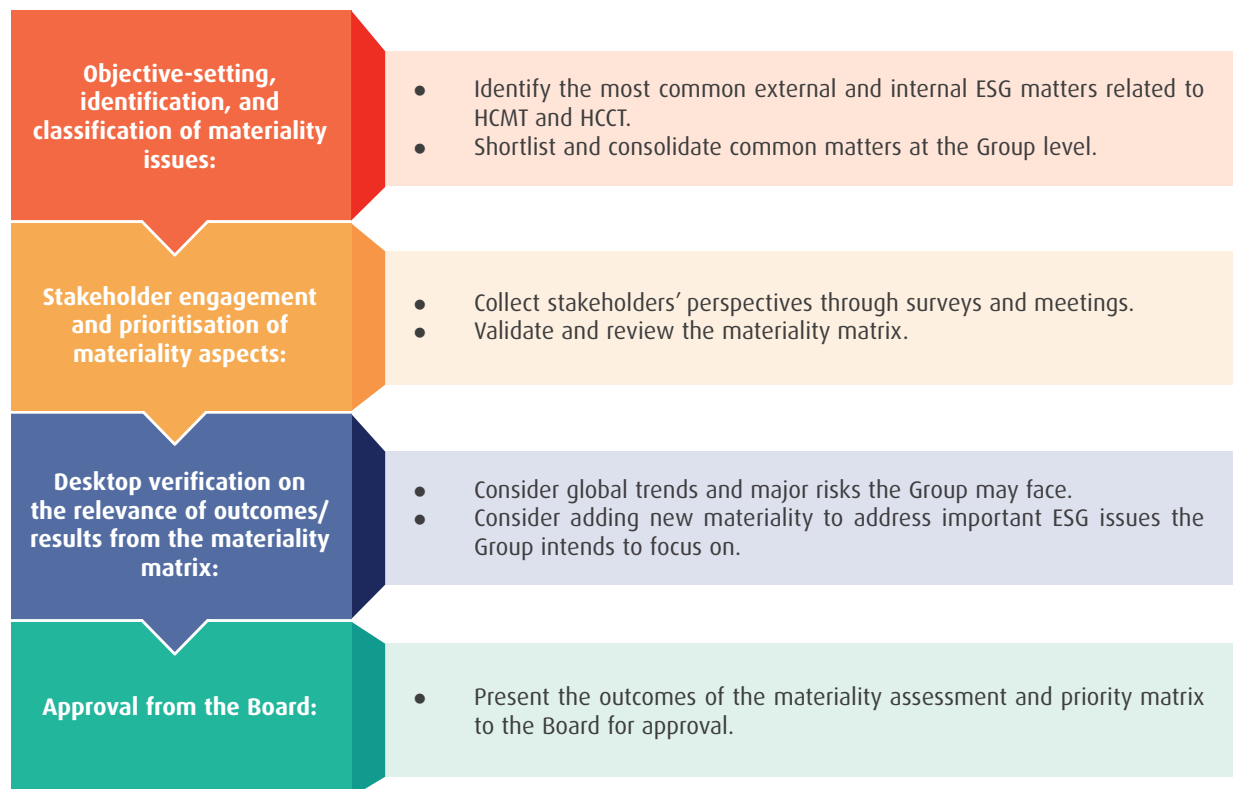
5.1 MATERIALITY ASSESSMENT PROCESS

HCIB's materiality assessment guides the Group's sustainability agenda by aligning key ESG topics with operational risks, opportunities, and stakeholder concerns.

In FY2024, HCIB carried out a materiality assessment exercise ("MAE") to identify and prioritise the sustainability topics that are most relevant to its business and stakeholders.

Material topics were elected through industry benchmarking, stakeholder feedback, and alignment with global sustainability frameworks such as GRI, FTSE4Good, Bursa Malaysia's ESG indicators, and the Bursa Malaysia Sustainability Reporting Guide. This approach helps HCIB to remain responsive to the evolving ESG landscape, aligning its sustainability priorities with both external relevance and internal strategies.

The MAE process followed these steps:



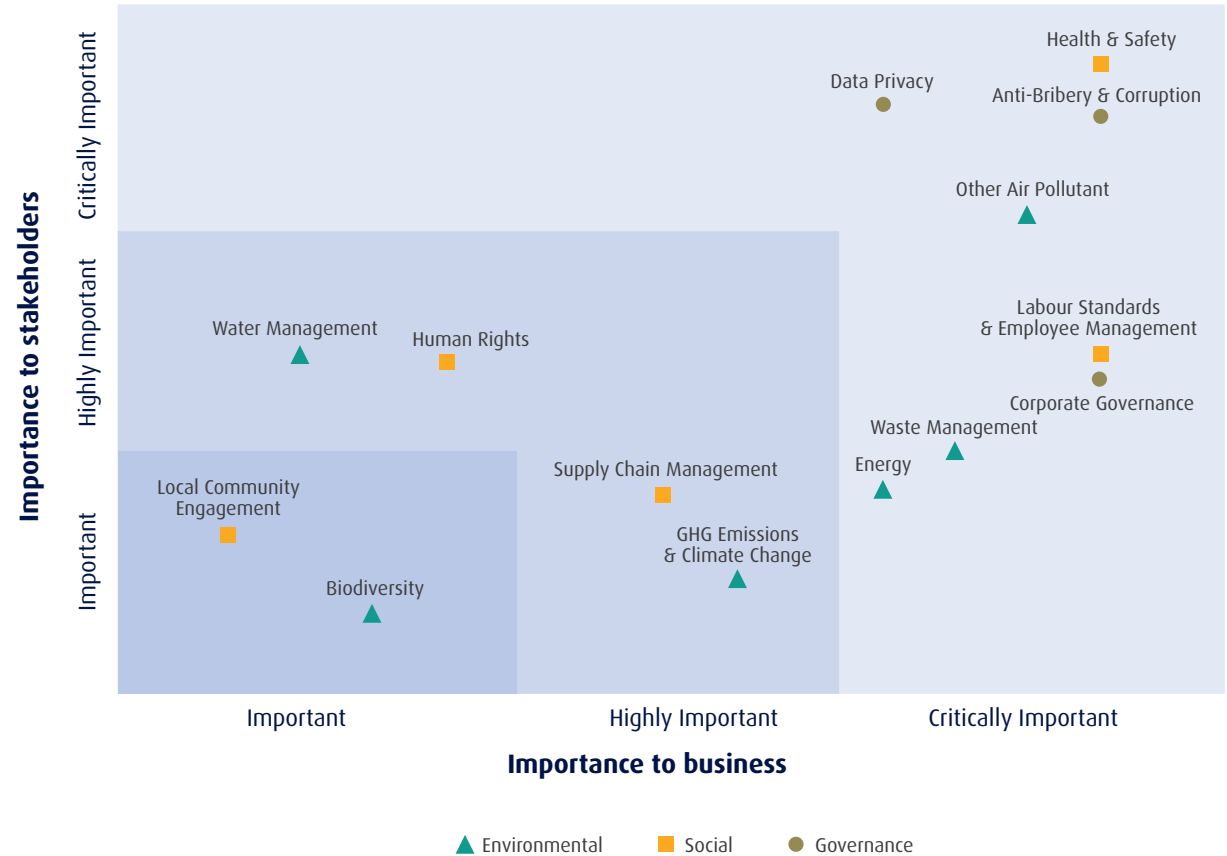
Following the initial MAE in FY2024, the Group undertook an internal review of its material topics in FY2025. This review was aimed at validating the continued relevance of the identified topics in light of changes in the business environment, stakeholder expectations, and regulatory developments. This internal review process helps HCIB strengthen its sustainability governance and support sustainability initiatives that remain aligned with the Group's overall objectives.

Sustainability Statement

(Cont'd)

5.2 MATERIALITY MATRIX

Below is the materiality matrix reflecting HCIB’s current prioritisation of material topics. Further details on each topic are available in subsequent pages of this SS2025.









Based on the matrix, the Group has maintained the following key material topics for FY2025:

Material Topics	HCIB's Approach
	Environmental Pillar
	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> <div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div>
<ul style="list-style-type: none"> Other Air Pollutant Waste Management Energy GHG Emissions & Climate Change Water Management Biodiversity 	<ul style="list-style-type: none"> Operations under hard-to-abate industry certified to ISO14001 Environmental Management System ("EMS"). Use waste/by-products from other industries. Support co-processing in operations. Prioritise fuel and energy optimisation. Tree-planting activities around the operating plants and quarry. Strictly comply with the rules and regulations on air and water effluent management. Actively recycle water for day-to-day plant operations. Improve energy efficiencies by practising the 10 Golden Rules. Prioritise carbon reduction through energy efficiency initiatives and other decarbonisation levers.

Sustainability Statement

(Cont'd)

Material Topics	HCIB's Approach
Social Pillar	
   	
<ul style="list-style-type: none"> Health & Safety Labour Standards & Employee Management Human Rights Supply Chain Management Local Community Engagement 	<ul style="list-style-type: none"> Implement an Occupational Health and Safety Management System ("OHSMS") to avoid accidents or lost time injury ("LTI") cases from the operations. Strictly against human rights violations, discrimination, and non-compliance in workforce diversity. Committed to local community employment. Provide financial and in-kind support to the community living around the operating plants. Do not condone any form of gender discrimination. Provide greater awareness to employees on whistleblowing and grievance channels through which cases of discrimination can be reported. Conduct employee satisfaction surveys. Developed a Labour Standards Statement to foster an inclusive and diverse work environment and support the labour rights of the Group's employees.
Governance Pillar	
 	
<ul style="list-style-type: none"> Data Privacy Anti-Bribery & Corruption Corporate Governance 	<ul style="list-style-type: none"> 100% of sites continue to be certified to ISO37001 Anti-Bribery Management System. Zero-tolerance approach to any form of bribery and corruption. Adhere to the corporate governance standards. Work with authorities and important stakeholders to achieve sustainability goals. Ongoing reviewing of identified and potential new risks and opportunities.

6.0 ECONOMIC

6.1 DIRECT AND INDIRECT VALUE CREATION

Financial value creation remains central to HCIB's strategic agenda. This complements the Group's sustainability goals and drives measurable results across its operations.

Sustained financial performance, both directly through economic performance and indirectly through strategic enablers such as digital innovation, supply chain efficiency, and sustainability efforts, is fundamental to HCIB's long-term viability, strategic growth, and ability to navigate dynamic market conditions. Direct financial value creation, reflected in revenue, profit margins, and operating efficiency, provides the foundation for reinvestment, expansion, and competitive strength. It also supports the availability of resources to fund sustainability-related investments, such as decarbonisation technologies, employee wellbeing programmes, and community development initiatives.

Today, financial value creation is increasingly interconnected with the Group's ESG priorities. Strong earnings provide the capital base needed to invest in sustainable operations, reduce environmental impact, and enhance stakeholder wellbeing. This strategic approach enables the Group to pursue initiatives that support long-term value while aligning with broader sustainability goals.

At the same time, consistent profitability allows HCIB to offer fair compensation, employee development opportunities, and enhanced workplace welfare, strengthening its value proposition as an employer. It also supports long-term philanthropic contributions and community-based initiatives aligned with national development goals. Through this, the Group promotes equitable value distribution among shareholders, employees, business partners, local communities, and other stakeholders.

Sustainability Statement

(Cont'd)

Beyond profit and performance, indirect financial value creation refers to the intangible benefits that significantly shape HCIB's long-term success. These include enhanced brand reputation through responsible conduct, increased employee loyalty via fair labour practices, and better operational outcomes through sustainable practices. Such factors help strengthen stakeholder confidence, reduce exposure to regulatory or reputational risks, and support long-term enterprise value. Importantly, indirect value creation is as vital as direct financial performance, as it helps build the trust, stability, and social licence that enable consistent growth, smoother operations, and more resilient market positioning over time.

Presented below is an overview of HCIB's economic performance. For more comprehensive financial data, please refer to the financial statement section of this annual report.

	FY2023	FY2024	FY2025
Revenue (RM'000)	1,014,281	1,205,222	1,114,601
Group Profit/(Loss) After Tax (RM'000)	60,034	210,939	223,171
Net Cash Generated from Operating Activities (RM'000)	115,941	363,462	356,298
Net Asset Per Share (sen)	0.84	0.81	1.00
Earnings Per Share (sen)	11.91	36.02	30.84

6.2 PRODUCT QUALITY AND CUSTOMER SATISFACTION

Customer satisfaction is at the heart of the Group's business operations. By consistently delivering quality products that meet market demands, HCIB assures long-term business credibility and viability.

Product quality and customer satisfaction are important pillars of HCIB's long-term business sustainability. Delivering consistent, quality products not only meets client expectations but also promotes brand reputation and supports the Group's position in a competitive market. In an industry where product reliability is critical, the ability to meet stringent quality standards directly influences customer loyalty and overall financial performance.

Given the strategic importance of this topic, HCIB has embedded product quality control across our operations through comprehensive management systems, certifications, and performance monitoring. All Group manufacturing plants have adopted a Quality Management System aligned with ISO 9001:2015 and a formal Quality Policy Statement to guide employees on quality awareness and compliance. Additionally, select business units are certified under ISO 14001:2015 and ISO 45001:2018, demonstrating the Group's commitment to quality, environmental responsibility, and occupational health and safety. Quality is also operationalised through measurable key performance indicators ("KPIs") that are incorporated into the annual business plans as Quantifiable Quality Objectives, helping to ensure that quality performance is tracked, managed, and continuously improved.

HCIB's technical sales team plays a frontline role in quality management and customer engagement. As the primary contact point for clients, the team monitors product performance, provides technical support, and investigates any complaints raised by customers. Where necessary, issues are escalated to the quality control team for investigation and rectification. This structured approach enables HCIB to respond promptly and effectively to client needs, safeguarding customer satisfaction and supporting product trust. In FY2025, a total of 20 customer feedback was received, all of which have been addressed.

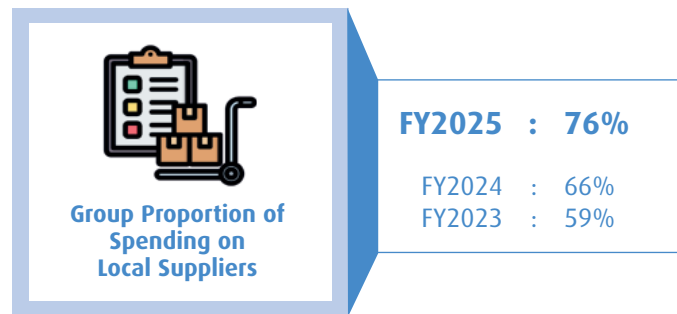
To further align our offerings with customer expectations, HCIB gathers feedback through periodic surveys. These surveys assess various aspects of the customer experience, including product quality, pricing, delivery reliability, and service responsiveness, and provide valuable insights for continuous improvement. Quality matters are also reviewed at the management level through weekly meetings, allowing customer concerns to be addressed and quality standards upheld across the Group.

Sustainability Statement

(Cont'd)

6.3 SUPPORTING LOCAL PROCUREMENT

Local procurement is part of HCIB's sourcing strategy. By prioritising local suppliers whenever possible, the Group improves supply chain resilience while helping foster inclusive economic and community growth in the process.



Sourcing materials and services locally allows HCIB to create both direct and indirect economic impacts on itself and the communities in the regions where the Group operates. Through local procurement, the Group not only reduces transportation-related costs and delivery lead times but also minimises the carbon footprint associated with long-haul logistics. Just as importantly, this approach fosters meaningful relationships with local businesses, creating shared value that supports community goodwill and contributes to more robust and responsive supply chains.

From a risk management perspective, relying on local suppliers supports business continuity by reducing vulnerability to global supply chain disruptions. This also helps enable faster response times during unforeseen circumstances and ensures better alignment with local regulatory requirements and business norms.

Both HCMT and HCCT are empowered to implement local procurement strategies through their respective procurement departments, guided by a cross-functional management team approval process. Before engaging a supplier, site visits are encouraged to assess the supplier's capacity and capability to meet the Group's quality and performance standards. This ensures that local suppliers are held to the same level of scrutiny as foreign ones, reinforcing consistency and reliability across HCIB's supply chain.

7.0 ENVIRONMENTAL

As development continues around the world, pressure on the environment and its resources is increasing. HCIB recognises that its own operations contribute to this challenge and that improvements can begin internally. By improving practices, reviewing progress, and sharing insights, the Group continues to adapt its operations with environmental considerations in mind.

Managing environmental impacts is important for both the surrounding communities and the organisation. Resources such as water and energy support HCIB's operations, and poor environmental practices can affect availability, lead to pollution, and disrupt business. With this in mind, the Group takes steps to reduce potential harm and maintain good environmental practices across its operations.

To support this, HCMT previously carried out a comprehensive risk assessment. This process helped identify environmental risks and opportunities across operations. These findings continue to guide efforts to reduce risks and support more efficient and sustainable ways of working.

Sustainability Statement

(Cont'd)

Environmental Theme	Risks	Opportunities
Air Emissions - High ambient dust	- Non-compliance with legislation - Complaints from local communities	- Technology and monitoring system development for air emissions
Energy - High energy usage	- Increased wastage	- Increased efficiency of finite resources
Water - Cooling	- Large water footprint	- Reduced usage of domestic water - Water recycling system
Resource - Use of natural resources - High coal usage	- Depletion of natural resources - High greenhouse gas ("GHG") emissions	- New technology/system developed for fuel systems - Increased usage of alternative fuels and raw materials
Waste - Failure in scheduled waste management - Potential spills	- Non-compliance notice/complaints/fines - Pollution	- Waste sent to licenced contractors for use in their processes - Remove harmful substances through process redesign
Biodiversity - Site erection/construction for new projects	- Habitat damage	- Development of the local economy

Environmental considerations are now integrated into business planning and day-to-day operations, helping the Group maintain its ability to operate responsibly while reducing potential harm to communities and the environment around its sites.

25%

plants received
ISO 14001: 2015 certification
on environmental
management

25%

plants received
ISO/IEC 17025: 2017
certification on lab
accreditation

7.1 POLLUTION PREVENTION

Pollution prevention is part of HCIB's operational strategy, supporting its responsibility to mitigate environmental risks and promote resource efficiency.

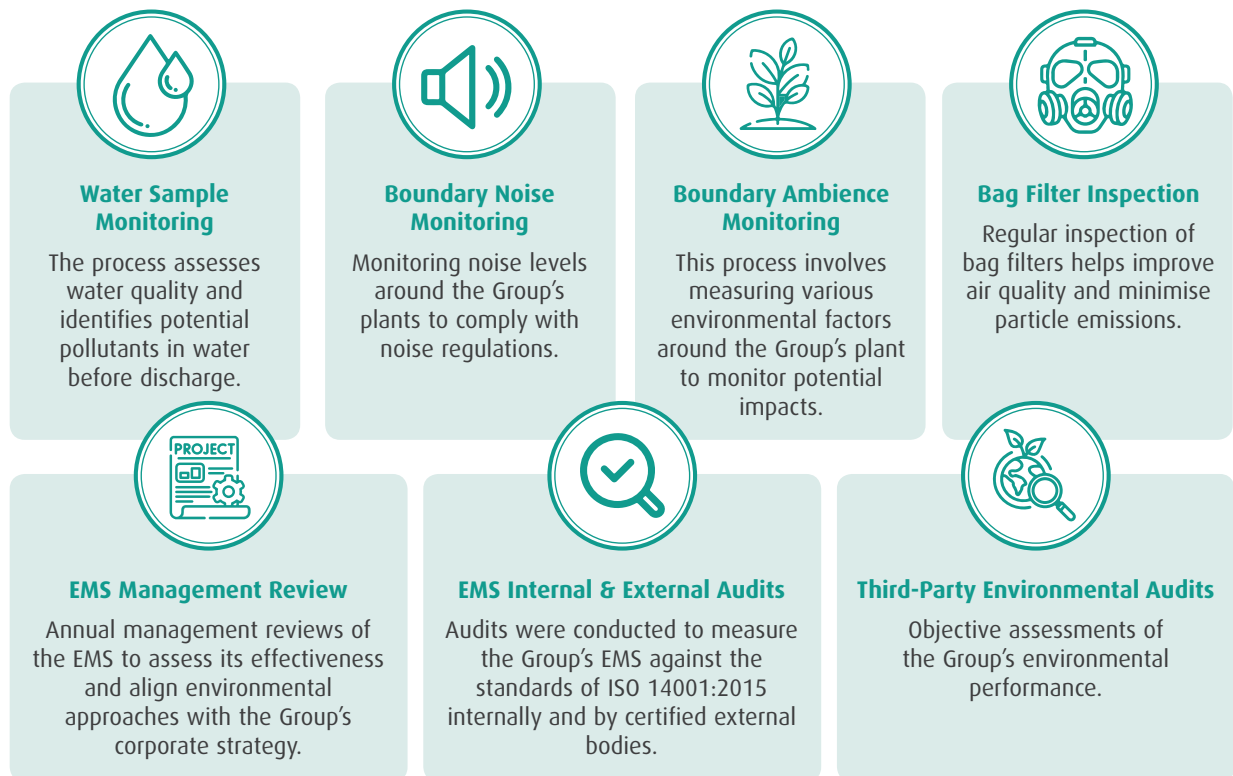
HCIB's operations involve inherent environmental risks, with air pollution and solid waste identified as the primary concerns. These risks include the release of dust particles and emissions from stack systems during cement production, as well as the handling and disposal of by-products and industrial waste. In addition, chemicals such as grinding aids are used in the manufacturing process to enhance efficiency and product quality. Although the quantity of chemicals used is carefully regulated, the Group recognises the need to manage any related health, safety, and environmental risks.

Chemicals undergo thorough evaluation before they are approved for use. This assessment process includes reviewing chemical properties, identifying handling and storage requirements, and evaluating potential environmental or health impacts. The Quality Control ("QC") team plays a key role by routinely monitoring chemical dosage and its influence on product consistency and performance. In parallel, the Safety, Health, and Environment ("SHE") department ensures that chemicals are stored, handled, and disposed of in accordance with regulatory guidelines and internal safety protocols.

Sustainability Statement

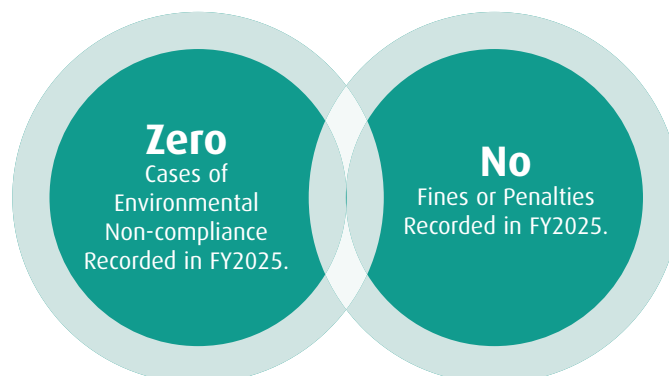
(Cont'd)

To support broader pollution prevention objectives, HCIB has introduced environmental management systems at selected plant sites. Currently, 25% of the Group's facilities have achieved ISO 14001:2015 certification, a globally recognised standard that provides a structured framework for managing environmental risks. These systems facilitate the regular monitoring and evaluation of environmental performance, allowing the Group to identify areas of improvement and implement targeted interventions.



Pollution prevention efforts extend to third-party contractors involved in waste management and related services. HCIB requires these contractors to align with its environmental policies and undergo regular audits to ensure compliance. These audits help confirm that waste is managed responsibly and that HCIB's environmental standards are consistently applied across all operational activities.

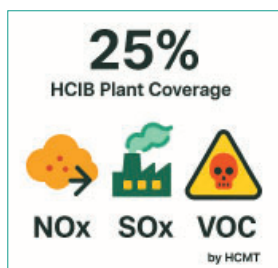
By integrating chemical safety practices with broader environmental management efforts, HCIB strives to continue to strengthen its approach to pollution prevention. These practices support safer operations, improved environmental outcomes, and stronger alignment with evolving stakeholder expectations.



Sustainability Statement

(Cont'd)

7.1.1 AIR POLLUTION MANAGEMENT



Air quality management is a key component of HCIB's environmental practices. The Group has implemented a range of measures to monitor and control air emissions, helping to ensure they remain within regulatory limits. HCMT currently maintains 25% data coverage for key air pollutants such as nitrogen oxides ("NOx"), sulphur oxides ("SOx"), and volatile organic compounds ("VOC"), along with dust particles released during cement production.

HCMT has been among the early adopters of bag filter air emission control systems, implementing them across its operations to reduce emissions effectively. These systems have consistently proven their efficiency by keeping emission levels significantly below the limits outlined in Malaysia's Clean Air Regulations by the Department of Environment ("DOE"). This proactive adoption not only contributes to cleaner air in neighbouring communities but also helps promote a safer and healthier working environment within the Group's facilities.

Certified personnel are designated as bag filter dust collector operators, with responsibilities that include regular inspection and maintenance of emission control systems. These individuals, along with HCIB's engineers, undergo competency training and are registered as qualified persons through the Environment Institute of Malaysia ("EIMAS"). Their expertise ensures continuous monitoring and optimal performance of air pollution control systems.

The Group aims to adopt the regulatory standards set by the DOE as internal performance targets for air emissions across its operational plants. These benchmarks help guide monitoring activities and help to ensure that emissions remain within legally permitted thresholds.

Air Emissions Monitoring	Current Performance (FY2025)	Target (FY2026)
To reduce low-level dust in the plant & surrounding (ambient air monitoring PM ₁₀)	Average 43 µg/m ³ for the plant site	< 100 µg/m ³
Stack emission monitoring (Particulate Matter):		
• Kiln	31 mg/m ³	< 50 mg/m ³
• Cooler	29 mg/m ³	< 50 mg/m ³
• Coal Mill	27 mg/m ³	< 50 mg/m ³
• Main Stack – Line 1 (CEMS)	6 mg/m ³	< 50 mg/m ³
• Main Stack – Line 2 (CEMS)	10 mg/m ³	< 50 mg/m ³

Air Emissions	FY2023	FY2024	FY2025
NO _x (Tonnes)	1,235	863	807
SO _x (Tonnes)	285	70	107
PM (Tonnes)	199	224	199
VOC (kg)	19,152	51,512	12,942

As a result of these combined efforts, ambient air and stack emission parameters remained below established targets throughout FY2025, reflecting HCIB's air pollution control strategies and its continued focus on meeting environmental performance expectations.

Sustainability Statement

(Cont'd)

7.1.2 SOLID WASTE MANAGEMENT

In line with the Group's Sustainability Policy Statement, HCIB aims to promote environmentally responsible and efficient operations by minimising waste generation, improving resource efficiency, and ensuring proper handling of by-products. Through waste segregation, material recovery, and innovative solutions, the Group strives to reduce its environmental footprint while supporting a circular economy.

For scheduled waste, HCIB uses the DOE's Electronic Scheduled Waste Information System ("eSWIS") to record and monitor waste generation and status in real time. This system supports a closed-loop process in which hazardous waste is tracked from origin to disposal. Disposal is carried out by DOE-registered contractors at certified facilities, thereby helping to lower the risks of pollution or accidental leakage.

Beyond hazardous waste, HCIB take steps to reduce general waste by reusing and recycling materials throughout its operations. Examples include repurposing used lubricants and hydraulic oils, converting contaminated drums into cleaning chutes, and transforming combustible waste like sawdust and cotton rags into alternative fuel sources. This integrated approach helps minimise waste sent to landfills while optimising energy use.



In tandem with such innovative reuse, HCIB further incorporates sustainability into its production processes by integrating alternative raw materials ("ARM"), alternative fuels ("AF"), and cement additives ("CA") throughout its manufacturing activities. Examples of ARM include fly ash and ground granulated blast furnace slag ("GGBS"), which are by-products from other industrial processes. By substituting these materials for conventional raw inputs and clinker, HCIB not only helps reduce its reliance on virgin materials but also strives to mitigate greenhouse gas emissions associated with cement production.

This substitution strategy helps to conserve natural resources, reduce landfill waste, and contribute to more durable and resilient concrete products. These combined efforts reflect how HCIB's approach to sustainability extends across both infrastructure and production dimensions, creating value through thoughtful resource management.

Such waste, including PFA and GGBS, is often incorporated as ARM in HCIB's production processes. By integrating these alternative materials, the Group can reduce its reliance on traditional raw materials. At the same time, it also helps HCMT replace clinker, which is energy-intensive and emits more emissions. This not only conserves natural resources but also minimises the Group's environmental footprint. Another benefit of utilising alternative materials from repurposed waste products is the improved durability and strength of concrete, resulting in longer-lasting products that support sustainable construction practices.

Sustainability Statement

(Cont'd)

In FY2025, the Group generated a total of 51 tonnes of hazardous waste, 197 tonnes of non-recycled waste, and successfully utilised 453,040 tonnes of recycled waste. The high volume of recycled waste reflects the Group’s continued efforts in solid waste management and minimising environmental impact through responsible waste handling practices.

Waste Generation (Tonnes)	FY2023	FY2024	FY2025
Hazardous Waste Generation	41	84	51
Non-recycled Waste Generation	278	258	197
Waste Recycled	189,366	292,395	453,040

Note: Hazardous waste refers to the scheduled waste that the Group generated and is managed in accordance with local regulations.

In FY2025, 44 tonnes of waste were diverted from disposal, and 203 tonnes of waste were directed to disposal.

Waste (Tonnes)	FY2023	FY2024	FY2025
Total Waste Generated	319	342	247
Total waste diverted from disposal	17	20	44
Total waste directed to disposal	302	322	203

Since 2014, HCMT has held a DOE-issued licence as a Schedule Waste Prescribed Premise, which authorises the facility to co-process scheduled waste within its cement kilns. This status not only permits the integration of waste into energy recovery and production processes but also helps improve operational efficiency by reducing dependency on conventional fuels. The ability to incorporate scheduled waste into cement manufacturing helps contribute to a more sustainable waste disposal method while supporting resource recovery within HCIB’s operations. Over the years, this approach has helped reduce the Group’s reliance on virgin raw materials and aligns with the broader principles of sharing resources between industries and turning waste into useful materials.

Beyond managing its own waste, the Group also plays an important role in facilitating responsible waste handling for external parties. HCIB accepts recyclable and repurposable waste materials from other companies, including industrial by-products that can serve as alternative raw materials or energy sources. These inputs are carefully vetted for quality and safety before being used in production processes. By integrating third-party waste streams into its operational model, HCIB helps broaden the environmental reach of its sustainability initiatives while contributing positively to the circular economy. This practice not only aims to reduce the overall environmental burden of industrial waste but also helps create new value chains and strengthens the Group’s business model through responsible resource utilisation.

100%
HCIB Coverage



Hazardous
Waste Generation



Non-recycled
Waste
Generation



Waste
Recycled

In supporting proper waste management, HCIB complies with relevant local regulations, specifically the Environmental Quality Act 1974, which governs waste management practices. HCMT has obtained the necessary licences for managing scheduled waste within its plants and for transporting scheduled waste from the point of generation to disposal centres, where the annual audits and inspections by the DOE are conducted for its plants. HCIB’s waste management system has been independently validated by DOE.

To ensure compliance, HCIB adheres to the Environmental Quality Act 1974 and maintains licences for scheduled waste management and transportation. DOE conducts annual audits and inspections at HCIB facilities, with no instances of environmental fines, penalties, or pollution reported in FY2025.

Proper waste handling is supported by staff training and the appointment of relevant personnel to oversee scheduled waste processes. Waste management procedures are continuously reviewed and improved through monthly Sustainability Working Committee (“SWC”) and quarterly Sustainability Steering Committee (“SSC”) meetings. These sessions facilitate the sharing of best practices and the implementation of innovative strategies to help strengthen HCIB’s environmental performance.

Sustainability Statement

(Cont'd)

7.1.3 WATER POLLUTION

Although water is extensively used in the Group's operations, it is primarily used for cooling plant equipment. This means the risk of water pollution resulting from the Group's activities is relatively low. Nevertheless, HCIB maintains a precautionary approach to ensure that any water discharged into the environment meets regulatory and environmental quality standards.

To manage potential risks, discharged water is first collected in retention ponds at the Group's operational sites. These ponds serve as a controlled environment where water quality can be regularly monitored before release. This helps to prevent the unintentional release of contaminants such as dust particulates, oil residues, or other suspended solids that may result from routine industrial activities.

Water quality monitoring is conducted in accordance with the Environmental Quality (Industrial Effluent) Regulations 2009, as enforced by the DOE. Key water quality parameters, such as Biochemical Oxygen Demand ("BOD"), Chemical Oxygen Demand ("COD"), and Total Suspended Solids ("TSS"), are tracked to help ensure compliance with the minimum acceptable thresholds under Standard B classification. Only when readings fall within permissible limits is the treated water discharged into approved surface water bodies. For added accountability and transparency, HCIB also submits water quality data to the DOE on a regular basis, enabling external oversight of its environmental performance.

Parameter (mg/L)	FY2023	FY2024	FY2025	Environmental Quality (Industrial Effluent) Regulations 2009 Fifth Schedule, Standard B
BOD	7	35	5	< 50 mg/L
COD*	24	96	25	< 200 mg/L
TSS	18	23	20	< 100 mg/L

Note: *COD levels are measured biannually to evaluate the organic and inorganic content in the Group's effluent. This data is reported to the DOE in fulfilment of HCIB's Environmental Impact Assessment ("EIA") commitments.

In FY2025, there were no incidents of non-compliance with water quality/quantity permits, standards, and regulations.

More information on HCIB's water withdrawal and wastewater management can be found in the **Water Management** section of this SS2025.

7.2 CLIMATE CHANGE

Climate change is a global challenge that has far-reaching implications for the Group's business continuity and ability to create long-term value for its stakeholders.

Climate change presents a range of potential risks and opportunities that can influence many aspects of HCIB's operations. Even small levels of greenhouse gas emissions contribute to broader climate concerns, which may shape regulations, investor expectations, and the long-term stability of the Group's activities.

To explore these implications, HCIB has taken initial steps by carrying out a climate risk and opportunity assessment. This exercise supports the Group's efforts to strengthen energy management practices and identify areas for improvement in business planning.

Sustainability Statement

(Cont'd)

PHYSICAL RISK		
Risk Factor	Potential Financial Risk	Mitigation Measures
Acute Risk		
Flash Floods: HCIB's operations, if located in low-lying or flood-prone areas, are at risk of flooding, which can result from intense rainfall or storm surges associated with tropical storms	Floods can cause immediate damage to manufacturing facilities, disrupt operations, damage raw material stockpiles, and affect distribution networks, leading to operational downtime and financial losses.	<ul style="list-style-type: none"> • Improve and maintain the site drainage infrastructure around key production areas. • Review and update insurance policies to ensure adequate coverage for plant assets and business interruption.
Chronic Risk		
Rising Temperatures: Rising average temperatures reduce the efficiency of cooling systems and pose health risks to workers, especially in open or high-heat environments such as kilns and mixing yards.	Increase energy and water consumption for cooling, reduce equipment lifespan, lower worker productivity and increase occupational health costs.	<ul style="list-style-type: none"> • Upgrade ventilation and cooling systems, install shading panels in outdoor workplaces, adjust work schedules, and conduct regular health and safety checks and training sessions. • Tree planting to regulate ambient temperature.
TRANSITION RISKS		
Policy and Legal Risk		
Carbon Pricing: The introduction of carbon taxes or cap-and-trade systems could increase the cost of emissions, directly affecting the company's operational costs. Malaysia plans to introduce a carbon tax in 2026, targeting the iron, steel, and energy industries.	Increased operational costs as upstream suppliers, particularly in the energy sector, may transfer carbon-related costs to the Group through higher electricity and fuel prices.	<ul style="list-style-type: none"> • Monitor carbon pricing developments and assess potential cost impacts on operations. • Explore energy efficiency initiatives to reduce electricity and fuel consumption.
Technology Risk		
Emission Reduction Technologies: As global and local policies push for lower emissions, HCIB may need to invest in new technologies to reduce the Group's carbon footprint.	Significant capital investment in new machinery or upgrades. While this can lead to higher upfront costs, it may also result in long-term operational savings and compliance with regulations.	<ul style="list-style-type: none"> • Increase clinker substitution rates by using alternative materials (e.g., fly ash, slag) to reduce Scope 1 emissions. • Upgrade kiln systems to more energy-efficient designs.

Sustainability Statement

(Cont'd)

Apart from risks, the Group has also identified several opportunities related to decarbonisation and transition towards helping to reduce climate change. These include:

	Climate-Related Opportunities	Approach	Potential Financial Impacts
RESOURCE EFFICIENCY	Improved Energy Efficiency in Operations	Implementing more energy-efficient processes and technologies in cement production, such as upgrading to more efficient kiln technologies or adopting waste heat recovery systems	Reduces energy costs, potentially leading to lower operational expenses and improved margins. Initial investments in energy-efficient technologies can be offset by long-term savings and may qualify for government incentives or credits related to energy conservation.
	Use of Alternative Fuels and Raw Materials	Utilising alternative fuels (such as biomass or waste-derived fuels) and alternative raw materials (such as fly ash or slag from other industries) in the cement manufacturing process	Reduces HCIB's reliance on traditional, more expensive fuels and raw materials, leading to cost savings. It can also reduce HCIB's carbon footprint and potentially generate carbon credits under relevant regulatory frameworks.
ENERGY SOURCE	Adoption of Renewable Energy ("RE") Sources	Investing in RE sources, such as solar, wind, or biomass, to power HCIB's operations. This could involve installing solar panels at manufacturing sites or purchasing renewable energy through power purchase agreements ("PPAs") or renewable energy certificates ("RECs")	Reduces the Group's dependence on fossil fuels and exposure to volatile energy prices, potentially lowering energy costs over time. It can also improve HCIB's sustainability profile, attracting customers and investors interested in green practices.

The insights gained from this process help the Group examine how climate trends may impact its operations, supply chains, and stakeholder relationships. In turn, this allows HCIB to plan ahead and identify ways to improve resilience over time.

As part of this ongoing work, the Group continues to review climate-related developments and looks for opportunities to adapt processes, improve efficiency, and align with broader sustainability trends. These efforts support a more climate-aware approach across the organisation, while also helping HCIB participate in the broader shift towards more sustainable and responsible business practices.

7.3 ENERGY AND EMISSIONS MANAGEMENT

HCIB recognises the critical role of energy efficiency and emissions management in achieving its climate-related goals and broader sustainability ambitions.

Recognising Malaysia's broader ambition to reach net-zero carbon emissions by 2050, HCIB has been placing emphasis on energy use and its associated impacts across its operations. The Group continues to practice energy efficiency and energy conservation throughout its operations, involving the communication and participation of all related employees to create a sustainable plant and office environment. This promotes efficient energy management, improving energy performance, utilising eco-friendly equipment and phasing out inefficient equipment where possible.

To further strengthen this process, the Group has developed an Energy Policy. For more information, please visit the Codes and Policies section on the HCIB website: <https://humecementind.com>.

The cement manufacturing process, by its nature, consumes significant amounts of energy, with primary inputs including coal, electricity, and various alternative fuels. HCIB's total energy mix now comes from alternative fuels, including carbon granules, SAGE fuel, and petcoke, which are recovered from industrial waste streams. This shift helps reduce dependence on conventional fossil fuels and supports more efficient resource use.

Sustainability Statement

(Cont'd)

Electricity, particularly for processes such as crushing, milling, and material handling, remains a major operational requirement, contributing to indirect emissions given the current structure of Malaysia's fossil fuel-dependent power grid.

Meanwhile, at the operational level, HCMT aims to optimise consumption patterns and minimise related environmental and operational risks. This energy management system involves periodic reviews of usage data, process improvements, and the identification of areas where efficiency can be enhanced. The facility's energy practices are also subject to oversight by the Malaysian Energy Commission, which conducts regular reviews to ensure alignment with national energy efficiency benchmarks and regulatory expectations. These external evaluations help validate internal performance metrics and encourage a culture of continual improvement in energy management.

At HCMT, an Energy Management Committee plays a key role in guiding the facility's energy optimisation efforts. Chaired by the Head of Manufacturing and supported by a cross-functional team from departments such as operations, maintenance, and quality control, the committee is responsible for implementing a structured approach to energy management. This is anchored in the "10 Golden Rules" framework, which serves as an internal guideline for identifying inefficiencies and improving energy performance across the plant.

The Energy Management Committee meets regularly to assess energy usage data, evaluate the effectiveness of existing practices, and identify specific operational areas that can benefit from improved efficiency measures. These reviews consider both immediate operational needs and longer-term sustainability goals. In addition to monitoring energy consumption, the committee promotes the adoption of alternative and lower-carbon energy sources where feasible. This includes evaluating the use of non-traditional fuels and exploring opportunities for process improvements that reduce energy intensity. By coordinating efforts across departments, the committee aims to ensure that energy-related initiatives are practical, impactful, and aligned with HCMT's broader resource management objective.



HCMT also conducts independent verification of its operational energy consumption data every six months, in compliance with the Efficient Management of Electrical Energy Regulations ("EMEER") 2008, under the purview of Suruhanjaya Tenaga. The latest verification report for the period of April to September 2024 confirmed an 11.1% reduction in electricity consumption compared to the projected Business-As-Usual ("BAU") scenario. This improvement is attributed to various energy-saving initiatives implemented at the plant. This biannual verification process reflects HCIB's strong commitment to energy efficiency, continuous improvement, and regulatory compliance.

Sustainability Statement

(Cont'd)

10 Golden Rules for Energy Reduction

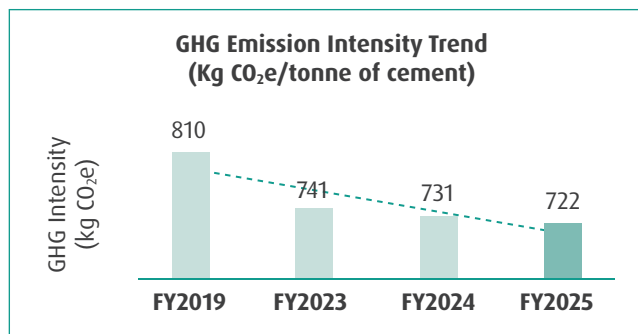


In FY2025, the total energy consumption recorded was 8,816,775 GJ (equivalent to 2,449,104 MWh), reflecting a notable reduction compared to the previous two financial years. This decline reflects the Group's ongoing energy efficiency initiatives and operational improvements aimed at reducing overall energy usage across its operating facilities.

Energy Consumption ('000)	FY2023	FY2024	FY2025
Gigajoules (GJ)	9,214	9,550	8,817
Megawatt hour (MWh)	2,559	2,653	2,449

In addition to this, HCMT has maintained its year-on-year carbon reduction trend, with a GHG intensity of 722 kg CO₂e per tonne of cement produced in FY2025. This reflects the progress of its ongoing efforts to decarbonise operations and improve carbon efficiency.

HCMT's GHG emissions intensity trend is as follows:



HCIB continues to improve its circular energy strategy by utilising alternative energy sources such as waste sludge and recycled oils for thermal heat generation. In FY2025, approximately 5% of HCMT's thermal energy demand for clinker production was met by replacing conventional fossil fuels with these alternatives. The Group targets to increase this thermal substitution rate to 7% by the end of FY2026, reflecting its continued effort towards sustainable operations and reduced carbon emissions.

Sustainability Statement

(Cont'd)

The Group also tracks Scope 3 emissions, which include business travel and employee commuting. In FY2025, the total of Scope 3 emissions was 1,978 tCO₂e, with business travel accounting for 223 tCO₂e and employee commuting contributing 1,755 tCO₂e. These are part of a broader effort to build a complete emissions baseline and support long-term emission reduction strategies.

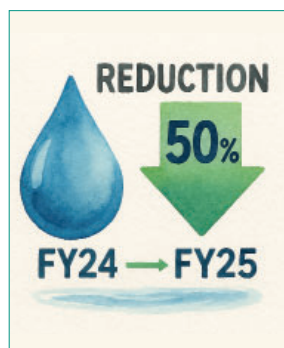
Scope 3 Emissions (in tonnes CO ₂ e)	FY2023	FY2024	FY2025
Business Travel (Category 6)	-	-	223
Employee commuting (Category 7)	-	1,043	1,755
Total Emissions	-	1,043	1,978

Note: Scope 3 emissions data for Employee Commuting (Category 7) was first collected in FY2024, while data for Business Travel (Category 6) was initiated in FY2025.

To help reduce overall energy consumption, HCMT has implemented changes to both equipment and quality targets, improving operational efficiency with the co-benefit of directly contributing to carbon footprint reduction. Efforts to substitute by-products such as fly ash and ground granulated blast furnace slag into cement production also help lower the clinker factor, which is a significant contributor to emissions.

7.4 WATER MANAGEMENT

By viewing water not just as a utility but as a vital natural asset, HCIB continues to invest in conservation, innovation, and responsible discharge practices.



Water plays an important part in HCIB's day-to-day activities, especially for keeping plant equipment cool and meeting the general water needs of office operations. Because water is involved in many steps of the Group's work, using it wisely and carefully helps maintain smooth operations, avoid unnecessary use, and support long-term responsible practices.

To help ensure water usage remains efficient and responsible, HCIB has established a structured water management approach that includes regular monitoring, data tracking, and review mechanisms. Water consumption data is collected and analysed monthly, with findings presented to the SWC and subsequently reviewed by the SSC on a quarterly basis. This tiered reporting process allows the Group to detect irregular patterns in water use early and investigate potential causes, supporting timely resolution and resource conservation.

One notable example of the Group's water management strategy was the identification and resolution of a previously undetected water leak at one of its facilities. Through timely intervention and coordination across multiple departments, the issue was addressed promptly, resulting in an approximate 50% reduction in overall water consumption for FY2025 compared to the previous year. This outcome underscores the value of maintaining a robust monitoring framework, encouraging cross-functional teamwork, and responding swiftly to operational inefficiencies to drive measurable improvements in environmental performance.

Water-related risk controls are embedded in HCIB's Environmental Management System ("EMS"), helping to ensure both compliance with legal requirements and the efficient use of water resources. According to the World Resources Institute's Aqueduct Water Risk Atlas, none of HCIB's plants or offices are located in water-stressed regions. Most of the water used by the Group is sourced from municipal providers, and usage is billed according to internal consumption. However, the Group has started integrating supplementary water sources where possible to improve resilience and reduce dependence on potable water.

For example, HCIB now draws water from nearby ponds to support cooling activities at its plant equipment. This pond water undergoes a pre-treatment process, is filtered and used within operations, and is subsequently recirculated back into the ponds after use. In FY2025 alone, 1.28B litres of pond water were used, reducing the Group's need for treated municipal water and demonstrating practical water reuse in industrial applications.

Sustainability Statement

(Cont'd)

Simultaneously, HCCT has implemented water recycling practices within its dry pits used during the concrete mixing process. As this recycled water can be reused without requiring additional treatment, the initiative effectively cuts down on both water consumption and the volume of discharge into the surrounding environment. Such practices support more sustainable concrete manufacturing while aligning with the Group's environmental goals.

Overall, in FY2025, the Group recorded a total water withdrawal of 68 megalitres. This excludes recycled wastewater from the Group's dry pits and retention ponds. Aside from this, the Group almost exclusively uses water sourced from the municipal water supply and does not rely on any other sources of water.

Water Withdrawal ('000 000 Litres)	FY2023	FY2024	FY2025
Municipal Water	130	137	68
Surface Water	0	0	0
Groundwater	0	0	0
Used Quarry Water	0	0	0
External Wastewater	0	0	0
Harvested Rainwater	0	0	0
Seawater	0	0	0
Total Water Withdrawal	130	137	68

Water Intensity (m ³ /Tonne Cement Produced)	FY2023	FY2024	FY2025
	0.018	0.020	0.010

Note: *The water intensity is for HCMT only.

To track long-term performance and promote data-driven decision-making, HCIB monitors water intensity metrics across its cement production activities. These metrics are expressed as cubic metres of water used per tonne of cement or cementitious material produced. This allows the Group to assess how efficiently water is used and to identify potential areas for optimisation across production lines. Over the past three years, this tracking has helped enable better resource allocation and supported HCIB's ongoing goal of reducing environmental impact without compromising operational efficiency.

Together, these efforts reflect a structured and proactive approach to water management that balances operational needs with environmental considerations. By exploring alternative water sources, recycling wastewater, and continuously monitoring usage trends, HCIB supports resource efficiency and sustainable growth throughout its business.

7.4.1 WATER MANAGEMENT

At present, nearly all water used in cooling processes at the Group's operational plants is eventually returned to the environment. The only exception is backwash water, which is utilised for flushing filter systems. This backwash water is routed to a retention pond before being released. Here, the Group actively monitors the water quality before it is discharged, as outlined in the **Water Pollution** section earlier.

Water discharge management practices vary by facility, depending on operational requirements. At HCCT, water discharge mainly results from equipment cleaning. This water is first channelled to a slurry pit, where it is stored and reused for subsequent cleaning processes. Meanwhile, at HCMT, excess water not reused for cooling is directed into an on-site retention pond. During heavy rainfall, overflow from this pond may be discharged through the plant's drainage system. Although the exact volume of discharged water is not currently estimated, HCMT conducts COD testing every six months to assess water quality before discharge, supporting compliance and environmental protection.

To enhance environmental monitoring, HCCT's plant in Sabah is equipped with settling ponds to treat wash water produced during concrete mixing. In line with recent initiatives, a plan has been introduced to conduct regular pH level monitoring of slurry pits and discharged water at all sites. This proactive step helps ensure that water being released into the environment remains within acceptable parameters, minimising any potential ecological harm.

Sustainability Statement

(Cont'd)

The following presents the total water discharge data over three years, categorised by destination:

Water Discharge (Litres)	FY2023	FY2024	FY2025
Surface Water	9,314	8,315	6,622
Beneficial/Other Use	0	0	0
Subsurface/Well	0	0	0
Off-site Water Treatment	0	0	0
Ocean	0	0	0
Total Discharge	9,314	8,315	6,622

Note: *The disclosed value only represents water used directly for concrete mixing. Water used for cooling is not included.

Through diligent monitoring and quality assurance of discharged water, the Group aims to reduce its environmental footprint and foster positive contributions to the surrounding communities.

Given the effective management of water discharge, HCIB has generally maintained compliance with water quality and quantity permits, standards, and regulations over the past three consecutive years.

7.4.2 WATER CONSERVATION INITIATIVES

The Group recognise the essential role water plays in its daily operations, whether it is cooling plant equipment, serving as a raw material in concrete batching, or supporting general use in HCIB's pantries and restrooms. In line with this effort to preserve water as a vital shared resource, the Group does not operate in any water-stressed regions throughout the country.

To further promote water conservation throughout its operations, HCIB undertakes the following initiatives:

Effective Cooling System

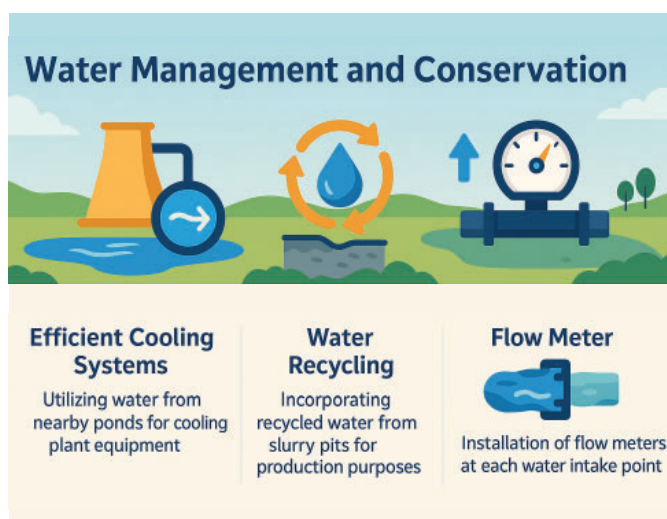
- Utilising water from nearby ponds for cooling plant equipment has reduced dependency on municipal water sources. This initiative has helped HCIB save approximately 1.28B liters of potable water annually.

Water Recycling

- At HCCT plant in Beranang, recycled water from slurry pits is incorporated for production purposes such as cleaning. This practice not only conserves fresh water but also demonstrates our capability to recycle resources efficiently.

Flow Meter Installation

- HCMT has initiated the installation of flow meters at each water intake point to measure the amount of water used from a nearby pond.



Sustainability Statement

(Cont'd)

7.5 BIODIVERSITY

HCIB views the protection of flora and fauna as essential to maintaining ecosystem balance.



HCIB continues to take steps to identify, assess, and manage potential impacts on biodiversity associated with its operations. Biodiversity considerations are integrated into the EIA process, which is required for any new development or expansion activities in line with national regulations. The EIA process helps the Group evaluate potential environmental risks, including those that may affect local ecosystems and species.

As of FY2025, no new operations or projects were initiated, and therefore, no biodiversity risk assessments were required during the reporting period. Nonetheless, the commitment to carry out biodiversity risk assessments through the EIA process remains central to HCIB's approach to responsible development and environmental due diligence.

For all existing operations, biodiversity risks are evaluated through routine environmental assessments. HCMT conducts biodiversity reviews as part of its EIA submissions. These reviews assess the potential impact of mining and cement production on surrounding flora and fauna. The assessments also inform strategies for mitigating potential negative effects.

Beyond regulatory compliance, HCIB places emphasis on responsible operational practices that support long-term ecosystem health. The Group conducts annual self-regulatory audits under the Self-Regulatory Auditing for a Responsible and Sustainable Mining Industry framework. These audits assess the environmental management practices at mining sites and verify that safeguards are in place to minimise ecological disturbance.

In line with its proactive conservation efforts, HCIB undertook a tree planting initiative in FY2025, planting a total of 207 trees, including Murraya, Panda Bamboo, Eugenia oleina, and Foxtail Palm. The initiative reflects HCIB's efforts to restore green cover and enhance site-level biodiversity beyond regulatory requirements.

7.5.1 BIRD SANCTUARY INITIATIVES

First initiated in FY2023, HCMT has continued to maintain its Bird Sanctuary initiative as an example of the Group's responsive approach to biodiversity conservation. This particular initiative, established to restore the native ecology of a former quarry site in Gopeng, highlights HCMT's long-term objective to restore ecological integrity in areas impacted by industrial activity. By transforming a previously degraded landscape into a refuge for birds, the initiative demonstrates the Group's ability to balance operational needs with environmental stewardship.

The Bird Sanctuary is managed with a clear focus on enhancing local biodiversity through structured site management and ecosystem rehabilitation. Native vegetation has been reintroduced to create a conducive habitat for birds, while designated no-disturbance zones ensure minimal human interference. These measures not only encourage the return of various bird species but also contribute to the overall ecological stability of the surrounding area. A signboard at the site marks it as a protected zone, reinforcing its role as a dedicated conservation space.

The initiative reflects many of the hallmarks of recognised biodiversity restoration frameworks, such as those advocated under international voluntary standards. While currently implemented as an internal pilot project, it presents an opportunity for future alignment with third-party certification schemes to further validate its conservation value. In this way, the Bird Sanctuary may serve as a scalable model for similar ecological restoration efforts across the Group's footprint.

Overall, HCIB continues to monitor and manage its biodiversity impacts while aligning with broader environmental objectives. Through a combination of regulatory compliance, internal audits, and voluntary restoration programmes, the Group demonstrates its ongoing efforts to promote environmental stewardship and protect natural ecosystems surrounding its operations.

Sustainability Statement

(Cont'd)

7.6 RESOURCE CONSUMPTION

The Group acknowledges that efficient resource management is essential to improving productivity, cutting emissions, and supporting long-term business resilience.

The production of cement and concrete requires large amounts of natural resources, particularly limestone and clay. However, the Group acknowledges that the extraction of these resources may not always be environmentally friendly, especially for local ecosystems.

In addressing this challenge, the Group aims to balance cost considerations with environmental concerns by exploring alternative resources without creating excessive financial burden. Currently, HCIB has been looking into options such as integrating waste by-products from other industries into business operations. This would allow HCIB to adopt circular economy principles in its business model.

In line with this initiative, HCIB has already begun incorporating such by-products into its operations. For example, the Group has been using fly ash and granulated blast-furnace slag in the concrete and cement production process.

	FY2023	FY2024	FY2025
Recycled Input Materials (Tonnes)	189,366	292,395	453,040

Note: Recycled input materials refer to the use of recycled waste materials from external sources and the Group's operations.

7.6.1 RESOURCE EFFICIENCY

Resource efficiency forms a key part of the Group's environmental management practices. HCIB aims to minimise environmental impact while maximising resource use across its cement and concrete operations. In doing so, it aims to ensure that raw materials and resources are used in a manner that balances operational needs with environmental responsibility.

HCIB's approach to resource management is guided by sustainability principles and industry standards, including the SASB Standards for Building Products & Furnishings. The Group focuses on aiming to reduce the environmental footprint of its products throughout their life cycle, starting from the sourcing of raw materials to their use and final disposal. This involves optimising material efficiency, reducing waste, and pursuing circular economy strategies wherever feasible.

Key initiatives include increasing the use of alternative raw materials such as PFA and GGBS, which are by-products from other industries. By substituting traditional materials with these alternatives, HCIB is able to reduce the use of virgin raw materials and limit the environmental impact of extraction activities. These supplementary materials also improve product durability and help lower emissions associated with cement production.

Efficient Material Use and Alternative Raw Materials

- HCIB integrates alternative raw materials like PFA and GGBS into its processes. These materials reduce reliance on conventional resources, cut CO₂ emissions by replacing clinker in HCMT processing, and enhance concrete product durability and strength, supporting sustainable construction practices.
- HCCT also uses alternative raw materials such as PFA and GGBS in their concrete products. This will reduce the carbon footprint of precast concrete products.

Effective Waste Management and Recycling

- Strategies encompass recycling and repurposing waste materials within operations. For instance, used lubricant and hydraulic oils serve as machinery lubricants, while used drums are repurposed as cleaning chutes and storage containers.

Sustainability Statement

(Cont'd)

Co-processing and Circular Economy

- HCIB utilises waste from other industries as raw materials, fuels, or cement additives, minimising waste generation and promoting a circular economy where materials are reused or repurposed instead of discarded.

Energy Efficiency and Emission Reduction

- Focuses include optimising kiln operations, adopting alternative fuels, and implementing energy recovery systems to slash carbon emissions.

Monitoring and Compliance

- HCIB employs advanced systems such as eSwis from the DOE to monitor scheduled waste inventory and movements, ensuring adherence to environmental regulations and enhancing traceability in waste management processes.

Continuous Improvement and Innovation

- HCIB's sustainability practices evolve through monthly SWC and quarterly SSC meetings. These forums drive the adoption of best practices, implementation of corrective actions, and development of innovative solutions to further reduce environmental impact and enhance sustainability performance.

While HCIB currently operates without specific waste reduction targets, the Group aims to reduce waste generation through proactive reuse, recycling, and repurposing practices across its operations. Internally generated waste materials are reused wherever feasible. For instance, used lubricants and hydraulic oils are repurposed for machinery lubrication, while contaminated drums are adapted for use as cleaning chutes and storage containers. These practices aim to reduce the need for new materials while extending the lifecycle of existing resources.

HCIB also supports industrial symbiosis by utilising waste materials from other industries as alternative raw materials and fuels in its cement manufacturing process. This includes incorporating materials such as carbon granules, SAGE fuel, and other industrial by-products. These actions align with the Group's broader objective to integrate sustainability into core operations while aiming to support national and global resource conservation goals.

8.0 SOCIAL

HCIB places strong importance on its people and the communities where it operates. The Group believes that long-term business success depends on having a safe, fair, and inclusive workplace, as well as good relationships with the surrounding community. Because of this, HCIB continues to foster a work environment where employees have the chance to grow, contribute meaningfully, and succeed.

To this end, the Group aims to promote a culture based on respect, teamwork, and continuous learning. Investing in employees' development, both professionally and personally, can build a stronger and more capable organisation. Having a diverse and engaged workforce also helps HCIB stay adaptable, innovative, and aligned with its core values.

Ultimately, the Group strives to follow fair labour practices, respect human rights, and make employee health and safety a top priority. It aims to create not just a better workplace but also a better society by supporting inclusion and empowerment. This people-focused approach helps ensure that employees inside the organisation can benefit from the Group's growth and progress, now and in the future.

Sustainability Statement

(Cont'd)

8.1 HUMAN AND LABOUR RIGHTS

Human and labour rights are central to the Group's business value, forming the foundation of a fair, safe, and inclusive workplace.

HCIB recognises that a respectful and ethical work environment is not only a fundamental right but also a driver of trust, morale, and productivity. It aims to promote a workplace that is not only safe and healthy but also inclusive, supportive, and free from any form of discrimination, harassment, or exploitation.

To support this commitment, the Group endeavours to integrate human rights considerations into its daily operations, decision-making processes, and employee relations practices. Employee interests are recognised and protected through transparent policies, responsive grievance mechanisms, and consistent communication across all levels of the organisation. This comprehensive approach helps ensure that every individual working at or with HCIB is treated fairly and with dignity.

Core commitments to human and labour rights are outlined in the Group's Labour Standards Statement and the Hong Leong Manufacturing Group's Code of Conduct and Ethics. These documents apply to all employees and are key components of HCIB's broader ESG and governance framework. While a standalone Human Rights Policy is not in place, the Labour Standards Statement incorporates essential principles such as the prohibition of forced and child labour, the promotion of safe and healthy working conditions, and the right to equal treatment and non-discrimination.

These commitments are aligned with internationally recognised standards, including the United Nations Guiding Principles on Business and Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and the Universal Declaration of Human Rights. They also include protections such as freedom of association, the right to collective bargaining, and the elimination of all forms of forced or compulsory labour and workplace discrimination.

To support implementation, the Group continuously conducts training programmes to raise awareness of forced labour issues within the manufacturing sector. These initiatives equip employees with the knowledge and tools needed to identify and prevent forced labour practices, empowering them to maintain an ethical and compliant work environment.

HCIB's actions to address labour issues include:

Indicator	Actions Taken
Prevention of Child Labour	HCIB strictly enforces a minimum hiring age of 18 years old, in line with the Employment Act 1955. Age verification is conducted using official documents such as National Identity Cards, Birth Certificates, and Passports. In FY2025, no employees under the legal age were employed, and no suppliers were identified to be at risk of child labour practices.
Prevention of Forced Labour	<p>HCIB does not engage in bonded or involuntary labour practices. All employees are free to terminate their employment with one month's notice. Overtime work is voluntary and recorded through HCIB's Time Management System ("TMS"). The Group's Labour Standards Statement also clearly prohibits all forms of forced or exploitative labour.</p> <p>HCIB also endeavours to adhere to the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446) in Malaysia, providing proper housing and amenities for foreign labourers.</p>

Sustainability Statement

(Cont'd)

Indicator	Actions Taken
Mechanisms to Allow Employee Representatives to Engage with Company Management	<p>HCIB recognises employees' rights to form and join trade unions. Collective agreements remain in effect between the HCCT Union and the Non-Metallic Mineral Products Manufacturing Employees' Union, and between the HCMT Union and the Cement Industries Employees Union.</p> <p>These agreements recognise the unions as the exclusive bargaining agents for their respective employees on matters affecting their interests.</p>
Reduction of Excessive Working Hours	<p>Employee working hours are managed through a centralised TMS system, which helps monitor attendance and prevent excessive overtime. This supports HCIB's goal of promoting a balanced workload and ensuring compliance with labour regulations.</p>
Grievance Mechanisms	<p>HCIB has established grievance procedures that enable employees and affected parties to report labour concerns. The Group is committed to providing remedies where any adverse human rights impacts are identified.</p> <p>Further information on grievance mechanisms can be found in the following section.</p>

Additionally, to further enforce the prevention of child labour and forced labour, HCIB has published a Labour Standards Statement. This statement is available in Bahasa Malaysia and English to help ensure accessibility and understanding among the Group's diverse workforce.

As a result of these efforts, HCIB recorded zero incidents of non-compliance with labour standards in FY2025. In fact, the Group has consistently maintained zero reported cases of human rights and labour rights violations over the past three financial years, from FY2023 to FY2025. This outcome reflects the Group's adherence to the Malaysian Employment Act 1955 and its internal labour policies. The Human Resource ("HR") department remains vigilant in monitoring compliance, supporting HCIB's commitment to maintaining a fair and lawful workplace.

A) Employee Grievance Mechanisms

HCIB fosters a respectful and professional workplace where employees are treated with dignity. Inappropriate behaviours such as bullying, harassment, or violence are strictly prohibited. This includes acts of discrimination towards gender, race, ethnicity, age, religion, disability, sexual orientation, nationality, marital status, or employment arrangement. Employees are expected to act in line with Malaysian standards of conduct.

To support this, HCIB has clear grievance procedures and confidential reporting channels. Employees can report incidents to their supervisor or escalate concerns when necessary. The Group encourages timely reporting and aims to resolve issues through prompt meetings. If unresolved, cases can be brought to HR, and further to authorities under the Employment Act 1955 or Industrial Relations Act 1967.

Managers receive training to handle misconduct, covering topics such as harassment, grievances, and forced labour. These sessions build awareness and ensure managers respond effectively.

By promoting transparency and awareness, HCIB aims to create a safe environment where employees feel heard. These measures strengthen trust and accountability across the organisation.

8.2 TALENT MANAGEMENT

By prioritising talent development and workforce engagement, HCIB aims to strengthen both organisational capability and employee fulfilment.

HCIB focuses on attracting, retaining, and nurturing innovative individuals who share the Group's values. As key stakeholders, these employees are developed as a future-ready workforce through continuous learning, leadership development, and inclusive growth opportunities. To the Group, talent management goes beyond a business imperative but reflects its responsibility to empower individuals and support their career aspirations.

Sustainability Statement

(Cont'd)

A) Hiring and Attrition

In line with its effort towards fair and inclusive employment practices, HCIB supports the principles of non-discrimination, equal opportunity, and fair treatment for all. These principles, embedded in the Group's Labour Standards Statement and Code of Conduct, guide recruitment and hiring processes across every level of the organisation.

The Group aims to place emphasis on hiring local talent, particularly for roles in plant operations, production, and site support. As part of its ongoing commitment to community engagement, HCIB aims to prioritise candidates from within a 20-kilometre radius of its operating plants. This approach not only supports operational efficiency but also contributes to local economic development and community wellbeing.

To further extend its social impact, the Group aims to explore partnerships and outreach efforts that create employment opportunities for individuals from disadvantaged backgrounds, including those from low-income households or marginalised communities. Through these initiatives, HCIB aims to promote inclusive growth and greater access to sustainable livelihoods.

In cases where local talent is not readily available for specific technical or operational roles, HCIB may engage foreign workers or appoint expatriates with niche expertise to support business needs. To ensure long-term sustainability, the Group aims to promote knowledge transfer and leadership development by pairing expatriates with local staff, encouraging the eventual localisation of roles through structured succession planning.

Total Turnover by Employment Category	FY2023	FY2024	FY2025
Management (number)	-	17	16
Executive (number)	-	17	39
Non-Executive/Technical staff (number)	-	23	58
General workers (number)	-	5	63
Turnover Rate (%)	-	8.81	26.04

Note: Data for FY2023 is not applicable as the Group adopted the new job categories in alignment with the latest BURSA reporting guidelines starting FY2024.

HCIB recorded a turnover rate of 26.04% in FY2025, compared to 8.81% in the previous year. However, this was largely due to the Group's strategic decision to downsize the operations of HCCT. This exercise was part of a broader optimisation effort to enhance operational efficiency and ensure long-term sustainability of the Group as a whole.

B) Graduate Development Programme

In line with its commitment to building a strong and future-ready workforce, HCIB continues to invest in youth employment through the Group's Graduate Development Programme. This initiative is designed to attract and support young talent from various technical backgrounds, including mechanical, chemical, and electrical engineering. It acts as a structured bridge between university education and real-world industry experience.

This programme is built on the foundations of the LEAP framework: Learn, Engage, Acquire, and Progress. Through this structured approach, participants gain technical knowledge, business understanding, and soft skills needed for long-term careers within the Group. In FY2025, a total of seven LEAP sessions were conducted, each tailored to support continuous learning and build essential capabilities.

Participants undergo a well-rounded learning experience that includes structured training, hands-on work, coaching, and mentorship. They also have the opportunity to meet with HCIB's leadership and learn about the Group's strategic goals. By investing in young people and helping them grow, HCIB is not only preparing its future leaders but also giving the next generation a chance to build meaningful and purpose-driven careers with the Group.

Sustainability Statement

(Cont'd)

C) Employee Rights and Welfare

HCIB places emphasis on upholding employee rights and welfare as part of our workplace culture. The Group endeavours to comply with Malaysian labour laws, particularly concerning minimum wage requirements, overtime regulations, and statutory benefits. While overtime may result in higher earnings for employees, work hours are carefully monitored to ensure adherence to legal limits and to protect employee well-being.

Upholding equal opportunity and non-discrimination	Respecting workers' right to dignity at work	Supporting a harassment-free and violence-free workplace
Compliance with employment-related laws, including those governing working hours, overtime pay, and fair compensation (e.g., Minimum Wage Order 2022)	Prohibition and prevention of forced labour, debt bondage, human trafficking, and all forms of modern slavery	Recognition of children's rights and prohibition and prevention of child labour
Respecting employees' rights to wellness, mental health, and work-life balance	Providing a minimum notice period for changes in terms of duties, work location, or other operational changes	Upholding the right to safe working conditions
Empowering collective bargaining at work	Respecting employees' right to participate in a trade union as per the Industrial Relations Act 1967 and Trade Unions Act 1959	Promoting a fair reward system and ensuring transparency in the hiring process

The Group also supports fundamental rights such as freedom of association, the right to collective bargaining, and a workplace free from discrimination. Employees are entitled to join trade unions of their choice that are in line with national laws and union rules. These rights are outlined in the Labour Standards Statement and reinforced through the Group's Code of Conduct and Ethics.

As of FY2025, approximately 43% of employees at HCMT are covered by collective bargaining agreements, following the first Collective Agreement signed in May 2023. This marks a notable increase from the initially estimated 33% coverage. At HCCT, around 6% of employees are currently covered under the 18th Collective Agreement signed in 2021, reflecting a slight decline from previous years due to the downsizing of HCCT's operations.

By safeguarding these rights and encouraging open dialogue, HCIB aims to cultivate a fair and inclusive work environment. The Group's engagement with trade unions and emphasis on respectful representation reflect its ongoing efforts to promote transparency, mutual respect, and long-term employee welfare.

8.2.1 DIVERSITY AND INCLUSIVITY

HCIB recognises that an inclusive culture built on mutual respect fosters an inclusive workplace where individuals of all backgrounds, identities, and experiences are respected and empowered to thrive.

Diversity and inclusion are part of HCIB's values, driving a culture that respects and celebrates individual differences. The Group provides equal opportunities to employees, regardless of gender, race, ethnicity, age, religion, disability, sexual orientation, nationality, marital status, or employment arrangement. This ensures employees can thrive in a supportive and respectful environment.

Sustainability Statement

(Cont'd)

In FY2025, HCIB's overall workforce is broken down as follows:

Overall Workforce	FY2023	FY2024	FY2025
Total Workforce	721	708	599
By Gender (%):			
Male Employees	86	85	85
Female Employees	14	15	15
By Nationality (%):			
Malaysian Employees	79	80	87
Foreign Nationals	21	20	13
By Employment Category (%):			
Managers	-	14	15
Executives	-	23	26
Non-Executives/Technical Staff	-	46	49
General Workers	-	18	10

Gender Breakdown by Employee Category		Percentage of Employees (%)		
		FY2023	FY2024	FY2025
Management	Male	76	78	77
	Female	24	22	23
Executive	Male	70	63	67
	Female	30	37	33
Non-Executive	Male	90	93	93
	Female	10	7	7
General Workers	Male	100	100	100
	Female	0	0	0

Age Breakdown by Employee Category		Percentage of Employees (%)		
		FY2023	FY2024	FY2025
Management	Under 30	0	0	0
	30 – 50	78	71	67
	Above 50	22	29	33
Executive	Under 30	16	16	17
	30 – 50	77	75	75
	Above 50	7	9	8
Non-Executive	Under 30	33	28	27
	30 – 50	57	60	62
	Above 50	11	12	11
General Workers	Under 30	37	31	32
	30 – 50	60	67	68
	Above 50	3	2	0

Sustainability Statement

(Cont'd)

While the heavy industrial sector has traditionally seen lower female representation, particularly in operational roles, HCIB continues to implement measures to address this imbalance. A more balanced gender distribution is now evident in departments such as Administration and Sales & Marketing. The Group also actively works towards enhancing female representation across all business units, supporting its goal of providing equal opportunities for all.

Proportion of Contract Staff (%)	FY2023	FY2024	FY2025
Permanent staff:	86	79	87
Contract staff:	14	21	13

As part of its ongoing diversity efforts, HCIB has taken proactive measures to promote equal opportunity and reduce discrimination. These efforts include:

Indicator	Action Taken
Race	The Group embraces a multi-ethnic workforce and celebrates cultural diversity through events such as Chinese New Year, Hari Raya Aidilfitri, and Deepavali, fostering mutual respect and understanding.
Religion	Religious inclusivity is supported through dedicated prayer spaces for Muslim employees and separate halal and non-halal facilities in food areas, promoting respect for diverse religious practices.
Gender	HCIB continues to support efforts to advance gender diversity across all levels of the organisation. As of FY2025, women make up 33% of executive roles and 23% of management positions, reflecting the Group's ongoing efforts to foster an inclusive and equitable workplace. HCIB continues its effort to support women in leadership and continues to align with the national target of 30% female representation in decision-making roles. Initiatives such as International Women's Day continue to celebrate the valuable contributions of women across the organisation.
Age	More than 33% of HCIB's management are aged 50 and above, reflecting the Group's appreciation for experience and the value of a multi-generational leadership team.
Disabilities	In line with the Hong Leong Group Recruitment Policy, individuals with disabilities are considered fairly and without bias. Recruitment decisions are based on merit, qualifications, and potential.
Nationalities	HCIB benefits from a diverse workforce that includes foreign nationals at various levels. For instance, the Group employs Indonesian workers in Sabah, and Nepali and Bangladeshi workers in Beranang. Senior roles such as the Head of Manufacturing are also held by foreign professionals, with equitable development opportunities extended across the board.
Education Background	HCIB believes in creating inclusive opportunities for individuals from all walks of life, including those with limited formal education. As part of its efforts to support underprivileged communities, the Group actively hires individuals who may not have completed secondary school. For example, certain segments of HCIB's support staff come from backgrounds with only a primary school education.

By embedding diversity and inclusivity into its organisational culture, HCIB creates a workplace where individuals feel valued and empowered to contribute meaningfully to the Group's continued success.

Sustainability Statement

(Cont'd)

8.2.2 HUMAN CAPITAL DEVELOPMENT





Human capital development is a key enabler of business resilience that equips employees with the tools to adapt, lead, and grow. Thus, by investing in training and upskilling, HCIB empowers its people to reach their full potential while supporting the Group's long-term goals.

HCIB recognises that employee development is fundamental to sustaining organisational growth and operational excellence. As part of its long-term strategy, the Group invests in continuous learning to equip employees with the skills, confidence, and agility required to succeed in a dynamic industrial landscape.

Training programmes are aligned with the Group's business strategies and are developed based on regular performance assessments and skills gap analyses. These evaluations, conducted by the HR department in collaboration with departmental leaders, aim to ensure that training initiatives are timely, relevant, and effective.

HCIB also adopt a structured and comprehensive approach to learning and development. The Group offers a combination of in-house and external training designed to support the growth of employees across all levels. Programmes are implemented using a range of methodologies guided by the four core quadrants of HCIB's Learning and Development framework, which include Culture and Values, Leadership, Business-specific, and General Management.

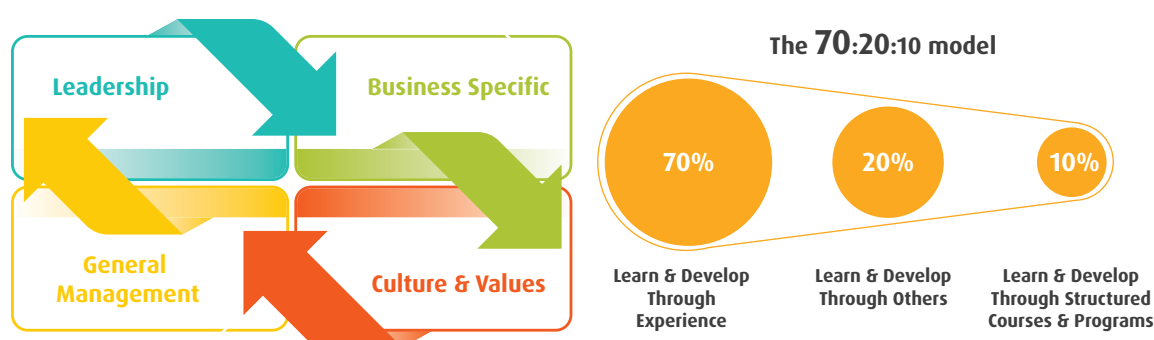
To measure progress and drive continuous improvement, training activities are tracked and recorded by participation rate and training hours. This helps the Group evaluate the return on investment for training programmes and refine them to better meet evolving needs.

			
Culture & Values	Leadership	Business Specific	General Management
<p>This pillar forms the cornerstone of our induction program, that includes:</p> <ul style="list-style-type: none"> • QPP & 5S training that promotes efficiency and organization. • Weekly safety training that focuses on safety practices and fire extinguisher use. • ABCMS awareness to educate on Anti-Bribery & Corruption Management to uphold integrity 	<p>This pillar is tailored for selected employees to develop supervisory and leadership skills, fostering effective teamwork. The comprehensive training programs include:</p> <ul style="list-style-type: none"> • Train-the-Trainer ABCMS • Hume Quality Leadership Journey (HQLJ) • Manufacturing Management • Learning & Development Process Improvement 	<p>This pillar is designed for technical and process-related employees to enhance their technical knowledge. The training programs include:</p> <ul style="list-style-type: none"> • EPICOR System for Finance Training • Specialised training on Safety Standards • Waste Spill Prevention, Control, and Recovery Measures • Practical, hands-on training to apply technical skills in real-world scenarios. 	<p>This pillar focuses on system and management-specific topics, including rules and regulations from government bodies. Key training areas include:</p> <ul style="list-style-type: none"> • Anti-Bribery & Corruption Management System • Effective Internal Audit Skills of ISO 37001:2016 • Industrial First Aid Regulatory Compliance Training • Data Protection and Privacy

Sustainability Statement

(Cont'd)

In addition to formal training, HCIB adopts the 70-20-10 learning model, recognising that meaningful development occurs through a mix of experiences. Employees gain 70% of their learning through on-the-job tasks, 20% through social learning and peer interactions, and 10% through structured classroom-based or virtual learning. This model helps to encourage practical, hands-on growth while ensuring foundational knowledge is reinforced.



Through these comprehensive efforts, HCIB aims to build a highly skilled, agile, and resilient workforce capable of adapting to future challenges. This not only supports individual career progression but also helps strengthen the Group's overall performance and long-term sustainability.

A) Group Training and Development

HCIB's training programmes are developed based on a Training Needs Analysis ("TNA"), conducted in collaboration with department heads to identify existing skill gaps and plan targeted annual training interventions. Focus areas include:

- Occupational Health and Safety ("OSH")
- Technical competencies
- Supervisory and leadership development
- ESG-related awareness
- Compliance and grievance handling

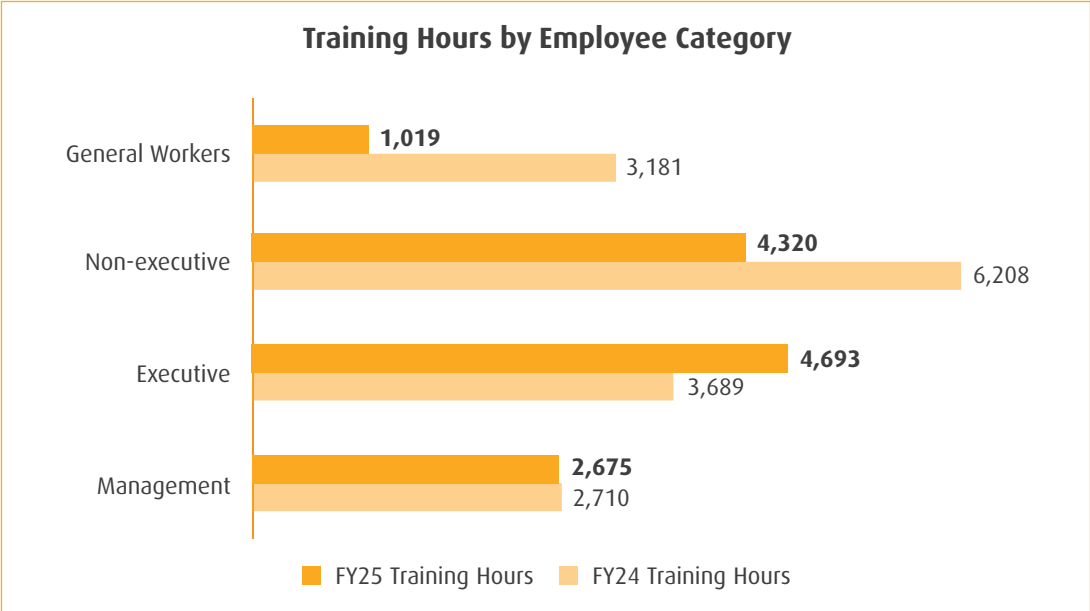
Programmes are delivered via both in-house and external providers, in line with the four-quadrant Learning & Development framework and supported by the 70-20-10 learning approach, combining on-the-job experience, mentoring, and formal instruction.

In FY2025, the Group's training performance is as follows:

	Target	FY2023	FY2024	FY2025
Total training hours as a company		21,416 hours	15,787 hours	12,706.25 hours
Average Training Hours Per Employee	> 20 Hours	29.7 hours	22.2 hours	21.2 hours
Average Training Days Per Employee	> 0.8 Days	1.2 days	0.9 days	0.9 Days

Sustainability Statement

(Cont'd)



To ensure training remains impactful, HCIB evaluates the effectiveness of its programmes through multiple layers of assessment:

- **Post-training feedback forms:** Gather employee insights on content relevance and delivery.
- **Performance reviews:** Monitor improvements in competencies and behavioural outcomes over time.
- **Training participation data:** Track engagement rates and identify training trends.
- **Operational indicators:** Assess the real-world application of learned skills in the workplace.
- **Skills gap analyses and department-level reviews:** Guarantee that training aligns with evolving organisational needs and business priorities.

This structured and dynamic approach helps ensure that learning remains a strategic enabler of growth, reinforcing a workplace culture rooted in professionalism, respect, and continuous improvement.

8.2.3 EMPLOYEE ENGAGEMENT

Through open communication, recognition, and inclusive workplace practices, HCIB nurtures an environment where employees feel appreciated.

The Group believes that engaged employees are key to sustaining a high-performing culture and fostering a sense of shared purpose. As such, the Group endeavours to prioritise employee engagement as a strategic lever to drive innovation, productivity, and long-term retention.

Sustainability Statement

(Cont'd)

Throughout FY2025, various employee engagement activities have been conducted, including:

Celebrations	Employee Welfare/ Appreciation	Health & Wellness
Chinese New Year	Kaizen Competition	Sports Tournament
Hari Raya	Annual Dinner	Hong Leong Group Wellness Day
Deepavali	Hume Got Talent	Blood Donation Drive
Christmas	Employee Appreciation Day	SHE Week 2024
Independence Day	Family Day	5S Battle
International Women Day	5S Forum	Futsal Tournament
	Hightea Potluck Party	

8.3 HEALTH AND SAFETY

HCIB approaches Occupational Health and Safety ("OHS") through a safety-first culture, where proactive risk management and continuous improvements safeguard the Group's employees and sustain operational excellence.

HCIB supports the safety, health, and well-being of its employees through the cultivation of a resilient Safety, Health, and Environment ("SHE") culture. Supported by active Board oversight, this culture not only bolsters employee morale but also helps prevent operational disruptions, contributing to overall business resilience.

Central to this commitment is the Group's Occupational Health and Safety Management System ("OHSMS"), which serves as the foundation for safe operations across all sites. The Group operates on the principle that workplace incidents, including injuries and fatalities, are preventable. Guided by this belief, HCIB provides protection to its workforce through systematic safety protocols and a focus on continuous improvement.

The Group continues to work towards its ultimate target of zero incidents and accidents across all plants. To support this goal, financial and non-financial resources are allocated to implement and strengthen OHS practices under the guidance of the Board. This dedication contributes to a positive safety culture that underpins long-term sustainable operations.

At HCIB, safety is not just a standard; it is a shared responsibility and a way of life. The Group is proud to share that HCMT was honoured with the National OSH Award 2023 (Quarry & Mining sector) in December 2024 by the National Council for Occupational Safety and Health (NCOSH). This recognition reflects the steadfast commitment of HCIB's teams to embed a safety-first mindset and advance robust systems that prioritise the well-being of every individual on site.

The Group's journey continued with another proud moment in 2024 when it received the Gold MiSHA Excellence Award for OSH Risk Management (Heavy Industry) at the MiSHA National Excellence Awards on OSH Principle of Prevention ("OSHPoP"). This award is a testament to HCIB's proactive, prevention-based approach to occupational safety and health, and the collaboration, innovation, and care that drive it. These milestones reflect not just organisational achievement, but the collective spirit of the Group's workforce, working together every day to ensure a safer, healthier workplace for all.

Sustainability Statement

(Cont'd)

8.3.1 HEALTH AND SAFETY POLICY AND COMPLIANCE

The Group's approach to safety is grounded in regulatory compliance and robust internal standards. Facilities undergo regular audits by SIRIM QAS International and are routinely inspected by key authorities such as the Department of Occupational Safety and Health ("DOSH"), the Department of Environment ("DOE"), the Fire and Rescue Department ("BOMBA"), and insurance assessors. These engagements ensure that all HCIB operations meet or exceed regulatory expectations.

HCIB's overarching SHE Policy provides structured guidance to safeguard employees and maintain operational safety. Recognising that each business unit has unique needs, both HCMT and HCCT have developed customised SHE policies tailored to their respective operational environments.

The implementation of SHE Standard Operating Procedures ("SOPs") reflects HCIB's alignment with ISO 45001:2018 and the Occupational Safety and Health Act 1994. These SOPs form the basis of the Group's compliance efforts and exemplify its intention to go beyond minimum legal requirements.



25%

HCIB's plants have received ISO 45001:2018 certification

100%

HCIB's operational staff underwent health surveillance

The HCMT facility in Gopeng, Perak, holds ISO 45001:2018 certification for its cement manufacturing and quarrying activities. It has also earned the IQNet certification from SIRIM QAS International, further validating its OHS practices and the consistent implementation of its OHSMS.

Through these ongoing efforts, HCIB strives to affirm its effort to create a safe, compliant, and health-conscious workplace that aligns with global best practices while continuously improving to protect its most valuable asset: its people.

8.3.2 HEALTH AND SAFETY MANAGEMENT

SHE performance is a core component of HCIB's business review processes. At the Group level, safety performance is monitored during Monthly Management Meetings, while individual plants hold regular Plant Performance Meetings to evaluate and enhance their safety outcomes. These review platforms help ensure safety remains an ongoing operational priority across all levels of the organisation.

To facilitate inclusive and transparent dialogue on workplace safety, HCIB has established Occupational Safety, Health, and Environment ("OSHE") Committees at its operating plants. These committees include representatives from both employees and management, allowing for open communication on site-specific safety concerns and enabling constructive feedback for the improvement of safety measures.

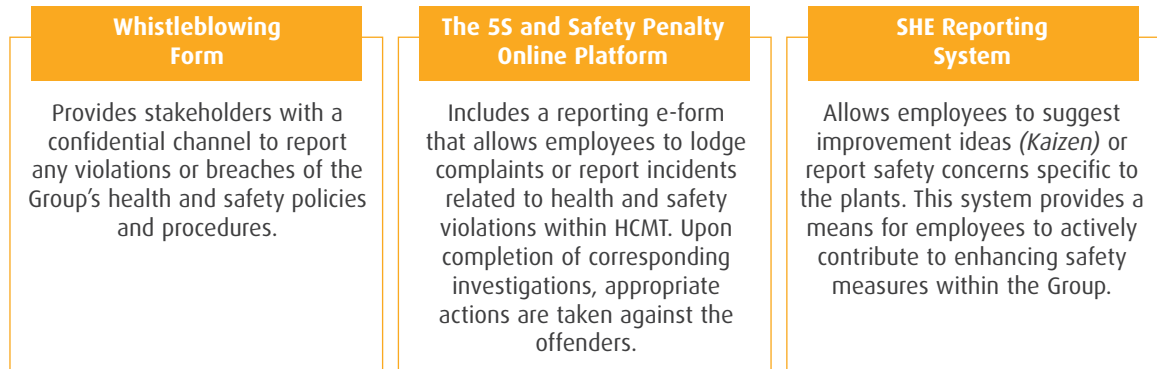
Each operating facility is also supported by a dedicated Health, Safety, and Environment ("HSE") Officer or Coordinator. These individuals lead the planning and execution of safety programmes tailored to each plant's operational requirements and constraints. This helps to ensure that safety measures are both contextually relevant and effectively implemented.

Sustainability Statement

(Cont'd)

Oversight at the Board level is further reinforced through the involvement of Directors responsible for Health & Safety and Sustainability & Climate Change. A cross-functional committee composed of HCMT and HCCT team members conducts hazard identification and risk assessments and recommends control measures using the Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") methodology. These assessments are carried out at least annually, or more frequently when operational changes occur, and involve both SHE committee members and plant employees.

To support a proactive safety culture, HCIB implements annual OSH programmes that include medical surveillance, audiometric testing, and various workplace monitoring activities. Identified risks and opportunities are classified and addressed with targeted mitigation plans, ensuring that safety strategies remain responsive and effective.

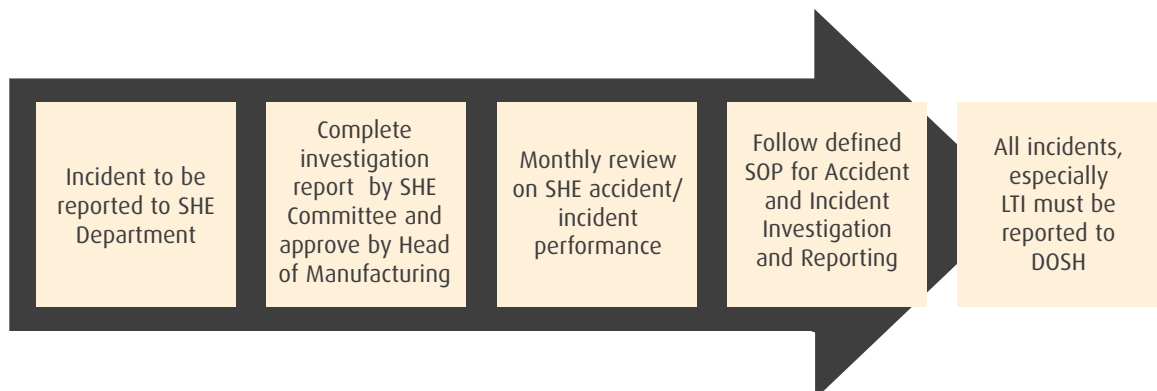


8.3.3 INCIDENT REPORTING AND OHS PERFORMANCE

Incident reporting and investigation are also essential aspects of the Group's safety framework. HCIB maintains a structured reporting system for any accidents or Lost-Time Injury ("LTI") cases. These are thoroughly investigated and documented through SHE Accident Investigation Reports. In compliance with DOSH regulations, the Group also submits JKKP 6, JKKP 7, and JKKP 8 reports as required.

LTIs are defined based on DOSH guidelines as incidents resulting in more than four consecutive days of medical leave due to workplace injuries, occupational poisoning, or disease. Such incidents are classified as serious and are promptly reported. By following a rigorous investigation protocol, HCIB endeavours to ensure that corrective actions are taken swiftly to prevent recurrence and protect employee well-being.

In support of emergency preparedness and workplace health, HCMT is equipped with a dedicated Occupational Health Nurse and an on-site treatment room for immediate medical attention. For more serious medical incidents, an ambulance is stationed at the plant, and arrangements are in place with nearby clinics and the General Hospital to provide additional care when needed. These resources help ensure a prompt response to any health emergencies, reducing the risk of long-term injury or complications.



Sustainability Statement

(Cont'd)

To monitor and improve its safety performance, HCIB tracks key indicators such as injury frequency rates to shape safety measures and support progress towards its target of zero accidents. Safety data is collected and analysed through a combination of internal reviews and external audits by agencies such as SIRIM, DOSH, DOE, BOMBA, and other relevant bodies. These audits, along with online safety reporting and monthly incident performance reviews, feed into an annual Management Review to ensure strategic oversight of SHE initiatives.

The Unsafe Act Unsafe Condition ("UAUC") audit is one of the tools used to identify and resolve ongoing HSE issues. Additionally, each plant implements the 5S programme as part of its safety and housekeeping efforts, incorporating both internal and external assessments. This includes benchmarking with other Hong Leong Manufacturing Group plants to encourage shared learning and consistency.

Together, these layered practices support HCIB's proactive safety management approach, with the aim of ensuring that employees operate in a well-prepared, closely monitored, and health-conscious environment.

The Group uses a set of standardised safety metrics to monitor workplace safety across its operations. The main metric tracked is Lost Time Incidents ("LTI"), which refers to any work-related injury or fatality that results in an interruption to scheduled work time. Using the number of LTIs, HCIB is able to further derive Lost Time Incident Rate ("LTIR") and Lost Time Incident Frequency Rate ("LTIFR") to reflect the frequency of such incidents relative to the total working hours. LTIRs are calculated per 200,000 hours worked, while LTIFR is expressed per 1,000,000 hours. Ultimately, these metrics allow HCIB to assess the safety performance of employees and contractors and identify areas for improvement.

Below are the comprehensive safety metrics for FY2025, providing an overview of the Group's safety performance:

HCIB Lost-time Incident Rate data for three years

Indicators	FY2023	FY2024	FY2025
LTI (number)	3	4	6
LTIR (number of LTI/200,000 hours worked)	0.30	0.36	0.55
LTIFR (number of LTI/1,000,000 hours worked)	1.52	1.81	2.77
Coverage for LTIR (%)	100	100	100
Coverage for LTIFR (%)	100	100	100
Number of contractors	270	293	337
Work-related contractor fatalities (number)	0	1	1
Work-related employee fatalities (number)	0	0	0

In FY2025, HCIB recorded six LTIs, mainly involving injuries suffered while conducting operational activities, such as maintenance and repairs. Of the six, one unfortunate incident ended in a fatality, when a general worker was electrocuted while conducting routine maintenance. Given the seriousness of the issue, the Group strives to increase safety awareness among its operational staff, including communications on safe work practices and first aid care.

8.3.4 HEALTH AND SAFETY TRAINING AND COMMUNICATION

Employee involvement plays a central role in shaping HCIB's OHS culture. Regular discussions with worker representatives are conducted through the Group's SHE Committees, which include participants from various plant departments. These meetings foster open communication and shared ownership of safety outcomes by giving employees a platform to actively contribute to the development, implementation, and continuous improvement of the Group's OHSMS.

Sustainability Statement

(Cont'd)

This year, 545 staff members participated in general and specialised training sessions covering emergency response, CPR, workplace safety regulations, and risk assessment and control measures. Weekly toolbox meetings were held to discuss job-specific hazards and safety practices, while SHE Week activities further promoted safety awareness through interactive events. Transparency and peer learning were encouraged through the sharing of unsafe practices and the dissemination of OSH newsletters.

General programmes such as employee induction and the 5S initiative also embed safety elements, helping reinforce a strong safety-first mindset across the organisation. No employees, contractors, or external stakeholders are excluded from these safety policies or management systems, ensuring that HCIB's safety culture is inclusive and universally applied.

Health and Safety Training	FY2023	FY2024	FY2025
Number of Staff Trained	721	708	545
Total Training Hours	7,155	7,682	5,978

In FY2025, HCIB continued to foster a safety culture through a range of employee engagement initiatives focused on OSH. Weekly toolbox meetings were held consistently, providing a platform to promote daily safety practices and raise awareness on job-specific hazards and preventive actions. The Group also organised a dedicated SHE Week, featuring interactive activities, educational talks, and campaigns to help strengthen safety consciousness across the organisation.

Ongoing training sessions help ensure that employees remain up to date on safety protocols, emergency procedures, and hazard identification. The Group also further continued its commitment to systematic risk management through the implementation of an OSH Management System aligned with ISO 45001:2018 standards. Additionally, open sharing sessions on unsafe practices and near-miss incidents encouraged collective learning and continuous improvement within the workforce. These efforts reflect HCIB's approach to embedding a safety-first mindset at every level of the organisation.

8.4 COMMUNITY INVESTMENT AND CORPORATE SOCIAL RESPONSIBILITIES

Through focused Corporate Social Responsibility ("CSR") initiatives, HCIB seeks to integrate social responsibility into the Group's business strategy and align its business success with the social and environmental advancement of the communities where it operates.

In FY2025, HCIB employees continued their commitment to social responsibility by contributing a total of 208 volunteer hours, reaching and benefiting 1,843 individuals through various community outreach activities. The Group recognises that employee volunteerism is a powerful way to strengthen community ties, foster a sense of shared responsibility, and support HCIB's values beyond the workplace.

To cultivate this spirit of service, HCIB encourages employee involvement in charitable activities and facilitates meaningful engagement through partnerships with community organisations. Employees who show exceptional dedication to volunteering are formally acknowledged with certificates of appreciation, honouring their contributions and inspiring wider participation across the organisation.

The following is a snapshot of HCIB's CSR efforts in FY2025:



FY2025:

208

Volunteer Hours

FY2024: 376 hours

FY2023: 193 hours



FY2025:

35

Employees Volunteered

FY2024: 76 employees

FY2023: 34 employees



FY2025:

1,843

Beneficiaries

FY2024: 2,190 beneficiaries

FY2023: 2,983 beneficiaries

Sustainability Statement

(Cont'd)

Beyond individual contributions, HCIB as a Group invested RM25,118.50 in CSR initiatives during FY2025. These efforts are strategically overseen by the Sustainability Working Committee (“SWC”), which appoints dedicated representatives to lead community and employee engagement activities. These ambassadors work closely with local stakeholders, participate in events, sponsor activities, and nurture strong relationships that enhance trust and visibility on the ground.

The Group’s CSR programmes are aligned with its core business principles and long-term ESG objectives, aiming to ensure that value creation extends beyond financial performance. HCIB integrates social responsibility into its value chain, aiming to build a resilient and future-ready organisation by addressing stakeholder needs and contributing meaningfully to society.

CSR focus areas include education, infrastructure support, and social welfare, which are selected to complement HCIB’s cement and concrete manufacturing operations. These initiatives reflect the Group’s continued dedication to responsible growth and its role as a corporate citizen that supports inclusive and sustainable community development.

Education Development

- Providing aid, resources, and infrastructure to underserved communities, particularly around the manufacturing plant, to improve their knowledge and social status.

Workforce Development

- Programs such as the Graduate Trainee Program, internships, and Group Scholarship Programs have helped enhance the skills and capabilities of the current workforce, leading to better job opportunities, performance, talent retention, and increased productivity and profitability.

Community Development

- Supporting infrastructure improvements and religious programs, contributing to the community’s growth and positively impacting their overall well-being.

Strengthening Stakeholder Relationships

- Building strong relationships with local communities, village leaders, employees, and other stakeholders, allowing the company to engage in social and environmental initiatives, thereby improving their bottom line while making a positive impact on the world.

Through these sustained efforts, HCIB continues to build stronger community partnerships, encourage employee-driven impact, and promote a culture rooted in compassion, inclusivity, and shared progress.

A) Education Development

Supporting Local School Sports at SK Sentosa, Kampar

As part of the Group’s ongoing initiative to community engagement, it supported SK Sentosa, Kampar by sponsoring prizes for the school’s annual sports event. This much-anticipated occasion brought together students, teachers, and parents for a day of healthy competition, teamwork, and school spirit.

HCIB’s contribution helped enhance the event’s success while recognising the achievements of students who excelled in various sports categories. By supporting school-level sporting activities, the Group aims to promote holistic student development and foster positive relationships with local communities. This collaboration with SK Sentosa reflects HCIB’s continued efforts to engage meaningfully with schools around its operational areas and to contribute to youth empowerment through education and sports.



Sustainability Statement

(Cont'd)

B) Workforce Development

Fostering a Strong Safety Culture through Employee Engagement



HCIB has continued strengthening its safety culture through employee engagement initiatives centred on OSH. A key highlight was the successful conclusion of HCMT's SHE Week, which culminated in a vibrant Family Day held on 12 October under the theme *"Be Safe for Our Family."* The event brought together employees, their families, and community representatives for a day of safety awareness, fun activities, and meaningful connections. Distinguished guests from the Department of Occupational Safety & Health ("DOSH"), local health authorities, and HCMT leadership joined the celebration.

The Family Day featured educational exhibitions by DOSH, SOCSO, and the Fire Department, along with interactive activities such as a colouring contest, inflatable playground, and exotic animal petting zoo. In a further show of the Group's environmental cause, employees contributed 160 kg of e-waste and 200 kg of used cooking oil for recycling. These efforts reflect HCIB's ongoing dedication to creating a safe, inclusive, and sustainability-minded workplace.

Appreciating Our Transporter by Fostering Safety, Teamwork and Excellence

HCMT hosted a Transporter Appreciation Celebration, recognising the vital role its transporters play in the safe and timely delivery of its products. The event served as a gesture of gratitude and a platform to build stronger relationships and address shared experiences, challenges, and aspirations.

Outstanding drivers and transporters were honoured for their exemplary performance, delivering cement on time, in full, and with a firm determination to safety and operational excellence. These recognitions reflected the Group's appreciation for their professionalism and the crucial contribution they make every day.



As part of the celebration, participants were briefed on safe driving practices, detailed safety protocols, and incident response procedures. Open discussions were encouraged to encourage a culture of safety awareness and proactive reporting, reinforcing shared responsibility for road and workplace safety. The event also strengthened the spirit of teamwork among transporters, encouraging collaboration and mutual support in pursuit of common goals. Through initiatives like this, the Group aims to build a strong, motivated, and safety-conscious transporter network, ensuring continued success and a positive, respectful working environment for all.

C) Community Development

Volunteer Outreach at Pertubuhan Kebajikan Jayaa Sri

On 21 September 2024, five dedicated volunteers spent roughly eight hours preparing and delivering nutritious home-cooked meals to 30 residents at Pertubuhan Kebajikan Jayaa Sri. This meaningful initiative reflected not just the Group's efforts to community care but also the heart and humanity of its people.



More than a simple act of giving, the experience fostered genuine connections between HCIB volunteers and the beneficiaries. For many, it was a reminder that small acts of kindness can go a long way in lifting spirits and restoring dignity.

Sustainability Statement

(Cont'd)

Blood Donation Campaign with Hospital Raja Permaisuri Bainun

Demonstrating the spirit of community and compassion, HCMT Gopeng partnered with Hospital Raja Permaisuri Bainun, Ipoh, to organise a blood donation drive. The campaign saw 45 staff members volunteer to donate blood, contributing to a cause that would benefit countless individuals in need.

The initiative fostered a strong sense of unity among employees while supporting the Group's culture of giving back. Each donation represented not just a medical contribution but a meaningful act of social responsibility. This collaboration with the hospital highlights HCMT's ongoing dedication to health, well-being, and impactful community engagement.



Donations for Temple Construction and Renovation in Gopeng

As part of HCIB's continued efforts to support cultural preservation and spiritual well-being, the Group contributed building materials to two Hindu temples in Gopeng, Perak. These initiatives aim to uplift the local community by supporting religious infrastructure and maintaining the rich cultural traditions of the area.

In support of Persatuan Penganut Arulmigu Maha Kaliamman at Taman Gopeng Jaya, 50 bags each of Panda Green and Panda Red cement were sponsored to assist in the construction of a new temple hall. This new space will serve as a vital gathering point for religious and cultural activities, reinforcing the temple's role as a cornerstone of the local community.

In a separate effort, HCMT donated 100 bags of Panda Yellow cement to Sri Maha Mariamman Kovil, also located in Gopeng. The materials will be used for renovation works, including the plastering of temple slabs and the enhancement of worship facilities, allowing the temple to be a safe and welcoming space for devotees.

D) Strengthening Stakeholder Relationships

Fostering Community Bonds through Ramadhan and Aidilfitri Celebrations

HCMT continued its tradition of supporting local festive celebrations by sponsoring programmes at nearby places of worship during Ramadhan and Aidilfitri. In FY2025, it proudly extended its support to Surau As Syakirin in Taman Bina Jaya, Malim Nawar, and Masjid Jamek Kota Bharu, Perak. Located near HCMT operating plants, these places of worship serve as key gathering points for the surrounding community.



The Group's sponsorships contributed towards communal prayers, *Iftar* meals, and festive activities that brought residents together in the spirit of unity and celebration. The joyful gatherings at both the *surau* and mosque reflected the deep-rooted traditions of these festivals and the shared values of compassion and togetherness. This initiative reflects HCMT's ongoing efforts to be an engaged and responsible neighbour.

Sustainability Statement

(Cont'd)

APPENDICES

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	100.00	83.87
Executive	Percentage	100.00	87.66
Non-executive	Percentage	100.00	86.64
General Workers	Percentage	100.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	60,554.75	25,118.50
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2,190	1,843
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	0.00
Management Between 30-50	Percentage	71.43	66.67
Management Above 50	Percentage	28.57	33.33
Executive Under 30	Percentage	16.05	17.53
Executive Between 30-50	Percentage	75.31	74.68
Executive Above 50	Percentage	8.64	7.79
Non-executive Under 30	Percentage	28.09	27.40
Non-executive Between 30-50	Percentage	59.57	62.33
Non-executive Above 50	Percentage	12.35	10.27
General Workers Under 30	Percentage	30.65	31.67
General Workers Between 30-50	Percentage	66.94	68.33
General Workers Above 50	Percentage	2.42	0.00
Gender Group by Employee Category			
Management Male	Percentage	77.55	77.42
Management Female	Percentage	22.45	22.58
Executive Male	Percentage	62.96	66.88
Executive Female	Percentage	37.04	33.12
Non-executive Male	Percentage	92.59	93.15
Non-executive Female	Percentage	7.41	6.85
General Workers Male	Percentage	100.00	100.00
General Workers Female	Percentage	0.00	0.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	75.00	75.00
Female	Percentage	25.00	25.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	0.00	0.00
Above 50	Percentage	100.00	100.00

Internal assurance External assurance No assurance

(*)Restated

Sustainability Statement

(Cont'd)

Indicator	Measurement Unit	2024	2025
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	2,652,856.46	2,449,104.10
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	1	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.36	0.55
Bursa C5(c) Number of employees trained on health and safety standards	Number	708	545
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	2,710	2,675
Executive	Hours	3,689	4,693
Non-executive	Hours	6,208	4,320
General Workers	Hours	3,181	1,019
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	18.00	13.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	17	16
Executive	Number	17	39
Non-executive	Number	23	58
General Workers	Number	5	63
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	66.35	75.60
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	137.332000	68.378000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	247.47
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	44.14
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	203.33
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	-	No Data Provided
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	-	No Data Provided
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	1,978.00
Internal assurance	External assurance	No assurance	(*)Restated

Notes:

- The measurement unit for C4(a) Total Energy Consumption is in Megawatt Hour (MWh).
- At present, GHG emissions disclosure is not mandatory. The Scope 3 GHG emissions disclosed in this statement are limited to employee commuting and business travel. This year, the company is reviewing the remaining emissions with the aim of enhancing data quality.

Sustainability Statement

(Cont'd)

APPENDIX I

Statement of Assurance

In strengthening the credibility of Hume Cement Industries Berhad's (**HCIB**) Sustainability Statement, the selected Common Sustainability Matters below of the Sustainability Statement have been subjected to an internal review by the Group Internal Audit department and have been approved by the Board Audit and Risk Management Committee.

The Common Sustainability Matters and the corresponding Common Indicators are provided below:

No.	Common Sustainability Matters	Common Indicators	Scope*
(a)	Anti-Corruption	(i) Percentage of employees who have received training on anti-corruption by employee category. (ii) Percentage of operation assessed for corruption-related risks. (iii) Confirmed incidents of corruption and action taken.	HCIB Group's* operations in Malaysia
(b)	Diversity	(i) Percentage of employees by gender and age group, for each employee category. (ii) Percentage of directors by gender and age group.	
(c)	Health and Safety	(i) Number of work-related fatalities. (ii) Lost time incident rate. (iii) Number of employees trained on health and safety standards.	
(d)	Labour Practices and Standards	(i) Total hours of training by employee category. (ii) Percentage of employees that are contractors or temporary staff. (iii) Total number of employee turnover by employee category. (iv) Number of substantiated complaints concerning human rights violations.	
(e)	Supply Chain Management	(i) Proportion of spending on local suppliers.	
(f)	Data Privacy and Security	(i) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.	

Notes:

- * HCIB Group comprises:
- Hume Cement Industries Berhad;
 - Hume Cement Sdn Bhd;
 - Hume Concrete Sdn Bhd; and
 - Hume Concrete (EM) Sdn Bhd.

Sustainability Statement

(Cont'd)

APPENDIX II**Global Reporting Initiatives (GRI) Index**

Statement of use	HCIB has reported the information cited in this GRI content index for the period 1 July 2024 until 30 June 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE		PAGE REFERENCE/ REASONS FOR OMISSIONS
GRI 2: General Disclosures 2021	2-1	Organisational details	Page 19
	2-2	Entities included in the organisation's sustainability reporting	Page 19
	2-3	Reporting period, frequency and contact point	Pages 19-20
	2-4	Restatements of information	Not applicable
	2-5	External assurance	Not applicable
	2-6	Activities, value chain and other business relationships	Page 19
	2-7	Employees	Pages 56-57
	2-9	Governance structure and composition	Pages 23-24
	2-10	Nomination and selection of the highest governance body	Refer to the CG report
	2-11	Chair of the highest governance body	
	2-12	Role of the highest governance body in overseeing the management of impacts	Pages 23-24
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	Refer to the CG report
	2-16	Communication of critical concerns	Page 27
	2-17	Collective knowledge of the highest governance body	Page 23
	2-18	Evaluation of the performance of the highest governance body	Refer to the CG report
	2-19	Remuneration policies	
	2-20	Process to determine remuneration	
	2-21	Annual total compensation ratio	Refer to the Financial Statement
	2-22	Statement on sustainable development strategy	Pages 22-23
	2-23	Policy commitments	Pages 24-25
	2-24	Embedding policy commitments	Page 25
	2-25	Processes to remediate negative impacts	Page 27
	2-26	Mechanisms for seeking advice and raising concerns	Page 27
	2-27	Compliance with laws and regulations	Page 27 and 37
	2-28	Membership associations	Page 21
	2-29	Approach to stakeholder engagement	Pages 29-30
	2-30	Collective bargaining agreements	Page 53

Sustainability Statement

(Cont'd)

GRI STANDARD	DISCLOSURE		PAGE REFERENCE/ REASONS FOR OMISSIONS
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 31
	3-2	List of material topics	Pages 32-33
	3-3	Management of material topics	
ECONOMIC			
GRI 201: Economic Performance 2016	3-3	Management of material topics	Pages 33-35
	201-1	Direct economic value generated and distributed	Pages 33-34
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topics	Pages 65-68
	203-1	Infrastructure investments and services supported	
	203-2	Significant indirect economic impacts	
GRI 204: Procurement Practices 2016	3-3	Management of material topics	Page 35
	204-1	Proportion of spending on local suppliers	
GOVERNANCE			
GRI 205: Anti-corruption 2016	3-3	Management of material topics	Pages 25-26
	205-1	Operations assessed for risks related to corruption	
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	
GRI 415: Public Policy 2016	415-1	Political contributions	Page 26
GRI 418: Customer Privacy 2016	3-3	Management of material topics	Page 28
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
ENVIRONMENTAL			
GRI 301: Materials 2016	3-3	Management of material topics	Pages 50-51
	301-1	Materials used by weight or volume	
	301-2	Recycled input materials	
	301-3	Reclaimed products and their packaging materials	
GRI 302: Energy 2016	3-3	Management of material topics	Pages 43-46
	302-1	Energy consumption within the organisation	Page 45
	302-4	Reduction of energy consumption	Page 45
	302-5	Reductions in energy requirements of products and services	
GRI 303: Water and Effluents 2018	3-3	Management of material topics	Pages 46-48
	303-1	Interactions with water as a shared resource	
	303-2	Management of water discharge-related impacts	Pages 47-48
	303-3	Water withdrawal	Pages 47-48
	303-4	Water discharge	
	303-5	Water consumption	

Sustainability Statement

(Cont'd)

GRI STANDARD	DISCLOSURE		PAGE REFERENCE/ REASONS FOR OMISSIONS
ENVIRONMENTAL (cont'd)			
GRI 304: Biodiversity 2016	3-3	Management of material topics	Page 49
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
	304-2	Significant impacts of activities, products and services on biodiversity	
	304-3	Habitats protected or restored	
GRI 305: Emissions 2016	3-3	Management of material topics	Page 45
	305-1	Direct (Scope 1) GHG emissions	Disclosed GHG intensity on Page 45
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	Page 46
	305-4	GHG emissions intensity	Page 45
	305-5	Reduction of GHG emissions	
GRI 306: Waste 2020	3-3	Management of material topics	Pages 39-40
	306-1	Waste generation and significant waste-related impacts	
	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	
	306-4	Waste diverted from disposal	
	306-5	Waste directed to disposal	
GRI 308: Supplier Environmental Assessment 2016	3-3	Management of material topics	Page 37 and embedded in “Supplier Code of Conduct and Ethics”
	308-1	New suppliers that were screened using environmental criteria	
	308-2	Negative environmental impacts in the supply chain and actions taken	
SOCIAL			
GRI 401: Employment 2016	3-3	Management of material topics	Pages 53-61
	401-1	New employee hires and employee turnover	Page 54
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pages 54-55
45GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics	Pages 61-65
	403-1	Occupational health and safety management system	Pages 62-63
	403-2	Hazard identification, risk assessment, and incident investigation	Pages 63-64
	403-5	Worker training on occupational health and safety	Pages 64-65
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	
	403-9	Work-related injuries	Page 64
GRI 404: Training and Education 2016	3-3	Management of material topics	Pages 59-60
	404-1	Average hours of training per year per employee	
	404-2	Programs for upgrading employee skills and transition assistance programs	

Sustainability Statement

(Cont'd)

GRI STANDARD	DISCLOSURE		PAGE REFERENCE/ REASONS FOR OMISSIONS
SOCIAL (cont'd)			
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	Pages 55-57
	405-1	Diversity of governance bodies and employees	
GRI 406: Non-discrimination 2016	3-3	Management of material topics	Page57 No cases reported on incidents of discrimination in FY2025
	406-1	Incidents of discrimination and corrective actions taken	
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management of material topics	Page 52 and 55
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	
GRI 408: Child Labor 2016	3-3	Management of material topics	Page 52 and 57
	408-1	Operations and suppliers at significant risk for incidents of child labour	
GRI 409: Forced or Compulsory Labor 2016	3-3	Management of material topics	Page 52
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	
GRI 413: Local Communities 2016	3-3	Management of material topics	Pages 66-68
	413-1	Operations with local community engagement, impact assessments, and development programs	
	413-2	Operations with significant actual and potential negative impacts on local communities	
GRI 414: Supplier Social Assessment 2016	3-3	Management of material topics	Page 28 and embedded in “Supplier Code of Conduct and Ethics”
	414-1	New suppliers that were screened using social criteria	
	414-2	Negative social impacts in the supply chain and actions taken	

Sustainability Statement

(Cont'd)

APPENDIX III

IFRS S1 & S2 Index

Recommended Disclosures		IFRS S1 Location/Explanation	IFRS S2 & TCFD Location/Explanation
GOVERNANCE	a) Board Oversight	Sustainability governance structure, board oversight and management roles are detailed on pages 23-24.	
	b) Management’s Role		
STRATEGY	a) Risks and Opportunities	Sustainability- and climate-related physical and transition risk and opportunity are outlined on pages 42-43	
	b) Financial Position	Potential financial impacts are discussed on page 43.	
RISK MANAGEMENT	a) Risk ID and Assessment Processes	Sustainability- and climate-related physical and transition risk and opportunity are outlined on pages 42-43.	
	b) Risk Management Processes		
METRICS & TARGETS	a) Metrics Used	Refer to pages 38-48 for the metrics used: <ul style="list-style-type: none"> • Scope 3 GHG emissions – tonnes CO₂e • GHG emissions intensity – kg CO₂e/tonne cement • Energy consumption – GJ and MWh • Water withdrawal & discharge – Megalitres and litres • Water intensity - (m³/Tonne Cement Produced) • Waste generated – tonnes • Air emissions – mg/m³, tonnes and kg • BOD, COD, TSS – mg/L 	

Sustainability Statement

(Cont'd)

Recommended Disclosures		IFRS S1 Location/Explanation	IFRS S2 & TCFD Location/Explanation
METRICS & TARGETS (cont'd)	b) Performance Data	<p>The percentages of sites certified under ISO 14001 and ISO/IEC 17025 are available on page 36.</p> <p>Total cost and case number of environmental-related penalties are disclosed on page 37.</p> <p>Water discharge quality data, including Biochemical Oxygen Demand ("BOD"), Chemical Oxygen Demand ("COD") and Suspended Solid, is reported on page 41.</p> <p>Air emissions data is disclosed on page 38.</p> <p>Water withdrawal and water intensity data are disclosed on page 47. Water discharge data is available on page 48.</p> <p>The biodiversity initiative is highlighted on page 49.</p> <p>Resource efficiency strategies are discussed on pages 50-51.</p>	<p>Waste management information is available on pages 39-40.</p> <p>Energy consumption and GHG emissions intensity are reported on page 45.</p> <p>Scope 3 emissions (including business travel and employee commuting) are on page 46.</p>
	c) Targets Set	Air emissions monitoring targets are set and disclosed on page 38. Additional environmental and climate-related performance targets, where applicable, are also presented throughout the report.	

Profile of Board of Directors

YBHG DATUK KWEK LENG SAN

Chairman; Non-Executive/Non-Independent

Age 70 | Male | Singaporean

Datuk Kwek Leng San graduated from University of London with a Bachelor of Science (Engineering). He also holds a Master of Science (Finance) from City University London. He has extensive business experience in various business sectors, including financial services and manufacturing.

Datuk Kwek was appointed to the Board of Directors ("Board") of Hume Cement Industries Berhad ("HCIB") on 1 July 2001 and assumed the position of Managing Director on 1 March 2003. He was appointed as Chairman of HCIB on 21 February 2012. He does not sit on any Board committee of HCIB.

He is the Chairman of Malaysian Pacific Industries Berhad and Hong Leong Industries Berhad, companies listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). He is also a Director of Hong Leong Company (Malaysia) Berhad, a public company.

MS TAI SOOK YEE

Non-Executive Director/Independent

Age 61 | Female | Malaysian

Ms Tai Sook Yee is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.

Ms Tai has more than 30 years of experience spanning the profession, governance, corporate, investments, strategies and, for most parts of her career, leading businesses with wide geographical operations. Ms Tai is culturally attuned as she has worked for family businesses and multi-nationals with bases in Malaysia and abroad. She has also served on the board of companies listed on the Australian Stock Exchange. During that time, she was a member of their sub-committees, including as Chairman of their Remuneration and Nomination Committee.

She has nearly 20 years of experience leading large businesses, including industrial, lifestyle and investment groups. She was the Group Managing Director of an integrated maritime and supply chain solutions provider, with operations spanning 16 countries and employing approximately 10,000 employees. Before this, Ms Tai also headed the Malaysian operation of a global heavy building materials supplier. Currently, she dedicates most of her time in mentoring business leaders on sustainable and new social economic business models.

Ms Tai was appointed to the Board of HCIB on 23 January 2018. She is the Chairman of the Board Audit & Risk Management Committee and a member of the Nominating Committee of HCIB.

She is a Director of Hengyuan Refining Company Berhad, a company listed on the Main Market of Bursa Securities.



Profile of Board of Directors

(Cont'd)

YBHG DATUK IR. AHMAD 'ASRI BIN ABDUL HAMID

Non-Executive Director/Independent

Age 63 | Male | Malaysian

Datuk Ir. Ahmad 'Asri Bin Abdul Hamid graduated from University of Adelaide, Australia with a Bachelor in Mechanical Engineering (First Class Honours) and also holds a Master of Business Administration from Open University, the United Kingdom. He is a Professional Engineer with practising certificate registered with the Board of Engineers Malaysia.

He is a Fellow of the Institution of Engineers, Malaysia, a Patron of the Chartered Institute of Building, an Honorary Member of Association of Consulting Engineers Malaysia and an Honorary Fellow of ASEAN Federation of Engineering Organisations.

Datuk Ir. Ahmad 'Asri has extensive experience in the construction industry being involved for almost 37 years through his services in the public sector. He served the Construction Industry Development Board Malaysia ("CIDB") for the last 21 years, moving up from Senior Manager to General Manager and then to Senior General Manager before assumed the position of Chief Executive on 1 March 2016, a position he held until his retirement on 31 August 2023. Prior to joining CIDB, he was a mechanical engineer at Public Works Department (JKR) for 13 years and was later appointed as President of Professional Services Development Corporation Sdn Bhd for 3 years.

Datuk Ir. Ahmad 'Asri was appointed to the Board of HCIB on 1 September 2023. He is a member of the Board Audit & Risk Management Committee and Nominating Committee of HCIB.

He is a Director of IJM Corporation Berhad, a company listed on the Main Market of Bursa Securities.

YBHG DATO' MOHAMAD KAMARUDIN BIN HASSAN

Non-Executive Director/Independent

Age 70 | Male | Malaysian

Dato' Mohamad Kamarudin Bin Hassan graduated from University of Malaya with a Bachelor of Economics (Honours) (Majoring in Business Administration) and also holds a Master of Business Administration (Majoring in Finance) from Oklahoma City University, United States of America ("USA").

Dato' Mohamad Kamarudin began his career with the Administrative and Diplomatic Service in 1979 with his first posting to the Macro-economic Division of the Economic Planning Unit in the Prime Minister's Department. In 1988, he was placed in the Ministry of International Trade and Industry (MITI) where he had served in various divisions of the Ministry. From 1992 to 1994, he was posted to the Malaysian Embassy in Washington DC, USA, as an Economic Counselor. Subsequently, in January 2006, Dato' Mohamad Kamarudin was seconded to Malaysia External Trade Development Corporation (MATRADE) as Deputy Chief Executive Officer, a post he held until his retirement on 31 August 2013.

Dato' Mohamad Kamarudin was appointed to the Board of HCIB on 2 April 2024. He is the Chairman of the Nominating Committee and a member of the Board Audit & Risk Management Committee of HCIB.

He is the Chairman of Muhibbah Engineering (M) Bhd, a company listed on the Main Market of Bursa Securities and a Director of ManagePay Systems Berhad, a company listed on the ACE Market of Bursa Securities.

Notes:

- Family Relationship with Director and/or Major Shareholder**
YBhg Datuk Kwek Leng San is a brother of YBhg Tan Sri Quek Leng Chan, a major shareholder of HCIB. Save as disclosed herein, none of the Directors has any family relationship with any other Director and/or major shareholder of HCIB.
- Conflict of Interest or Potential Conflict of Interest**
None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with HCIB or its subsidiaries.
- Conviction of Offences**
None of the Directors has been convicted of any offences (excluding traffic offences) within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2025.
- Attendance of Directors**
Details of Board meeting attendance of each Director are disclosed in the Corporate Governance Overview Statement, Risk Management and Internal Control in the Annual Report.

Profile of Key Senior Management

MR CHEAH KEH MING

Chief Financial Officer,
Hume Cement Industries Berhad

Age 37 | Male | Malaysian

Mr Cheah Keh Ming graduated from HELP University College with a Bachelor of Business (Honours) in Accounting. He is a Fellow of the Association of Chartered Certified Accountants.

Mr Cheah has over 4 years of auditing experience with Crowe Horwath (now known as Crowe Malaysia PLT) before joining Hume Cement Sdn Bhd in 2015 as a Senior Accountant. He has since advanced through various finance roles, taking on increasing responsibilities and was promoted as Financial Controller in October 2022.

Mr Cheah was appointed as Chief Financial Officer of HCIB on 1 March 2025.

MR WILLIAM TAN KOK SIANG

Managing Director,
Hume Cement Sdn Bhd

Age 38 | Male | Malaysian

Mr William Tan Kok Siang graduated from the National University of Malaysia with a Bachelor of Science (Honours) Degree in Material Science.

Mr William Tan brings over 15 years of extensive experience in the cement industry, having built his career from the ground up. He began as a Management Trainee with Lafarge Malayan Cement Berhad (now known as Malayan Cement Berhad), where he gained hands-on exposure across sales, operations, supply chain, and marketing. This strong foundation allowed him to develop a deep end-to-end understanding of the cement business, from production, logistics to customer engagement and market development.

In 2012, he joined Hume Cement Sdn Bhd (“HCMT”) and progressively took on expanded leadership roles across Marketing, Sales, Logistics, Export and Plant Operations. His track record includes driving sales growth, strengthening customer relationships, and improving operational efficiency. In 2019, he was appointed General Manager – Sales & Logistics, and subsequently entrusted with wider responsibilities covering the Sales, Marketing, Logistics, and Packing Plant divisions.

On 1 October 2023, Mr William Tan was appointed as the Managing Director of HCMT. His career progression reflects not only his technical expertise but also his strategic leadership in delivering results and navigating in a competitive market environment.

Mr William Tan’s journey underscores HCMT’s strong leadership succession and the presence of a seasoned industry professional who combines operational know-how with market foresight. His ability to bridge plant operations with commercial strategy positions HCMT for sustainable growth, customer trust, and long-term value creation.

Notes:

- Family Relationship with Director and/or Major Shareholder**
None of the Key Senior Management has any family relationship with any Director and/or major shareholder of HCIB.
- Conflict of Interest or Potential Conflict of Interest**
None of the Key Senior Management has any conflict of interest or potential conflict of interest, including interest in any competing business with HCIB or its subsidiaries.
- Conviction of Offences**
None of the Key Senior Management has been convicted of any offences (excluding traffic offences) within the past 5 years and there were no public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 June 2025.

Corporate Governance Overview Statement, Risk Management and Internal Control



“Corporate Governance is the process and structure used to direct and manage the business and affairs of the Company towards enhancing business prosperity and corporate accountability with the ultimate objective of realising long term shareholder value, whilst taking into account the interest of other stakeholders.”

~ Finance Committee on Corporate Governance



The Board of Directors of Hume Cement Industries Berhad (“Company”) [“Board”] is pleased to present this statement with an overview of the corporate governance (“CG”) practices of the Group which supports the three (3) key principles of the Malaysian Code on Corporate Governance (“MCCG”), namely Board leadership and effectiveness, effective audit and risk management, and integrity in corporate reporting and meaningful relationship with stakeholders.

The Corporate Governance Report 2025 of the Company in relation to this statement is published on the Company’s website at www.humecementind.com (“Website”).

BOARD LEADERSHIP AND EFFECTIVENESS

A. Roles And Responsibilities Of The Board

The Board assumes responsibility for effective stewardship and control of the Company and has established terms of reference (“TOR”) to assist in the discharge of this responsibility.

In discharging its responsibilities, the Board has established functions which are reserved for the Board and those which are delegated to management. The key roles and responsibilities of the Board are set out in the Board Charter, which is reviewed annually by the Board and published on the Website. The key roles and responsibilities of the Board broadly cover reviewing and approving corporate policies and broad strategies, overseeing and evaluating the conduct of the Group’s businesses, identifying principal risks and ensuring the implementation of appropriate systems to manage those risks, and reviewing and approving key matters such as financial results, investments and divestments, acquisitions and disposals, and major capital expenditure.

The day-to-day business of the Group is managed by the Managing Directors (“MDs”) of their respective businesses. The MDs are accountable to the Board for the performance of their respective businesses. In addition, the Board delegates certain of its responsibilities to Board Committees, which operate within clearly defined TOR primarily to support the Board in the performance of its duties and responsibilities.

To discharge its oversight roles and responsibilities more effectively, the Board has delegated the independent oversight over, inter alia, internal and external audit functions, internal controls and risk management to the Board Audit & Risk Management Committee (“BARMC”). The Nominating Committee (“NC”) is delegated the authority to, inter alia, assess and review Board, Board Committees and Chief Executive appointments and/or re-elections, and assess and evaluate the performance of the Board, Board Committees and Chief Financial Officer (“CFO”). Although the Board has granted such authority to Board Committees, the ultimate responsibility and the final decision rest with the Board. The Chairmen of Board Committees report to the Board on matters dealt with at their respective Board Committee meetings. Minutes of Board Committee meetings are also tabled at Board meetings.

There is a clear division of responsibilities between the Chairman of the Board and the MDs. This division of responsibilities between the Chairman and the MDs ensures an appropriate balance of roles, responsibilities and accountability.

The Chairman leads the Board and ensures its smooth and effective functioning.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

A. Roles And Responsibilities Of The Board (cont'd)

The MDs are responsible for formulating the vision and recommending policies and the strategic direction of their respective businesses for approval by the Board, implementing the decisions of the Board, initiating business ideas and corporate strategies to create competitive edge and enhancing shareholder wealth, providing management of the day-to-day operations and tracking compliance and business progress of their respective businesses.

Independent Non-Executive Directors ("ID" or "IDs") are responsible for providing insights, unbiased and independent views, advice and judgment to the Board and bring impartiality to Board deliberations and decision-making. They also ensure effective checks and balances on the Board. There are no relationships or circumstances that could interfere with or are likely to affect the exercise of IDs' independent judgment or their ability to act in the best interest of the Company and its shareholders.

The Group continues to operate in a sustainable manner and seeks to contribute positively to the well-being of stakeholders. The Group takes a progressive approach in integrating sustainability into its businesses as set out in the Sustainability Statement which forms part of the Annual Report.

The Board observes the Company's Code of Ethics for Company Directors ("Director Code"), as adopted by the Board. The Director Code is published on the Website.

B. Board Composition

The Board currently comprises four (4) Directors, three (3) of whom are IDs. The profiles of the members of the Board are set out in the Annual Report.

The Company is guided by the Policy on Board Composition adopted by the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa") ["MMLR"] in determining its Board composition. The policy includes the following:

- The Board shall determine the appropriate size of the Board to enable an efficient and effective conduct of Board deliberation.
- The Board shall have a balance of skills and experience to commensurate with the complexity, size, scope and operations of the Company and shall have an appropriate balance of IDs comprising at least half of the Board.
- The Board shall comprise at least one (1) woman Director.
- Board members should have the ability to commit time and effort to carry out their duties and responsibilities effectively.

The Company has in place a Board Diversity Policy. The Board recognises the merits of Board diversity in adding value to collective skills, perspectives and strengths to the Board. The Board will consider appropriate targets in Board diversity including gender, ethnicity and age balance on the Board and will take the necessary measures to meet these targets from time to time as appropriate. Currently, there is one (1) woman Director, representing 25% of women participation, on the Board. The Board will work towards meeting the target of 30% women participation on Board.

Based on the review of the Board composition in August 2025, the Board is of the view that the current size and composition of the Board are appropriate and effective for the control and direction of the Group's strategy and business. The composition of the Board also fairly reflects the investment of shareholders in the Company.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

C. Board Committees

Board Committees have been established by the Board to assist in the discharge of its duties.

- **BARMC**

The composition of the BARMC and a summary of its activities in the discharge of its functions and duties for the financial year ("FY") ended 30 June 2025 ("FY 2025") are set out in the Board Audit & Risk Management Committee Report in the Annual Report.

The TOR of the BARMC are published on the Website.

- **NC**

The NC was established on 29 April 2013 and its TOR are published on the Website.

The composition of the NC is as follows:

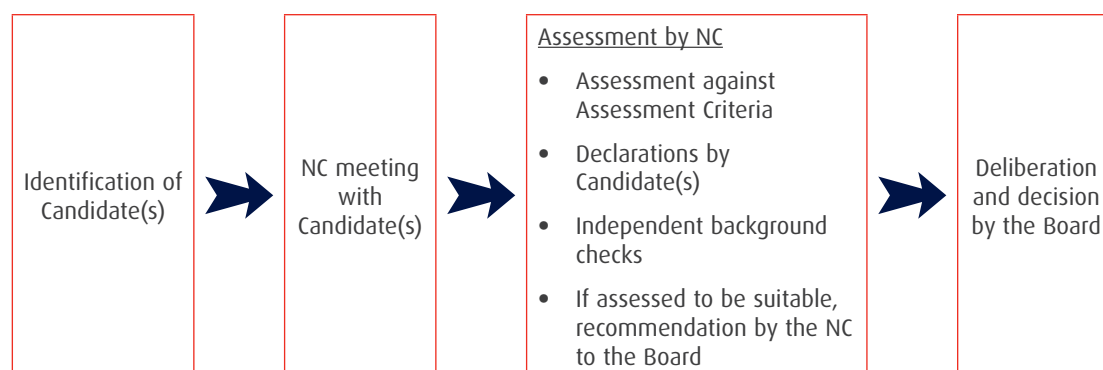
YBhg Dato' Mohamad Kamarudin Bin Hassan
Chairman, Independent Non-Executive Director

Ms Tai Sook Yee
Independent Non-Executive Director

YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid
Independent Non-Executive Director

(i) **New Appointments**

The nomination, assessment and approval process for new appointment of Directors, in accordance with the Directors' Fit and Proper Policy, shall be as follows:



All candidates to the Board are assessed by the NC prior to their appointments, taking into account the assessment criteria, inter alia, the candidates' character and integrity, the strategic and effective fit of the candidates for the Board, the overall desired Board composition including Board diversity and the required mix of skills, expertise, knowledge and experience in the industry, market and segment to enhance the Board's overall effectiveness and having regard to the candidates' attributes, qualifications, management, leadership, business experience, independence, conflict of interest or potential conflict of interest and time commitment, before they are recommended to the Board for approval. The Company maintains a pool of potential Board candidates from internal and external introductions, recommendations and independent sources with Director databases in its search for suitable Board candidates.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

C. Board Committees (cont'd)

- NC (cont'd)

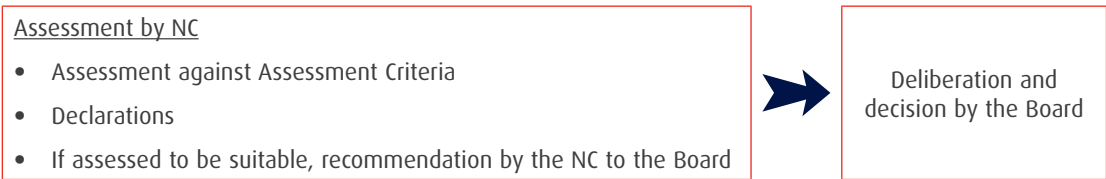
(i) New Appointments (cont'd)

In evaluating any new appointment of senior management (“SM”), the Company is guided by the Hong Leong Group Recruitment Policy where all potential candidates are given equal opportunity regardless of gender, race, and religion and/or whether or not one has disability. SM positions are awarded based on qualifications, experience and potential.

In the case of Chief Executive, the NC will take into account the candidate’s knowledge and experience in the industry, market and segment.

(ii) Re-elections

The assessment and approval process for re-election of Directors as set out in the Directors’ Fit and Proper Policy are as follows:



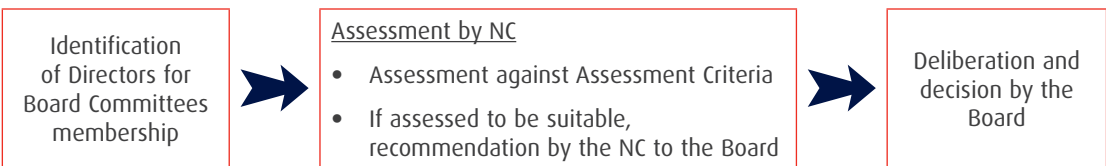
The Directors will be evaluated on the effectiveness of their performance in the discharge of duties and responsibilities, including, inter alia, contribution to Board deliberations, time commitment as well as the Annual Board Assessment (as defined below) results, fit and proper declaration and assessment in respect of their probity, competence, personal integrity, reputation, qualifications, skills, experience and financial integrity, contributions during the term of office, attendance at Board meetings, and for IDs, their continued independence.

(iii) Removal

For removal of Directors, the Company shall carry out such removal in accordance with the provisions of the Companies Act 2016 (“Act”) and any other relevant regulatory requirements. The NC may recommend to the Board the removal of a Director who is ineligible, disqualified, incapacitated or who has failed in the discharge of fiduciary duties.

(iv) Board Committee Appointments

The nomination, assessment and approval process for appointments to Board Committees (“Board Committee Appointments”) is as follows:



In line with the Directors’ Fit and Proper Policy, the assessment for Board Committee Appointments will be based on the Directors’ potential contributions and value-add to the Board Committees with regard to Board Committees’ roles and responsibilities.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

C. Board Committees (cont'd)

- NC (cont'd)

In addition, a formal evaluation process has been put in place to assess the effectiveness of the Board as a whole, Board Committees as a whole and the contribution and performance of each individual Director, Board Committee member, Chief Executive and CFO on an annual basis ("Annual Board Assessment"). For newly appointed Chairman, Directors, Chief Executive and CFO, the Annual Board Assessment will be conducted at the next annual assessment exercise following the completion of one (1) year of service.

For management succession planning, it has been embedded in the Group's process over the years to continuously identify, groom and develop key talents from within the Group. The Group also has a talent development programme to identify, retain and develop young high potential talents.

The NC meets at least once in each FY and additional meetings may be called at any time as and when necessary. Recommendations and decisions may also be taken by way of Circular Resolutions.

During FY 2025, one (1) NC meeting was held and the attendance of the NC members was as follows:

Members	Attendance
YBhg Dato' Mohamad Kamarudin Bin Hassan	1/1
Ms Tai Sook Yee	1/1
YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid	1/1

The NC discharged its duties in accordance with its TOR during FY 2025. The NC considered and reviewed the following:

- Nominating Committee Charter;
- Policies on Board Composition, Independence of Directors and Board Diversity, and revised policies on Directors' Training and Directors' Fit and Proper;
- Nominating Committee Report for inclusion in the Company's Annual Report;
- performance of the Board, Board Committees, each individual Director and each Board Committee member;
- composition of the Board and Board Committees;
- mix of skills, professional qualifications, experience and other qualities of Directors including gender, ethnicity and age balance;
- independence of IDs and their tenure;
- trainings undertaken by Directors and recommendation of training programmes for Directors; and
- re-election of Directors.

Subsequent to FY 2025, the NC has evaluated the performance of the Board, Board Committees, each individual Director and each Board Committee member, benchmarking their respective TOR and assessment criteria, through the annual assessment conducted for FY 2025. The NC was satisfied that they have continued to operate effectively in discharging their duties and responsibilities. They have also fulfilled their responsibilities and are suitably qualified to hold their positions. Having reviewed the Board composition, the NC was satisfied that the current Board comprises a good mix of skills and that the current size and composition of the Board are appropriate and effective in discharging its functions. The NC took cognisance of the merits of Board diversity, including gender, ethnicity and age balance on the Board and will take the necessary measures to enhance Board diversity from time to time as appropriate.

- Remuneration Committee ("RC")

The Company does not have a RC. The Board is of the view that it is not necessary for the Company to establish a RC for the time being given the current size of the Board. The Board as a whole functions as the RC.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

D. Remuneration

The Group's remuneration scheme for Executive Directors ("EDs") and SM is linked to performance, service seniority, experience and scope of responsibility and is periodically benchmarked to market/industry surveys conducted by human resource consultants. Performance is measured against profits and targets set in the Group's annual plan and budget.

The level of remuneration of Non-Executive Directors reflects the scope of responsibilities and commitment undertaken by them, industry benchmark as well as complexity of the Group's businesses.

The remuneration packages of EDs and key SM ("Key SM") are reviewed by the entire Board. EDs and Key SM shall not participate in the deliberations and shall vacate the meeting room during deliberations of their remuneration packages. The Board, in assessing and reviewing the remuneration packages of EDs and Key SM, ensures that a strong link is maintained between their rewards and individual performance, based on the provisions in the Group's Human Resources Manual, which are reviewed from time to time to align with market/industry practices.

The fees of Directors are recommended and endorsed by the Board for approval by the shareholders of the Company at its Annual General Meeting ("AGM").

The detailed remuneration of each Director is set out in the Corporate Governance Report which is published on the Website.

Hong Leong Manufacturing Group adopts Hong Leong Group's total compensation philosophy which promotes high performing culture, alignment of corporate values and vertical and horizontal equity. The rewards strategy focuses on providing a competitive remuneration and benefits package, as well as ample career progression opportunities for employees.

The rewards framework focuses on a balanced and right pay mix to achieve the desired long term business performance. The framework includes base pay, cash allowances, performance-based variable pay, long term incentives, benefits and other employees' programmes.

The rewards framework ensures that employees are paid competitively against the industry and talent market the company is operating in, delivered via a combination of cash and non-cash elements such as shares or share-linked instruments.

Key performance indicators and key results areas of employees are measured and tracked diligently to ensure strong alignment of employee output to the overall business strategy and direction of the company.

E. Independence

The Board takes cognisance of the provisions of the MCCG, which states that the tenure of an ID should not exceed a cumulative term of nine (9) years and upon completion of the nine (9) years, an ID may continue to serve on the Board subject to the Director's re-designation as a Non-ID. It further states that in the event the Board wishes to retain an ID who has served a cumulative term of nine (9) years and above, shareholders' approval shall be annually sought with justification through a two-tier voting process.

The Company has in place an Independence of Directors Policy ("ID Policy") which sets out the criteria for assessing the independence of IDs. The Board will apply these criteria upon admission, annually and when any new interest or relationship develops. The ID Policy states that the tenure of an ID shall not exceed a cumulative term of nine (9) years from the date of his or her first appointment in the Company.

The IDs have declared their independence, and the NC and the Board have determined, at the annual assessment carried out, that the IDs have continued to bring independent and objective judgment to Board deliberations and decision making.

The tenure of all the IDs on the Board does not exceed nine (9) years.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

F. Commitment

The Directors are aware of their responsibilities and devote sufficient time to carry out such responsibilities. In line with the MMLR, Directors are required to comply with the restrictions on the number of directorships in public listed companies. Board meetings are scheduled ahead in order to enable full attendance at Board meetings. The Board meets quarterly with timely notices of issues to be discussed. Additional meetings may be convened on an ad-hoc basis as and when necessary. Where appropriate, decisions are also taken by way of Directors' Circular Resolutions. Directors are required to attend at least 50% of Board meetings held in each FY pursuant to the MMLR.

All Board members are supplied with information in a timely manner. The Company has moved towards electronic Board reports. Board reports are circulated electronically prior to Board and Board Committee meetings and the reports provide, among others, financial and corporate information, significant operational, financial and corporate issues, updates on the performance of the Company and of the Group and management's proposals which require the approval of the Board.

All Directors have access to the advice and services of qualified and competent Company Secretaries to facilitate the discharge of their duties effectively. The Company Secretaries are qualified to act under Section 235 of the Act. They are Associate Members of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) and hold practising certificates issued by the Companies Commission of Malaysia. The Company Secretaries support the effective functioning of the Board, provide advice and guidance to the Board on policies and procedures, relevant rules, regulations and laws in relation to corporate secretarial and governance functions and facilitate effective information flow among the Board, Board Committees and SM. The Company Secretaries attend programmes and seminars to keep themselves abreast with, inter alia, regulatory requirements, company law and CG.

All Directors also have access to the advice and services of the internal auditors and in addition, to independent professional advice, where necessary, at the Company's expense, in consultation with the Chairman of the Company.

At Board meetings, active deliberations of issues by Board members are encouraged and such deliberations, decisions and conclusions are recorded by the Company Secretaries accordingly. Any Director who has an interest in the subject matter to be deliberated shall abstain from deliberating and voting on the same during the meetings.

The Board met four (4) times during FY 2025 with timely notices of issues to be discussed. Details of attendance of each Director were as follows:

Directors	Attendance
YBhg Datuk Kwek Leng San	4/4
Ms Tai Sook Yee	4/4
YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid	4/4
YBhg Dato' Mohamad Kamarudin Bin Hassan	4/4

The Company recognises the importance of continuous professional development and training for its Directors.

The Company is guided by a Directors' Training Policy, which covers an Induction Programme and Continuing Professional Development ("CPD") for Directors of the Company. The Induction Programme which may include visits to the Group's business operations, is organised for newly appointed Directors to assist them to familiarise and to get acquainted with the Group's businesses. The CPD encompasses areas related to, among others, the industry or business of the Group, environmental, social and governance ("ESG"), risk management, accounting, laws and regulations through a combination of courses, conferences and workshops. A training budget is allocated for Directors' training programmes.

All Directors of the Company have completed the Mandatory Accreditation Programme ("MAP") Part I and MAP Part II.

The Company organises in-house programmes, briefings and updates by its in-house professionals. The Directors are also encouraged to attend seminars and briefings in order to keep themselves abreast with the latest developments in the business environment and to enhance their skills and knowledge. Directors are kept informed of available training programmes on a regular basis.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

F. Commitment (cont'd)

In assessing the training needs of Directors, upon recommendation by the NC, the Board has determined that appropriate training programmes covering matters on CG, finance/accounting, legal and regulatory framework, risk management, internal control, cyber security, anti-bribery and corruption, ESG, industry-related and/or statutory/regulatory compliance, be recommended and arranged for the Directors to enhance their contributions to the Board.

During FY 2025, the Directors received regular briefings and updates on the Group's businesses, strategies, operations, risk management and compliance, internal controls, CG, finance/accounting, anti-bribery and corruption management, ESG and any changes to relevant legislation, rules and regulations from in-house professionals. In-house programmes/briefings were also organised for the Directors and SM of the Company.

The Directors of the Company have also attended various programmes and forums facilitated by external professionals in accordance with their respective needs in discharging their duties as Directors.

During FY 2025, the Directors of the Company, collectively or on their own, attended various training programmes, seminars, briefings and/or workshops including:

- BAUMA 2025
- Board of Engineers Malaysia (BEM) Convention 2024
- Briefing on E-Invoicing
- Budget Talk
- Conflict of Interest and Governance of Conflict of Interest
- Construction Sustainability Summit 2025 – Innovative Construction for Sustainable Future
- Forum Entitled Green Horizons: Advancing Sustainable Construction
- Forum Integriti Institut Integriti Malaysia (IIM)
- Konvensyen Hari Profesion Teknikal Negara 2024
- Master Builders Association Malaysia (MBAM) Annual Safety & Health Conference 2025
- Preparing for IFRS Sustainability Disclosure Standards in Malaysia
- Seminar on Construction Revolution
- Seminar on the Industrialised Building System (IBS) for the East Coast
- Senior Leadership Cyber Security Awareness
- The War on Climate: Unveiling the Uncounted Costs of Conflict
- Understanding the NSRF and latest Bursa Listing Requirements
- 23rd International Architecture, Interior Design & Building Exhibition, ARCHIDEX 2024
- 6th International Sustainable Energy Summit (ISES) 2024

G. Strengthening CG Culture

• Code of Conduct and Ethics

The Group is committed to good business ethics and integrity as set out in the Hong Leong Manufacturing Group Code of Conduct and Ethics ("HLMG Code"). To this, the Group commits to a high standard of professionalism, ethics and integrity in the conduct of business and professional activities.

The HLMG Code is applicable to:

- all employees who work in the Group across the jurisdictions in which the Group operates – including but not limited to permanent, part-time and temporary employees; and
 - any other persons permitted to perform duties or functions within the Group – including but not limited to vendors, service providers, contractors, secondees, interns, industrial attachment and agency staff.
- #### • Anti-Bribery and Corruption Policy

The Group has adopted ISO 37001:2016 as its Anti-Bribery and Corruption Management System to provide a strong framework to prevent its employees, Directors, partners or persons who perform services for or on behalf of the Group from undertaking corrupt practices in relation to its business activities. The Anti-Bribery and Corruption Policy, published on the Website, outlines the Group's commitment to conducting business ethically in compliance with all applicable anti-bribery and corruption laws of every country in which the Group operates.

Reports of any concern or suspicion may be made to the Head of Internal Audit or the Chief Human Resource Officer.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

G. Strengthening CG Culture (cont'd)

- **Whistleblowing Policy**

The Company has a Whistleblowing Policy and it provides a structured channel for all employees of the Group to report any concern on any improper conduct or wrongful act committed within the Group. The Whistleblowing Policy is published on the Website.

The Board has identified the Chairman of the BARMC to whom reports of any such concerns may be conveyed.

EFFECTIVE AUDIT AND RISK MANAGEMENT

Accountability And Audit

The financial reporting and internal control system of the Group is overseen by the BARMC which comprises all IDs. The primary responsibilities of the BARMC are set out in the Board Audit & Risk Management Committee Report.

The BARMC is supported by the Group Internal Audit Department ("GIAD") whose principal responsibilities are to conduct risk-based audits to ensure that adequate and effective controls are in place to mitigate risks, operational audits to identify opportunities for operational improvement, and also ensure compliance with standard operating procedures of the Group.

Investigation or special review will be carried out at the request of the BARMC and SM on specific areas of concern when necessary. Significant breaches and deficiencies identified are discussed at the BARMC meetings where appropriate actions will be taken.

I. Financial Reporting

The Board has a fiduciary responsibility to ensure the proper maintenance of accounting records of the Group. The Board receives the recommendation to adopt the financial statements from the BARMC, which assesses the integrity of financial statements with the assistance of the external auditors.

II. Directors' Responsibility In Financial Reporting

The MMLR require the Directors to prepare a statement explaining the Board of Directors' responsibility for preparing the annual audited financial statements and the Act requires the Directors to make a statement stating whether in their opinion, the audited financial statements are drawn up, in accordance with the applicable accounting standards, to give a true and fair view of the financial position and of the financial performance of the Group and of the Company for the FY.

The Directors of the Company are satisfied that the financial statements of the Group and of the Company for FY 2025 have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the Act in Malaysia and that the Group and the Company have adopted appropriate accounting policies and have applied them consistently.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

Accountability And Audit (cont'd)

III. Risk Management and Internal Control

The Statement on Risk Management and Internal Control ("SORMIC") provides an overview of the system of internal controls and risk management framework of the Group.

- Responsibility of the Board

The Board recognises its overall responsibility for the adequacy and effectiveness of the Group's system of internal controls and risk management framework to safeguard shareholders' investment and the Group's assets. The Board adopts ISO 31000:2018 as its risk management framework.

Accordingly, the Board has entrusted the BARMC to provide oversight of the system of internal controls and risk management framework which covered the business, operations and ESG. The BARMC is assisted by the GIAD in this role.

- Risk Management Framework

For FY 2025, management has structured the risk management framework using ISO 31000:2018. Based on the framework, management has carried out the following:

- establish the context of risk pertaining to the business, operations and ESG in relation to the Group's risk appetite, i.e. how risks are perceived and the levels at which they are acceptable or otherwise;
- identify risks in relation to the objectives of every business function of the Group's operating companies;
- identify emerging risks faced by the Group in the operating environment of its various industries;
- assess the likelihood and impact of such risks identified, using qualitative and also quantitative measures where applicable, to determine the risk level, i.e. "Severe", "Major", "Significant", "Minor" or "Trivial";
- evaluate the severity of the risks and their treatment options to set priority of management's attention and devise appropriate actions to avoid, share, retain or mitigate risks within reasonable timeframes; and
- record the details of risks and treatment plans in the risk registers and present to the BARMC quarterly to review the adequacy and effectiveness of the risk management measures.

For bribery and corruption risks, the Group has adopted the Anti-Bribery Management System ("ABMS") under the ISO 37001:2016 and the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission Act 2009 to prevent, detect and respond to bribery and corruption risks. The Company and its core subsidiaries have been certified in ISO 37001:2016 (ABMS) by SIRIM QAS International Sdn Bhd.

Further, on an ongoing basis, each operating company's chief executive and authorised risk owners have clear accountabilities to:

- monitor its existing risks, identify emerging risks and update the enterprise-wide risk registers;
- maintain the adequacy, effectiveness and relevance of action plans and control systems to manage risks; and
- prepare risk management report on a quarterly basis for reporting to the BARMC.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

Accountability And Audit (cont'd)

III. Risk Management and Internal Control (cont'd)

- System of Internal Controls

The key elements of the Group's system of internal controls are described below:

- A management structure exists with clearly defined delegation of responsibilities to the management of the Group's operating companies, including authorisation levels for the business and operations. The management of the Group's operating companies own and manage risks and they are responsible for implementing controls to mitigate the risks pertaining to the business, operations and ESG.
- Documented corporate policies and procedures covering various aspects of the business and operations of the Group.
- Promotion of a strong internal control culture through the Group's values and ethics and also the "tone at the top".
- Diligent review of the quarterly financial results and reports and identifying the reasons for any unusual variances.
- Internal control assurance activities such as self-audits and completion of internal control questionnaires undertaken by management of the operating companies. These activities are part of the Group's risk and control assurance framework, provide the breadth in risk and control assurance, and demonstrate management's commitment to effective risk management.
- Risk-based internal audits carried out by the GIAD focusing on key risk areas which are selected from the Group's audit universe. The key risk areas are documented in the annual audit plan which is approved by the BARMC. The risk-based internal audits in FY 2025 covered inventory, repair and maintenance management, cybersecurity management, logistic and distribution management, tender and procurement management, scrap management, production management and review of selected Indicators of the Common Sustainability Matters disclosed in the Sustainability Statement.
- Quarterly reporting to the BARMC on the results of control assurance and audit activities, and also the management of risks throughout the Group.

- Management and Decision-Making Processes

The internal control and risk management processes of the Group are in place for FY 2025 and up to the date of approval of the SORMIC for inclusion in the annual report, and reviewed quarterly by the BARMC. The BARMC reviews the principal risks, significant audit observations and/or areas for improvement and ascertains that appropriate remedial actions or improvements are taken by the management of the Group's operating companies. These processes are intended to manage and not expected to eliminate all risks of failure to achieve business objectives. Accordingly, they can only provide reasonable and not absolute assurance against material misstatement of management and financial information or against financial losses and fraud.

The Board has received assurance from the CFO and the chief executive of the respective operating company that the Group's system of internal controls and risk management framework are operating adequately and effectively, in all material aspects, based on the internal control system and risk management framework of the Group.

- Review of the SORMIC by External Auditors

Pursuant to Paragraph 15.23 of the MMLR, the external auditors have reviewed the SORMIC pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the 2025 Annual Report, and reported to the Board that nothing has come to their attention that causes them to believe that the SORMIC is not prepared, in all material aspects, 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, nor is the SORMIC factually inaccurate. AAPG 3 does not require the external auditors to consider whether the SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

Accountability And Audit (cont'd)

III. Risk Management and Internal Control (cont'd)

- Board's Opinion

The Board, through the BARMC, is of the view that the Group's risk management framework and system of internal controls are adequate and effective in safeguarding the shareholders' investments and the Group's assets.

IV. Relationship with Auditors

The Board, through the BARMC, maintains a formal and transparent professional relationship with the external auditors, KPMG PLT. The appointment of external auditors and their fees are recommended by the BARMC. The BARMC reviews the performance, suitability, independence and objectivity of the external auditors annually. The BARMC also reviews the nature and fees of non-audit services provided by the external auditors in assessing the independence of the external auditors. In accordance with the MIA's By-Laws, KPMG PLT rotates its Engagement Partner and Engagement Quality Control Review Partner once every seven (7) years to ensure objectivity, independence and integrity of the audit opinions.

The external auditors meet with the BARMC to:

- present the scope of the audit before the commencement of audit; and
- review the results of the audit, including key audit matters, after the conclusion of the audit.

At least twice a year, the BARMC will have a separate session with the external auditors without the presence of SM.

For FY 2025, the BARMC undertook an annual assessment on the performance, suitability, independence and objectivity of the external auditors. No major concerns were noted from the results of the assessment. The external auditors also gave their assurance confirming their independence and objectivity throughout the conduct of the audit engagement and the internal processes undertaken by them to determine their independence.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

A. Disclosure

The Company has complied with the disclosure requirements set out in the MMLR. All timely disclosure and material information documents will be posted on the Website after release to Bursa.

B. Shareholders

I. Dialogue between Companies and Investors

The Board acknowledges the importance of regular communication with shareholders and investors via the annual reports, corporate governance reports, circulars to shareholders, quarterly financial reports and the various announcements made during the year, through which shareholders and investors can have an overview of the Group's performance and operation.

Notices of general meetings and the accompanying explanatory notes are provided within the prescribed notice period on the Website, Bursa's website, in the media and by post to shareholders. This allows shareholders to make the necessary arrangements to attend and participate in general meetings either in person, by corporate representative, by proxy or by attorney.

Corporate Governance Overview Statement, Risk Management and Internal Control

(Cont'd)

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (cont'd)

B. Shareholders (cont'd)

I. Dialogue between Companies and Investors (cont'd)

Shareholders can access the Company's information at the Website which includes the Board Charter, TORs of Board Committees, corporate information, announcements/press releases/briefings, financial information, products information and investor relations. Minutes of AGM and a summary of the key pertinent matters discussed at the AGM are published on the Website.

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

Queries may be conveyed to the following person:

Name : Ms Wong Wei Fong
Tel : 03-2080 9200
Fax : 03-2080 9238
Email : IRelations@humecementind.com

II. AGM

The AGM provides an opportunity for the shareholders to seek and clarify any issues and to have a better understanding of the Group's performance. Pursuant to the Company's Constitution, each member shall be entitled to be present and to vote at the AGM either personally or by proxy or if the member is a corporation by its duly authorised representative. Shareholders are encouraged to attend and vote on all resolutions. Directors, CFO, SM and the external auditors are also available to respond to shareholders' queries during the AGM. All Directors of the Company attended the AGM held on 7 November 2024. Minutes of AGM and a summary of the key pertinent matters discussed at the said AGM are published on the Website.

Pursuant to Paragraph 8.29A(1) of the MMLR, all resolutions tabled at general meetings will be put to a vote by way of a poll and the voting results will be announced at the meetings and through Bursa.

The Company has adopted electronic voting for the conduct of poll on all resolutions at the AGM.

This Corporate Governance Overview Statement, Risk Management and Internal Control is made in accordance with the resolution of the Board of Directors.

Board Audit & Risk Management Committee Report

CONSTITUTION

The Board Audit & Risk Management Committee (“the Committee”) of Hume Cement Industries Berhad (“HCIB” or “the Company”) was established since 20 October 1997.

COMPOSITION

The composition of the Committee is as follows:

Ms Tai Sook Yee

Chairman, Independent Non-Executive Director

YBhg Datuk Ir. Ahmad ‘Asri Bin Abdul Hamid

Independent Non-Executive Director

YBhg Dato’ Mohamad Kamarudin Bin Hassan

Independent Non-Executive Director

SECRETARY

The Secretary(ies) to the Committee shall be the Company Secretary(ies) of HCIB.

TERMS OF REFERENCE

The Committee’s terms of reference (“TOR”) are published on the Company’s website at www.humecementind.com.

AUTHORITY

The Committee is authorised by the Board of Directors (“Board”) to review any activity of the Group within its TOR. The Committee is authorised to seek any information it requires from any Director or member of management and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board to obtain independent legal or other professional advice if it considers necessary.

MEETINGS

The Committee meets at least four (4) times in each financial year (“FY”) and additional meetings may be called at any time as and when necessary. Recommendations and decisions may also be taken by way of Circular Resolutions. All meetings to review the quarterly reports and annual financial statements are held prior to such quarterly reports and annual financial statements being presented to the Board for approval.

The head of finance, head of internal audit, risk manager and senior management may attend Committee meetings, at the invitation of the Committee, to provide information and clarification required on items on the agenda. Representatives of the external auditors are also invited to attend the Committee meetings to present their audit scope and plan, audit report and findings together with management’s response thereto, and to brief the Committee members on significant audit and accounting areas which they noted in the course of their audit.

Issues raised, discussions, deliberations, decisions and conclusions made at the Committee meetings are recorded in the minutes of the Committee meetings. Where the Committee is considering a matter in which a Committee member has an interest, such member abstains from reviewing and deliberating on the subject matter.

Two (2) members of the Committee shall constitute a quorum and the majority of members present must be independent Directors.

Board Audit & Risk Management Committee Report

(Cont'd)

MEETINGS (cont'd)

After each Committee meeting, the Chairman of the Committee shall report and update the Board on significant issues and concerns discussed during the Committee meetings and where appropriate, make the necessary recommendations to the Board.

ACTIVITIES

During FY ended 30 June 2025 ("FY 2025"), four (4) Committee meetings were held and the attendance of the Committee members was as follows:

Members	Attendance
Ms Tai Sook Yee	4/4
YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid	4/4
YBhg Dato' Mohamad Kamarudin Bin Hassan	4/4

The Committee carried out the following activities during FY 2025 in accordance with its TOR:

Financial Reporting

The Committee reviewed and recommended to the Board for approval:

- the annual financial statements of the Group and of the Company, prepared in accordance with the relevant accounting standards, laws and regulations to provide a true and fair view of their financial positions; and
- the quarterly reports, focusing on changes in accounting policies and practices, significant audit adjustments and going concern assumptions to ensure compliance with relevant accounting standards, laws and regulations.

The Committee also reviewed the Group's financial performance, including financial obligations, banking facilities and covenants.

Related Party Transactions

The Company has put in place the Policy and Procedures of Recurrent Related Party Transactions ("Procedures"). The Committee reviewed the Procedures on an annual basis and as and when required, to ensure that the Procedures are adequate to monitor, track and identify recurrent related party transactions ("RPT") in a timely and orderly manner, and are sufficient to ensure that the recurrent RPT are conducted on commercial terms consistent with the Group's usual business practices and policies and on terms not more favourable to the related parties than those generally available to and/or from the public.

The Committee conducted a review of the recurrent RPT on quarterly basis, and the proposed mandate for recurrent RPT of the Group with various related parties prior to the Board's recommendation for shareholders' approval.

Conflict of Interest

The Committee reviewed and recommended to the Board for approval, the Conflict of Interest Policy.

There were no situations of conflict of interest or potential conflict of interest reported to the Committee.

Board Audit & Risk Management Committee Report

(Cont'd)

ACTIVITIES (cont'd)

External Audit

The Committee discussed and reviewed with the external auditors, KPMG PLT:

- the audit plan for the financial audit of the Group for FY 2025, including the scope of audit, audit methodology and timing, pertinent issues which had significant impact on the results of the Group, applicable accounting and auditing standards, and significant changes in accounting and auditing issues, where relevant; and
- the potential key audit matters and other significant audit matters identified by the external auditors.

The Committee held two (2) separate sessions with the external auditors, without the presence of senior management to discuss all major issues, including co-operation of the Group's officers rendered to the external auditors. During the separate sessions, no critical issues were raised.

The Committee reviewed and recommended to the Board for approval, the audit fees and non-audit fees payable to the external auditors in respect of services provided to the Group. Additionally, the Committee reviewed the provision of non-audit services by the external auditors to ascertain that such services would not impair their independence or objectivity. Details of non-audit fees incurred by the Group for FY 2025 are stated in the notes to the annual financial statements.

The Committee reviewed and recommended to the Board for approval the revised non-assurance services policy.

The Committee also assessed the performance, suitability, independence and objectivity of the external auditors, taking into consideration factors such as quality of service, adequacy of experience and resources of the firm and the professional staff assigned to the audit, and communication and interaction, prior to recommending the re-appointment of the external auditors to the Board for shareholders' approval.

Internal Audit

The Committee reviewed and approved the annual internal audit scope and plan. The Committee also reviewed the internal audit findings, investigation reports, and recommendations, including management's responses, progress updates and status of management's action plans related to the audit findings and recommendations thereto.

The Committee held two (2) separate sessions with the internal auditors, without the presence of senior management. During the separate sessions, no critical issues were raised.

In addition, the Committee reviewed and approved the Internal Audit Charter. The Committee also assessed the performance of the internal audit function, as well as the adequacy of the scope, competency and resources of the internal audit function to carry out its work.

Risk Management and Internal Control

The Committee reviewed the adequacy and integrity of internal control systems, including risk management covering areas on strategic, compliance, operational, financial and environmental, social and governance (ESG), as well as the relevant management information system, including the processes in place to identify, evaluate and manage significant risks encountered by the Group.

The Committee also reviewed the Statement on Risk Management and Internal Control ("SORMIC") of the Group and received the report of the external auditors in respect of their review on the SORMIC prior to the Board's approval for inclusion in the Company's Annual Report.

The Committee recommended to the Board for approval the appointment of a new risk manager.

Board Audit & Risk Management Committee Report

(Cont'd)

ACTIVITIES (cont'd)

Anti-Bribery and Corruption Management System

The Committee, acts as Governing Body of Anti-Bribery and Corruption Management System ("ABCMS"), reviewed the Governing Body Report on a quarterly basis, which included ABCMS activities, progress updates on the Group's ISO 37001:2016 Anti-Bribery Management System surveillance audit, bribery and corruption risk assessment and ABCMS internal audit report.

The Committee reviewed and recommended to the Board for approval, the revised Anti-Bribery and Corruption Policy, and the revised Group Anti-Bribery and Corruption Management System Manual.

Whistleblowing

The Committee reviewed and recommended to the Board for approval, the revised Whistleblowing Policy, and the revised Whistleblowing Communications Plan and Investigation Procedures. The Committee received and deliberated on the whistleblowing reports and further steps to be taken.

Others

The Committee also reviewed and recommended to the Board for approval, the revised Board Audit & Risk Management Committee Charter, and the Board Audit & Risk Management Committee Report for inclusion in the Company's Annual Report.

INTERNAL AUDIT ("IA")

The IA function is carried out in-house by the Group IA Department ("GIAD") of HLMG Management Co Sdn Bhd, a wholly owned subsidiary of Hong Leong Manufacturing Group Sdn Bhd ("HLMG"). The provision of the IA services is part of the shared services of companies within the HLMG Group. As at 30 June 2025, there were fourteen (14) staff in the GIAD and the total cost incurred by the GIAD for FY 2025 amounted to RM4,014,607.

The purpose, authority, scope, independence and responsibilities of IA function are provided in the Internal Audit Charter, which is approved by the Committee.

The GIAD, led by the Head of IA, reports to the Committee which has the authority to decide, among others, the appointment and removal; scope of work; and performance evaluation of the IA function. Dr Teh Boon Ang has been appointed as Head of IA since 1 July 2017.

Dr Teh is a Professional Member of the Institute of Internal Auditors Malaysia and holds the qualifications of Doctor of Business Administration, Master of Criminal Justice, Certified Internal Auditor and Certified Fraud Examiner. The Committee is satisfied that the Head of IA has the relevant experience and sufficient standing and authority to discharge his duties as Head of IA.

The GIAD supports the Committee in the effective discharge of its responsibilities in respect of governance, internal controls and the risk management framework of the Group. The GIAD also challenges and adds value to the efficiency, effectiveness and economy of operating companies' operations; usage of assets and resources; and the integrity of management information systems. In doing so, the IA function is performed with impartiality, proficiency and due professional care. The GIAD has received co-operation in the performance of their work and do not have any disagreement that may have adverse impact on the audit process or findings.

All the IA personnel had declared to the Committee that they are free from any relationships or conflicts of interest which would impair their impartiality or objectivity. The Committee had undertaken an assessment on the performance of the GIAD for FY 2025 whereby it is satisfied with the performance of the GIAD. The Committee had also reviewed the GIAD's resources, in particular the qualifications, experience and designations of all the IA personnel. As their continuous professional development, the IA personnel had kept abreast with developments in the profession, industry and regulations by attending internal and external training courses. The Committee is hence satisfied with the competency of the GIAD and that it has adequate resources to carry out its functions.

Board Audit & Risk Management Committee Report

(Cont'd)

INTERNAL AUDIT (“IA”) (cont’d)

The annual audit plan prepared by the GIAD is submitted to the Committee for review and approval. Internal audits are carried out as per the approved annual audit plan. IA reports are discussed and issued to management for their feedback and to formulate action plans with target implementation dates for improvements. Any resulting salient control concerns are reviewed by the Committee, and the implementation status of audit recommendations are monitored and reported to the Committee on a quarterly basis. The areas of IA’s review during FY 2025 are described in the SORMIC. In FY 2025, GIAD has reviewed the selected Indicators of the Common Sustainability Matters disclosed in the Sustainability Statement.

The GIAD also facilitates the maintenance of the risk management framework of the Group on an ongoing basis.

The GIAD applies appropriate auditing standards in assessing the integrity and effectiveness of internal controls and compliance with the established policies and procedures; and is committed to continuously monitoring and improving the IA function.

The Board Audit & Risk Management Committee Report is made in accordance with the resolution of the Board of Directors.

FINANCIAL STATEMENTS

Directors' Report	100
Statements of Financial Position	104
Statements of Profit or Loss and Other Comprehensive Income	106
Statements of Changes in Equity	107
Statements of Cash Flows	110
Notes to the Financial Statements	114
Statement by Directors	156
Statutory Declaration	156
Independent Auditors' Report	157



Directors' Report

For the financial year ended 30 June 2025

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding whilst the principal activities of the significant subsidiaries consist of manufacturing and sale of cement and cement related products, and manufacturing, marketing and sale of concrete and concrete related products as disclosed in Note 4 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

ULTIMATE HOLDING COMPANY

The Company is a subsidiary of Hong Leong Company (Malaysia) Berhad, a company incorporated in Malaysia and regarded by the Directors as the Company's ultimate holding company during the financial year until the date of this report.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 4 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the year attributable to owners of the Company	223,171	87,005

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in Note 17 and Note 27 to the financial statements.

DIVIDENDS

Since the end of the previous financial year, the Company paid:

- (i) a first interim single tier dividend of 4 sen per ordinary share amounting to RM29.0 million in respect of the financial year ended 30 June 2025 on 18 December 2024; and
- (ii) a second interim single tier dividend of 6 sen per ordinary share amounting to RM43.5 million in respect of the financial year ended 30 June 2025 on 24 June 2025.

The Directors do not recommend a final dividend for the financial year ended 30 June 2025.

Directors' Report

For the financial year ended 30 June 2025

(Cont'd)

DIRECTORS

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

Company

YBhg Datuk Kwek Leng San*, Chairman

Ms Tai Sook Yee

YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid

YBhg Dato' Mohamad Kamarudin Bin Hassan

Subsidiaries

Mr Lee Siong Seng

Mr Tong Woei Luen

Ms Khor Sau Mooi

Mr William Tan Kok Siang

Mr Lau Ping Ong #

* This Director is also Director of subsidiaries.

Director of a company which is in member's voluntary liquidation.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year who have beneficial interests in the ordinary shares of the Company and/or its related corporations during the financial year ended 30 June 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

	Number of ordinary shares		
	At 1.7.2024	Acquired	Sold
			At 30.6.2025
<i>Shareholdings in which the Director has direct interests</i>			
Interests of YBhg Datuk Kwek Leng San in:			
Hong Leong Company (Malaysia) Berhad	160,895	-	-
Hong Leong Industries Berhad	2,632,500	-	-
Malaysian Pacific Industries Berhad	1,232,500	-	-
Hume Cement Industries Berhad	4,711,742	-	(1,767,742)
Hong Leong Bank Berhad	536,000	-	-
Hong Leong Financial Group Berhad	654,000	-	-

DIRECTORS' BENEFITS

No Director of the Company has since the end of the previous financial year received or become entitled to receive any benefit (other than fees, remunerations, other benefits and benefit-in-kind included in the aggregate amount of remuneration received or due and receivable by Directors as shown below or the fixed salary of full-time employees of the Company or of related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Directors' Report

For the financial year ended 30 June 2025

(Cont'd)

DIRECTORS' BENEFITS (cont'd)

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

	Group RM'000	Company RM'000
Directors of the Company:		
Fees	448	448

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

ISSUE OF SHARES AND DEBENTURES

There were no issue of shares and debentures of the Company during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

INDEMNITY AND INSURANCE COSTS

During the financial year, Directors and Officers of Hong Leong Manufacturing Group Sdn. Bhd., together with its subsidiaries (the "Group" which includes Hume Cement Industries Berhad and its subsidiaries and where applicable, associated companies) are covered under the Directors and Officers Liability Insurance in respect of liabilities arising from acts committed in their respective capacity as, inter alia, Directors and Officers of the Group subject to the terms of the policy. The total amount of Directors and Officers Liability Insurance effected for the Directors and Officers of the Group was RM10 million. The total amount of premium paid for the Directors and Officers Liability Insurance by the Group was RM67,726 and the apportioned amount of the said premium paid by the Company was RM14,167.

OTHER STATUTORY INFORMATION

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

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

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

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent; or
- ii) that would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

Directors' Report

For the financial year ended 30 June 2025

(Cont'd)

OTHER STATUTORY INFORMATION (cont'd)

- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

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

In the opinion of the Directors, except for the gain on disposal of the land and buildings in Prai as disclosed in Note 15 to the financial statements, the financial performance of the Group and of the Company for the financial year ended 30 June 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

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

The auditors' remuneration of the Group and of the Company during the financial year are RM273,000 and RM45,000 respectively.

On behalf of the Board,

Datuk Kwek Leng San

Tai Sook Yee

26 August 2025

Statements of Financial Position

As at 30 June 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Assets					
Property, plant and equipment	5	650,488	700,637	3	11
Right-of-use assets	6	36,720	38,331	-	-
Investment property	7	5,424	5,679	-	-
Investments in subsidiaries	8	-	-	509,914	584,914
Deferred tax assets	9	-	2,483	-	-
Tax credit receivables	10	116,338	144,703	-	-
Total non-current assets		808,970	891,833	509,917	584,925
Inventories	11	96,392	126,532	-	-
Trade and other receivables, including derivatives	12	80,358	94,225	74	456
Current tax assets		-	1	-	-
Short-term deposits	13	149,100	-	126,800	-
Cash and cash equivalents	14	84,905	108,305	30,722	67,294
		410,755	329,063	157,596	67,750
Assets classified as held for sale	15	-	1,216	-	-
Total current assets		410,755	330,279	157,596	67,750
Total assets		1,219,725	1,222,112	667,513	652,675
Equity					
Share capital	16	651,567	651,567	651,567	651,567
Reserves	17	76,347	(66,704)	14,470	13
Total equity attributable to owners of the Company		727,914	584,863	666,037	651,580

Statements of Financial Position

As at 30 June 2025

(Cont'd)

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Liabilities					
Loans and borrowings	18	113,857	177,315	-	-
Lease liabilities		2,488	3,205	-	-
Deferred tax liabilities	9	117,019	86,670	-	-
Deferred income	19	63,906	71,064	-	-
Employee benefits	20(a)	97	264	-	-
Other payable	21	710	579	-	-
Total non-current liabilities		298,077	339,097	-	-
Loans and borrowings	18	30,852	124,601	-	-
Lease liabilities		1,016	965	-	-
Deferred income	19	7,158	7,158	-	-
Trade and other payables, including derivatives	21	147,393	160,379	628	444
Contract liabilities	22	2,702	3,794	-	-
Tax payable		4,613	1,255	848	651
Total current liabilities		193,734	298,152	1,476	1,095
Total liabilities		491,811	637,249	1,476	1,095
Total equity and liabilities		1,219,725	1,222,112	667,513	652,675

The notes on pages 114 to 155 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	23	1,114,601	1,205,222	83,843	52,340
Cost of sales		(669,719)	(743,952)	-	-
Gross profit		444,882	461,270	83,843	52,340
Distribution expenses		(139,440)	(138,513)	-	-
Administrative expenses		(36,288)	(33,639)	(2,343)	(1,432)
Other operating expenses		(13,452)	(5,728)	-	-
Other operating income		45,766	12,761	-	-
Results from operations		301,468	296,151	81,500	50,908
Interest income		5,892	1,693	7,195	14,379
Finance costs	24	(12,281)	(18,468)	-	(4,233)
Profit before taxation	24	295,079	279,376	88,695	61,054
Taxation	25	(71,908)	(68,437)	(1,690)	(2,734)
Profit for the year		223,171	210,939	87,005	58,320
Other comprehensive expense, net of tax					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences for foreign operations		-	(351)	-	-
Cash flow hedge		(963)	(590)	-	-
Total other comprehensive expense for the year	27	(963)	(941)	-	-
Total comprehensive income for the year attributable to owners of the Company		222,208	209,998	87,005	58,320
Basic earnings per ordinary share (sen)	26	30.84	36.02		
Diluted earnings per ordinary share (sen)	26	30.84	36.02		

The notes on pages 114 to 155 are an integral part of these financial statements.

Statements of Changes in Equity

For the year ended 30 June 2025

Attributable to owners of the Company									
Non-distributable									
Group	Share capital RM'000	RCULS - equity portion RM'000	Hedging reserve RM'000	Exchange fluctuation reserve RM'000	Reserve for own share RM'000	Executive Share Scheme reserve RM'000	Accumulated losses RM'000	Total equity RM'000	
At 1 July 2023	500,989	124,620	622	351	(125)	22	(197,646)	428,833	
Profit for the year	-	-	-	-	-	-	210,939	210,939	
Other comprehensive income/ (expense)	-	-	-	(351)	-	-	-	(351)	
- Foreign currency translation differences for foreign operations	-	-	-	(351)	-	-	-	(351)	
- Cash flow hedge	-	-	(590)	-	-	-	-	(590)	
Total comprehensive (expense)/ income for the year	-	-	(590)	(351)	-	-	210,939	209,998	
Contribution by and distribution to owners of the Company:									
- Conversion of RCULS	150,578	(124,620)	-	-	-	-	(23,999)	1,959	
- Share-based payments	-	-	-	-	-	564	-	564	
- Own share acquired	-	-	-	-	(583)	-	-	(583)	
- Dividends (Note 28)	-	-	-	-	-	-	(55,908)	(55,908)	
Total transactions with owners of the Company	150,578	(124,620)	-	-	(583)	564	(79,907)	(53,968)	
At 30 June 2024	651,567	-	32	-	(708)	586	(66,614)	584,863	

Statements of Changes in Equity

For the year ended 30 June 2025

(Cont'd)

	Attributable to owners of the Company					Distributable			Total equity
	Non-distributable					Executive Share Scheme reserve	(Accumulated losses)/ Retained earnings		
Group	Share capital RM'000	RCULS - equity portion RM'000	Hedging reserve RM'000	Exchange fluctuation reserve RM'000	Reserve for own share RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2024	651,567	-	32	-	(708)	586	(66,614)		584,863
Profit for the year	-	-	-	-	-	-	223,171		223,171
Other comprehensive income/ (expense)	-	-	(963)	-	-	-	-		(963)
- Cash flow hedge									
Total comprehensive (expense)/ income for the year	-	-	(963)	-	-	-	223,171		222,208
<i>Contribution by and distribution to owners of the Company:</i>									
- Share-based payments	-	-	-	-	-	3,182	-		3,182
- Own share acquired	-	-	-	-	(10,082)	-	-		(10,082)
- Shares vested under ESS	-	-	-	-	45	(48)	3		-
- Dividends (Note 28)	-	-	-	-	-	-	(72,257)		(72,257)
Total transactions with owners of the Company	-	-	-	-	(10,037)	3,134	(72,254)		(79,157)
At 30 June 2025	651,567	-	(931)	-	(10,745)	3,720	84,303		727,914

Statements of Changes in Equity

For the year ended 30 June 2025

(Cont'd)

	Attributable to owners of the Company			
	Non-distributable		Distributable	
	Share capital	RCULS - equity portion	Retained earnings	Total equity
	RM'000	RM'000	RM'000	RM'000
Company				
At 1 July 2023	500,989	124,620	21,620	647,229
Profit and total comprehensive income for the year	-	-	58,320	58,320
<i>Contribution by and distribution to owners of the Company:</i>				
- Conversion of RCULS	150,578	(124,620)	(23,999)	1,959
- Dividends (Note 28)	-	-	(55,928)	(55,928)
Total transactions with owners of the Company	150,578	(124,620)	(79,927)	(53,969)
At 30 June 2024/1 July 2024	651,567	-	13	651,580
Profit and total comprehensive income for the year	-	-	87,005	87,005
<i>Contribution by and distribution to owners of the Company:</i>				
- Dividends (Note 28)	-	-	(72,548)	(72,548)
Total transactions with owners of the Company	-	-	(72,548)	(72,548)
At 30 June 2025	651,567	-	14,470	666,037

The notes on pages 114 to 155 are an integral part of these financial statements.

Statements of Cash Flows

For the year ended 30 June 2025

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash flows from operating activities				
Profit before taxation	295,079	279,376	88,695	61,054
<i>Adjustments for:</i>				
Amortisation of deferred income	(7,158)	(7,158)	-	-
Depreciation of investment property	255	254	-	-
Depreciation of property, plant and equipment	70,221	67,317	3	10
Depreciation of right-of-use assets	2,343	2,418	-	-
Dividend income from subsidiaries	-	-	(83,843)	(52,340)
Finance costs	12,281	18,468	-	4,233
Gain on disposal of property, plant and equipment	(134)	(112)	-	-
Gain on disposal of asset held for sale (pre-tax)	(34,868)	-	-	-
Interest income	(5,892)	(1,693)	(7,195)	(14,379)
Property, plant and equipment written off	4,119	4,933	-	-
Provision for slow moving inventories	3,938	4,695	-	-
(Reversal)/Provision for retirement benefits	(146)	14	-	-
Share-based payments	3,182	564	-	-
Unrealised gain on foreign exchange	(137)	(199)	-	-
Impairment loss of property, plant and equipment	1,985	-	-	-
Operating profit/(loss) before changes in working capital	345,068	368,877	(2,340)	(1,422)
Inventories	26,323	(4,071)	-	-
Trade and other receivables	14,649	(18,006)	382	(344)
Trade and other payables	(16,747)	34,731	184	(167)
Cash generated from/(used in) operations	369,293	381,531	(1,774)	(1,933)
Tax paid	(7,352)	(1,612)	(1,493)	(530)
Interest income received	5,900	1,693	7,195	14,379
Finance costs paid	(11,522)	(18,150)	-	(4,000)
Dividend received from subsidiaries	-	-	83,843	52,340
Retirement benefits paid	(21)	-	-	-
Net cash generated from operating activities	356,298	363,462	87,771	60,256

Statements of Cash Flows

For the year ended 30 June 2025

(Cont'd)

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities					
Proceeds from disposal of property, plant and equipment		656	112	5	-
Proceeds from disposal of asset held for sale		39,800	-	-	-
Acquisition of property, plant and equipment		(26,698)	(33,155)	-	-
Placement in short-term deposits		(149,100)	-	(126,800)	-
Proceeds from redemption of RCULS from a subsidiary		-	-	75,000	215,000
Tax paid on gain on disposal of asset held for sale		(2,644)	-	-	-
Net cash (used in)/ generated from investing activities		(137,986)	(33,043)	(51,795)	215,000
Cash flows from financing activities					
Payment of lease liabilities	(i)	(1,398)	(1,395)	-	-
Interest paid in relation to lease liabilities	(i)	(184)	(191)	-	-
Drawdown of borrowings	(ii)	135,016	980,514	-	132,000
Repayment of borrowings	(ii)	(292,807)	(1,190,393)	-	(279,610)
RCULS coupon payment	(ii)	-	(5,467)	-	(5,467)
Dividends paid to owners of the Company		(72,257)	(55,908)	(72,548)	(55,928)
Purchase of trust shares		(10,082)	(583)	-	-
Net cash used in financing activities		(241,712)	(273,423)	(72,548)	(209,005)
Net (decrease)/increase in cash and cash equivalents					
		(23,400)	56,996	(36,572)	66,251
Effect of exchange rate fluctuations on cash held		-	(351)	-	-
Cash and cash equivalents at 1 July 2024/2023		108,305	51,660	67,294	1,043
Cash and cash equivalents at 30 June		84,905	108,305	30,722	67,294

Statements of Cash Flows

For the year ended 30 June 2025

(Cont'd)

(i) Cash outflows for leases as a lessee

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities				
Payment relating to short-term leases and leases of low-value assets	11,766	10,928	-	-
Payment relating to variable lease payments not included in the measurement of lease liabilities	16,557	18,028	-	-
Included in net cash from financing activities				
Payment of lease liabilities	1,398	1,395	-	-
Interest paid in relation to lease liabilities	184	191	-	-
Total cash outflows for leases	29,905	30,542	-	-

Statements of Cash Flows

For the year ended 30 June 2025

(Cont'd)

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

Group	At 1 July 2023 RM'000	Drawdown RM'000	Repayment RM'000	Interest accreted RM'000	Acquisition of new lease		At 30 June 2024/ 1 July 2024		Drawdown RM'000	Repayment RM'000	Interest accreted RM'000	Acquisition of new lease		Others RM'000	At 30 June 2025 RM'000
					RM'000	RM'000	Others RM'000	RM'000				RM'000	RM'000		
Term loans	140,123	135,000	(50,610)	221	-	(835)	223,899	-	(110,626)	584	-	-	-	-	113,857
Medium term notes	99,893	-	(100,000)	107	-	-	-	-	-	-	-	-	-	-	-
Revolving credits	165,730	172,000	(297,730)	-	-	-	40,000	25,000	(45,000)	-	-	-	-	-	20,000
Trade financing	106,556	673,514	(742,053)	-	-	-	38,017	110,016	(137,181)	-	-	-	-	-	10,852
Total loans and borrowings	512,302	980,514	(1,190,393)	328	-	(835)	301,916	135,016	(292,807)	584	-	-	-	-	144,709
Lease liabilities	291	-	(1,395)	-	5,890	(616)	4,170	-	(1,398)	-	-	42	-	690	3,504
RCULS liabilities	6,660	-	(5,467)	766	-	(1,959)	-	-	-	-	-	-	-	-	-
Total liabilities	519,253	980,514	(1,197,255)	1,094	5,890	(3,410)	306,086	135,016	(294,205)	584	42	-	-	690	148,213
Company															
Term loans	20,610	-	(20,610)	-	-	-	-	-	-	-	-	-	-	-	-
Medium term notes	99,893	-	(100,000)	107	-	-	-	-	-	-	-	-	-	-	-
Revolving credits	27,000	132,000	(159,000)	-	-	-	-	-	-	-	-	-	-	-	-
Total loans and borrowings	147,503	132,000	(279,610)	107	-	-	-	-	-	-	-	-	-	-	-
RCULS liabilities	6,660	-	(5,467)	766	-	(1,959)	-	-	-	-	-	-	-	-	-
Total liabilities	154,163	132,000	(285,077)	873	-	(1,959)	-	-	-	-	-	-	-	-	-

The notes on pages 114 to 155 are an integral part of these financial statements.

Notes to the financial statements

1. CORPORATE INFORMATION

Hume Cement Industries Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office

Level 31, Menara Hong Leong,
No. 6, Jalan Damanela,
Bukit Damansara,
50490 Kuala Lumpur.

Principal place of business

Level 5, Wisma Hume, Block D,
15A, Jalan 51A/219,
46100 Petaling Jaya,
Selangor Darul Ehsan.

The immediate and ultimate holding companies of the Company are Hong Leong Manufacturing Group Sdn. Bhd. and Hong Leong Company (Malaysia) Berhad ("HLCM") respectively, both incorporated in Malaysia.

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

The Company is an investment holding company whilst the principal activities of the subsidiaries are as disclosed in Note 4 to the financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 26 August 2025.

2. BASIS OF PREPARATION

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

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency and all values are rounded to the nearest thousand ("RM'000"), unless otherwise stated.

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

Items	Measurement bases
Derivative financial instruments	Fair value

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

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

Notes to the financial statements

(Cont'd)

2. BASIS OF PREPARATION (cont'd)

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

- (i) Note 5.1 – Measurement for impairment in value of property, plant and equipment.
- (ii) Note 6.3 – Leases
- (iii) Note 8 – Impairment assessment on investment in the subsidiaries.
- (iv) Note 9 and 10 – Measurement of deferred tax assets and tax credit receivables.
- (v) Note 11 – Measurement for obsolescence and net realisable value for inventories.
- (vi) Note 31.3.1 – Measurement of expected credit losses (“ECL”).

Standards and interpretations issued but not yet effective

The following are amendments of the MFRS Accounting Standards but have not been adopted by the Group and the Company:

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

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

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

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

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

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

MFRS Accounting Standards, interpretations and amendments effective at date to be confirmed

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

The Group and the Company plan to apply the abovementioned amendments, where applicable, when they become effective in their respective financial periods.

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

Notes to the financial statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICIES

(a) Global minimum tax

The ultimate holding company ("UHC") and its subsidiaries (the "UHC Group") of which the Group is a part of, is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules whereby top-up tax on profits is required in any jurisdictions in which it operates when the blended effective tax rate in each of those jurisdictions is lower than the minimum effective tax rate of 15%.

Malaysia, the jurisdiction of the UHC, will be implementing the Pillar Two model rules effective from the financial year beginning on or after 1 January 2025.

As a result of the implementation, the UHC Group has performed an assessment of the potential exposure to Pillar Two income taxes including the "Transitional CbCR Safe Harbour" based on the CbCR and financial statements information for financial year ended 30 June 2024 for the constituent entities in UHC Group for Pillar Two purposes.

The Amendments to MFRS 112 "Income Taxes – International Tax Reform – Pillar Two Model Rules" introduce a temporary mandatory exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules as well as disclosure requirements on the exposure to Pillar Two income taxes upon adoption.

Accordingly, the Group has applied the temporary mandatory exception in Amendments to MFRS 112 "International Tax Reform – Pillar Two Model Rules" retrospectively and is not accounting for deferred taxes arising from any top-up tax due to the Pillar Two model rules in the consolidated financial statements.

The UHC Group continues to monitor Pillar Two legislative developments and evaluate the potential exposure to the Pillar Two income taxes for all of its subsidiaries that operate in the same jurisdictions as the Group.

(b) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

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

(ii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

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

Buildings	Over period of land lease or 50 years, whichever is shorter
Plant and machinery	4 - 45 years
Office equipment, fittings, software, spare parts and motor vehicles	5 - 20 years

Notes to the financial statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(c) Right-of-use assets and leases

(i) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(ii) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(iii) Recognition exemption

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

(d) Investment property

Investment property carried at cost

Investment properties carried at cost are stated at cost less any accumulated depreciation and any accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in accounting policy Note 3(b).

(e) Investment in subsidiaries

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

(f) Taxation

A tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in profit or loss as and when it is granted and claimed. Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised.

The Group regards the unutilised investment tax allowances and unutilised reinvestment allowances as investment tax credits ("ITCs") and these ITCs are recognised using accounting treatment similar to that of a government grant. Unutilised investment tax allowances and unutilised reinvestment allowances to the extent that it is probable that the future taxable profit will be available against the unutilised investment tax allowances and unutilised reinvestment allowances can be utilised are recognised as a tax credit receivable and correspondingly deferred income.

The tax credit receivable will be charged out to the profit or loss based on the utilisation of investment tax allowances and utilisation of reinvestment allowances in each financial period. Deferred income, on the other hand, will be amortised over the estimated remaining useful lives of the assets concerned to the profit or loss or other income.

Notes to the financial statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

(h) Employee benefits

(i) Share-based payments

The Group operates equity-settled, share based compensation plans for the employees of the Group under Hume Cement Industries Berhad's Executive Share Scheme ("ESS").

In connection with the ESS, trusts have been set up and are administered by an appointed trustee ("ESS Trust"). The trustee will be entitled from time to time, to accept advances from the Group, upon such terms and conditions as the Group and the trustee may agree to purchase the ordinary shares of the Company from the open market for the ESS Trust ("Trust Shares").

The ESS Trust Shares is amalgamated in the financial statements of the Company for the portion related to the Company and consolidated into the Group's consolidated financial statements as a deduction from equity and classified as reserves for own shares. Dividends received by the ESS Trusts are eliminated against the Company's dividend payment.

(ii) Defined benefit plan

The Group operates an unfunded defined benefit scheme for the eligible employees. The present value of the defined benefit obligation as required by MFRS 119, *Employee Benefits* has not been used in deriving the provision, as the amount involved is not material to the Group and the Company. Accordingly, no further disclosure as required by the standard is presented.

(i) Financial instruments

(i) Regular way purchase or sale of financial asset

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting or settlement date in the current year.

Generally, the Group or the Company applied settlement date accounting unless otherwise stated for the specific class of asset.

(j) Hedge accounting - Cash flow hedge

In a cash flow hedge, the Group recognises the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge in other comprehensive income and accumulated in equity while the ineffective portion is recognised in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

The Group designates only the change in fair value of the spot element of forward contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") is separately accounted for as cost of hedging and recognised in a cost of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

Notes to the financial statements

(Cont'd)

3. MATERIAL ACCOUNTING POLICIES (cont'd)

(j) Hedge accounting - Cash flow hedge (cont'd)

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

4. COMPANIES IN THE GROUP

The principal activities of the companies in the Group, their country of incorporation and the effective interest of Hume Cement Industries Berhad are shown below:

Name of company	Country of incorporation	Effective interest		Principal activities
		2025	2024	
		%	%	
Subsidiaries				
Hume Cement Sdn Bhd	Malaysia	100	100	Manufacture and sale of cement and cement related products.
Hume Concrete Sdn Bhd	Malaysia	100	100	Manufacture, marketing and sale of concrete and concrete related products and investment holding.
• Hume Concrete (EM) Sdn Bhd	Malaysia	100	100	Manufacture and sale of concrete and concrete related products.
• Forestwood Sdn Bhd	Malaysia	100	100	In member's voluntary liquidation.
Hume RMX Sdn Bhd	Malaysia	100	100	Dormant.
Hume RMC Sdn Bhd	Malaysia	100	100	Investment holding.

Notes:

- Sub-subsidiaries

Notes to the financial statements

(Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Buildings RM'000	Plant and machinery RM'000	Office equipment, fittings, software, spare parts and motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
Cost					
At 1 July 2023	75,243	1,212,270	52,426	1,535	1,341,474
Additions	88	8,909	18,020	6,138	33,155
Disposal	-	(29)	-	-	(29)
Written off	-	(2,044)	(6,838)	-	(8,882)
Reclassification	-	1,313	36	(1,349)	-
Reclassified to assets held for sale	(9,128)	(9,399)	(350)	-	(18,877)
At 30 June 2024/1 July 2024	66,203	1,211,020	63,294	6,324	1,346,841
Additions	92	15,212	6,695	4,699	26,698
Disposal	(839)	(5,568)	(352)	-	(6,759)
Written off	-	(144)	(6,092)	-	(6,236)
Reclassification	-	6,190	68	(6,258)	-
At 30 June 2025	65,456	1,226,710	63,613	4,765	1,360,544

Notes to the financial statements

(Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Group	Buildings RM'000	Plant and machinery RM'000	Office equipment, fittings, software, spare parts and motor vehicles RM'000	Capital work-in- progress RM'000	Total RM'000
Accumulated depreciation and impairment loss					
At 1 July 2023					
Accumulated depreciation	32,222	530,507	37,147	-	599,876
Accumulated impairment	813	118	30	-	961
	33,035	530,625	37,177	-	600,837
Charge for the year	1,343	60,083	5,891	-	67,317
Disposal	-	(29)	-	-	(29)
Written off	-	(1,303)	(2,646)	-	(3,949)
Reclassified to assets held for sale	(8,223)	(9,399)	(350)	-	(17,972)
At 30 June 2024/1 July 2024					
Accumulated depreciation	25,342	579,859	40,042	-	645,243
Accumulated impairment	813	118	30	-	961
	26,155	579,977	40,072	-	646,204
Charge for the year	1,167	61,998	7,056	-	70,221
Impairment for the year	267	1,681	37	-	1,985
Disposal	(671)	(5,227)	(339)	-	(6,237)
Written off	-	(144)	(1,973)	-	(2,117)
At 30 June 2025					
Accumulated depreciation	25,838	636,486	44,786	-	707,110
Accumulated impairment	1,080	1,799	67	-	2,946
	26,918	638,285	44,853	-	710,056
Carrying amounts					
At 1 July 2023	42,208	681,645	15,249	1,535	740,637
At 30 June 2024/1 July 2024	40,048	631,043	23,222	6,324	700,637
At 30 June 2025	38,538	588,425	18,760	4,765	650,488

Notes to the financial statements

(Cont'd)

5. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Office equipment RM'000
Company	
Cost	
At 1 July 2023	70
Written off	(2)
At 30 June 2024/1 July 2024	68
Disposal	(27)
At 30 June 2025	41
Accumulated depreciation	
At 1 July 2023	49
Charge for the year	10
Written off	(2)
At 30 June 2024/1 July 2024	57
Charge for the year	3
Disposal	(22)
At 30 June 2025	38
Carrying amounts	
At 1 July 2023	21
At 30 June 2024/1 July 2024	11
At 30 June 2025	3

5.1 Impairment testing of property, plant and equipment

Concrete

The Group has recognised an impairment loss of RM1,985,000 (2024: Nil) as the recoverable amounts of the cash-generating units were lower than the carrying amounts. The recoverable amount was determined using the fair value less cost of disposal method.

Notes to the financial statements

(Cont'd)

6. RIGHT-OF-USE ASSETS

	Leasehold land RM'000	Premises RM'000	Office equipment RM'000	Total RM'000
Group				
At 1 July 2023	35,514	207	65	35,786
Addition	-	5,878	12	5,890
Derecognition	-	(616)	-	(616)
Depreciation	(963)	(1,438)	(17)	(2,418)
Reclassified to assets held for sale	(311)	-	-	(311)
At 30 June 2024/1 July 2024	34,240	4,031	60	38,331
Addition	-	-	42	42
Lease modification	-	690	-	690
Depreciation	(880)	(1,427)	(36)	(2,343)
At 30 June 2025	33,360	3,294	66	36,720

The Group leases a number of land and office premises with an option to renew the lease after that date.

6.1 Extension options

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

6.2 Variable lease payments based on production

The quarry related machineries contain variable lease payments that are based on production that the Group makes. Fixed and variable payments for the period ended are as follows:

	Fixed payments RM'000	Variable payments RM'000	Total payments RM'000	Estimated annual impact on lease payments of a 1% increase in production RM'000
Group				
2025				
Leases with lease payments based on production	-	16,557	16,557	166

Notes to the financial statements

(Cont'd)

6. RIGHT-OF-USE ASSETS (cont'd)

6.2 Variable lease payments based on production (cont'd)

	Fixed payments RM'000	Variable payments RM'000	Total payments RM'000	Estimated annual impact on lease payments of a 1% increase in production RM'000
Group				
2024				
Leases with lease payments based on production	-	18,028	18,028	180

The Group expects the nature and level of the variable lease payments to remain broadly consistent in future years.

6.3 Significant judgements and assumptions in relation to leases

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

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

6.4 Restriction imposed by lease contracts

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

Notes to the financial statements

(Cont'd)

7. INVESTMENT PROPERTY

	Group RM'000
Cost	
At 1 July 2023/30 June 2024/1 July 2024/30 June 2025	12,131
Accumulated depreciation	
At 1 July 2023	6,198
Charge for the year	254
At 30 June 2024/1 July 2024	6,452
Charge for the year	255
At 30 June 2025	6,707
Carrying amounts	
At 1 July 2023	5,933
At 30 June 2024/1 July 2024	5,679
At 30 June 2025	5,424

Investment property comprises a commercial property that is leased to third party. The lease contains an initial non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee and on average renewal periods are 3 years. No contingent rents are charged.

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

	Group 2025 RM'000	2024 RM'000
Lease income	2,798	2,314
Direct operating expenses:		
- income generating investment property	684	652

7.1 Operating lease payments receivable

The operating lease payments to be received are as follows:

	Group 2025 RM'000	2024 RM'000
Less than 1 year	2,842	2,798
1 - 2 years	3,079	5,684
2 - 3 years	-	237
Total undiscounted lease payments	5,921	8,719

Notes to the financial statements

(Cont'd)

7. INVESTMENT PROPERTY (cont'd)

7.2 Fair value information

Fair value of investment property is categorised as Level 3 as follows:

	2025 RM'000	2024 RM'000
Land and building	24,305	65,546

The level 3 fair value of land and buildings for the current year has been determined using the discounted cash flow method ("DCF"), due to the absence of reliable external market data. This change in valuation technique from prior year reflects management's assessment that market-based inputs, such as recent sale transactions, were not sufficiently observable or representative under current market conditions. The significant unobservable input used in the DCF method is the discount rate, which was set at 5.08%. The estimated fair value would increase if the discount rate is lower, and decrease if the discount rate is higher.

In the prior year, the fair value was determined based on a Directors' valuation by reference to past sale transactions, with the significant unobservable input being the price per square foot of comparable properties. The estimated fair value would increase if the price per square foot is higher, and decrease if it is lower.

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
At cost		
Unquoted shares	499,410	499,410
Redeemable Convertible Unsecured Loan Stock	42,500	117,500
Less: Accumulated impairment loss	(31,996)	(31,996)
	509,914	584,914

Impairment losses are recognised based on the excess of carrying amount over recoverable amount, which is determined based on either the fair value of the net assets of the subsidiaries or the recoverable amount of the cash-generating unit based on value in use and the fair value less costs of disposal whichever is higher.

The subsidiaries and their principal activities are disclosed in Note 4 to the financial statements.

Notes to the financial statements

(Cont'd)

9. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Group						
Property, plant and equipment	-	-	(130,106)	(144,296)	(130,106)	(144,296)
Right-of-use assets	-	-	(561)	(1,103)	(561)	(1,103)
Lease liabilities	583	1,001	-	-	583	1,001
Unabsorbed capital allowances	-	36,794	-	-	-	36,794
Other deductible temporary differences	13,648	11,866	-	-	13,648	11,866
Tax losses carry-forwards	-	8,877	-	-	-	8,877
Other items	-	2,674	(583)	-	(583)	2,674
Tax assets/(liabilities)	14,231	61,212	(131,250)	(145,399)	(117,019)	(84,187)
Set off of tax	(14,231)	(58,729)	14,231	58,729	-	-
Net tax assets/(liabilities)	-	2,483	(117,019)	(86,670)	(117,019)	(84,187)

Unrecognised deferred tax assets

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

	Group	
	2025 RM'000	2024 RM'000
Tax losses carry-forwards	117,301	117,301
Unutilised reinvestment allowances	3,840	3,840
Unabsorbed capital allowances	16,074	5,981
Other deductible temporary differences	5,736	1,092
	142,951	128,214

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

Notes to the financial statements

(Cont'd)

9. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

Unrecognised deferred tax assets (cont'd)

The tax losses carry-forwards will expire in the following year of assessment:

	Group	
	2025	2024
	RM'000	RM'000
Year of assessment:		
2028	69,286	69,286
2029	7,750	7,750
2030	16,091	16,091
2031	8,478	8,478
2032	8,878	8,878
2033	3,483	3,483
2034	3,335	3,335
	117,301	117,301

Unutilised reinvestment allowance can be carried forward for seven years after the qualifying period of fifteen years under current tax legislation.

Movement in temporary differences during the year

	At 1.7.2023	Recognised in profit or loss (Note 25)	At 30.6.2024/ 1.7.2024	Recognised in profit or loss (Note 25)	At 30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Property, plant and equipment	(156,878)	13,582	(143,296)	13,190	(130,106)
Right-of-use assets	(65)	(2,038)	(2,103)	1,542	(561)
Lease liabilities	70	931	1,001	(418)	583
Unabsorbed capital allowances	116,143	(79,349)	36,794	(36,794)	-
Other deductible temporary differences	10,290	1,576	11,866	1,782	13,648
Tax losses carry-forwards	8,877	-	8,877	(8,877)	-
RCULS	1,608	(1,608)	-	-	-
Other items	1,785	889	2,674	(3,257)	(583)
	(18,170)	(66,017)	(84,187)	(32,832)	(117,019)

Notes to the financial statements

(Cont'd)

10. TAX CREDIT RECEIVABLES

	Group	
	2025	2024
	RM'000	RM'000
Unutilised investment tax allowance	68,839	68,839
Unutilised reinvestment allowance	47,499	75,864
	116,338	144,703

The Group considered that it is probable that future taxable profits will be available against which the tax benefit can be utilised. The management has applied the following key assumptions in arriving at the projected future taxable profits:

- (a) The management has projected cash flows for 5 years (2024: 5 years); and
- (b) The annual growth rate for selling prices and sales volume used in the cash flows projection ranges from 0% to 1% (2024: 0% to 1%) and 0% to 4% (2024: 0% to 5%) respectively, taking into consideration past business performance and management's expectation on the current and future market conditions.

The estimation of future taxable profits requires management to make judgements, estimates and assumptions about future events that are inherently uncertain. Accordingly, the tax credit receivables recognised are subject to estimation uncertainty and may be adjusted in subsequent periods as a result of changes in the accounting estimates.

In accordance with current tax legislation, the unused reinvestment allowances will expire in YA 2038, 7 years after the qualifying period of 15 years. Investment tax allowances do not expire under current tax legislation. In view of the substantial period before reinvestment allowances expires in YA 2038, the Group considered that it is probable that future taxable profits will be available against which the tax benefit can be utilised.

11. INVENTORIES

	Group	
	2025	2024
	RM'000	RM'000
Raw materials, consumables and engineering spares	66,639	100,362
Work-in-progress	75	40
Finished goods	29,678	26,130
	96,392	126,532
Recognised in profit or loss:		
Inventories recognised as cost of sales	478,934	549,546

Notes to the financial statements

(Cont'd)

12. TRADE AND OTHER RECEIVABLES, INCLUDING DERIVATIVES

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade				
Trade receivables from contracts with customers				
- Third parties	70,911	82,027	-	-
- Related companies	2,906	2,591	-	-
	73,817	84,618	-	-
Less: Allowance for impairment losses	(389)	(469)	-	-
	73,428	84,149	-	-
Non-trade				
Other receivables	1,705	1,096	30	60
Deposits	2,870	2,654	2	2
Prepayments	2,355	6,294	42	394
Derivative used for hedging				
- forward exchange contract	-	32	-	-
	6,930	10,076	74	456
	80,358	94,225	74	456

Note 12.1

The trade amounts due from related companies are subject to the normal trade terms.

Note 12.2

The total notional amount of the forward exchange contracts was USD9,979,000 (RM46,732,000).

13. SHORT-TERM DEPOSITS

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits with licensed bank	149,100	-	126,800	-

Deposits with licensed bank have tenures of more than three months but less than one year.

Notes to the financial statements

(Cont'd)

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	43,079	19,000	30,650	7,750
Cash and bank balances	41,826	89,305	72	59,544
	84,905	108,305	30,722	67,294

Included in the cash and cash equivalents are the following balances placed with related companies arising from normal business transactions:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	31,084	6,000	30,000	-
Cash and bank balances	41,657	88,873	70	59,544
	72,741	94,873	30,070	59,544

15. ASSETS HELD FOR SALE

In the previous year, the Company announced that Hume Concrete Sdn Bhd ("HCCT"), a wholly-owned subsidiary of the Company, had on 14 February 2024, entered into a conditional sale and purchase agreement with Skygate Technology (KL) Sdn Bhd ("Skygate KL") for the disposal by HCCT to Skygate KL of a parcel of land together with the buildings thereon and all fixtures, fittings and other things thereon located in Prai Industrial Estate, Pulau Pinang for a cash consideration of RM39,800,000.

The disposal was completed in the first half of the financial year ended 30 June 2025.

	Note	Group 2024 RM'000
Assets classified as held for sale (Carrying amount)		
Property, plant and equipment	5	905
Right-of-use assets	6	311
		<u>1,216</u>

Notes to the financial statements

(Cont'd)

16. SHARE CAPITAL

	Group and Company			
	Number of shares	Amount	Number of shares	Amount
	2025	2025	2024	2024
	'000	RM'000	'000	RM'000
Issued and fully paid shares with no par value:				
Ordinary shares:				
At 1 July	725,485	651,567	510,373	500,989
Conversion of RCULS	-	-	215,112	150,578
At 30 June	725,485	651,567	725,485	651,567

17. RESERVES

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Executive share scheme reserve	17.1	3,720	586	-	-
Hedging reserve	17.2	(931)	32	-	-
Reserve for own shares	17.3	(10,745)	(708)	-	-
Retained earnings/(Accumulated losses)		84,303	(66,614)	14,470	13
		76,347	(66,704)	14,470	13

Note 17.1

Executive share scheme reserve represents the corresponding share-based payments expense related to the Group's Executive Share Scheme as stated in Note 3(h)(i).

Note 17.2

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedge related to hedged translations that have not yet occurred.

Note 17.3

Reserve for own shares represents Trust Shares purchased by the ESS Trusts as disclosed in Note 3(h)(i). As at 30 June 2025, the total number of HCIB Shares held by the ESS Trusts at the Group level was 3,882,467 (2024: 323,000) HCIB Shares.

At the Group level, during the financial year:

- a total of 3,575,700 (2024: 227,200) HCIB Shares were purchased by the ESS Trusts; and
- 16,233 of the (2024: Nil) existing ordinary shares in the Company held in the ESS Trusts were transferred to the eligible executives arising from the vesting of free HCIB shares.

Notes to the financial statements

(Cont'd)

18. LOANS AND BORROWINGS

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current (Unsecured)					
Term loans	18.1	113,857	177,315	-	-
Current (Unsecured)					
Term loans	18.1	-	46,583	-	-
Revolving credits		20,000	40,000	-	-
Trade financing		10,852	38,018	-	-
		30,852	124,601	-	-
		144,709	301,916	-	-

Note 18.1

The term loans contain a financial covenant requiring the subsidiary to ensure that its net gearing ratio (net of cash) does not exceed 1.75x throughout the tenure of the facilities.

19. DEFERRED INCOME

	Group	
	2025 RM'000	2024 RM'000
Non-current		
Investment tax allowance	23,749	27,143
Reinvestment allowance	40,157	43,921
	63,906	71,064
Current		
Investment tax allowance	3,394	3,394
Reinvestment allowance	3,764	3,764
	7,158	7,158
	71,064	78,222

The tax benefits arising from investment tax allowance and reinvestment allowance are being amortised over the estimated useful lives of the underlying plant and equipment for which investment tax allowance and reinvestment allowance were claimed. During the financial year, a total of RM7,158,000 (2024: RM7,158,000) has been amortised and recognised as other operating income in profit or loss of the Group.

Notes to the financial statements

(Cont'd)

20. EMPLOYEE BENEFITS

(a) Retirement benefits

	Group	
	2025	2024
	RM'000	RM'000
At 1 July	264	250
(Reversal)/Provision	(146)	14
Payments	(21)	-
At 30 June	97	264

(b) Executive Share Scheme ("ESS")

The main features of the ESS are, inter alia, as follows:

- Eligible executives are those executives of the Group who have been confirmed in service on the date of offer or directors of the Group. The Board may from time to time at its discretion select and identify suitable eligible executives to be offered options or grants.
- The aggregate number of shares comprised in:
 - exercised options;
 - unexercised options;
 - unexpired option offers and unexpired grant offers pending acceptances by the eligible executives;
 - outstanding grants;
 - completed grants; and
 - exercised options, unexercised options, outstanding grants, completed grants and unexpired offers pending acceptances, under any other executive share schemes established by the Company which are still subsisting,

shall not exceed 10% of the total number of issued ordinary shares (excluding treasury shares) of the Company at any one time ("Maximum Aggregate").
- The option price shall not be at a discount of more than 10% (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the shares of the Company preceding the date of offer and shall in no event be less than the par value of the shares of the Company.
- The exercise of the options or vesting of shares may, at the absolute discretion of the Board, be satisfied by way of issuance of new ordinary shares in the Company (unless otherwise adjusted); transfer of existing shares, or a combination of both new shares and existing shares.
- At any point in time during the existence of the ESS, the allocation to an eligible executive who, either singly or collectively through persons connected with the eligible executive, holds 20% or more of the total number of issued ordinary shares (excluding treasury shares) of the Company, must not exceed 10% of the Maximum Aggregate.
- The option offered to an option holder under the executive share option scheme ("ESOS") is exercisable by the option holder or the shares to be vested to a grant holder under the executive share grant scheme ("ESGS") will be vested to the grant holder only during his employment or directorship with the Group and within the option exercise period of the ESOS, subject to any maximum limit as may be determined by the Board under the By-Laws of the ESS.

Notes to the financial statements

(Cont'd)

20. EMPLOYEE BENEFITS (cont'd)

(b) Executive Share Scheme ("ESS") (cont'd)

- (i) The Company had, on 8 November 2022, implemented an ESS which comprises an ESOS and an ESGS of up to 10% of the Company's total number of issued ordinary shares (excluding treasury shares) for eligible executives and/or directors of the Company and its subsidiaries ("ESS 2022"). The ESS 2022 will be in force for a period of 10 years from 8 November 2022.

ESOS

During the financial year ended 30 June 2025 and since the commencement of the ESS 2022, there was no grant or vesting of conditional incentive share options ("Options") over ordinary shares of the Company ("HCIB Shares").

ESGS

The details of the share movement during the financial year ended 30 June 2025 of eligible senior management of the Group, are as follows:

(i) Senior management of the Group

Grant Date	Outstanding		During FY2025	
	At 1.7.2024 '000	At 30.6.2025 '000	Granted '000	Vested '000
22.04.2024	3,850	3,850	-	-
23.01.2025	-	33	49	16
Total	3,850	3,883	49	16
% of total units since commencement			1.22%	100%

During the financial year ended 30 June 2025, a total of 48,700 free HCIB shares were granted to a senior management personnel of the Group, out of which 16,233 free HCIB Shares vested during the financial year.

Since the commencement of the ESS 2022, an aggregate of 3,994,444 free HCIB shares have been granted to eligible executives and senior management of the Group, out of which 16,233 free HCIB Shares have vested and 95,744 free HCIB Shares have lapsed. Based on the Maximum Aggregate as at financial year ended 2025, the actual percentage of the total free HCIB Shares granted to director (including a past director) and senior management of the Group was 0.07% during the financial year and 5.51% since the commencement of the ESS 2022.

(ii) Value of employee services received for HCIB Shares grant

	Group	
	2025 RM'000	2024 RM'000
HCIB Shares Grant	(3,720)	(586)

Notes to the financial statements

(Cont'd)

20. EMPLOYEE BENEFITS (cont'd)

(b) Executive Share Scheme ("ESS") (cont'd)

ESGS (cont'd)

(iii) HCIB Shares grant - Weighted average fair value and assumptions

	Group	
	2025	2024
Fair value at grant date	RM2.54	RM2.53

The aggregate allocation of HCIB Shares granted to directors and senior management of the Group pursuant to the ESS 2022 is at the discretion of the Board provided that such allocation does not exceed the Maximum Aggregate.

21. TRADE AND OTHER PAYABLES, INCLUDING DERIVATIVES

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Non-current					
Other payable	21.1	710	579	-	-
Current					
<u>Trade</u>					
Trade payables					
- Third parties		116,059	133,814	-	-
- Related companies	21.2	380	339	-	-
		116,439	134,153	-	-
<u>Non-trade</u>					
Amount due to related companies	21.3	20	23	-	-
Other payables		2,144	5,247	-	-
Accrued expenses		27,859	20,956	628	444
Derivative used for hedging					
- Forward exchange contract	21.4	931	-	-	-
		30,954	26,226	628	444
		147,393	160,379	628	444
		148,103	160,958	628	444

Note 21.1

The other payable relates to deposit received from a tenant.

Note 21.2

The trade amounts due to related companies are subject to the normal trade terms.

Notes to the financial statements

(Cont'd)

21. TRADE AND OTHER PAYABLES, INCLUDING DERIVATIVES (cont'd)

Note 21.3

The non-trade amounts due to related companies are unsecured, interest free and repayable on demand.

Note 21.4

The total notional amount of the forward exchange contracts as at 30 June 2025 was USD14,680,000 (RM62,752,000).

22. CONTRACT LIABILITIES

	Group	
	2025	2024
	RM'000	RM'000
Contract liabilities	2,702	3,794

The contract liabilities relate primarily to advances received from customers.

The contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with customer. The significant changes in the contract liabilities during the year are as follows:

	Group	
	2025	2024
	RM'000	RM'000
At the beginning of the year	3,794	3,730
Recognised as revenue	(3,072)	(2,974)
Advances received	1,980	3,038
At the end of the year	2,702	3,794

23. REVENUE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers	1,111,803	1,202,908	-	-
Other revenue				
- Rental income	2,798	2,314	-	-
- Dividend income	-	-	83,843	52,340
Total revenue	1,114,601	1,205,222	83,843	52,340

Notes to the financial statements

(Cont'd)

23. REVENUE (cont'd)

23.1 Disaggregation of revenue

	Construction materials		Total	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Major products				
Cement	1,048,492	1,137,257	1,048,492	1,137,257
Concrete	63,311	65,651	63,311	65,651
	1,111,803	1,202,908	1,111,803	1,202,908
Timing and recognition				
At a point in time	1,111,803	1,202,908	1,111,803	1,202,908

23.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds
Cement	Revenue is recognised at a point in time when the control is transferred to customer based on respective sales terms	Credit period of 30 - 90 days from invoice date	Prompt payment discount and volume incentive	Returns allowed only for damaged goods
Concrete	Revenue is recognised at a point in time when the control is transferred to customer based on respective sales terms	Credit period of 30 - 90 days from invoice date	Prompt payment discount and volume incentive	Returns allowed only for damaged goods

24. PROFIT BEFORE TAXATION

	Group		Company	
Note	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Other than those disclosed elsewhere in the financial statements, profit before taxation is arrived at after charging/ (crediting):				
Auditors' remuneration				
Audit fees:				
- KPMG PLT	273	270	45	45
Non-audit fees:				
- KPMG PLT	4	4	4	4
- Local affiliates of KPMG PLT	85	87	-	-

Notes to the financial statements

(Cont'd)

24. PROFIT BEFORE TAXATION (cont'd)

Note	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other than those disclosed elsewhere in the financial statements, profit before taxation is arrived at after charging/ (crediting): (cont'd)				
Material (income)/expenses				
Dividend income from subsidiaries	-	-	(83,843)	(52,340)
Loss/(Gain) on foreign exchange				
- Realised	520	(1,700)	-	-
- Unrealised	(137)	(199)	-	-
Personnel expenses (including Directors of the Company):				
- Wages, salaries and others	49,222	45,442	-	-
- Contribution to Employees Provident Fund	4,896	4,928	-	-
- Share-based payment	3,182	564	-	-
Provision for slow moving inventories	3,938	4,695	-	-
Property, plant and equipment				
- Written off	4,119	4,933	-	-
- Gain on disposal	(134)	(112)	-	-
- Impairment	1,985	-	-	-
Gain on disposal of asset held for sale (pre-tax)	(34,868)	-	-	-
Expenses arising from leases				
Expenses relating to short-term leases and leases of low-value assets	a 11,766	10,928	-	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities	16,557	18,028	-	-
Net (gain)/loss on impairment of financial instruments				
Financial assets at amortised cost	(80)	15	-	-
Finance costs				
Interest expense on lease liabilities	184	191	-	-
Other finance costs	12,097	18,277	-	4,233
	12,281	18,468	-	4,233

Note a

The Group leases mobile equipment and photocopier with contract terms less than 1 year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes to the financial statements

(Cont'd)

25. TAXATION

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current taxation				
- Current year	8,147	2,403	1,690	1,126
- Prior years	(80)	17	-	-
- Real property gains tax	2,644	-	-	-
	10,711	2,420	1,690	1,126
Deferred taxation				
- Current year	35,842	66,262	-	1,608
- Prior years	(3,010)	(245)	-	-
	32,832	66,017	-	1,608
Tax credit receivables				
- Current year	28,365	-	-	-
	28,365	-	-	-
	71,908	68,437	1,690	2,734

The reconciliation of income tax applicable to profit before taxation at the statutory income tax rate to income tax at the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	295,079	279,376	88,695	61,054
Taxation at Malaysian statutory tax rate of 24%	70,819	67,050	21,287	14,653
Non-deductible expenses	3,203	452	525	286
Non-taxable income*	(6,715)	(881)	(20,122)	(12,562)
Deferred tax assets not recognised	5,047	1,687	-	-
Effect of early conversion of RCULS	-	357	-	357
	72,354	68,665	1,690	2,734
Over provision in prior years	(3,090)	(228)	-	-
Real property gains tax	2,644	-	-	-
	71,908	68,437	1,690	2,734

* Included gain on disposal from land and buildings subject to Real Property Gains Tax.

Notes to the financial statements

(Cont'd)

26. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The basic earnings per ordinary share is calculated by dividing the Group's profit for the year attributable to owners of the Company of RM223,171,000 (2024: RM210,939,000) by the weighted average number of ordinary shares outstanding during the financial year of 723,696,000 (2024: 585,479,000) as follows:

	2025 '000	2024 '000
Weighted average number of ordinary shares		
Number of ordinary shares at beginning of year	725,485	510,373
Less: ESS Trust Shares held at beginning of year	(323)	(96)
	725,162	510,277
Effect of conversion of RCULS	-	75,259
Effect of ESS Trust Shares purchased	(1,473)	(57)
Effect of ESS Trust Shares vested	7	-
Weighted average number of ordinary shares outstanding during the year	723,696	585,479
Basic earnings per ordinary share (sen)	30.84	36.02

The Group's diluted earnings per ordinary share for the financial year ended 30 June 2025 and 2024 approximates its basic earnings per ordinary share.

27. OTHER COMPREHENSIVE (EXPENSES)/INCOME

	Before tax RM'000	Taxation RM'000	Net of tax RM'000
2025			
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedge	(963)	-	(963)
	(963)	-	(963)
2024			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	(351)	-	(351)
Cash flow hedge	(590)	-	(590)
	(941)	-	(941)

Notes to the financial statements

(Cont'd)

28. DIVIDENDS

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
First interim				
4 sen per share single tier	28,961	-	29,019	-
2 sen per share single tier	-	12,397	-	12,399
Second interim				
6 sen per share single tier	43,296	43,511	43,529	43,529
	72,257	55,908	72,548	55,928

Dividends received by the ESS Trusts amounting to RM291,000 (2024: RM20,000) for the Group is eliminated against the dividend expense of the Company upon consolidation of the ESS Trusts as disclosed in Note 3(i)(i).

29. OPERATING SEGMENTS

The Board of Directors reviews internal management reports at least on a quarterly basis. Operating segments are components in which separate financial information that is available and is evaluated regularly by the Board of Directors on resources allocation and in assessing performance. The Group has identified the business of construction materials includes the manufacture and sale of cement, concrete and related products as its sole operating segment.

Segment profit

Performance is measured based on segment profit before interest income, finance costs and taxation as included in the internal management reports that are reviewed by the Board of Directors.

Segment assets

Segment assets information is not presented to the Board of Directors and hence, no disclosure is made on the segment asset.

Segment liabilities

Segment liabilities information is not presented to the Board of Directors and hence, no disclosure is made on the segment liabilities.

	Construction materials	
	2025	2024
	RM'000	RM'000
Segment profit	301,780	295,506
<i>Included in the measure of segment profit are:</i>		
Revenue from external customers	1,111,803	1,202,908
Depreciation	(72,561)	(69,725)

Notes to the financial statements

(Cont'd)

29. OPERATING SEGMENTS (cont'd)

Reconciliation of reportable segment profit

	2025 RM'000	2024 RM'000
Profit		
Reportable segment	301,780	295,506
Non-reportable segment	(312)	645
Interest income	5,892	1,693
Finance costs	(12,281)	(18,468)
Consolidated profit before taxation	295,079	279,376

	2025		2024	
	External revenue RM'000	Depreciation RM'000	External revenue RM'000	Depreciation RM'000
Reportable segment	1,111,803	72,561	1,202,908	69,725
Non-reportable segment	2,798	258	2,314	264
Total	1,114,601	72,819	1,205,222	69,989

Geographical information

Revenue of the Group by geographical location of the customers is as follows:

	Revenue	
	2025 RM'000	2024 RM'000
Malaysia	1,114,601	1,205,222

Non-current assets of the Group are maintained within Malaysia as at the end of the current and previous financial year.

Major customer

During the financial year, there was a single customer has contributed to 11% (2024: 13%) of the Group's revenue.

Notes to the financial statements

(Cont'd)

30. RELATED PARTIES

30.1 The Group has related party transactions with corporations which are related to the Directors and/or major shareholders of the Company and/or related corporations and/or persons connected with them as follows:

- i. HLCM is a major shareholder of the Company through Hong Leong Manufacturing Group Sdn Bhd ("HLMG"), GuoLine Capital Assets Limited is a person connected with certain major shareholders of the Company and persons connected with them (collectively referred to as "Hong Leong Group").
- ii. Tasek Corporation Berhad ("Tasek") is a person connected with Mr Kwek Leng Kee and Mr Kwek Leng Beng, both major shareholders of the Company; and
- iii. Hong Bee Hardware Company, Sdn Berhad ("Hong Bee Hardware") is a person connected with Mr Kwek Leng Kee and Mr Kwek Leng Beng, both major shareholders of the Company.

Significant transactions with related parties are as follows:

Transaction	Related party	Group	
		2025 RM'000	2024 RM'000
a) Rental of office	Hong Leong Group	834	834
b) Receipt of group management and/or support services	Hong Leong Group	13,549	12,756
c) Purchase of goods	Hong Leong Group	3,679	4,368
	Hong Bee Hardware	155	428
d) Sale of goods	Hong Bee Hardware	60,807	48,823
	Tasek	-	199

Significant balances with related parties at the reporting date are disclosed in Note 12 and Note 21 to the financial statements.

The above transactions have been carried out on commercial terms consistent with the usual business practices and policies of the Group and of the Company.

Notes to the financial statements

(Cont'd)

30. RELATED PARTIES (cont'd)

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

The fees, remuneration and other benefits of the Directors of the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<i>Executive Directors</i>				
Remuneration and other benefits	-	305	-	-
<i>Non-Executive Directors</i>				
Fees	448	388	448	388

The estimated monetary value of benefit-in-kind of Directors of the Group and the Company are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Executive Directors	-	6	-	-

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

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

- (a) Financial assets measured at amortised cost ("FAAC"); and
- (b) Financial liabilities measured at amortised cost ("FLAC")

	Carrying amount RM'000	FAAC/ FLAC RM'000	Derivative used for hedging RM'000
2025			
Group			
Financial assets			
Trade and other receivables, including derivatives (excluding prepayments)	78,003	78,003	-
Short-term deposits	149,100	149,100	-
Cash and cash equivalents	84,905	84,905	-
	312,008	312,008	-
Financial liabilities			
Loans and borrowings	144,709	144,709	-
Trade and other payables, including derivatives	148,103	147,172	931
	292,812	291,881	931
Company			
Financial assets			
Trade and other receivables (excluding prepayments)	32	32	-
Short-term deposits	126,800	126,800	-
Cash and cash equivalents	30,722	30,722	-
	157,554	157,554	-
Financial liabilities			
Trade and other payables	628	628	-

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.1 Categories of financial instruments (cont'd)

	Carrying amount RM'000	FAAC/ FLAC RM'000	Derivative used for hedging RM'000
2024			
Group			
Financial assets			
Trade and other receivables, including derivatives (excluding prepayments)	87,931	87,899	32
Cash and cash equivalents	108,305	108,305	-
	<u>196,236</u>	<u>196,204</u>	<u>32</u>
Financial liabilities			
Loans and borrowings	301,916	301,916	-
Trade and other payables	160,958	160,958	-
	<u>462,874</u>	<u>462,874</u>	<u>-</u>
Company			
Financial assets			
Trade and other receivables (excluding prepayments)	62	62	-
Cash and cash equivalents	67,294	67,294	-
	<u>67,356</u>	<u>67,356</u>	<u>-</u>
Financial liabilities			
Trade and other payables	444	444	-

31.2 Net gains and losses arising from financial instrument

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:				
Financial assets measured at amortised cost	6,109	3,577	91,038	66,719
Financial liabilities measured at amortised cost	(12,617)	(18,277)	-	(4,233)
Derivative used for hedging	(963)	(590)	-	-
	<u>(7,471)</u>	<u>(15,290)</u>	<u>91,038</u>	<u>62,486</u>

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

31.3.1 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its receivables from customers, short-term deposit and bank balances and outstanding forward exchange contracts.

Receivables

Risk management objectives, policies and processes for managing the risk

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

As at the end of the reporting period, there were no significant concentrations of credit risk other than two customers which represented 17% (2024: two customers – 30%) of trade receivables. The maximum exposure to credit risk for the Group is represented by the carrying amount of each financial asset.

Exposure to credit risk, credit quality and collateral

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

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

There is no exposure of credit risk for trade receivables, net of allowance for impairment losses, as at the end of the reporting period by geographic region.

Expected credit loss ("ECL") assessment for trade receivables

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers.

To measure the expected credit losses, trade receivables have been grouped based on credit risk and days past due.

Where a trade receivable has a low credit risk, it is excluded from the allowance matrix and its ECL is assessed individually by considering historical payment trends and financial strength of the receivable.

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management (cont'd)

31.3.1 Credit risk (cont'd)

Receivables (cont'd)

Expected credit loss ("ECL") assessment for trade receivables (cont'd)

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

	Gross RM'000	Impairment loss allowance RM'000	Net RM'000
Group			
2025			
Current (not past due)	71,444	-	71,444
Past due 0 - 30 days	1,726	-	1,726
Past due 31 - 60 days	252	-	252
Past due 61 - 90 days	6	-	6
Past due more than 90 days	389	(389)	-
	73,817	(389)	73,428
2024			
Current (not past due)	80,616	-	80,616
Past due 0 - 30 days	3,355	-	3,355
Past due 31 - 60 days	153	-	153
Past due 61 - 90 days	7	-	7
Past due more than 90 days	487	(469)	18
	84,618	(469)	84,149

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables during the year is as follows:

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 July	469	454
Net allowance of impairment loss	(80)	15
Balance at 30 June	389	469

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

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management (cont'd)

31.3.1 Credit risk (cont'd)

Receivables (cont'd)

Expected credit loss of other receivables

Expected credit loss of other receivables are determined individually after considering the financial strength of the other receivables. Based on management's assessment, the probability of the default of these receivables is low and hence, no loss allowance has been made.

Cash and equivalents and forward exchange contracts

Risk management objectives, policies and processes for managing the risk

The Group's and the Company's short-term deposits are placed as fixed rates investments and upon which management endeavours to obtain the best rate available in the market.

Cash and cash equivalents of the Group and the Company are placed with licensed financial institutions which are mainly placed with a related company licensed financial institutions as disclosed in Note 13 to the financial statements.

Exposure to credit risk and credit quality

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

Impairment losses

The Group and the Company consider that their cash and cash equivalents and forward exchange contracts have low credit risk.

31.3.2 Liquidity risk

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

The Group and the Company actively manage their operating cash flows and the availability of funding so as to ensure that all repayments and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet their working capital requirements.

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

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management (cont'd)

31.3.2 Liquidity risk (cont'd)

Maturity analysis

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

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 5 years RM'000
Group					
2025					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	147,172	-	147,172	146,462	710
Loans and borrowings	144,709	3.79 - 4.73	157,117	36,353	120,764
Lease liabilities	3,504	4.16 - 5.00	3,679	1,066	2,613
	<u>295,385</u>		<u>307,968</u>	<u>183,881</u>	<u>124,087</u>
Company					
2025					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	628	-	628	628	-
	<u>628</u>		<u>628</u>	<u>628</u>	<u>-</u>
Group					
2024					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	160,958	-	160,958	160,379	579
Loans and borrowings	301,916	3.98 - 4.85	322,546	131,214	191,332
Lease liabilities	4,170	4.16 - 5.00	4,378	1,013	3,365
	<u>467,044</u>		<u>487,882</u>	<u>292,606</u>	<u>195,276</u>
Company					
2024					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	444	-	444	444	-
	<u>444</u>		<u>444</u>	<u>444</u>	<u>-</u>

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management (cont'd)

31.3.3 Market risk

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

31.3.3.1 Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Group entities. The currency giving rise to this risk is primarily U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

Material foreign currency transaction exposures are hedged, mainly with derivative financial instruments such as forward foreign exchange contracts, on a case by case basis.

Exposure to foreign currency risk

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

	Denominated in USD	
	2025	2024
	RM'000	RM'000
Group		
Cash and cash equivalents	53	29
Trade and other payables	(12,225)	(34,279)
	(12,172)	(34,250)

Currency risk sensitivity analysis

A 5% strengthening of the Ringgit Malaysia against USD at the end of the reporting period would have increased profit before taxation of the Group by RM609,000 (2024: RM1,713,000). A 5% weakening of Ringgit Malaysia against USD at the end of the reporting period would have equal but opposite effect on profit or loss. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.3 Financial risk management (cont'd)

31.3.3 Market risk (cont'd)

31.3.3.2 Interest rate risk

The Group and the Company manage its interest rate exposure by maintaining available lines of fixed and floating rate borrowings.

Exposure to interest rate risk

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

	Group	
	2025 RM'000	2024 RM'000
Fixed rate instruments		
Deposits with licensed banks	192,179	19,000
Lease liabilities	(3,504)	(4,170)
	188,675	14,830
Floating rate instruments		
Loans and borrowings	(144,709)	(301,916)
	Company	
	2025 RM'000	2024 RM'000
Fixed rate instruments		
Deposits with licensed banks	157,450	7,750
	157,450	7,750

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

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

Cash flow sensitivity analysis for variable rate instruments

An increase of 50 basis points ("bp") (2024: 50 bp) in interest rates at the end of the reporting period would have decreased the profit before taxation of the Group and the Company by RM 724,000 and Nil respectively (2024: RM1,510,000 and Nil respectively). A decrease of 50 bp in interest rates would have had equal but opposite effect on profit or loss. This analysis assumes that all other variables remained constant.

Notes to the financial statements

(Cont'd)

31. FINANCIAL INSTRUMENTS (cont'd)

31.4 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair values hierarchy levels have not been presented for these instruments.

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

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025										
Financial liabilities										
Term loans	-	-	-	-	-	-	113,857	113,857	113,857	113,857
Other payables	-	-	-	-	-	-	657	657	657	710
Forward exchange contract	-	931	-	931	-	-	-	-	931	931
	-	931	-	931	-	-	114,514	114,514	115,445	115,498
2024										
Financial assets										
Forward exchange contract	-	32	-	32	-	-	-	-	32	32
Financial liabilities										
Term loans	-	-	-	-	-	-	223,898	223,898	223,898	223,898
Other payables	-	-	-	-	-	-	539	539	539	579
	-	-	-	-	-	-	224,437	224,437	224,437	224,477

Level 2 fair value

Derivatives

The fair value of derivatives are obtained from observable market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate.

Level 3 fair value

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

In respect of financial instruments not carried at fair value, the fair value is derived based on the discounted cash flow valuation method.

Notes to the financial statements

(Cont'd)

32. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio. There was no change in the Group's approach to capital management during the financial year.

The debt-to-equity ratios are as follows:

	Group	
	2025 RM'000	2024 RM'000
Loans and borrowings	144,709	301,916
Lease liabilities	3,504	4,170
Less: Short-term deposits	(149,100)	-
Less: Cash and cash equivalents	(84,905)	(108,305)
Net (cash)/debt	(85,792)	197,781
Total equity	727,914	584,863
Debt-to-equity ratio	(0.12)	0.34

Statement by Directors

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

In the opinion of the Directors, the financial statements set out on pages 104 to 155 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

On behalf of the Board,

Datuk Kwek Leng San

Tai Sook Yee

26 August 2025

Statutory Declaration

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

I, Cheah Keh Ming, the person primarily responsible for the financial management of Hume Cement Industries Berhad, do solemnly and sincerely declare that the financial statements set out on pages 104 to 155 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed, Cheah Keh Ming, MIA CA 54891, at Kuala Lumpur in the Federal Territory on 26 August 2025.

Cheah Keh Ming

Before me:

Balwant Singh
Commissioner for Oaths
Kuala Lumpur

Independent Auditors' Report

To the Members of Hume Cement Industries Berhad

(Registration No. 198001008443 (62227-X)) (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hume Cement Industries Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 104 to 155.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

1. Tax credit receivables

Refer to Note 10 to the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The Group recognised RM116.3 million of tax credit receivables as at the end of the current financial year.</p> <p>As disclosed in Note 10 to the financial statements, the tax credit receivables were mainly related to investment tax allowance and reinvestment allowance of RM68.8 million and RM47.5 million respectively.</p> <p>This is a key audit matter due to the degree of judgement involved in determining whether it is probable that the Group will have sufficient future taxable profits to utilise the tax benefits therefrom. Changes in judgements and the unpredictability of future events could impact on the amount of tax credit receivables recognised by the Group.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> Assessed the taxable profits projection by challenging the key assumptions used in the projection including average selling price and sales volume based on our knowledge of both the average historical data and market trends. Compared current year's actual results with previous year's projection and assessed the quality of the Group's projection. Assessed the adequacy of the Group's disclosures of recognised tax credit receivables appropriately reflect the Group's deferred tax position.

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

Independent Auditors' Report

To the Members of Hume Cement Industries Berhad

(Registration No. 198001008443 (62227-X)) (Incorporated in Malaysia)

(Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

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

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

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control of the Group and of the Company.

Independent Auditors' Report

To the Members of Hume Cement Industries Berhad
(Registration No. 198001008443 (62227-X)) (Incorporated in Malaysia)
(Cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors is disclosed in Note 4 to the financial statements.

OTHER MATTER

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

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

Petaling Jaya

Date: 26 August 2025

Koh Ree Nie
Approval Number: 03339/12/2025 J
Chartered Accountant

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Forty-fifth Annual General Meeting of Hume Cement Industries Berhad ("the Company") will be held at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia on Thursday, 6 November 2025 at 10.30 a.m. in order:

1. To lay before the meeting the audited financial statements together with the reports of the Directors and Auditors thereon for the financial year ended 30 June 2025.
2. To approve the payment of Director Fees of RM448,000/- (2024: RM388,000/-) for the financial year ended 30 June 2025, to be divided amongst the Directors in such manner as the Directors may determine and Directors' Other Benefits of up to an amount of RM47,000/- from the Forty-fifth Annual General Meeting ("AGM") to the Forty-sixth AGM of the Company.
3. To re-elect YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid as a Director pursuant to the Company's Constitution.
4. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

Resolution 1

Resolution 2

Resolution 3

SPECIAL BUSINESS

As special business, to consider and, if thought fit, pass the following motions as resolutions:

5. **Ordinary Resolution**
- **Authority To Directors To Allot Shares**

"**THAT** subject to the Companies Act 2016 ("Act"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ["MMLR"], the Company's Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot new ordinary shares ("Shares") in the Company, grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer at any time and from time to time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, to any persons who are not caught by Paragraph 6.04(c) of the MMLR provided that the aggregate number of Shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued Shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional Shares so allotted on Bursa Securities and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company.

Resolution 4

6. **Ordinary Resolution**
- **Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Company (Malaysia) Berhad ("HLCM"), Guoline Capital Assets Limited ("GCA") And Persons Connected With Them**

"**THAT** approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(A) of the Circular to Shareholders dated 7 October 2025 with HLCM, GCA and persons connected with them ("Hong Leong Group") provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the Hong Leong Group than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

Notice of Annual General Meeting

(Cont'd)

AND THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

Resolution 5

7. Ordinary Resolution

- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Bee Hardware Company, Sdn Berhad ("Hong Bee Hardware")

"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(B) of the Circular to Shareholders dated 7 October 2025 with Hong Bee Hardware provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to Hong Bee Hardware than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

AND THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

Resolution 6

8. Ordinary Resolution

- Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature With Hong Leong Investment Holdings Pte. Ltd. ("HLIH") And Persons Connected With HLIH

"THAT approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(B) of the Circular to Shareholders dated 7 October 2025 with HLIH and persons connected with HLIH ("HLIH Group") provided that such transactions are undertaken in the ordinary course of business, on commercial terms which are not more favourable to the HLIH Group than those generally available to and/or from the public, where applicable, and are not, in the Company's opinion, detrimental to the minority shareholders;

Notice of Annual General Meeting

(Cont'd)

AND THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

Resolution 7

9. To consider any other business of which due notice shall have been given.

By Order of the Board

Wong Wei Fong

SSM PC No. 201908001352

MAICSA 7006751

Zoe Lim Hoon Hwa

SSM PC No. 202108000147

MAICSA 7031771

Company Secretaries

Kuala Lumpur

7 October 2025

Notes:

1. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 29 October 2025 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.
2. Save for a member who is an exempt authorised nominee, a member entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote in his stead. A proxy may but need not be a member of the Company. A member who is an authorised nominee may appoint not more than two (2) proxies in respect of each securities account it holds. A member who is an exempt authorised nominee for multiple beneficial owners in one (1) securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.
3. Where two (2) or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid.
4. The Form of Proxy must be deposited at the Registered Office of the Company at Level 31, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia or lodged electronically via email at cosec-hlmq@hlmq.com.my, not less than forty-eight (48) hours before the time appointed for holding of the meeting or adjourned meeting.
5. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to a vote by way of a poll.

Notice of Annual General Meeting

(Cont'd)

Explanatory Notes:

1. Resolution 1 - Director Fees And Directors' Other Benefits

Director Fees of RM448,000/- are inclusive of Board Committee Fees of RM148,000/-; and Directors' Other Benefits refer to Directors and Officers Liability Insurance coverage based on premium paid/payable and Directors' training benefits of up to an amount of RM47,000/-.

2. Resolution 2 - Re-Election Of A Director

The Nominating Committee ("NC") has assessed the performance and contribution of the Independent Non-Executive Director ("ID"), who is retiring by rotation and seeking for re-election at the Forty-fifth Annual General Meeting ("AGM"), as well as the independence of the retiring ID. Based on the results of the Board Annual Assessment conducted for the financial year ended 30 June 2025 ("FY 2025"), the performance of the retiring ID was found to be satisfactory.

The NC has further assessed the retiring ID in terms of his quality and integrity in complying with Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"). Based on the results of the Fit and Proper, and Independence Assessments conducted for FY 2025, the fit and properness of the retiring ID was found to be satisfactory with the retiring ID complied with the independence criteria as required by the MMLR.

The Board has endorsed the NC's recommendation on the re-election of the retiring ID. The retiring ID had abstained from deliberations and decisions on his own re-election at the NC and Board meetings.

The details and profile of the Director who is standing for re-election at the Forty-fifth AGM are provided in the Profile of Board of Director on page 79 of the Company's Annual Report 2025.

3. Resolution 4 - Authority To Directors To Allot Shares

The proposed ordinary resolution, if passed, will renew the general mandate given to the Directors of the Company to allot ordinary shares ("Shares") of the Company from time to time and expand the mandate to grant rights to subscribe for Shares in the Company, convert any security into Shares in the Company, or allot Shares under an agreement or option or offer, provided that the aggregate number of Shares issued and allotted, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution does not exceed 10% of the total number of issued Shares of the Company for the time being ("Renewed General Mandate"). In computing the aforesaid 10% limit, Shares issued or agreed to be issued or subscribed pursuant to the approval of shareholders in a general meeting where precise terms and conditions are approved shall not be counted. The Renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new Shares in the Company were issued and allotted pursuant to the general mandate given to the Directors at the last AGM held on 7 November 2024 and which will lapse at the conclusion of the Forty-fifth AGM. The Renewed General Mandate will enable the Directors to take swift action in case of, inter alia, a need for corporate exercises or in the event business opportunities or other circumstances arise which involve the issuance and allotment of new Shares, grant of rights to subscribe for Shares, conversion of any security into Shares, or allotment of Shares under an agreement or option or offer, and to avoid delay and cost in convening general meetings to approve the same.

4. Resolutions 5 to 7 - Proposed Renewal Of Shareholders' Mandate For Recurrent Related Party Transactions Of A Revenue Or Trading Nature

The proposed ordinary resolutions, if passed, will empower the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Hume Cement Industries Berhad Group, subject to the transactions being in the ordinary course of business and on terms which are not more favourable to the related parties than those generally available to and/or from the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company ("Proposed Shareholders' Mandate").

Detailed information on the Proposed Shareholders' Mandate is set out in the Circular to Shareholders dated 7 October 2025, which is available on the Company's website at www.humecementind.com/index.php/pages/investor-relations-current/current-general-meetings.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. Details of individuals who are standing for election as Directors

No individual is seeking election as a Director at the Forty-fifth Annual General Meeting of the Company.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the general mandate to allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in Explanatory Note 3 of the Notice of the Forty-fifth Annual General Meeting.

Other Information

1. PROPERTIES HELD BY THE GROUP AS AT 30 JUNE 2025

Location	Tenure	Existing use	Year of last Revaluation/ Acquisition	Approximate Area (Sq Ft)	Approximate Age of Building (Year)	Net Book Value as at 30 June 2025 (RM'000)
Lot 5777, Mukim Setul Nilai Industrial Estate Negeri Sembilan Darul Khusus	Leasehold 60 years expiring 2046	Industrial land with office and factory buildings	1991	602,206	31	5,424
PT11979 & Lot 2353 Beranang Industrial Estate Selangor Darul Ehsan	Leasehold 99 years expiring 2085	Industrial land with office and factory buildings	1982	1,928,421	39	4,392
Lot 244, Pasir Gudang Industrial Estate Johor Bahru Johor Darul Takzim	Leasehold 60 years expiring 2045	Vacant land	1985	609,840	40	630
Lot 46, Semambu Industrial Estate, Kuantan Pahang Darul Makmur	Leasehold 66 years expiring 2041	Industrial land with office and factory buildings	1982	522,720	50	354
Lot 16280925 and 17514395 Tuaran Road Kota Kinabalu, Sabah	Leasehold 60 years expiring 2078	Industrial land with office, store and factory buildings	1982	302,742	57 /61	3,010
Lot 300254, 300255 300256 Mukim Teja Kampar, Perak	Leasehold 99 years expiring 2057/2096	Quarry and cement plant	2013	29,155,060	13	63,611

Other Information

(Cont'd)

2. ANALYSIS OF SHAREHOLDINGS AS AT 12 SEPTEMBER 2025

Class of Shares : Ordinary shares

Voting Rights : 1 vote for each share held

Distribution Schedule Of Shareholders As At 12 September 2025

Size of Holdings	No. of Shareholders	%	No. of Shares	%
Less than 100	631	14.08	17,754	0.00
100 – 1,000	1,100	24.55	653,913	0.09
1,001 – 10,000	1,880	41.96	7,184,223	0.99
10,001 – 100,000	665	14.84	21,198,194	2.92
100,001 – less than 5% of issued shares	204	4.55	168,520,209	23.23
5% and above of issued shares	1	0.02	527,910,438	72.77
	4,481	100.00	725,484,731	100.00

List Of Thirty Largest Shareholders As At 12 September 2025

Name of Shareholders	No. of Shares	%
1. Hong Leong Manufacturing Group Sdn Bhd	527,910,438	72.77
2. AmanahRaya Trustees Berhad - Public Smallcap Fund	13,416,938	1.85
3. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Singular Value Fund	7,656,200	1.05
4. Kong Goon Siong	6,513,500	0.90
5. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Manulife Insurance Berhad (Equity Fund)	5,741,700	0.79
6. Kong Goon Khing	5,696,900	0.78
7. AmanahRaya Trustees Berhad - Public Strategic Smallcap Fund	5,432,700	0.75
8. Citigroup Nominees (Asing) Sdn Bhd - Exempt AN for Citibank New York (Norges Bank 19)	5,042,700	0.69
9. Kong Goon Khing	4,612,000	0.64
10. HLIB Nominees (Tempatan) Sdn Bhd - Exempt AN for Hume Cement Industries Berhad (HCMT-ESS 2022)	3,882,467	0.53
11. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Manulife Investment Progress Fund (4082)	3,833,800	0.53
12. HSBC Nominees (Tempatan) Sdn Bhd - BNPP SIN/2S for Pertubuhan Keselamatan Sosial (PKSUOBAM EQ)	3,815,000	0.53
13. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Singular Asean Fund	3,768,800	0.52

Other Information

(Cont'd)

2. ANALYSIS OF SHAREHOLDINGS AS AT 12 SEPTEMBER 2025 (cont'd)

List Of Thirty Largest Shareholders As At 12 September 2025 (cont'd)

Name of Shareholders	No. of Shares	%
14. AmSec Nominees (Tempatan) Sdn Bhd - AmBank (M) Berhad	3,527,138	0.49
15. DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund	3,322,300	0.46
16. Maybank Nominees (Tempatan) Sdn Bhd - National Trust Fund (IFM UOBAM) (446560)	3,000,000	0.41
17. Citigroup Nominees (Asing) Sdn Bhd - UBS AG Singapore for Kwek Leng San	2,944,000	0.41
18. Soon Seong Keat	2,870,000	0.39
19. AmanahRaya Trustees Berhad - Public Select Treasures Equity Fund	2,535,200	0.35
20. AmanahRaya Trustees Berhad - Public Strategic Growth Fund	2,513,300	0.35
21. HSBC Nominees (Asing) Sdn Bhd SMTBUSA for Asean Equity Active Mother Fund	2,265,600	0.31
22. Megamix Sdn Bhd	2,235,400	0.31
23. Hong Bee Hardware Company, Sdn. Berhad	2,185,879	0.30
24. Quah Thain Khan	2,079,428	0.29
25. AmanahRaya Trustees Berhad - PB Smallcap Growth Fund	2,071,800	0.28
26. Kim Poh Sitt Tat Feedmill Sendirian Berhad	2,000,000	0.28
27. Teo Chee Hoon	1,991,100	0.27
28. HSBC Nominees (Tempatan) Sdn Bhd - HSBC (M) Trustee Bhd for Manulife Investment Dividend Fund (5311-401)	1,871,900	0.26
29. HSBC Nominees (Asing) Sdn Bhd - BNPP Lux/2S for Milltrust Singular Asean Fund SP (Milltrust SPC)	1,863,900	0.26
30. Kenanga Nominees (Tempatan) Sdn Bhd - Pledged Securities Account for Tang Hong Cheong (029)	1,708,214	0.23
	638,308,302	87.98

Other Information

(Cont'd)

2. ANALYSIS OF SHAREHOLDINGS AS AT 12 SEPTEMBER 2025 (cont'd)

Substantial Shareholders

According to the Register of Substantial Shareholders, the substantial shareholders of the Company as at 12 September 2025 are as follows:

Name of Shareholders	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Hong Leong Manufacturing Group Sdn Bhd	527,910,438	72.77	17,659	0.002 @
Hong Leong Company (Malaysia) Berhad ("HLCM")	-	-	527,928,097	72.77 @
HL Holdings Sdn Bhd	-	-	527,928,097	72.77 #
YBhg Tan Sri Quek Leng Chan	1,705,895	0.24	527,937,382	72.77 *
Hong Realty (Private) Limited	-	-	530,113,976	73.07 **
Hong Leong Investment Holdings Pte Ltd	-	-	530,113,976	73.07 **
Kwek Holdings Pte Ltd	-	-	530,113,976	73.07 **
Mr Kwek Leng Beng	-	-	530,113,976	73.07 **
Davos Investment Holdings Private Limited	-	-	530,113,976	73.07 **
Mr Kwek Leng Kee	-	-	530,113,976	73.07 **

Notes:

@ Held through subsidiary(ies)

Held through HLCM

* Held through HLCM and a company in which his children have interests

** Held through HLCM and a company in which the substantial shareholder has interest

3. DIRECTORS' INTERESTS AS AT 12 SEPTEMBER 2025

Subsequent to the financial year end, there was no change, as at 12 September 2025, to the Directors' interests in the ordinary shares of the Company and/or its related corporations, appearing in the Directors' Report on page 101 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016.

4. MATERIAL CONTRACTS

There are no material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by the Company and its subsidiaries involving the interest of Directors, chief executives and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year pursuant to Item 21, Part A, Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

I/We _____

NRIC/Passport/Company No. _____ Tel No. _____

of _____

_____ Email address _____

being a member of **HUME CEMENT INDUSTRIES BERHAD** ("the Company"), hereby appoint _____

_____ NRIC/Passport No. _____

of _____

Tel No. _____ Email address _____

or failing him/her _____ NRIC/Passport No. _____

of _____

Tel No. _____ Email address _____

or failing him/her, the Chairman of the meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Forty-fifth Annual General Meeting of the Company to be held at the Auditorium, Ground Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia on Thursday, 6 November 2025 at 10.30 a.m. and at any adjournment thereof.

My/Our proxy/proxies is/are to vote on a poll as indicated below with an "X":

	RESOLUTIONS	FOR	AGAINST
1	To approve the payment of Director Fees and Directors' Other Benefits		
2	To re-elect YBhg Datuk Ir. Ahmad 'Asri Bin Abdul Hamid as a Director		
3	To re-appoint KPMG PLT as Auditors and to authorise the Directors to fix their remuneration		
Special Business			
4	To approve the ordinary resolution on authority to Directors to allot shares		
5	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Hong Leong Company (Malaysia) Berhad, GuoLine Capital Assets Limited and persons connected with them		
6	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Hong Bee Hardware Company, Sdn Berhad		
7	To approve the ordinary resolution on the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature with Hong Leong Investment Holdings Pte. Ltd. ("HLIH") and persons connected with HLIH		

Dated this _____ day of _____ 2025

Number of shares held: _____

CDS Account No.: _____

Signature(s) of Member

Notes:

- For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 29 October 2025 shall be entitled to attend this meeting or appoint proxy(ies) to attend and vote on their behalf.
- If you wish to appoint other person(s) to be your proxy, insert the name(s) and address(es) of the person(s) desired in the space so provided.
- If there is no indication as to how you wish your vote(s) to be cast, the proxy will vote or abstain from voting at his/her discretion.
- A proxy may but need not be a member of the Company.
- Save for a member who is an exempt authorised nominee, a member shall not be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the same meeting. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. A member who is an exempt authorised nominee for multiple beneficial owners in one (1) securities account ("Omnibus Account") may appoint any number of proxies in respect of the Omnibus Account.
- Where two (2) or more proxies are appointed, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, failing which the appointments shall be invalid (please see note 9 below).
- In the case where a member is a corporation, this Form of Proxy must be executed under its Common Seal or under the hand of its duly authorised officer or attorney.
- All Forms of Proxy must be duly executed and deposited at the Registered Office of the Company at Level 31, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur, Malaysia or lodged electronically via email at cosec-hlmg@hlmg.com.my, not less than forty-eight (48) hours before the time appointed for holding of the meeting or adjourned meeting.
- In the event two (2) or more proxies are appointed, please fill in the ensuing section:

Name of proxies	% of shareholdings to be represented

- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the Forty-fifth Annual General Meeting will be put to a vote by way of a poll.
- By signing and submitting this proxy form, the member acknowledges that he/she has read Hong Leong Group Privacy Notice at <https://humeceementind.com/data/Privacy-Notice.pdf> and consents to, and/or warrants that he/she has obtained the prior consent of the appointed proxy/representative (as applicable), for the collection, use, disclosure and processing of their personal data in accordance with the Personal Data Notice in the Administrative Notes to Shareholders received by the member for this meeting. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of the above warranty.

Fold this flap for sealing

Then fold here

Affix
Stamp

The Company Secretaries
HUME CEMENT INDUSTRIES BERHAD
Registration No. 198001008443 (62227-X)
Level 31, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur
Malaysia

1st fold here

Hume Cement Industries Berhad

Registration No. 198001008443 (62227-X)

Level 31, Menara Hong Leong

No. 6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

Tel : 03-2080 9200

Fax : 03-2080 9238

www.humecementind.com