



The Future Energy Is Now

**NORTHERN SOLAR
HOLDINGS BERHAD**

(Registration No. 202401001236
(1547087-X))

Harnessing The Greatness in Future Energy

ANNUAL REPORT 2025

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Scan the QR Code to review Northern Solar Holdings Berhad Annual Report 2025 at corporate website:

<https://northernsolar.com.my>



Who We Are



Northern Solar

has already made a brighter difference by contributing to saving our one and only home - Earth. We had completely installed more than 1,000 solar energy projects on commercial & industrial buildings and residential houses respectively.

We are an engineering, procurement, construction, and commissioning (EPCC) company and have certified in-house engineers and charginan with SEDA GCPV certification. We provide end-to-end services that help our clients optimize and transform their rooftops to harness the free energy gifted to us.



Who We Are

Vision

Our vision is to lead the current and future generation towards a greener world by reducing CO₂ emissions with technological advancements. The goal is to expand our client's horizon with a business model that will generate renewable & clean energy, putting nature's sunlight to a good use by optimizing it as a great investment for our clients- customizing and implementing the most advance Solar PV System solutions to help our clients utilize the sun power for their business.

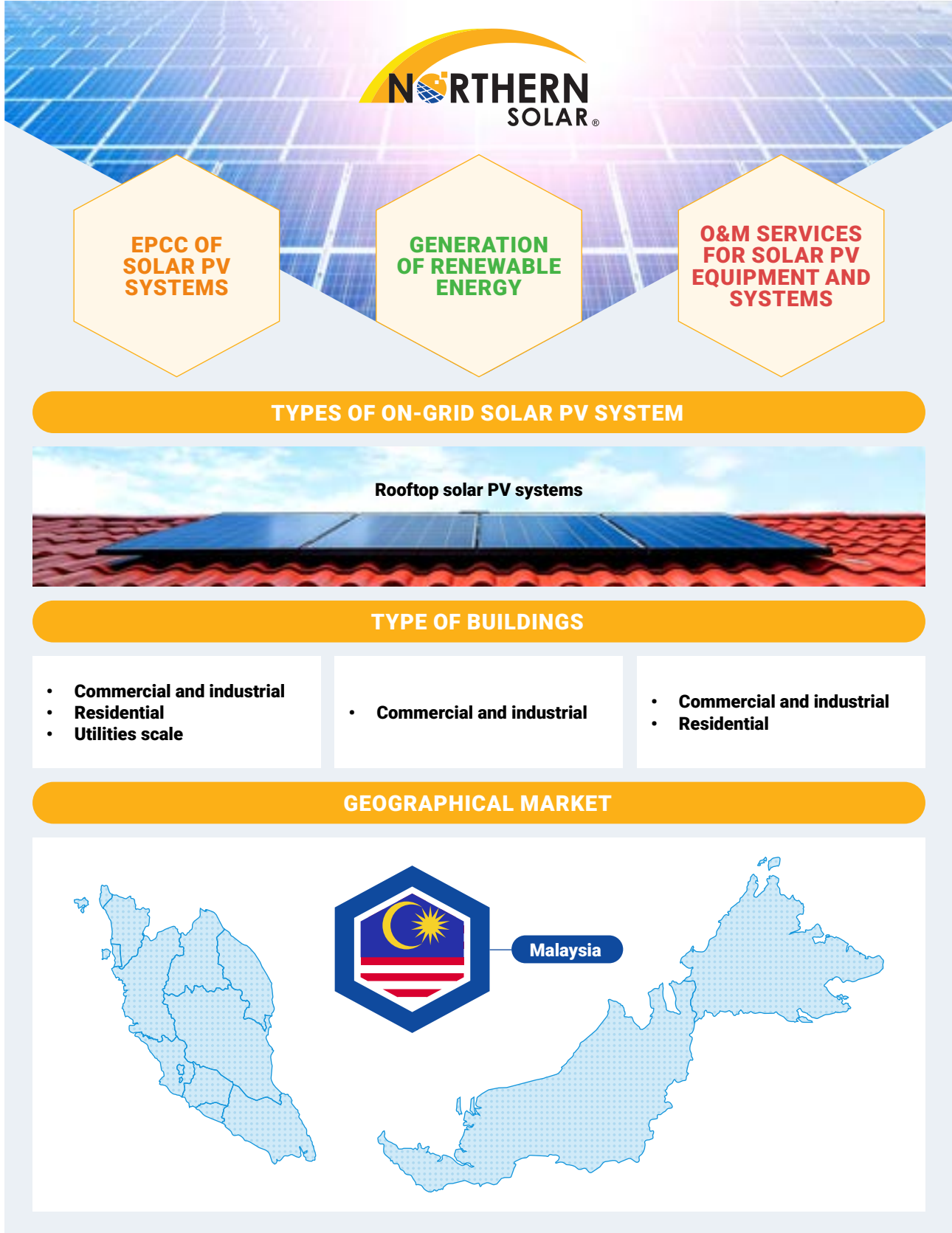
Mission



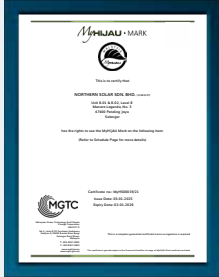
Strengths & Promises



Business Model



Accreditations & Awards



2025

**MYHIJAU MARK ON
SOLAR PV SYSTEM
INSTALLATION SERVICE
- MGTC**



2025

**REGISTERED PV
SERVICE PROVIDER BY
SEDA**



2025

**REGISTERED AS
ELECTRIC CONTRACTOR
SURUHANJAYA TENAGA**



2025

**REGISTERED WITH SEDA
AS SOLAR PV INVESTOR**



2025

**MPIA FULL
MEMBERSHIP
ACCESSION**



2024

**CIBB GRADING FOR THE
G7 CATEGORY B, CE
AND ME**



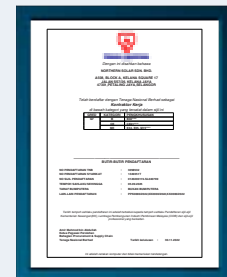
2024

**REGISTERED WITH
MINISTRY OF FINANCE**



2023

**ISO 9001:2015
CERTIFICATION**



2022

**CERTIFICATION OF
G7 GRADE WORK
CONTRACTOR BY
TENAGA NASIONAL**

Key Milestones

2019

- Incorporation of Northern Solar Sdn Bhd (the "Company").

2020

- The Company was registered as a Grade 5 contractor under CIDB for the categories of Building (B), Civil Engineering (CE) and Mechanical and Electrical Engineering (ME). The Grade 5 CIDB registration allows us to participate in tenders for projects with contract value of up to RM5 million throughout Malaysia.
- The Company was registered with Suruhanjaya Tenaga as an Electrical Contractor under Class C which allows the Company to carry out electrical works up to RM500,000 throughout Malaysia.
- The Company's CIDB registration was upgraded to G7 for the categories of Building (B), Civil Engineering (CE) and Mechanical and Electrical Engineering (ME). The Grade 7 CIDB registration allows us to participate in tenders for projects with unlimited contract value throughout Malaysia.
- The Company was registered with SEDA as a Registered Photovoltaic Service Provider that is qualified to participate in FiT programme, NEM programme or any programme administered by SEDA under the Renewable Energy Act, 2011.

2022

- The Company was registered with MOF, thereby allowing us to supply materials and services to agencies under the Government.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,000.0 kWp solar PV system at an industrial property in Bahau, Negeri Sembilan with contract value of RM2.0 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 980.0 kWp solar PV system at a shopping mall in Kuantan, Pahang with contract value of RM2.5 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,200.09 kWp solar PV system at an industrial property in Melaka with contract value of RM2.6 million.

2021

- The Company was registered with SEDA as a Registered Photovoltaic Investor under the NEM programme with SEDA.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,000.0 kWp solar PV system at an industrial property in Kuantan, Pahang with contract value of RM2.7 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 490.0 kWp solar PV system at an industrial property in Kuantan, Pahang with contract value of RM1.8 million.

Key Milestones

2023

- The Company was registered as an SPKK Grade 7 contractor under CIDB, being a certificate of registration issued to the Company as Government contractor for the categories of Building (B), Civil Engineering (CE) and Mechanical and Electrical Engineering (ME).
- Lagenda Properties became a substantial shareholder of the Company.
- Completed the design, supply, installation, engineering, testing and commissioning of a 858.92 kWp solar PV system at a commercial property in Shah Alam, Selangor with contract value of RM2.0 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 996.26 kWp solar PV system at an industrial property in Klang, Selangor with contract value of RM2.3 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 2,023.04 kWp solar PV system at an industrial property in Klang, Selangor with contract value of RM4.5 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 599.50 kWp solar PV system at an industrial property in Simpang Renggam, Johor with contract value of RM1.5 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,122.16 kWp solar PV system at an industrial property in Pulau Indah, Selangor with contract value of RM2.4 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 930.1 kWp solar PV system at a supermarket chain outlet in Klang, Selangor with contract value of RM1.8 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,055.7 kWp solar PV system at a supermarket chain outlet in Bukit Mertajam, Pulau Pinang with contract value of RM2.0 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 411.4 kWp solar PV system at a supermarket chain outlet in Jelapang, Perak with contract value of RM1.6 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,034.0 kWp solar PV system at a supermarket chain outlet in Batu Gajah, Perak with contract value of RM2.0 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 924.0 kWp solar PV system at a supermarket chain outlet in Baling, Kedah with contract value of RM1.8 million.
- The Company was certified by MGTC to use the MyHijau mark on its solar PV system installation service.

2025

- **Northern Solar Holdings Berhad debuted on the ACE Market of the Bursa Malaysia Securities Berhad on 6 February 2025.**

2024

- Completed the design, supply, installation, engineering, testing and commissioning of a 650.1 kWp solar PV system at an industrial property in Puchong, Selangor with contract value of RM1.8 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,496.8 kWp solar PV system at an industrial property in Kemaman, Terengganu with contract value of RM3.9 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 1,361.4 kWp solar PV system at an industrial property in Kuala Lumpur with a contract value of RM2.7 million.
- Completed the design, supply, installation, engineering, testing and commissioning of a 500.0 kWp solar PV system at an industrial property in Senai, Johor with a contract value of RM1.4 million.

In the News

21 NOV 2024 - CHINAPRESS.COM.MY

发售6730万股 Northern Solar 拟上市创业板

(吉隆坡21日讯) 太阳能再生能源专营公司 Northern Solar 控股将透过首发股 (IPO) 计划发行6730万股新股, 准备在明年2月上市马股创业板。

根据文告, 除了发售6730万股新股, 现有股东也会献售3560万股现有股。

配合首发股计划, 该公司与合盈证券签署包销协议, 后者将负责包销供公众认购的2770万股新股, 其余3960万股将私下配售给获贸工部批准的土著投资者。

现有股方面, 990万股将私下配售给贸工部批准的土著投资者, 余下2570万股则保留给特定投资者。



贾斯林德吉 (左起)、赵泳昊、廖顺凯、陈俊耀、丁华代及何朝玲在签约后合影。

Northern Solar 主要经营太阳能光伏 (PV) 系统工程、采购、施工和调试 (EPCC)、再生能源发电, 以及太阳能光伏设备及系统运营和维护等业务。

该公司董事经理廖顺凯指出, 首发股活动将让公司透过资本市场筹集所需资金, 进一步扩展太阳能光伏系统业务。

“上市所筹集的资金, 会用于应付工程承包相关的营运资金, 这将让我们在竞标和扩大 EPCC 组合中, 皆处在更有利的地位。”

值得一提的是, Lagenda 房产 (LAGENDA, 7179, 主要板方差) 也是该公司的大股东之一。

签约仪式列席者包括 Northern Solar 执行董事赵泳昊、Lagenda 房产投资者关系总监贾斯林德吉、合盈证券董事经理拿督陈俊耀、企业融资主管丁华代及副主管何朝玲。

18 DEC 2024 - NST.COM.MY

Northern Solar aims to raise RM42.4mil from its ACE Market listing exercise

KUALA LUMPUR: Northern Solar Holdings Bhd expects to raise RM42.4 million from its listing exercise on the ACE Market to expand its operations.

Of the total, the company plans to use RM29.2 million (68.8 per cent) of the proceeds raised from the initial public offering (IPO) for working capital purposes to expand its solar photovoltaic (PV) systems business.

A further RM3.2 million (7.4 per cent) of the proceeds is allocated for a new corporate office with an engineering command centre in Petaling Jaya. It will also be used for the expansion of an office in Johor and an additional office in Penang to strengthen its market presence in the southern and northern regions of Peninsular Malaysia.

The remainder of the proceeds will be used to repay bank borrowings amounting to RM5.5 million (13.0 per cent) and to defray the estimated listing expenses of RM4.6 million (10.8 per cent).

Managing director Lew Shooong Kai expects the working capital requirements to increase in tandem with the increasing demand for its engineering, procurement, construction, and commissioning (EPCC) of solar PV systems as well as operations and maintenance services.

“The allocation of proceeds raised from the public issue for our working capital will allow us to recruit engineering and business development employees to support our geographical expansion of our Johor and Penang regional offices as well as the purchase of project materials,

which are mainly solar PV panels and inverters, being the key components required for our projects.

“By applying a portion of the proceeds from the public issue to satisfy the various working capital requirements, Northern Solar will be in a better position to tender and expand its portfolio in the EPCC of solar PV systems segment,” he said.

Northern Solar is issuing 67.3 million new shares and an offer for sale of 35.6 million existing shares, representing 17 per cent and 9.0 per cent of the enlarged share capital of Northern Solar, respectively.

Of the 67.3 million new shares, 19.8 million new shares will be made available to the Malaysian public via balloting; 7.9 million new shares for its eligible directors, employees, and persons who have contributed to the success of Northern Solar Group under pink form allocations, while the remaining 39.6 million new shares are reserved for private placement.

As for the offer for sale portion, 9.9 million shares are reserved for private placement to Bumiputera investors, while the remaining 25.7 million shares will be allocated by way of private placement to selected investors.

At an IPO price of RM0.63 per share, Northern Solar's market capitalisation is projected to be RM249.2 million after listing, based on its enlarged share capital of 395.6 million shares.

Its listing is scheduled on Feb 6, 2025.

21 DEC 2024 - SINCHIEW.COM.MY

北方太阳能发布招股书 彭亨王子出席推介礼

(吉隆坡18日讯) 放眼明年2月6日在创业板挂牌的太阳能再生能源专营公司——北方太阳能控股 (Northern Solar Holdings Bhd), 计划公开发售6725万2000股新股, 每股发售价63仙, 筹募4236万9000令吉扩张业务。

该公司将公开发售6725万2000股新股, 以及献售3560万4000股现有股, 合计共1亿零285万6000股。

在新股当中, 1978万股供公众申请, 791万2000股给合格董事及对公司有贡献人士认购, 余下3956万

股将私下配售给投资贸易和工业部批准的土著投资者申购。而在献售股中, 989万股将配售予投资部批准的土著投资者, 另2571万4000股配给指定投资者认购。

北方太阳能控股董事经理廖顺凯今日在推介招股书后在记者会上指出, 筹得资金中, 2916万6000令吉或68.8%将用作公司营运资本, 以扩张太阳能光伏系统业务, 带来更高营业额, 同时增加在国内太阳能市场占有率。

“我们也会将当中的315万令吉或7.4%资金, 用在八打灵再也设立配有工程指挥中心的新的办公楼,

同时为进一步深化在北马及南马的业务, 也将额外在这两个地方设立办事处。扣除上市费用, 余下550万令吉或13%资金将偿还银行贷款。”

他看好, 市场对太阳能光伏系统的工程、采购、施工和调试 (EPCC), 以及营运与管理服务需求将增加, 预期公司的营运资本也将得更这攀升。

19 DEC 2024 - THESTAR.COM.MY

Northern Solar to focus on earnings growth



(From left) Northern Solar Holdings Bhd chairman Amirul Azhar Baharom, executive director Edward Chew, Norwatt Power Sdn Bhd shareholder Tengku Arif Temenggung Tengku Fahad Muadzam Shah Al-Marhum Sultan Ahmad Shah, Northern Solar managing director Lew Shooong Kai, M&A Equity Holdings Bhd managing director Datuk Bill Tan and M&A Securities Sdn Bhd corporate finance head Gary Ting.

KUALA LUMPUR: Solar renewable energy specialist Northern Solar Holdings Bhd aims to raise RM42.4mil via its initial public offering (IPO) exercise on the ACE Market of Bursa Malaysia, which is scheduled for Feb 6, 2025.

The IPO consists of the issuance of 67.25 million new ordinary shares at a price of 63 sen apiece. Upon listing, the group is expected to have a market capitalisation of RM249.2mil.

Managing director Lew Shooong Kai said Northern Solar is committed to delivering continuous earnings growth on the back of the groups' focus on its three main business segments and robust demand within the solar industry.

“We foresee that there will be a lot more engineering, procurement and construction projects for the solar industry down the road, because to achieve the renewable energy capacity of 70% by 2050, there is still a long way to go.

“So, the government's direction will actually help our company to grow,” he told the media after a prospectus launch ceremony here, yesterday.

When asked whether the group is looking to expand outside of its current business segments, he said Northern Solar will maintain its focus on its current position.

“For the time being, we do not have that kind of direction and our main focus is actually to focus on solar energy, which can bring more profit compared to peers. But down the road, we might bring this to consideration,” he said.

Northern Solar is principally involved in the engineering, procurement, construction and commissioning (EPCC) of solar photovoltaic (PV) systems, generation of renewable energy and operations and maintenance of solar PV equipment.

Nonetheless, Lew shared that the group will be allocating more than half of the expected proceeds

for working capital to expand its solar PV systems business.

“We intend to use RM29.17mil towards bolstering our group's working capital to generate higher revenue for our EPCC of solar PV systems business segment and increase our market share within the solar PV industry in Malaysia,” he said.

Additionally, the group will also be allocating RM3.15mil or 7.4% of the proceeds for business expansion.

Lew said the group aims to expand its business by increasing focus and coverage into new markets, such as Penang, Perak, Kedah, Perlis and Sabah.

“Along with this, we have set up a new corporate office with an engineering command centre to be more efficient in streamlining our operations.

“We also intend to pursue a model of developing, owning and managing a portfolio of solar PV assets that sell the electricity generated to net energy metering and self-consumption consumers to generate a stable inflow of revenue,” he added.

The remainder of the proceeds will be put aside for repayment of bank borrowings as well as estimated listing expenses at RM5.5mil and RM4.55mil, respectively.

As of Nov 19, 2024, Northern Solar had a total unbilled order book of RM83.2mil.

The IPO exercise also involves an offer for sale of 35.6 million existing shares. Post-IPO, Lew and executive director Chew Win Hoe, both of whom are also the co-founders, will equally hold a 30.8%-stake in Northern Solar, down from the current 42.5%.

Real estate developer Lagenda Properties Bhd, currently holding a 15% stake, will see its share reduced to 12.5% after the IPO.

Applications for the public issue portion of the IPO will close on Jan 20, 2025.

In the News

22 JAN 2025 - BHARIAN.COM.MY

IPO Northern Solar di Pasaran ACE terlebih langgan 73.20 kali



KUALA LUMPUR: Tawaran awam permulaan (IPO) Northern Solar Holdings Bhd bagi bahagian awam telah mendapat sambutan hangat dengan terlebih langgan sebanyak 73.20 kali.

Syarikat tenaga boleh baharu (TBB) solar itu akan disenaraikan di Pasaran ACE Bursa Malaysia.

Dalam satu kenyataan hari ini, Northern Solar berkata ia menerima 25,772 permohonan untuk 1.47 bilion saham bernilai RM924.59 juta. Jumlah ini jauh melebihi 67.3 juta saham yang tersedia untuk langganan awam.

"Pecahannya, bahagian saham awam Bumiputera telah terlebih langgan sebanyak 62.50 kali dengan 11,865 permohonan untuk 628.04 juta saham baharu diterima. Manakala, bahagian awam bukan Bumiputera mencatatkan lebih langgan sebanyak 83.89 kali, menerima 13,907 permohonan untuk 839.56 juta saham baharu," kata Northern Solar.

IPO itu turut memperuntukkan 7.9 juta saham melalui borang merah jambu untuk pengarah, pekerja dan individu yang telah menyumbang

kepada kejayaan syarikat. Peruntukan ini telah dilanggan sepenuhnya.

Pengarah Urusan Northern Solar, Lew Shooing Kai berkata, dana yang diperoleh menerusi IPO ini akan digunakan untuk melaksanakan rancangan pengembangan syarikat dan merebut peluang pertumbuhan dalam sektor TBB solar.

"Ia akan menyokong pengembangan geografi syarikat di wilayah utara dan selatan Malaysia, terutamanya di Pulau Pinang, Perak, Kedah, Perlis dan Sabah. Selain itu, kami akan mengembangkan pejabat sedia ada di Johor," katanya.

Syarikat akan menerbitkan 67.3 juta saham baharu pada harga RM0.63 setiap satu, dengan sasaran mengumpul RM42.4 juta. Pemegang saham sedia ada juga akan menjual 35.6 juta saham melalui penempatan persendirian.

Northern Solar dijangka disenaraikan di Pasaran ACE Bursa Malaysia pada 6 Februari 2025. Modal saham syarikat yang diperbesarkan akan menjadi 395.6 juta saham dengan anggaran permodalan pasaran sebanyak RM249.2 juta.

06 FEB 2024 - THESTAR.COM.MY

Northern Solar's shares soar 42.85% in trading debut



From left: Northern Solar Holdings independent director Tan Ai Ning, independent director Roselinda Mohammad Hashim, independent director Teh Muy Ch'ing, executive director Edward Chew, managing director Lew Shooing Kai, chairman Amirul Azhar Baharom, M&A Equity Holdings Bhd Datuk Bill Tan, Lagenda Properties Bhd executive director Koong Wai Seng and M&A Securities Sdn Bhd head of corporate finance Gary Ting

KUALA LUMPUR: Shares in Northern Solar Holdings Bhd surged 42.85% over its initial public offering (IPO) price on its first day of trading as investors welcomed the prospects of the solar renewable energy firm.

The company opened for trading on the ACE Market at 90 sen a share, a 27% increase over its IPO price of 63 sen a share.

According to Rakuten Trade's IPO note on the company, Northern Solar is well-positioned to capitalise on the robust demand in the solar photovoltaic (PV) industry, which is projected to grow at 23.5% CAGR from 2023 to 2026.

"By offering end-to-end solar solutions leveraging its operational expertise, Northern Solar will assist their clients in reaping the benefits of

government incentives," said the research firm.

It added that the company's remaining orderbook of RM83.2mil as of November 2024 provides earnings visibility over the next 12 months.

It said the company's solid margins also puts it in position to scale up and compete in the country's booming renewable energy space, while its solid net cash position ensures financial strength post-listing, supporting long-term growth.

Rakuten Trade has a "buy" call on Northern Solar with a fair value of 86 sen a share.

With RM42.4mil raised from the IPO, Northern Solar plans to utilise RM29.2mil or 68.8% of the proceeds on working capital to expand its solar PV systems

business.

A further RM3.2mil or 7.4% of the proceeds will go towards setting up a new corporate office with an engineering command centre in Petaling Jaya, Selangor, and expanding offices in Johor and Penang to boost its presence in southern and northern Peninsular Malaysia.

The remainder of the proceeds will be used to repay bank borrowings amounting to RM5.5mil (13%) and to defray the estimated listing expenses of RM4.6mil (10.8%).

Northern Solar posted a net profit of RM7.43mil in the six months ended Sept 30, 2024, an increase of about 73% year-on-year, on the back of RM40.16mil in revenue. Its net profit margin stood at 18.5%.

06 FEB 2025 - THESUN.MY

Northern Solar sets sights on expansion, plans branches in Penang and Johor Bahru



Lew speaking at a press conference following Northern Solar's listing today.

KUALA LUMPUR: Northern Solar Holdings Bhd is setting its sights on expansion following its listing on the ACE Market of Bursa Malaysia, with plans to establish branches in Penang and Johor Bahru.

Managing director Lew Shooing Kai said the expansion is expected to be concluded within the next 12 months, strengthening its presence in Malaysia's growing solar energy sector.

The solar renewable energy specialist, which focuses on engineering, procurement, construction, and commissioning (EPCC) of solar systems, renewable energy generation, and operations and maintenance, is targeting a 20% growth in its rooftop solar segment, which offers the

highest profit margins.

Lew said Northern Solar ranks among Malaysia's top 10 rooftop solar players, though precise market share data is limited due to policy-driven regulations.

"The company currently has a tender book of 380 projects, which includes industrial parks and residential developments. Northern Solar will actively work on converting these tenders into secured contracts," he said in a press conference following the company's listing today.

Lew said the company is currently examining its participation in the Large Scale Solar 5 (LSS 5) programme.

"We are currently conducting an in-depth analysis. Based on the study of all LSS 5 schemes, the first phase is expected to involve a capacity of two gigawatts, making it a strategic step to consider.

"The government has extended this initiative to LSS 5+, with an additional two gigawatts. The estimated project value over the next three years is between US\$15 billion and US\$20 billion," he added.

Lew noted that China's oversupply of solar modules has lowered material costs, benefiting Northern Solar's procurement strategy. "The US import tariff hike on Chinese solar panels

does not affect the company, as it sources directly from China," he said.

While competition in the solar EPCC business has intensified, Lew remains optimistic, noting that project values and demand have increased proportionally, particularly with the extension of the Net Energy Metering Scheme and the lifting of the self-consumption limit.

Northern Solar debuted on the ACE Market at 90 sen, a 42.86% premium over its initial public offering (IPO) price of 63 sen per share.

Lew said the IPO marks a major milestone and positions the company for further expansion. "This listing is a strong vote of confidence from the market. With the funds raised, we are committed to scaling up operations and capitalising on Malaysia's growing demand for renewable energy."

Northern Solar raised RM42.4 million from the IPO. A total of RM32.2 million (7.4%) from the proceeds will be used to establish a new corporate office. The company plans to allocate RM29.2 million (68.8%) of the proceeds to finance the expansion of its photovoltaic (PV) solar system business. The remaining funds will be used to repay bank borrowings amounting to RM5.5 million (13%) and to cover estimated listing expenses of RM4.6 million (10.8%).

06 FEB 2025 - THESUN.MY

Northern Solar Sasar Pertumbuhan Hasil 20 Peratus Bagi Tahun Kewangan 2025

KUALA LUMPUR, 6 Feb (Bernama) -- Northern Solar Holdings Bhd menyasar pertumbuhan hasil meningkat sebanyak 20 peratus bagi tahun kewangan berakhir 31 Mac 2025 (TK2025) daripada RM77.97 juta pada tahun sebelumnya.

Pengarah Urusannya Lew Shooing Kai berkata beliau optimis dapat mencapai sasaran itu, disokong oleh nilai perolehan kontrak yang belum diterima pembayaran sebanyak RM83.2 juta pada 19 Nov 2024.

"Nilai perolehan projek yang belum diterima pembayaran ini akan menjadikan syarikat sibuk sepanjang tempoh 12 bulan akan datang dan ia akan dikira sebagai hasil bagi TK2025 dan TK2026, berdasarkan jangkaan kemajuan setiap projek," katanya kepada pemberita pada sidang media selepas penyertaannya hari ini.

Syarikat itu memulakan dagangan sulung di Pasaran ACE pada 90 sen, dengan premium 27 sen berbanding harga tawaran awam permulaannya (IPO) sebanyak 63 sen, dengan 11.97 juta saham didagangkan.

Northern Solar telah menyiapkan 1,165 kerja kejuruteraan, perolehan, pembinaan dan pentauliahan (EPCC) bagi projek sistem fotovoltaik solar (PV) di bawah program Pemeteran Tenaga Bersih dan penggunaan sendiri setakat 19 Nov 2024.

Syarikat itu mempunyai nilai perolehan kontrak belum diterima pembayaran sebanyak RM83.2 juta terdiri daripada RM68.6 juta EPCC projek sistem PV solar untuk bangunan segmen komersial dan perindustrian, RM13.8 juta untuk bangunan kediaman dan baki RM0.8 juta untuk peralatan PV solar dan operasi serta penyenggaraan projek sistem.

Pada 19 Nov 2024, nilai perolehan kontrak syarikat itu meningkat kepada RM1.8 bilion. Northern Solar mengambil bahagian dalam lebih banyak tender projek swasta dan awam di seluruh Malaysia, yang menyaksikan tendernya melonjak dengan ketara daripada RM272.5 juta pada 15 Mei 2024.

Pada masa ini ianya mempunyai 387 tender bagi EPCC projek sistem PV solar. "Kami akan terus membuat susulan dan menukar semua tender ini kepada nilai perolehan kontrak," katanya.

Corporate Information

BOARD OF DIRECTORS

Amirul Azhar Bin Baharom
(Independent Non-Executive Chairman)

Lew Shoong Kai
(Managing Director)

Chew Win Hoe
(Executive Director)

Tan Ai Ning
(Independent Non-Executive Director)

Teh Muy Ch'ng
(Independent Non-Executive Director)

Roselinda Binti Mohammad Hashim
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Teh Muy Ch'ng *Chairperson*
(Independent Non-Executive Director)

Roselinda Binti Mohammad Hashim *Member*
(Independent Non-Executive Director)

Tan Ai Ning *Member*
(Independent Non-Executive Director)

NOMINATION COMMITTEE

Tan Ai Ning *Chairperson*
(Independent Non-Executive Director)

Teh Muy Ch'ng *Member*
(Independent Non-Executive Director)

Roselinda Binti Mohammad Hashim *Member*
(Independent Non-Executive Director)

REMUNERATION COMMITTEE

Roselinda Binti Mohammad Hashim *Chairperson*
(Independent Non-Executive Director)

Teh Muy Ch'ng *Member*
(Independent Non-Executive Director)

Tan Ai Ning *Member*
(Independent Non-Executive Director)

COMPANY SECRETARIES

Chin Wai Yi (MAICSA 7069783)
SSM Practicing Certificate No.: 202008004409

Lim Zhi Xuan (MAICSA 7076624)
SSM Practicing Certificate No.: 202408000432

REGISTERED OFFICE

E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur
☎ +603-2181 0516
🏠 +603-2181 0516
✉ office@gapadvisory.my

HEAD OFFICE

Units 8-01 and 8-02, Level 8, Menara Lagenda
No. 3, Jalan SS20/27
47400 Petaling Jaya, Selangor
☎ +603-7839 8319

EMAIL ADDRESS AND WEBSITE

🌐 www.northernsolar.com.my
✉ info@northernsolar.com.my

AUDITORS

BDO PLT
(Registration No. 201906000013 (LLP0018825-LCA) & AF 0206)
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur, Malaysia
☎ +603-2616 2888

SPONSOR

M & A Securities Sdn Bhd
(Registration No. 197301001503 (15017-H))
45 & 47, Levels 3 and 7
The Boulevard, Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
☎ +603-2284 2911

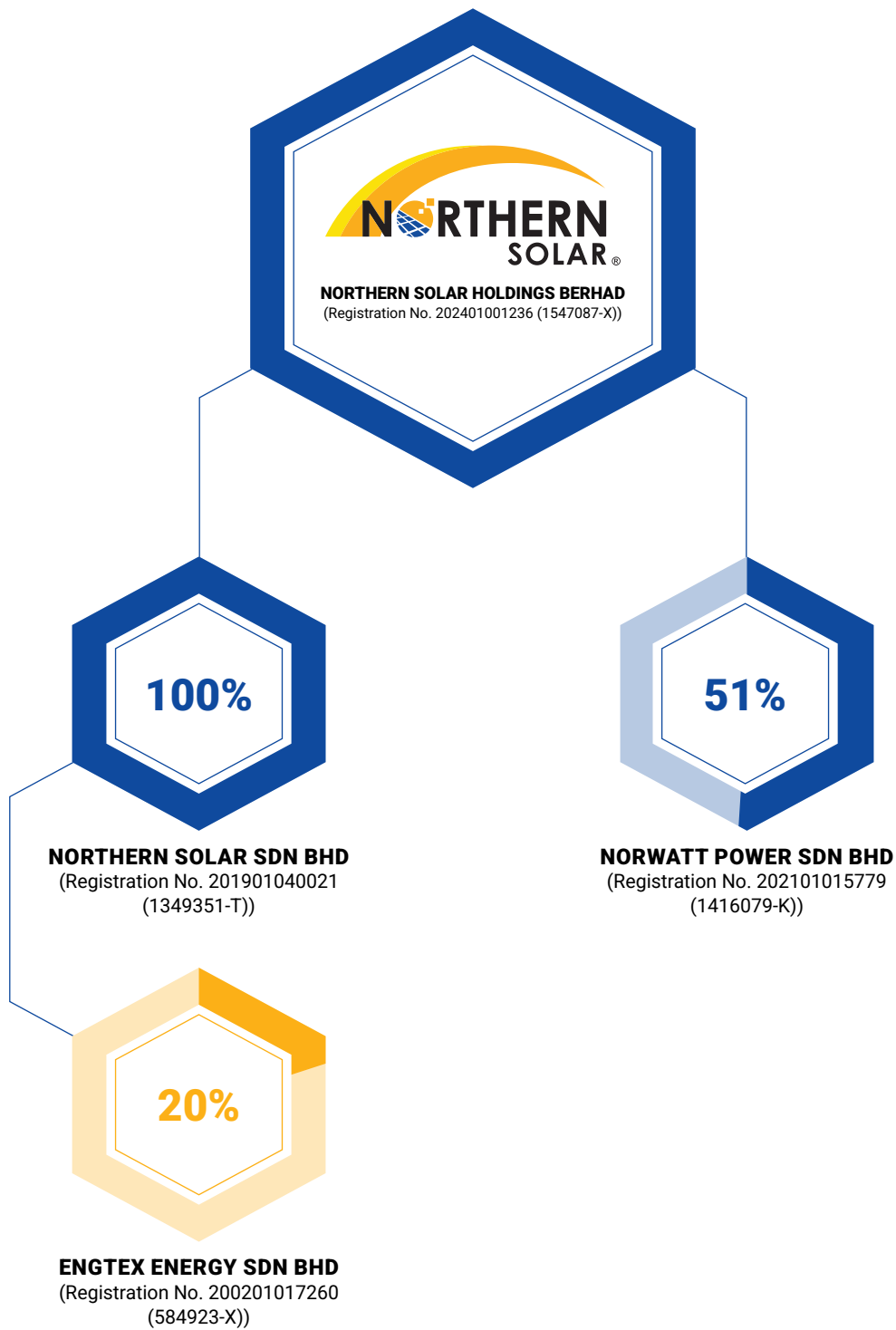
SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
☎ +603-2783 9299
🏠 +603-2783 9222
✉ is.enquiry@vistra.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock name: NORTHERN
Stock code: 0340
Sector: Energy

Corporate Structure



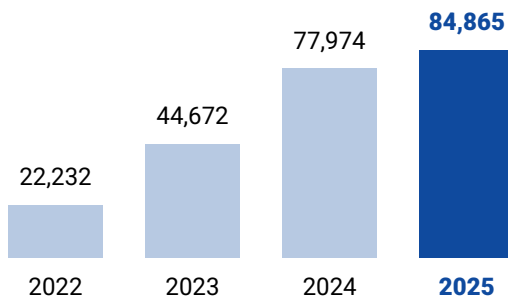
Financial Highlights

	Financial Year Ended			
	2022	2023	2024	2025
OPERATING RESULT				
Revenue (RM'000)	22,232	44,672	77,974	84,865
Gross Profit ("GP") (RM'000)	5,054	11,305	21,586	32,075
Earnings Before Interest, Tax, Depreciation & Amortisation ("EBITDA") (RM'000)	3,453	7,866	13,566	18,340
Profit Before Taxation (RM'000)	3,333	7,158	12,715	17,068
Profit After Taxation (RM'000)	3,106	6,115	10,089	11,409
KEY FINANCIAL POSITION DATA				
Total Assets (RM'000)	11,542	28,704	38,114	97,062
Total Equity (RM'000)	4,450	10,566	20,654	68,097
Total Liabilities (RM'000)	7,092	18,138	17,460	28,965
FINANCIAL RATIOS				
GP Margin (%)	22.7	25.3	27.7	37.8
Profit Before Taxation Margin (%)	15	16	16.3	20.11
Profit After Taxation Margin (%)	14	13.7	12.9	13.44
Basic Earnings Per Share (sen)	0.8	1.5	2.6	3.37

Financial Highlights

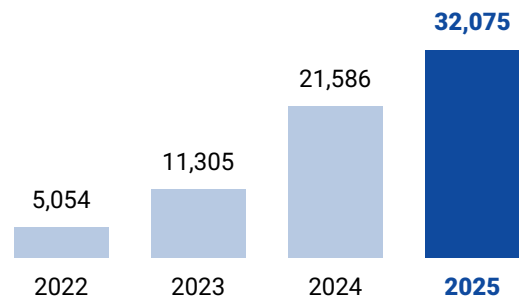
REVENUE (RM'000)

84,865



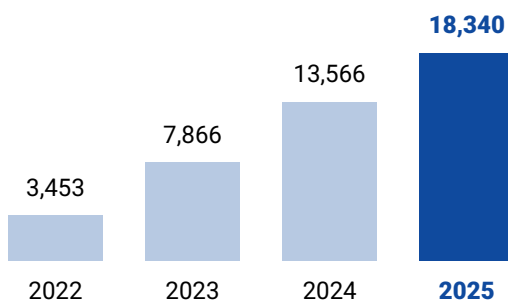
GROSS PROFIT (RM'000)

32,075



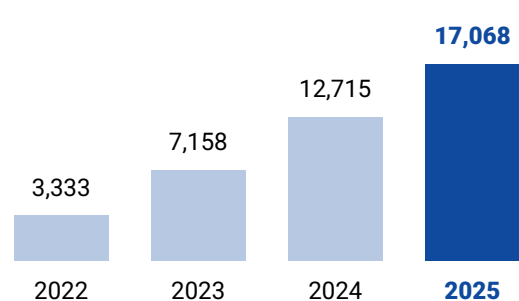
EBITDA (RM'000)

18,340



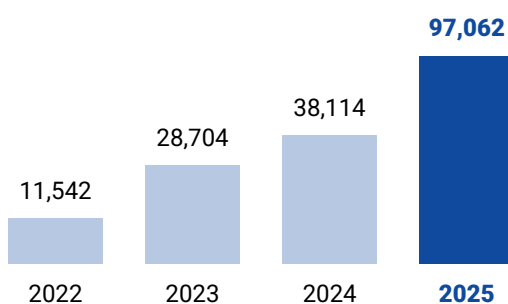
PROFIT BEFORE TAXATION (RM'000)

17,068



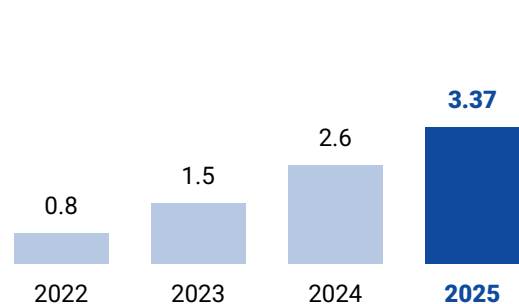
TOTAL ASSETS (RM'000)

97,062



BASIC EARNINGS PER SHARE (sen)

3.37



Profile of Board of Directors



1 AMIRUL AZHAR BIN BAHAROM
Independent Non-Executive Chairman

3 CHEW WIN HOE
Executive Director

5 TEH MUY CH'NG
Independent Non-Executive Director

2 LEW SHOONG KAI
Managing Director

4 TAN AI NING
Independent Non-Executive Director

6 ROSELINDA BINTI MOHAMMAD HASHIM
Independent Non-Executive Director

Profile of Board of Directors



AMIRUL AZHAR BIN BAHAROM

Independent Non-Executive Chairman



NATIONALITY: **MALAYSIAN**



AGE: **52**



GENDER: **MALE**

Amirul Azhar Bin Baharom, a Malaysian, aged 52, is our Independent Non-Executive Chairman. He was appointed to our Board on 21 February 2024.

He graduated with a Bachelor of Laws from Staffordshire University, United Kingdom in 1996. He began his career in 1997 as a Research Analyst at Cazenove & Co. (Malaysia) Sdn. Bhd., where he analysed economic and market trends, as well as company financial performance. He left the firm in 1998.

In 1999, he joined the Securities Commission (SC) as an Executive in the Licensing Department, providing legal support for licensing matters. After resigning in 2003, he joined BDO Capital Consultants Sdn. Bhd. as Manager and was promoted to Executive Director in 2004. He led corporate advisory work involving restructuring, fundraising, valuation, and due diligence until he left in 2006.

He co-founded Solution Entity Sdn. Bhd. in 2005 and became Managing Director in 2006, managing daily operations, providing business consultancy, and sourcing new clients. He stepped down in 2009.

In 2009, he joined KAF Fund Management Sdn. Bhd. in an advisory role to help set up a private equity fund and identify investment opportunities. From January to May 2010, he was seconded to Vastalux Energy

Berhad as Group Managing Director and CEO. After the secondment, he served as a Non-Independent Non-Executive Director until February 2011. He left KAF in June 2011 and rejoined Solution Entity as Managing Director in July before resigning again in 2015.

In 2015, he was appointed Independent Non-Executive Director of Avillion Berhad (formerly Reliance Pacific Berhad). In 2016, he became Deputy CEO. In 2017, he became Acting Group CEO, overseeing strategic direction and growth. He resigned in 2018 and took a career break, offering consulting on an ad-hoc basis.

In 2020, he became CEO of Scomi Energy Services Bhd., focusing on financial restructuring and growth strategies. He stepped down as CEO in February 2024 but remains Executive Director to oversee the regularisation plan.

In March 2024, he was appointed Group CEO of Rohas Technic Berhad, responsible for managing overall operations and strategic development.

Profile of Board of Directors



LEW SHOONG KAI

Managing Director



NATIONALITY: **MALAYSIAN**



AGE: **37**



GENDER: **MALE**

Lew Shoong Kai, a Malaysian male aged 37, is our co-founder and Managing Director. He was appointed to our Board on 9 January 2024. As our Managing Director, he is primarily responsible for crafting our Group's business model, strategic planning of our corporate direction as well as developing growth strategies.

He graduated with a Bachelor of Engineering in Electrical and Electronic Engineering from Sheffield Hallam University, UK, in 2010. In 2011, he began his career as a Project Engineer at Dpstar Thermo Electric Sdn. Bhd., where he gained experience in project planning, design, programming and site management through involvement in electrical and factory automation projects.

In 2012, he joined ABB Malaysia Sdn. Bhd. as a Business Development Engineer, focusing on promoting and selling low-voltage electrical components to potential clients.

In 2014, he co-founded KSI Automation Sdn. Bhd. with his sister, Lew Fui Shi and served as its director. While managing this company, he also co-founded KSI Electcon Sdn. Bhd. in 2016 with Chew Shean Eng, serving as director. KSI Automation focused on automation and electrical component trading, while KSI Electcon handled electrical engineering and system integration projects. He oversaw daily operations and business development for both companies.

In 2019, he co-founded Northern Solar with Chew Win Hoe, Chew Ann Bee, and Chew Shean Eng. He gradually phased out the activities of KSI Automation in August 2021 and KSI Electcon in August 2023 to fully concentrate on Northern Solar. Currently, KSI Automation is dormant and KSI Electcon is only involved in property investment.

Profile of Board of Directors



CHEW WIN HOE

Executive Director



NATIONALITY: **MALAYSIAN**



AGE: **37**



GENDER: **MALE**

Chew Win Hoe, a Malaysian male aged 37, is our co-founder and Executive Director. He was appointed to our Board on 21 February 2024. As our Executive Director, he is responsible for implementing business strategies and spearheading our business development activities, cultivating and maintaining business relationships with customers and suppliers. He also oversees the daily operations of our Group, with a focus on our operational and financial sustainability.

He graduated with a Bachelor of Science in Electronic Engineering from Sheffield Hallam University, UK, in 2010. In 2011, he began his career as a Junior Engineer at PAC & Rakan-Rakan Sdn. Bhd., where he was involved in M&E and building automation projects. His responsibilities included project scheduling, subcontractor coordination, quality control and system testing and commissioning.

In 2012, he joined Malaysian Solar Resources Sdn. Bhd. as Assistant Technical Engineer, where he worked on EPCC solar PV projects, supervising installations, conducting system testing and performing root-cause analysis for system interruptions.

In 2015, he became a shareholder and director of MST Multi Construction Sdn. Bhd., managing daily operations until stepping down in 2018 and resigning in 2019. He then founded Flow Dimensions Sdn. Bhd., focusing on civil and structural construction.

In 2019, he co-founded Northern Solar with his sibling and close associates. Although he resigned and transferred his shares in 2020, he remained an employee involved in design and business development. After leaving Flow Dimensions in 2022, he refocused on Northern Solar. In December 2023, he regained full ownership and was reappointed as a director on 15 December 2023.

Profile of Board of Directors



TAN AI NING

Independent Non-Executive Director



NATIONALITY: **MALAYSIAN**



AGE: **54**



GENDER: **FEMALE**

Tan Ai Ning, a Malaysian aged 54, was appointed to the Board on 21 February 2024. She is the Chairperson of Nomination Committee and the member of Audit and Risk Management Committee and Remuneration Committee of the Company.

She brings over three decades of experience in corporate secretarial and governance services. She is a Fellow of the Institute of Chartered Secretaries and Administrators, having attained her qualification in 1994, Associate membership in 1997, and Fellowship in 2018. She also holds a Bachelor of Laws from the University of London, obtained in 2002.

Her career began in 1994 at M & C Services Sdn Bhd (now Boardroom Corporate Services Sdn Bhd), followed by roles at The Pacific Bank Berhad, Signet & Co. Sdn

Bhd, and Securities Services (Holdings) Sdn Bhd. In 2010, she rejoined Boardroom Corporate Services Sdn Bhd as Associate Director and was promoted to Director in 2013, a position she continues to hold. In her current role, she leads a team of company secretaries, delivering corporate secretarial services to a diverse portfolio of clients.

She advises on due diligence reviews for corporate restructuring, IPO processes and roll-outs and governance related advisory as well as liquidation and preparation of circulars for submission to Bursa Malaysia.

Profile of Board of Directors



TEH MUY CH'NG

Independent Non-Executive Director



NATIONALITY: **MALAYSIAN**



AGE: **54**



GENDER: **FEMALE**

Teh Muy Ch'ng, a Malaysian, aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 21 February 2024. She is the Chairperson of Audit and Risk Management Committee and the member of Nomination Committee and Remuneration Committee of the Group.

She holds a Bachelor of Commerce in Accounting from Curtin University of Technology, Australia (1994). She became a Certified Practising Accountant with CPA Australia in 1997 and a Chartered Accountant with the Malaysian Institute of Accountants in 1999.

Teh began her career in 1994 at KPMG Peat Marwick (now KPMG PLT) as an Audit Assistant and rose to Audit Senior by 1999. In 2000, she moved to KPMG Corporate Services Sdn. Bhd. (now KPMG Deal Advisory Sdn. Bhd.), where she held various roles, including Senior Consultant, Managing Consultant and Associate Director. She specialized in corporate finance, advisory, cross-border transactions and mergers and acquisitions.

In 2005, she joined Horwath (now Crowe Malaysia PLT) as a Corporate Advisory Consultant on a consultancy basis, continuing her work in advisory services until 2007. She then founded MCT Management Associates, where she practiced as a Chartered Accountant.

In 2010, she rejoined KPMG as Director and was later transferred to KPMG Corporate Advisory Sdn. Bhd. in 2012. She left in 2022 and became Executive Director of Midascom Network Sdn. Bhd., overseeing finance and operations until her resignation in 2023.

She is also an Independent Non-Executive Director of Unisem (M) Berhad, serving on multiple board committees, including Audit and Risk Management, Nomination, Sustainability and as a Chairperson in Remuneration Committee.

Profile of Board of Directors



ROSELINDA BINTI MOHAMMAD HASHIM

Independent Non-Executive Director



NATIONALITY: **MALAYSIAN**



AGE: **54**



GENDER: **FEMALE**

Roselinda Binti Mohammad Hashim, a Malaysian, aged 54, is our Independent Non-Executive Director. She was appointed to our Board on 21 February 2024. She is the Chairperson of Remuneration Committee and the member of Nomination Committee and Audit and Risk Management Committee of the Group.

Roselinda Hashim is currently the Chief of Legal & Compliance of TIME dotCom Berhad ("TIME").

Before her appointment in TIME in February 2025, she was a Senior Director, Legal and Corporate Affairs of Ekuiti Nasional Berhad where she headed both the Legal & Secretarial Department as well as the Communications team.

Roselinda was previously the Group General Manager of Legal and Secretarial Department at Media Prima Berhad for a period of five years. Prior to that, she was a Partner of Raslan Loong and her practice focused on M&As, joint ventures, corporate reorganisations and other aspects of Malaysian corporate and commercial law. She has been in practice since 1996 and began her legal career at Shearn Delamore & Co.

Roselinda graduated from the School of Oriental & African Studies (SOAS), University of London with a Bachelor of Laws degree (LLB, Hons) as well as a Master's in Law (LLM). She was called to the Bar of England and Wales, United Kingdom in 1994 and was admitted as an Advocate & Solicitor to the Malaysian Bar in 1996. She also received her license to act as a Company Secretary from the Companies Commission of Malaysia in 2005.

Profile of Board of Directors

NOTES:

Family Relationship with any Director and/or Major Shareholder

None of the Directors has any family relationship with any Director and/or major shareholder of the Group.

Conflict of Interest

None of the Directors has any conflict of interest with the Group.

Conviction for Offences

Other than traffic offences, if any, the Directors have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2025.

Attendance of Board Meetings

Details of the Directors' attendance at Board meetings are set out in the Corporate Governance Statement of this Annual Report.

Shareholdings

The details of the Directors' interest in the shares of the Company are set out on page 142 of this Annual Report.

Profile of Key Senior Management



LEW FUI SHI

Chief Financial Officer

Lew Fui Shi, a Malaysian, aged 39, is our Chief Financial Officer. She is responsible for our Group's overall accounting and financial matters including financial reporting and planning, corporate finance, taxation, treasury management and internal audit.

She graduated with a Bachelor of Accounting in Information Systems from Universiti Utara Malaysia in 2009 and became a Chartered Accountant with the Malaysian Institute of Accountants in 2012.

Her career began in 2009 at J K Huan & Co. as an Audit Assistant and later Audit Semi-Senior, where she assisted in audit planning and procedures across industries like manufacturing, trading and construction. In 2011, she joined Taiko Marketing Sdn. Bhd. (now TMK Chemical Bhd) as Corporate Service Executive, handling foreign exchange hedging, treasury management and financial compliance.

In 2013, she moved to Ann Joo Management Services Centre Sdn. Bhd. as a Senior Treasury Executive with similar responsibilities. Later that year, she joined Maxter Glove Manufacturing Sdn. Bhd. (a subsidiary of Supermax Corporation Berhad) as Accounts Executive, managing monthly accounts, reconciliations and stock reporting until 2016.

Afterward, she offered freelance accounting services to private companies until 2019. She then joined Northern Solar as Finance and Accounts Manager, handling financial analysis, project costing and cash flow management. In 2021, she became a shareholder and director of NS Powercare (now inactive). Promoted to CFO in 2024, she also remains a director of KSI Automation Sdn. Bhd., which she co-founded in 2014, though she was never involved in its operations.



NATIONALITY: **MALAYSIAN**



AGE: **39**



GENDER: **FEMALE**

Profile of Key Senior Management



HING KEE VUI

Project Director

Hing Kee Vui, a Malaysian, aged 38, is our Project Director. He is responsible for project planning and management, O&M service management, solar PV system design development, procurement and resource allocation, monitoring site construction activities, contracts management and liaising with the relevant authorities for approvals and permits.

He earned a Bachelor of Engineering in Electrical and Electronic Engineering from Sheffield Hallam University, UK, in 2010. After graduating, he began his career as a Process Engineer at Toshiba Electronics Sdn. Bhd., where he monitored semiconductor production processes to ensure quality standards.

In 2011, he left Toshiba and co-founded Fancy Bugs Sdn. Bhd., where he served as director and handled product promotion, development and branding for decorative wall products.

In 2013, he joined Icon Energy Solutions Sdn. Bhd., a solar PV EPCC firm, as Project Engineer and was promoted to Project Manager in 2016. He managed solar PV installations, system design, compliance, feasibility assessments and permits. He left the company in 2017.

He then joined Atlantic Blue Sdn. Bhd., a subsidiary of Solarvest Holdings Berhad as Senior Project Development Manager, later becoming Senior Development Manager. There, he led large-scale solar (LSS) project tenders, budgets, timelines and coordination with stakeholders.

In 2022, he joined Northern Solar as Project Director, a role he continues to hold. He is not involved in any other business outside the Group.



NATIONALITY: **MALAYSIAN**



AGE: **38**



GENDER: **MALE**

NOTES:

Family Relationship with any Director and/or Major Shareholder

Save for Lew Fui Shi, the Chief Financial Officer, who is the sister of Lew Shoong Kai, the Managing Director, none of the key senior management has any family relationship with any Director and/or major shareholder of the Group.

Directorship in Public Companies and Listed Issuers

None of the key senior management has any directorship in public companies and listed issuers.

Conflict of Interest

None of the key senior management has any conflict of interest with the Group.

Conviction for Offences

Other than traffic offences, if any, the key senior management have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2025.

Chairman's Statement

“

Dear Shareholders,

On behalf of my esteemed Board members, it is with gratitude and pride that I am able to present Northern Solar Holdings Berhad's ("Northern Solar" or "the Group") inaugural Chairman's Statement. The Group's listing on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa" or "Bursa Malaysia") on 6 February 2025 marks a key milestone for the Group, underlining its commitment to lead current and future generations towards a greener world through reduction of CO₂ emissions through technological advancement.

”

**AMIRUL AZHAR
BIN BAHAROM**

Independent Non-
Executive Chairman



Chairman's Statement

LIGHTING THE ROAD AHEAD

Established in 2019 and incorporated in 2024, the Group's strong growth momentum over the last two (2) years recorded a 2-year Compounded Annual Growth Rate (CAGR) revenue of 51.9% complemented by its Profit After Tax ("PAT") growth of 48% year-on-year. This underlines the Group's strong headline performance prior to its listing and the financial year-ended 2025 ("FYE2025") on 31 March 2025.

This steady growth momentum is powered by the Group's vision and mission to expand their clientele's business models through the generation of renewable and clean energy, optimising solar energy as an investment for clients to achieve better revenue generation. In our mission to deliver enhanced value, we are supported by the five pillars of our mission, which ensure high-quality products delivered; reliable service from qualified, problem-solvers; a positive and collaborative culture; prioritising our clients' investment needs and a clear results-driven mentality which powers substantial gains to our clients.

To achieve the Group's mission, it is currently active in the central region of peninsula Malaysia and provides rooftop solar solutions as a key market segment. The Group has plans to expand into Utility Scale Solar solutions which will power commercial and industrial clients' needs and see an increasing demand in the Northern and Southern regions of the peninsula alongside Sabah in East Malaysia.

STRATEGIC INVESTMENT GROWTH

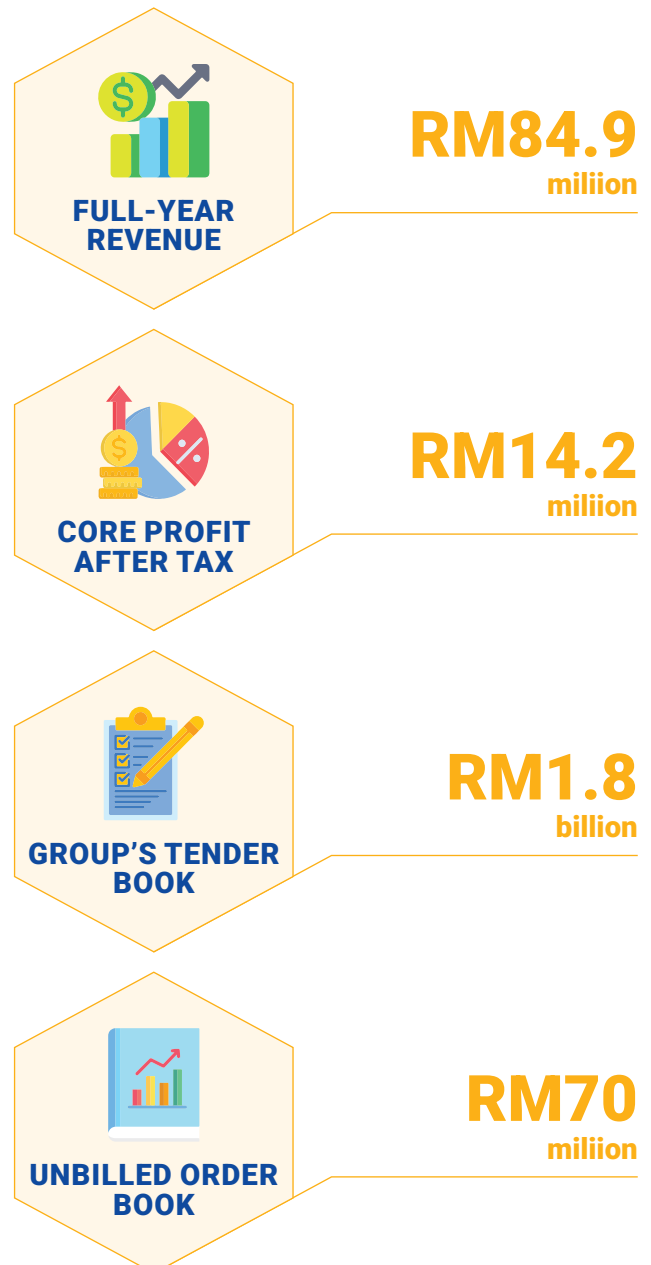
When the Group's Initial Public Offering ("IPO") was announced, it was oversubscribed by 72.3 times and upon its successful listing soared 42.85% on the first day of trading. We would like to thank the shareholders for their support and trust in the Group and the Renewable Energy ("RE") sector in general.

We believe that the strong investor confidence is buoyed by the Group's ability to deliver good profit margin, drive recurring income through solar assets such as rooftop and utility-scale solar Power Purchase Agreements (PPA) or Supply Agreement for Renewable Energy (SARE). We anticipate the Group's strong performance underlines significant trust that will continue spurring its earnings to grow and increase its market capitalisation.

This belief is shared by the Group's significant business partners, including Lagenda Properties, the Group's minority investor. On the matter of investment viability, the Group's full-year revenue of RM84.9 million and core profit after tax (core PAT) of RM14.2 million, after adding back the one-off IPO listing expenses of RM2.76 million, are solid proof of the Group's robust revenue recognition

from its project execution in the Group's core Engineering, Procurement, Construction and Commissioning (EPCC) of solar photovoltaic (PV) systems segment.

We are heartened to note that the Group's listing has grown its balance sheet strength and provided it a strong foundation to bid for large-scale solar ("LSS") projects in the upcoming years. This is reflected in the Group's tender book worth approximately RM1.8 billion, which excludes potential contributions from upcoming LSS projects. As at FYE2025, the Group has a robust unbilled order book of approximately RM70 million, which speaks of the Group's clear earnings visibility into the upcoming financial year.



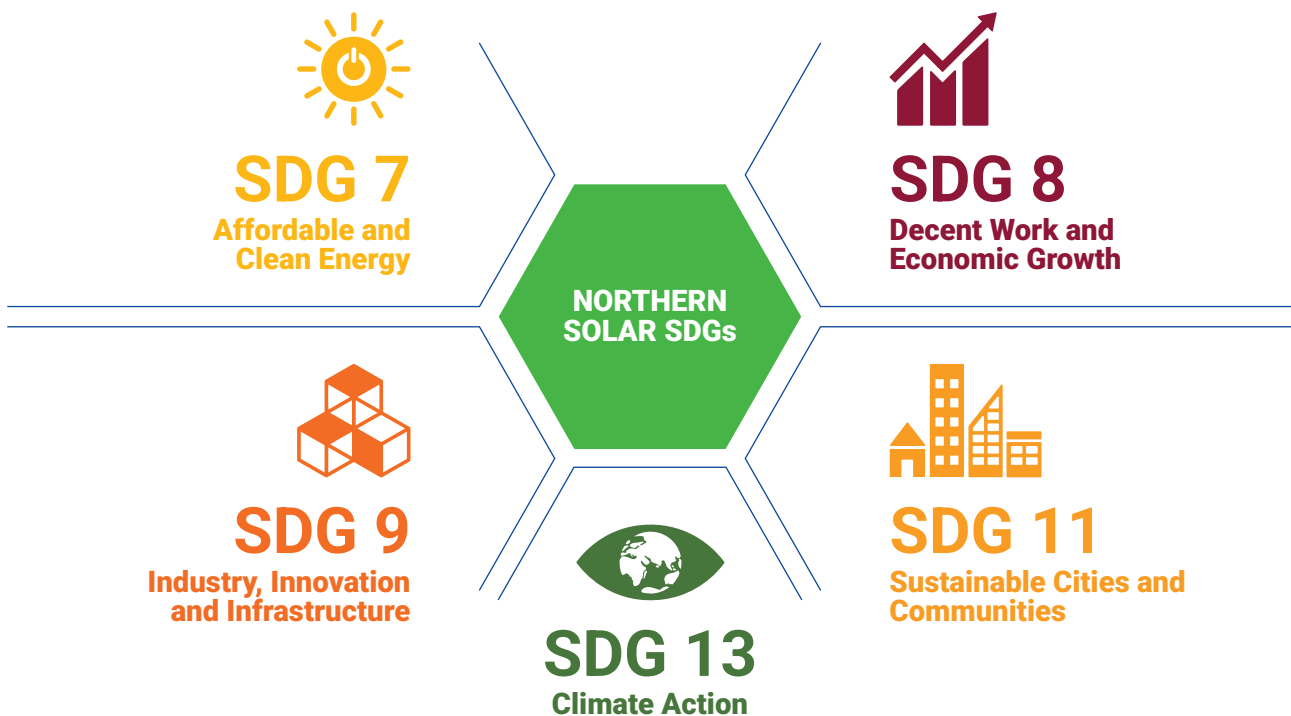
Chairman's Statement

GROWING A SUSTAINABLE FUTURE

As an enabler of renewable energy of the nation, the Group upholds five key UN Sustainability Development Goals ("UN SDGs") as detailed in the Group's Sustainability Policy. These 5 UN SDGs are UN SDG 7 – Affordable and Clean Energy, UN SDG 8 – Decent Work and Economic Growth, UN SDG 9 – Industry, Innovation and Infrastructure, UN SDG 11 – Sustainable Cities and Communities and UN SDG 13 – Climate Action, which together form the basis of the Group's approach to realising its vision. I am also proud to mention that within this Annual Report is the Group's inaugural Sustainability Statement, which explains in detail the Group's commitment, actions and targets to further expand on our development of a sustainable future.

In addition to creating a sustainable future, we at Northern Solar are also aware of the Government's growing interest in better adoption of solar solutions to reach the nation's renewable energy goals. Hence, we support the Government's introduction of policies such as Corporate Renewable Energy Supply Scheme (CRESS), Community Renewable Energy Aggregation Mechanism (CREAM) and the updates to the Self-Consumption (SelCo) programme. All these are positive signs that the Malaysian RE sector is in the process of maturation and more are able to enjoy the benefits of green energy.

It is our hope that the investors will continue to support the Group in this relatively early part of our growth journey. It is an exciting time indeed for the RE industry and the sector is bound to grow further with favourable Government policies and unwavering support from our investors.



Chairman's Statement

APPRECIATION AND OUTLOOK

Looking ahead, we are optimistic and proud of the Group's future as a key contributor to Malaysia's clean energy aspirations. With a clear growth roadmap and an expanding portfolio, we are well-positioned to capitalise on the rising demand for solar and sustainable energy solutions.

On behalf of the Board, I would like to extend my sincere appreciation to our Management team and stakeholders for their unwavering support and trust. Together, we are lighting the way toward a more sustainable future. Our fine achievements would not have been possible but for the tireless and selfless commitment of both employees and Management, which I hope will continue to do well in the upcoming financial year.

I would also like to take this opportunity to thank the bankers, advisors and all other professionals that have laboured with us to realise the IPO and beyond. We are grateful for the advice, professionalism and trust extended to the Group in our work.

To our valued investors, thank you once again for your trust and support as we join hands to create a sustainable and equitable future for all.

Amirul Baharom

Independent Non-Executive Chairman



Management Discussion & Analysis



Company Overview

For the financial year ended 31 March 2025 ("FYE2025"), Northern Solar Holdings Berhad ("Northern Solar" or "the Group") marked a defining year as a public-listed company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa" or "Bursa Malaysia"). The Group's debut on the stock exchange on 6 February 2025 heralds a new era for the Group as a Renewable Energy ("RE") enabler, through its core services of Engineering, Procurement, Construction and Commissioning ("EPCC") of solar photovoltaic ("PV") systems. Additionally, the Group's subsidiaries are also providers for the generation of RE and O&M of solar PV equipment and systems.

Management Discussion & Analysis

RE capacity by 2025



RE capacity by 2035



Achieving an economy-wide carbon intensity in 2030



SOLARISING MALAYSIA – RE SECTOR’S GROWING ROLE

Against a backdrop of increasing global acceptance of RE to outpace the demand for carbon-based energy generation, Malaysia’s ratification of the Paris Agreement in 2015 kickstarted the adoption of United Nations’ Sustainable Development Goals (UN SDG). In order to achieve the 2030 Agenda for Sustainable Development, the Group plays its part in helping the nation achieve its Nationally Determined Contribution (NDC) commitments in the RE sector. This target intends to achieve 31% RE capacity by 2025 and 40% by 2035, achieving an economy-wide carbon intensity by 45% in 2030 and net zero greenhouse gas (GHG) emissions by 2050.

These targets coalesce to form the basis for the Government’s concerted efforts which include initiatives such as Net Energy Metering (“NEM”) 3.0 which allow consumers to export excess solar energy to the national grid through a buy back scheme and the Solar for Rakyat Incentive Scheme which offers rebates up to RM4,000 for new NEM applications, leading to a significant increase in the residential market before the expiry of the scheme on 30 June 2025. In the corporate sector, the demand from multinational companies (MNCs) with robust Environmental, Social and Governance (“ESG”) requirements to promote long-term sustainability help businesses navigate a complex and fast-evolving regulatory landscape has led to wider adoption through Corporate Power Purchase Agreements (PPA), especially among large facilities and industrial parks.

As a result of these Government initiatives, the Group’s performance is boosted by the increased viability and demand for solar EPCC from increasingly sustainability-minded individuals and corporations. The higher drive for adoption of solar energy has visibly expanded market opportunities for the Group and its project pipeline. This increased interest in solar energy has also spurred advancements in solar storage through the form of batteries to enhance system efficiency from the energy generated. Additionally, environmentally-conscious users are also interested in carbon offsets and carbon credits, with corporations reducing their carbon footprint, improving social equity and enhancing their governance structure through the usage of RE products. This leads to more sustainable and resilient businesses throughout the economy.

The external environment, while upbeat on the adoption of solar RE, has grown ever more competitive as consumers are increasingly savvy and compare providers’ system costs and payback periods, after-sales service quality and the warranty and performance guarantees offered within the RE package they adopt. This in turn sparks the need for enhanced customer support from solar RE providers through the improvement of operations, maintenance support and overall response rate as well as value-added offerings through better financing packages and efficient customer service support.

Additionally, rising customer expectations can be traced in their demand for energy-saving solutions which offer double tax incentives for Capital Expenditure (Capex) incurred and have a long-term Internal Rate of Return (IRR) generated. In a nutshell, customers are looking for ways to monetise and save on their decision to adopt solar systems for their own consumption as well as for business needs.

Management Discussion & Analysis

SOLARISING MALAYSIA – RE SECTOR'S GROWING ROLE (CONT'D)

The rising consumer awareness on sustainability and long-term value increases the focus on ESG and this aids companies to understand and manage their impact on the environment, society and economy by adopting sustainable business practices. These ESG considerations help companies identify and mitigate long-term risks such as climate change, resource scarcity and social unrest in their regular business operations. Another related trend the Group observes is that with the rise of corporate Power Purchase Agreements (PPAs), there have been more industrial clients which are looking for customised energy solutions that match their large-scale consumption.

Among the Group's key business considerations are its exposure to foreign exchange (Forex) fluctuations on imported goods necessary for its solutions' installation as well as the ongoing tariff war's impact on business. Previously, during global pandemic, the Group's operations were not materially affected and ever since, the Group has seen no overhangs on its operations arising from this event.

GROUP'S STRATEGIC POSITION

The Group's successful listing on the ACE Market of Bursa underscores its profitability and strong fundamentals which propel it forward. Currently covering the whole of peninsula Malaysia, the Group's expansion beyond the Klang Valley and Selangor, aims to penetrate highly strategic regions in Johor and the northern corridor of Penang, Perak, Kedah and Perlis whilst broadening its reach to Sabah in East Malaysia.



Selangor



Johor



Penang



Perak



Kedah



Perlis



Sabah

The northern region expansion will be anchored by the establishment of a new corporate office in Penang, which will serve as a base to expand to other states within the northern region, such as Perlis, Kedah and Perak. Meanwhile, central zone expansion will be piloted out of the Group's headquarters with further expansion into Pahang. For the Southern region, the Group is planning to strengthen its operations support by establishing an additional operations and maintenance team in Johor, complementing the Group's existing operations. All these expansion activities are facilitated by its IPO proceeds, which is earmarked for working capital, business expansion and the establishment of its new corporate headquarters with an engineering command centre.

Among the Group's key value propositions include its expertise and capability in providing customised solar PV solutions, backed by experienced Directors and key senior management who are committed to maintaining quality across all projects. The well-connected leadership bench has also brought forth collaborations with business partners and together, they have established a proven track record in the RE sector of Malaysia. To move the Group forward, its leadership has considered collaboration with third parties in consortia bids a valuable add-on for participation in bigger projects.

In FYE2025, the Group's orderbook value of RM63 million is chiefly contributed by its main subsidiary, Northern Solar Sdn Bhd. In the year under review, the Group has a cumulative installed capacity of 102MWP at its financial year end and this is mainly attributed to customer confidence in the Group's installation and ability to meet their client's energy conservation efforts. The IPO has managed to strengthen cash flow and financials needed to expand the Group's business. Meanwhile, to grow even more, the Group is cautiously optimistic of pursuing consortia bids for Large Scale Solar (LSS) projects with better financing support from its key financiers going forward.

The Group's solid track record has spoken volumes of its capabilities and executionary abilities in handling diverse types of projects. Through the Group's IPO process, it hopes to build investor confidence through robust corporate governance and transparent reporting.

Management Discussion & Analysis

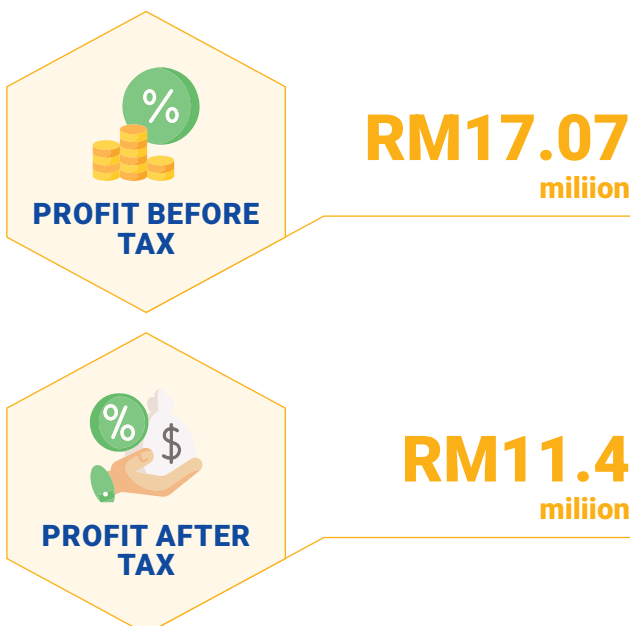
KEY CORPORATE HIGHLIGHTS

Within the Group's inaugural year of listing on the ACE Market of Bursa, it saw the RM42.37 million raised from its IPO utilised as much as RM9.99 million at its financial year end. The RM29.2 million earmarked for working capital remains pristinely untouched whilst the listing expenses of RM4.57 million is fully paid up.

More importantly the funds allocated to the business expansion of RM3.15 million to set up its new corporate office with an engineering command centre in Petaling Jaya, Selangor and office expansion in Johor and Penang, of this amount, a total of RM2.04 million has been utilised with the balance to continue the Group's expansion into East Malaysia. Meanwhile, of the remaining RM5.50 million, RM3.40 million has been used to pay down bank borrowings.

KEY FINANCIAL HIGHLIGHTS

The Group's full-year revenue of RM84.87 million is mainly attributed to its robust project execution within its core engineering, procurement, construction and commissioning ("EPCC") of solar photovoltaic (PV) systems operations. This remarkable achievement flowed through to its Profit Before Tax ("PBT") of RM17.07 million and charted a strong finish with a Profit After Tax ("PAT") of RM11.40 million. If the core EPCC services are considered, the Group had a full-year core PAT of RM14.2 million after addition of one-off IPO listing expenses of RM2.76 million incurred during FYE2025.



For FYE2025, Northern Solar Holdings Berhad maintained a robust unbilled order book of approximately RM70 million, which provides clear earnings visibility within the next 12 months. It's healthy tender book of approximately RM1.8 billion which does not include potential LSS contributions underscores the Group's growth prospects further.

Moreover, the Group's cash balance post-IPO remained a substantial amount of RM52.2 million, complemented by its low gearing ratio of 0.15 times, both indicating the Group's agility in tendering and securing larger bids and its capacity to grow further in the RE market. The Group's operating cash flows of RM8.38 million generated within FYE2025, is the cherry on top of its prudent cash and financial management.

With these factors, shareholders would be delighted to note that the basic Earnings per Share (EPS) as at end FYE2025 stood at 3.37 sen per share, growing 29.62 times from the same period last year. Although the Group has maintained that there is no official Dividend Policy for the Group and indeed, no dividend has been paid in respect of the FYE2025, the gains by the Group has been ploughed back into the business as working capital for the growth and sustained capacity of the Group.

REVIEW OF OPERATIONS

Although the Group has two subsidiaries, all contribution to revenue in FYE2025 was contributed from the Group's main subsidiary of Northern Solar Sdn Bhd, which is mainly involved in providing solar EPCC services. The Group's RM70 million orderbook value is the culmination of both residential and commercial and industrial segments and the Group has a cumulative installed capacity of 102MWP shared between both segments. As the Group has managed to secure additional funding through its IPO, these two segments are likely to form the bedrock of demand with potential LSS contributions which the Group has been actively bidding for.

In the meantime, the Group's unbilled order book of approximately RM70 million provides earnings visibility into the next financial year, while the tender book of approximately RM1.8 billion further supplements the Group's income from the two main segments that comprise the Group's main projects.

Subsequently, the Group maintains its competitive edge by upholding its values in three key areas, namely, Customer Satisfaction Focus, Employee Care and Wellbeing, and Corporate Governance Excellence.

Management Discussion & Analysis

CUSTOMER SATISFACTION FOCUS

All projects, regardless of scale, goes through the Group's consultation stage as each project is different in terms of the customers' needs and requirements. The Group's understanding of these significant differences are the key differentiating factor in the customer experience journey and customisation of their solar RE system aligns both their requirements with the Government's latest regulations.

Furthermore, each project's quality is ensured through the implementation of an Inspection Test Plan (ITP), Project Implementation Plan and Project Quality Plan. The internal team that works of each project is enabled to deliver a good quality project that meets all industry practices and standards, apart from fulfilling the customer's requirements.

Other considerations which place the customers' needs first include both project planning and timeline development, as well as budget planning. The project planning and deadlines begin with a risk assessment and awareness of the project which is being handled. The ability to forecast risks and obstacles of the project and deftly resolving them prior to escalation is an invaluable part of ensuring customer satisfaction. Clearing all obstacles gives the team a clearer picture of the project completion and manages the expectations of project completion by deadline. The budget planning portion of the project also reflects the Group's sensitivity to the project budget and to work within the budget determined by the management.

EMPLOYEE CARE AND WELLBEING

The competency of each employee is a key determining factor that reflects on the Group's performance and success in project management. Hence, the Group is invested to continue improving the competency of its employees so that quality of work is improved and a reduction of error and redundancy is avoided. In support of competent processes, the Group's internal communications and alignment between departments is crucial when it comes to circulating project information. The Group invests in project management software to reduce redundancy in communications and promote alignment within its team members.

Furthermore, the Group is not only cognisant of the stipulations of the Occupational Safety and Health Act (OSHA), it actively ensures the safety and health of its operators that primarily work at height during installations. The Group ensures that each project has a zero-life lost or zero accident rate at site. All employees are enabled to deliver a project in a safe and healthy environment.



CORPORATE GOVERNANCE EXCELLENCE

The Group's involvement in the fast evolving RE sector means that it needs to understand the latest Government policies and direction in the development of the RE sector. This cooperation with the Government is the basis of carrying out the Government's latest plans for the sector.

In the immediate future, the Group has incorporated three new subsidiaries to manage new branches of its services. They are Northern Solar Rakyat Sdn Bhd, Northern Solar Assets Sdn Bhd, and Northern Solar Utilities Sdn Bhd. Northern Solar Rakyat Sdn Bhd will look into the provision of EPCC solar PV systems and investments in solar PV plants. Meanwhile, Northern Solar Assets Sdn Bhd will carry out construction of power plants, operation of generation facilities that produce electric energy and other construction installation activities. Northern Solar Utilities Sdn Bhd looks into the provision of EPCC, corporate green power programme (CGPP) and the construction and installation of LSS.

These join Norwatt Power Sdn Bhd, a majority-owned subsidiary of the Group, which looks into other construction and installation projects of the National Electrical Code but has yet to commence operations.

Management Discussion & Analysis



RISKS & OPPORTUNITIES

The Group's robust discussion on its Risk Management matters are found in the Statement on Risk Management and Internal Control as set out in this Annual Report. Most of the risks presenting itself in FYE2025 have been identified by the Group and are existing risks covering the spectrum of operational, financial, strategic and regulatory risk categories. All risks have been managed with the Group's business continuity plan, which has been formulated to rise up and meet challenges in the unlikely event that a risk scenario should take place.

OPERATIONAL RISKS

Risks regarding operational matters can come with a price as delays and disruptions to project completion can lead to LAD claims and liability and defect claims on workmanship issues. Additionally, supply chain management is important to build in flexibility for delivery and mitigate single source risks.

LAD claims

Mitigating this risk is important for the survivability of a project and normally, the team will have physical meetings and software updates to the project simulation to manage the staging of a project. Furthermore, a weekly check-in by the relevant team for a Work-in-Progress (WIP) update keeps the project timeline in check. The project engineers normally update the project progress and highlight site-based issues for proactive issues management.

Meanwhile the Operation Team Weekly Meeting is to monitor the project pipeline for ongoing and upcoming projects. Comprising the legal, procurement, licensing, QS and project teams, each stakeholder updates the project status with the project team in order to brief them of any risks to the project completion deadline and proactively resolve issues before escalation.

To empower its workforce further, the Group has developed a proprietary software, namely Npower, which monitors the project progress and includes the Business Development team as well.

Liability & Defect Claims

Workmanship issues are managed with the implementation of the Inspection Test Plan, which has a Request For Inspection ("RFI") function to inspect the site with Client or Consultant, Subcontractor, and Northern Solar Sdn Bhd ("NSSB") at different stages of project implementation. The RFI is meant to crosscheck the quality of workmanship of the Subcontractor and acts as proof that the Client has accepted NSSB's work by signing off on the project documentation.

Supply Chain Management

The supply of solar equipment and components' availability in a timely manner and in the demanded volume for cost management is a key business risk which requires deft management. In Northern Solar's case, the supply chain is managed through three different mechanisms.

Firstly, the diversification of supply base avoids an overreliance on a single vendor or from a single source of origin, e.g. China. Secondly, the Group evaluates back-up suppliers for key components such as inverters, PV modules etc. to ensure sustainability in project delivery timelines and budgets. Finally, the Group improves demand forecasting and procurement planning by using historical project data to forecast demand 6-12 months out. This aligns procurement schedules tightly with construction timelines to avoid idle time.

Management Discussion & Analysis

FINANCIAL RISKS

One of the key risks for the Group is the project-based nature of its revenue stream. This gives rise to non-recurring project-based income streams which require diversification into recurring revenue stream models. Part of the Group's growth in this direction is the offering of services in the Operations & Maintenance (O&M) sector. These service contracts are for completed solar projects which ensure a steady post-commissioning revenue stream.

STRATEGIC RISKS

The Group is ably supported by a strong leadership bench with industry experience, knowledge and domain expertise of its Senior Management members leading the Group forward. While this is a strong value proposition, the leadership bench needs to continually update their knowledge and improve their experience through training in specific areas that will continue to place the Group at the cutting-edge of the solar RE industry.

Annually, the Group holds a all-hands meeting in the form of the Yearly Kick-Off Meeting where all senior management members are in attendance and a vision casting by the Managing Director is done. This is to ensure alignment within the Departments and participation of the workforce in improving the working environment for all employees of the Group.

REGULATORY RISKS

As the RE sector gains more ground in Malaysia, it is important to attain the relevant approvals, permits and licences by regulatory bodies such as SEDA and others. To manage this, a dedicated team for Residential and Commercial and Industrial teams have been set up to assign dedicated liaisons to each regulatory body and track progress via a shared internal channel to meet project deadlines.



OUTLOOK

The Group's involvement in the rapidly growing RE sector represents a good upside for its growth trajectory in the near future. Among the key indicators the Group uses to chart its progress are the previously mentioned unbilled order book of approximately RM70 million and its tender book value of approximately RM1.8 billion not inclusive of potential LSS contributions. Both lead indicators of potential revenue stream represent the Group's robust EPCC core business' potential value. Additionally, as solar RE becomes widespread in Malaysia, the Group's target market sees continuous uptake in the Self-Consuming (SelCo) segment, contributing to the lion's share of Group income.

As Malaysia is geo-positioned for optimum solar exposure, the issue of generation is a moot point, however, the issue of storage of the generated energy remains a gap which the industry is levelling up to resolve. One of the key opportunities which the Group foresees will help in integrating Battery Energy Storage Systems (BESS) into Solar PV systems, which will efficiently store generated energy for use when the necessity arises. In addition to this, much needed Government funding is required to acquire the technology for development of these systems to complete the cycle of generation, storage and usage of energy systems.

On the matter of technology, the Group is keen to explore solar-related technologies and products to upgrade their systems and product offerings, as well as to educate and bring more energy savings to the public.



Management Discussion & Analysis

FUTURE PROSPECTS

The Group has a clearly defined growth plan with suitable short- medium- and long-term plans to achieve strategic and operational milestones for optimum levels of growth. Among the key features of this plan are in the areas of revenue growth, asset accumulation and installed capacity expansion.

In the short- and medium-term, as solar RE gains more ground, the Group is set to exponentially increase the EPCC revenue of the Group. This potentially involves bidding in consortia for LSS projects and also an increase in capacity for the projects undertaken by the Group. Additionally, while the ramp-up for EPCC revenue continues, the Group is also looking into developing more solar assets, which will create recurring income for the long-term.

The Group's business model, in the meantime, remains the same for the foreseeable future, with verticals and pillars remaining the same while the long-term asset pipeline continues to grow.

The Group's IPO has clearly extended a financial lifeline for its expansion into the development of more solar assets. However, this is just the tip of the iceberg as the Group continues launching out to seek collaborative partnerships

and specifically focus on growing its capabilities and capacity to cover LSS projects. This dovetails well into the Group's Sustainability commitments, which is to accelerate the nation's RE transition by delivering high-efficiency, cost-effective solar solutions while adhering to sustainable practices and reducing carbon footprints across the nation.

CRAFTING SUSTAINABLE FUTURES

The continued success of Northern Solar is the culmination of the hard work of the Group's leadership and employees in meeting the needs of their customers. The Group has had veritable success in planning, executing and enabling their customers to achieve significant energy savings and promote the nation's goals of RE adoption for a more sustainable Malaysia. This couldn't have happened without the brilliant collaboration of the Group's preferred suppliers and vendors that have enabled both technology and supply to be in operation in Malaysia.

Further to this, various stakeholder groups have also contributed to the building of a more sustainable future for the next generation and this is a credit to the Government agencies, investors and financiers and most importantly, the clients who have made the Group's endeavour a success.



Sustainability Statement



Introduction & Overview

Following Northern Solar Holdings Berhad's ("**Northern Solar**" or "**the Group**") public listing on the ACE Market of Bursa Malaysia Securities Berhad ("**Bursa**" or "**Bursa Malaysia**") since 6 February 2025, the Group is committed to integrating sustainable business practices across its operations. The Group believes that sustainability is a key driver for long-term resilience, innovation and investor confidence.

The Group's sustainability strategy dovetails with its vision to power Malaysia's clean energy transition while creating value for all its stakeholders. Meanwhile this Sustainability Statement outlines the Group's approach to sustainability governance, stakeholder engagement, materiality and forward-looking commitments.

In compliance with the listing requirements, investors are advised to read disclosures within this Statement in conjunction with the Management Discussion and Analysis, Statement on Risk Management and Internal Control and the Corporate Governance Report for the full context of the Group's sustainability initiatives.



Sustainability Statement

REPORTING FRAMEWORK

The Group is committed to meet the goals set out by Bursa Malaysia according to the ACE Market Listing Requirements ("**AMLR**") and are guided by the principles set out in Bursa Malaysia's Third Edition of its Sustainability Reporting Guide (2021) ("**SRG**"). This Guide references the Global Reporting Initiative ("**GRI**") standards that has been unified with the Task Force on Climate-related Financial Disclosures ("**TCFD**") standards.

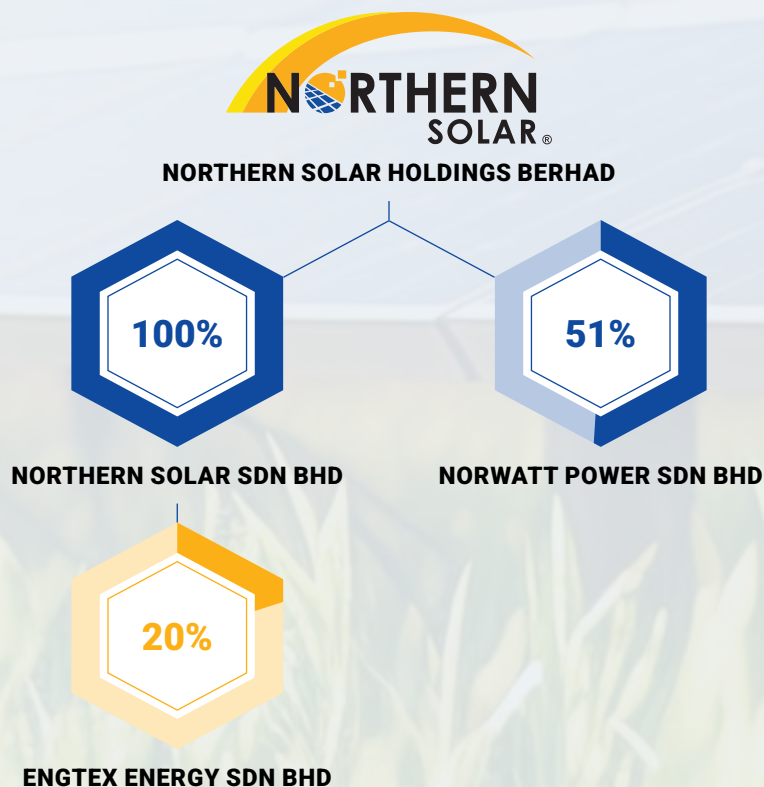
While the Board of Directors ("**BOD**") and the Independent Non-Executive Directors ("**INEDs**") are cognisant of the current adoption of the National Sustainability Reporting Framework ("**NSRF**") which addresses the use of the International Financial Reporting Standards' (IFRS®) Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB), the Group will comply with the suggested timeline of full disclosure of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (collectively known as the ISSB Standards) by 2027 as stipulated by Bursa.

In the meantime, the discussions in the Group's inaugural Sustainability Statement will disclose its Material Sustainability Matters ("**MSM**"), along with the relevant United Nations' Sustainable Development Goals ("**UN SDG**" or "**SDG**").

SCOPE & BOUNDARY OF REPORT

As a holding company, Northern Solar Holdings Berhad comprises two main subsidiaries. The Group's wholly-owned subsidiary, Northern Solar Sdn Bhd is the main contributor to the Group's revenue and is mainly considered for disclosure in this Statement. The Group also holds a majority stake of 51% in Norwatt Power, a dormant subsidiary whose activities will only be considered when it becomes an active contributor to Group revenue.

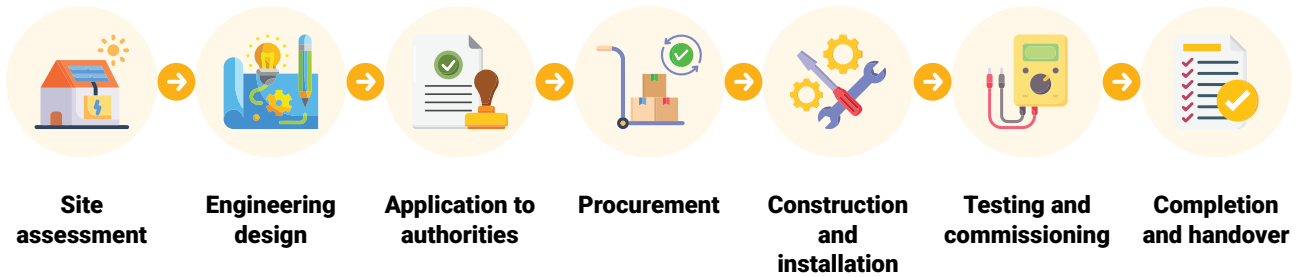
The Group's Organisation Chart can be seen on page 11 of this Annual Report as below:



Sustainability Statement

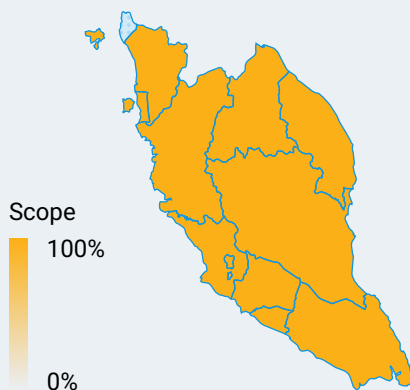
SCOPE & BOUNDARY OF REPORT (CONT'D)

Northern Solar Sdn Bhd. is principally involved in the Engineering, Procurement, Construction and Commissioning (EPCC) of solar photovoltaic (PV) systems as described in the following diagram:



Meanwhile, the Group's main business activity is carried out mainly in peninsular Malaysia, with the Group's headquarters located in Petaling Jaya, which serves as the Group's main decision-making hub. Hence, this Sustainability Statement will only discuss the Group's activities in peninsular Malaysia.

Scope of Sustainability Reporting



Residential Projects:

- Selangor - 826
- KL - 156
- Johor - 364
- Pahang - 1
- Melaka - 15
- Terengganu - 1
- Penang - 7
- Perak - 20
- Negeri Sembilan - 37
- Kedah - 6

Commercial & Industrial Projects:

- Selangor - 99
- KL - 6
- Johor - 34
- Pahang - 29
- Melaka - 14
- Terengganu - 3
- Penang - 6
- Perak - 25
- Negeri Sembilan - 17
- Kedah - 10
- Kelantan - 1

ASSURANCE

As mentioned above, this Sustainability Statement has been prepared in alignment with recognised sustainability frameworks and reflects the Group's commitment to its Environmental, Social and Governance (ESG) performance during the reporting timeframe mentioned above. All sustainability data presented herewith has been sourced internally from respective data owners and has been verified as accurate through an internal review and validation process.

The Group commits to improving its data collection and analysis methodologies as it improves the quality and reliability of its disclosures in tandem with ISSB S1 and S2 in the upcoming years. All financial data disclosed in this Statement has been obtained from the Financial Statement section of this Annual Report, laid out on pages 80 to 141, which has been audited and assured by an external auditor. Meanwhile, non-financial data and information has not been externally assured.

Sustainability Statement

LIMITATIONS

While all efforts have been made by Northern Solar to collect and present accurate, relevant and meaningful qualitative and quantitative data sourced reliably from official company sources and records, we are cognisant of existing gaps in data availability for certain indicators. To this end, we will endeavour to improve and enhance data collection exercises so that a more comprehensive and effective tracking mechanism can be developed to aid future editions of the Annual Report.

FORWARD-LOOKING STATEMENTS

This statement may include forward-looking statements relating to the Group's strategy, targets, plans, operations, and performance, which are based on current expectations and projections. These statements are subject to various risks, uncertainties, and unforeseen events beyond the Group's control. Accordingly, actual results may differ materially from those expressed or implied. Investors are advised not to place undue reliance on such statements and are encouraged to seek independent professional advice before making any decisions.

FEEDBACK AND COMMENTS

The Annual Report containing this Statement is available for download to the public on the Company website: <https://northernsolar.com.my/>. The Group welcomes stakeholders' feedback and suggestions for continuous improvement to our disclosures.

Feedback may be sent to: sales@northernsolar.com.my.

SUSTAINABILITY GOVERNANCE

The Board of Directors (BOD) of the Group holds ultimate responsibility for sustainability oversight, including the review of strategic Environmental, Social and Governance (ESG) risks and opportunities, regulatory compliance, and the integration of ESG principles across the Group's business operations. All Directors actively engage in ESG-related deliberations during quarterly board meetings, reflecting the Group's top-down commitment to sustainability.

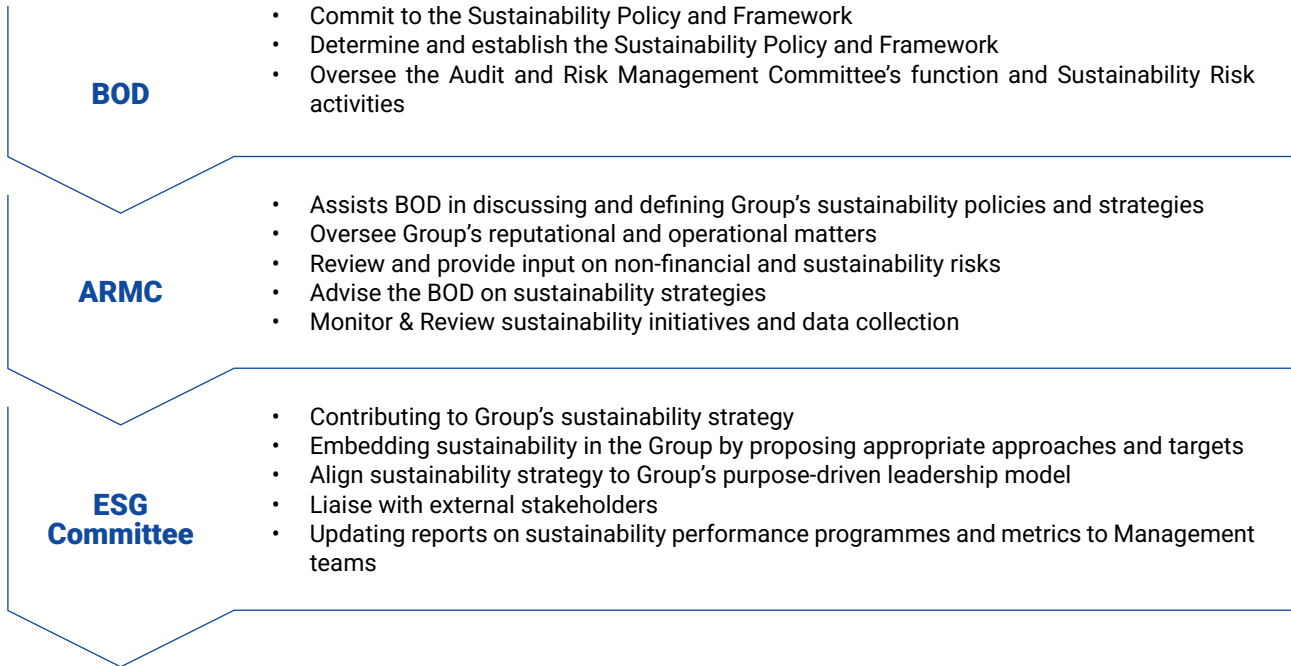
While a formal Chief Sustainability Officer (CSO) role has not been established, the Group is currently evaluating the formation of a dedicated ESG Committee to further strengthen its sustainability governance structure.

In the interim, the BOD, through the Audit and Risk Management Committee (ARMC) continues to oversee and monitor the Group's ESG-related initiatives and progress. This interim arrangement is expected to remain in place until the ESG Committee is formally constituted for the upcoming reporting period.

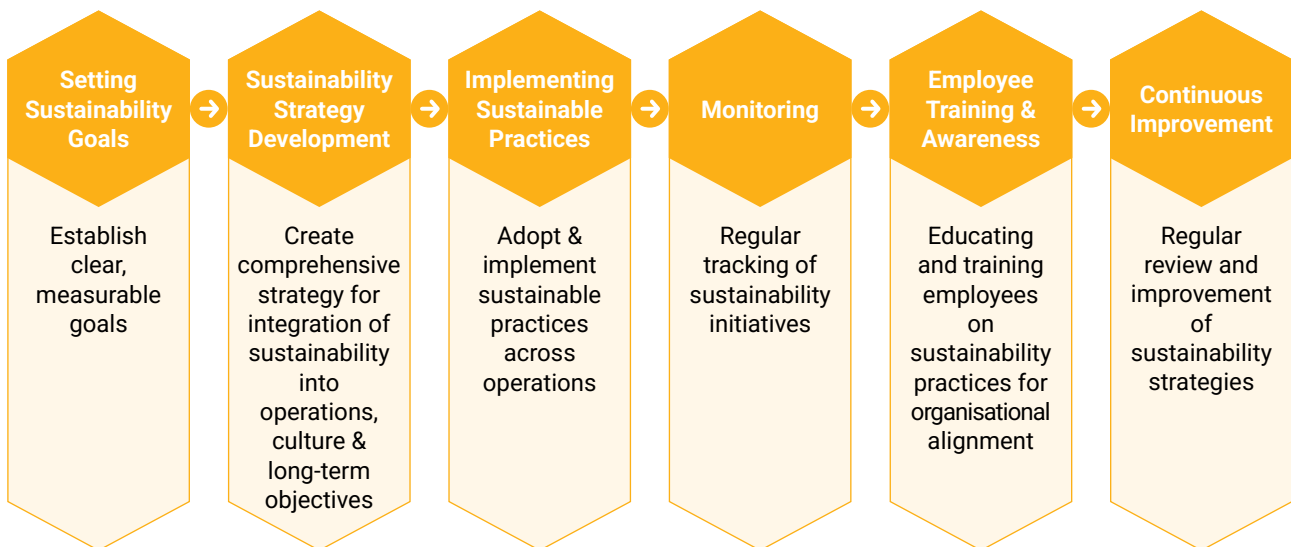
Sustainability Statement

SUSTAINABILITY GOVERNANCE (CONT'D)

The proposed governance framework comprises three tiers of oversight, as outlined below:



The Group remains committed to advancing its ESG agenda through a structured and evolving governance approach. Sustainability initiatives are implemented in a continuous and iterative manner, following a circular improvement process as illustrated below.



Sustainability Statement

STRATEGY & ROADMAP

Following Malaysia's ratification of the UN Convention on Climate Change 2015, or the Paris Agreement, the Group is cognisant of the UN SDGs which form the basis for the achievement of the 2030 Agenda for Sustainable Development. Further to this, the Group plays its part to help Malaysia achieve its Nationally Determined Contribution (NDC) commitments in the renewable energy (RE) sector, which is defined as achieving 31% RE capacity by 2025 and 40% by 2035. These targets will help Malaysia achieve a reduction of economy-wide carbon intensity by 45% in 2030 and net zero greenhouse gas (GHG) emissions by 2050. Through the Government's concerted efforts, such as the National Energy Transition Roadmap (NETR), the Group sees viable industry-wide adoption.

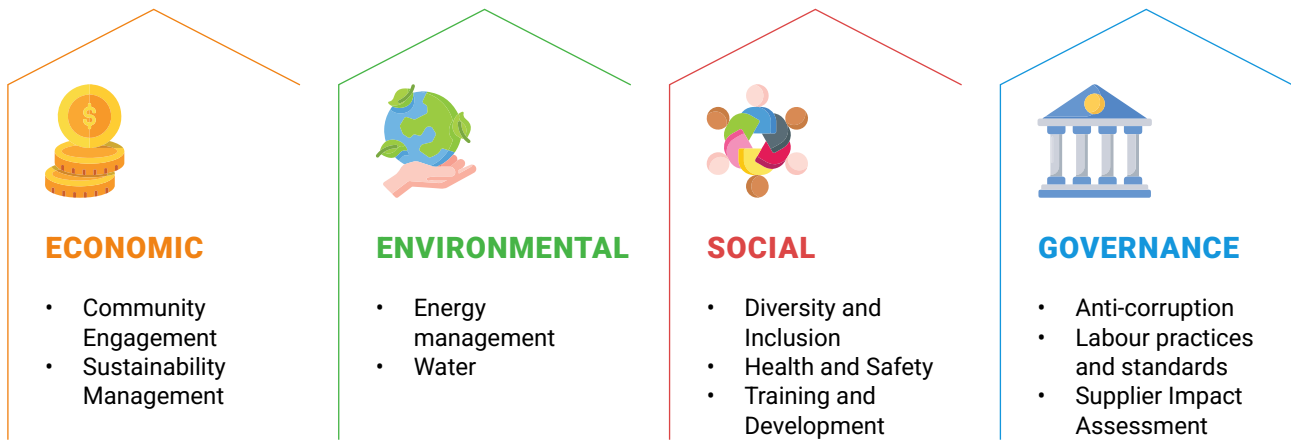
As such, the Group's support of this global call to action for a more sustainable and equitable world by 2030 sees it adopting and promoting the following UN SDGs with a particular focus on the Group's sustainability initiatives:

UN SDG	Focus Area
	Ensure everyone has access to modern, affordable, dependable and sustainable energy
	Promote full and productive employment, inclusive and sustainable economic growth, and decent work for all
	Increase innovation, promote inclusive and sustainable industrialisation and create resilient infrastructure
	Make urban areas and habitations inclusive, secure, robust and sustainable
	Immediately tackle climate change and its effects

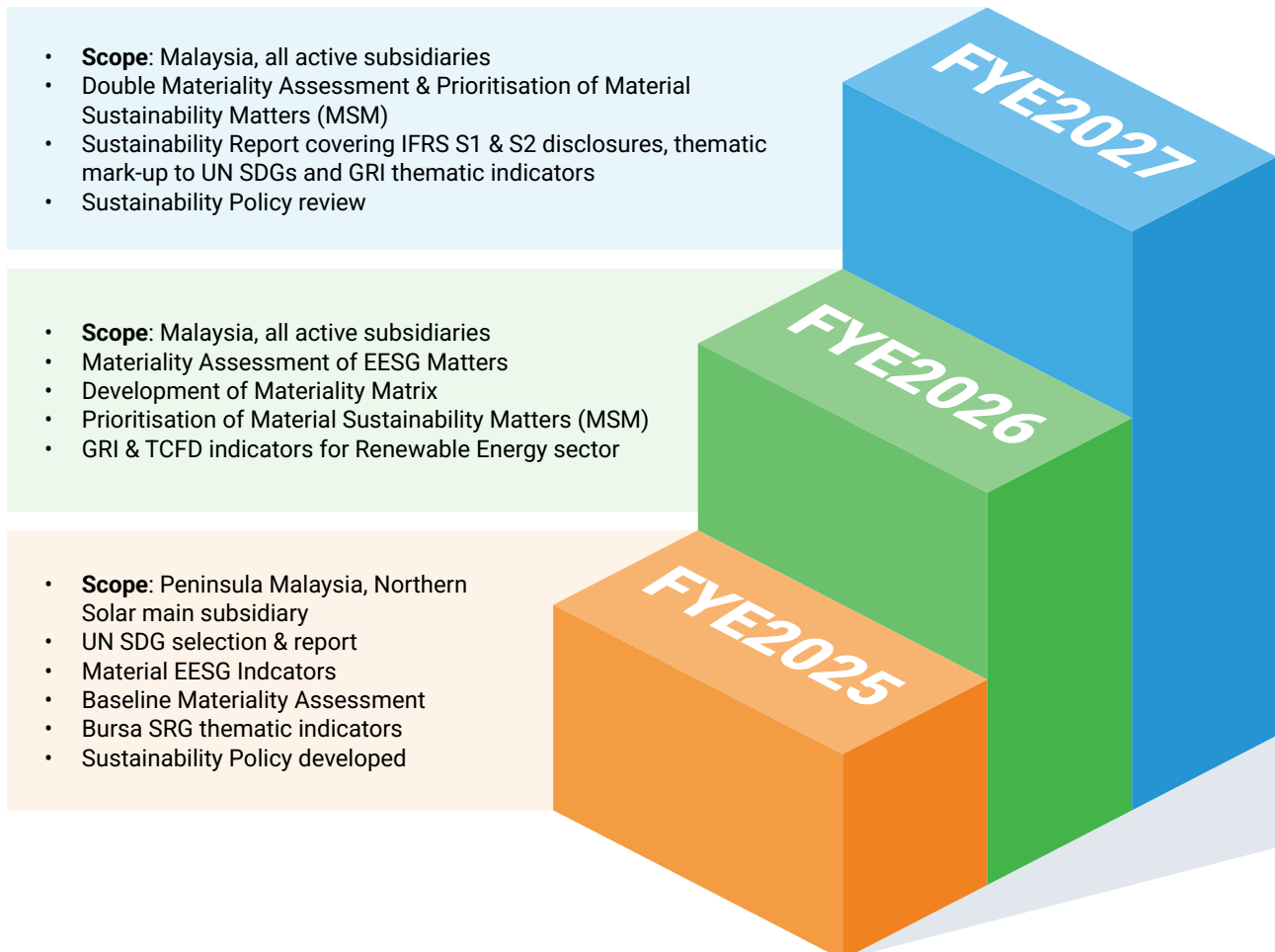
Sustainability Statement

STRATEGY & ROADMAP (CONT'D)

As the Group readies itself for the upcoming IFRS S1 and S2 disclosures, it will adopt the structure of reporting defined in accordance with Bursa's SRG in the interim, and Sustainability Matters will be grouped thematically according to Economic, Environmental, Social and Governance ("EESG") pillars as below. Further to this, only relevant Common and Industry-Specific indicators as defined by Bursa's thematic indicators will be disclosed.



As the Group begins its sustainability journey, it has a roadmap to enable the adoption of the NSRF by preparing the structures and systems for the IFRS S1 and S2 disclosures by 2027. The following roadmap identifies some of the Group's main focus areas for this development to happen:



Sustainability Statement

STAKEHOLDER ENGAGEMENT

As a public-listed company operating in Malaysia's RE sector in, the Group recognises the importance of meaningful engagement with its key stakeholders. These stakeholders have been identified as essential contributors to the Group's success and long-term sustainability, and are engaged at regular intervals through structured channels as outlined below.

Stakeholder	Engagement	Frequency	Material Sustainability Matter
Shareholders/ Investors 	Board Meetings	Quarterly/ As needed	Community Engagement
	Annual General Meeting (AGM) / Extraordinary General Meetings (EGM)	Annual/ As needed	
Customers 	Customer Support Centre (Tele-marketing)	As needed	Community Engagement
	Events & Roadshows	During launches	
	Website & Social Media platforms	Always on	
	Business consultation/ meetings	As needed	
Employees 	Performance review/ appraisals	Annually/ As needed	Labour Practices and Standards Health and Safety
	Training & Development	Ongoing	Training and Development
	Feedback channels (Townhalls, Coffee table chats, Newsletters, Intranet, etc.)	Always on	Diversity and Inclusion
Government and Regulators 	Renewal of licensing from Government and environmental agencies (CIDB, ST, Seda and MyHijau)	Annual/ As needed	Anti-Corruption
Suppliers/ Contractors 	Vendor Sourcing & Negotiation	As needed	Supply Chain Management Supplier Impact Assessment
	Supplier evaluation	Annual	
Local Community 	ESG policy communication on website and social media platforms	Always on	Community Engagement

Based on the Group's identification of its stakeholder groups, it acknowledges the importance of effective stakeholder engagement and will form the basis for the Group's insight and data gathering for effective management of issues at all levels of operations. From the methodology to the frequency of engagement the Group continues formulating actions and solutions which help address the main needs of each stakeholder groups' concerns.

Sustainability Statement

MATERIAL SUSTAINABILITY MATTERS

Ongoing stakeholder engagement also supports the Group's development of a robust materiality assessment framework. As a form of baseline materiality assessment, the Group performed an internal assessment to identify and prioritise Material sustainability Matters, focusing on the impact of its business to the environment and society, as well as the influence of stakeholders on the Group's operations.

This internal assessment forms the foundation of the Impact Materiality component of the Double Materiality approach, a key principle under the European Union's Corporate Sustainability Reporting Directive (CSRD). The Group intends to further define this framework in the upcoming financial year, with the goal of integrating a more structured and data-driven materiality assessment process.

THEMES & INDICATORS

Following Bursa's SRG, the Group has identified the following Material Sustainability Matters and will present them topically according to the pillars of EESG. Only relevant Common Indicators and Sector-Specific Indicators with specific sustainability achievements are disclosed in this inaugural Sustainability Statement.



ECONOMIC



Within the Economic pillar, there are two common indicators considered, namely Community Engagement and Supply Chain Sustainability.

COMMUNITY ENGAGEMENT

GRI STANDARD: GRI 201-1

As a caring corporate citizen, the Group's Community Engagement efforts are carried out by the Group's wholly-owned subsidiary, Northern Solar Sdn Bhd and for the avoidance of doubt, refers to communities surrounding the Group's main business activity locations.

Achievements

In FYE2025, the total amount raised by the Group for community investment totalled RM12,000 consisting of monetary donations aimed at supporting various organisations in Johor Bahru. These efforts aim to improve the welfare of surrounding communities through three beneficiary organisations.

Sustainability Statement

ECONOMIC (CONT'D)

SUPPLY CHAIN SUSTAINABILITY

GRI STANDARD: GRI 204-1

The Group prioritises engagement with local suppliers and subcontractors as it helps reduce logistics costs, time and eases communication between the supplier's team with Northern Solar's team. This also contributes to the Group's reduction of carbon footprint and supports future material disclosures.

Achievements

With an all-local subcontractors list, the Group has a 3.4:1 ratio of local to overseas suppliers in FYE2025. In the case where it is more cost-effective to source from overseas suppliers, the Group considers where the products are produced and assembled and maintains vigilance on the origins of its supply sources.



ENVIRONMENTAL



As a RE provider, the Group is inherently aligned with low-carbon goals, and recognised its pivotal role in translating Malaysia's carbon commitments through the projects it undertakes. Within this pillar of Environmental disclosures, the Group will outline the Common Indicators of Energy Management and Water for the Group level while it ramps up its Emissions disclosure for Scope 2 and Scope 3 in the immediate future.

ENERGY MANAGEMENT

GRI STANDARDS: GRI 302-1 & GRI 302-4

The Group's approach to Energy Management is primarily focussed on implementing energy efficient policies within its office premises, which utilise either the traditionally generated system from the national power grid or the upgraded solar PV systems with the feed-in tariff system. While not all of the Group's premises are RE-ready, the Group's move from Oasis Square in Ara Damansara to Menara Lagenda in Petaling Jaya in November 2024, significantly changed its energy usage profile. The Group maintains two (2) operation centres, which include the mentioned locations in the Klang Valley and its Johor Bahru premises in Taman Mount Austin, which is the Group's base for the entire period under review.

Meanwhile, as an enabler of its clientele's energy management systems, the Group discloses the total amount of renewable energy it has played a part in helping its customers generate on the Group's website. This moving target is calculated once the project comes onstream upon its completion and commissioning.

Sustainability Statement

ENVIRONMENTAL (CONT'D)

ENERGY MANAGEMENT (CONT'D)

GRI STANDARDS: GRI 302-1 & GRI 302-4

Achievements

In FYE2025, the Group's offices recorded the following amounts in total energy consumption:

Office	Energy Consumption (kWh)	Amount paid (RM)
Menara Lagenda (HQ)	11,569	6,119.37
Oasis Square	22,614	12,101.37
Austin Perdana	3,109	1,524.82
Total	37,292	19,745.56

WATER

GRI STANDARDS: GRI 303-1 & GRI 303-5

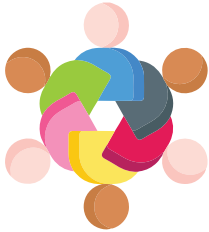
Similar to Energy Management, the Group's approach to Water conservation is mainly concentrated on implementing water conservation efforts within its office premises. Within the year under review, the Group has three (3) centres within its disclosure for this indicator, which are its former premises in Oasis Square, Ara Damansara, its current headquarters in Menara Lagenda, Petaling Jaya and Austin Perdana, Johor Bahru.

Achievements

While water consumption normally considers the total volume consumed (m³), as most of the Group's consumption falls within a single tariff block for commercial concerns, the disclosure used will be the amount the Group paid for water consumption instead. The only fluctuations in consumption rate were during the months which included renovation and moving out works from its previous headquarters. Other than that, the Group's total amount paid for water consumption is per the following:

Office	Amount paid (RM)
Menara Lagenda (HQ)	180.00
Oasis Square	591.30
Austin Perdana	180.00
Total	951.30

Sustainability Statement



SOCIAL



The Group values its workforce and communities as essential stakeholders in its sustainability journey with clearly defined Employer Value Proposition enshrined in its Human Resources Policies and Procedures in addition to its suite of Standard Operating Procedures (SOPs) to create a safe, healthy, diverse and inclusive working environment that prioritises the health and wellbeing of its workforce. The disclosures within the Group's Social pillar will consider predominantly the internal stakeholder group of employees, which are pivotal to the continued success of the Group through their meaningful contributions.

The key indicators which are discussed in this pillar are the common indicators of Diversity and Inclusion, Health and Safety and Training and Development which is a subset of the wider Labour Practices and Standards, which will be discussed in the Governance pillar subsequently.

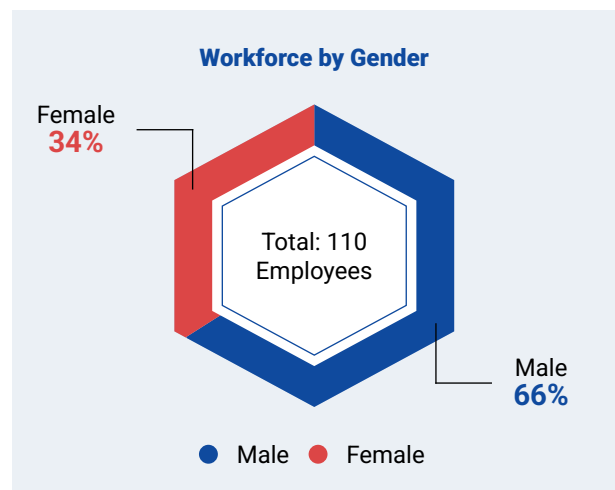
DIVERSITY AND INCLUSION (D&I)

GRI STANDARD: GRI 405-1

Among one of the features of a dynamic workforce is its Diversity and Inclusion (D&I) matters which have become a key focus in the marketplace. As a potential disruptor of the workforce, the Management takes into consideration the diverse viewpoints and inclusivity in decision-making as a significant marker of teambuilding and promotion of smooth operations. Within the Group's workforce and BOD, the diversity in terms of gender and age are represented in the following charts.

Achievements

Of the Group's total of 110 active employees as at FYE 2025, the gender balance stood at 34% female to 66% male with a breakdown of gender diversity in the different employment categories echoing this trend.



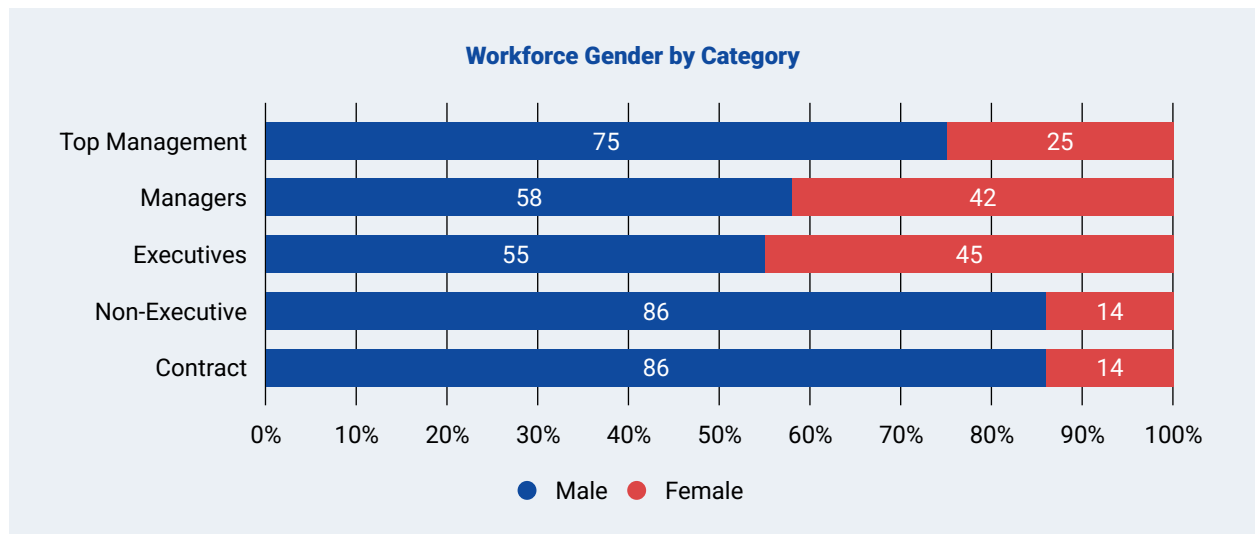
Sustainability Statement

SOCIAL (CONT'D)

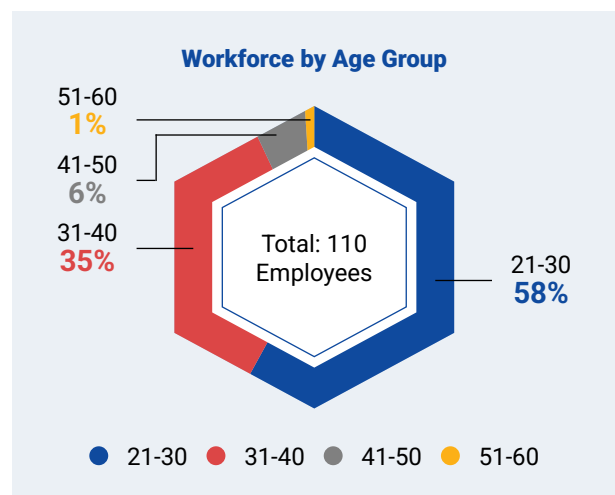
DIVERSITY AND INCLUSION (D&I) (CONT'D)

GRI STANDARD: GRI 405-1

Achievements (Cont'd)



This gender balance is more prominent in both the Non-Executive and Contract roles as well as Top Management, which is highly indicative of industry trends which require specific attributes in the workforce for its operations to be carried out in the RE sector. However, the middle management shows a near even distribution which indicates specific trends in hiring and employment of the Group's main business activity.



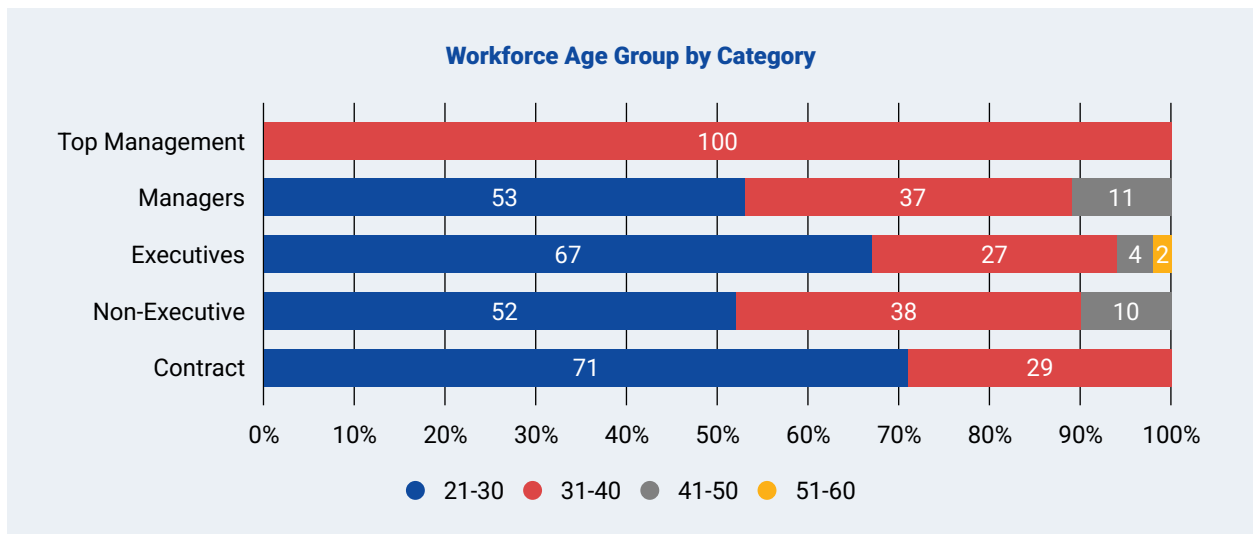
Sustainability Statement

SOCIAL (CONT'D)

DIVERSITY AND INCLUSION (D&I) (CONT'D)

GRI STANDARD: GRI 405-1

Achievements (Cont'd)



The Group's workforce by age group reveals a young and dynamic workforce, with 58.18% within the 21-30 age bracket. This corresponds with the Contract and Executive categories, which indicates the Group's agility in building a good career foundation for those who have just joined the workforce.

Along with this trend, the second largest age group are those within the 31-40 age group, which corresponds with Managers and Top Management categories, which gives the Group a steady middle- to senior-management team that provides good mentorship and leadership training to the younger talents, nurturing their career aspirations. This second largest age group is also represented by Non-Executives, which show that support roles within the Group are important and allow for the smooth running of the Group's daily operations.

Finally, the age groups of 41-50 and 51-60 show a dispersion across Non-Executives to Management, not including Top Management. This accurately portrays the unique market niche that Group inhabits in a new and rapidly evolving RE sector.

BOD Diversity

The Group's BOD is sufficiently diverse with a 50% membership of women at this level. This reflects the wealth of experience, counsel and direction provided by these Independent Non-Executive Directors in the areas of audit, risk management, nomination and remuneration and ESG matters which set the tone and direction of the Group.

A closer look into the composition of the board is through the age group filter, where the members of the board comprise a good mix of agility and experience. All members of the board bring significant operational expertise and industry-understanding to set the context of discussions at board level. Furthermore, advisory from business and used cases inform the decisions taken at this level to be cascaded for further action by the respective heads of departments of the Group.

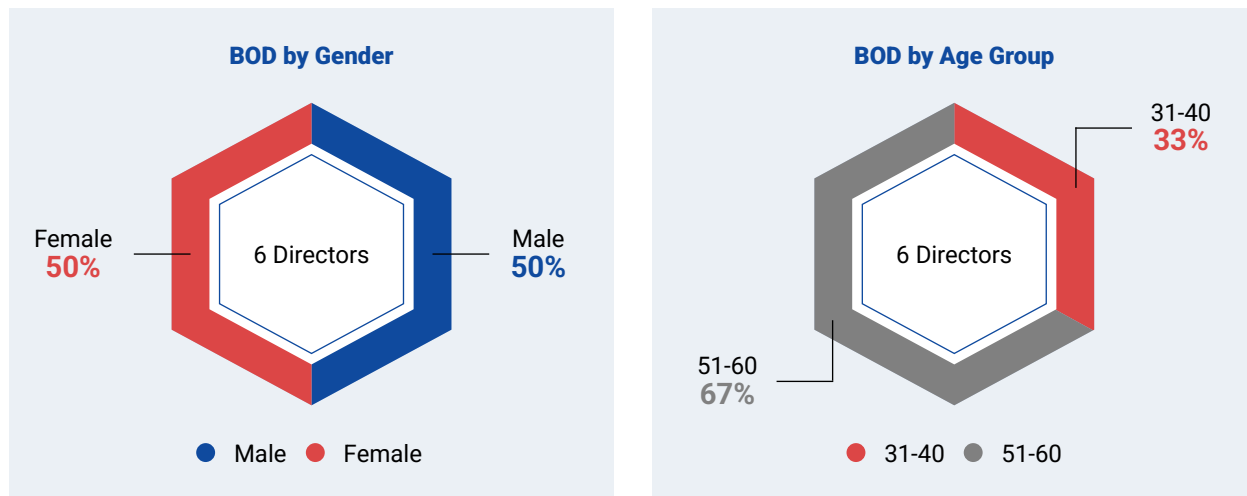
Sustainability Statement

SOCIAL (CONT'D)

DIVERSITY AND INCLUSION (D&I) (CONT'D)

GRI STANDARD: GRI 405-1

BOD Diversity (Cont'd)



HEALTH AND SAFETY

GRI STANDARDS: GRI 403-2 & GRI 403-5

The Health and Safety of employees in Malaysia is safeguarded by the Occupational Safety and Health Act 1994 (OSHA). Following this, the Group has upheld compliance to this law by placing guardrails in the form of Standard Operating Procedures (SOPs) to ensure that employees have a safe and healthy workplace to contribute meaningfully.

Achievements

Within the period under review, the Group is proud to record that there have been no work-related fatalities and zero-downtime from any industry-related Lost Time Incidents (LTI). In FYE2025, there were 13 employees selected from relevant departments, namely Project, Design, O&M and QS, who participated in a day-long training entitled 'Basic Working at Height' Program which promotes safety practices during the installation of PV systems at project sites.

TRAINING AND DEVELOPMENT

GRI STANDARDS: GRI 404-1, GRI 401-1 & GRI 401-2

The Group's robust Training and Development programmes are geared to equip and upskill the team's capabilities to maintain their relevance in the ever evolving RE sector and futureproof their professional careers. As training is a part of the Group's wider labour practices and standards, the other matters under this theme will be discussed subsequently under the Governance pillar.

Sustainability Statement

SOCIAL (CONT'D)

TRAINING AND DEVELOPMENT (CONT'D)

GRI STANDARDS: GRI 404-1, GRI 401-1 & GRI 401-2

Achievements

During the period under review, the Group charted a total of 202 hours of training by employee category on various subjects relevant to their employees' roles. The composition of training by employee category include:



GOVERNANCE



Strong Corporate Governance is the bedrock of this pillar and the common indicators build upon this foundation are Anti-corruption and Labour Practices and Standards. Along this are sector-specific indicators which cover both environmental and social aspects under the Supplier Impact Assessment matter. Most of the Governance matters are executed through the Group's Policies and Procedures which is a boon to both the Company's Constitution as well as upholding strong institutional controls within its operations.

ANTI-CORRUPTION

GRI STANDARDS: GRI 205-1 & GRI 205-2

The Group upholds high levels of integrity and Anti-Corruption with HR's Orientation Day of new employees, who are required to go through the Employee Anti-Bribery and Corruption Policy (ABAC) during this training. Compliance is then tracked when the employee indicates that they have read and understood the Policy in the Company's InfoTech system.

Sustainability Statement

GOVERNANCE (CONT'D)

ANTI-CORRUPTION (CONT'D) GRI STANDARDS: GRI 205-1 & GRI 205-2

Achievements

The Group has performed a complete assessment for its corruption-related risks in all areas of operations in FYE2025 and has no confirmed incidents of corruption in FYE2025. As the Group believes in the principle of continuous improvement, it continues boosting its anti-corruption framework through a combination of education and awareness-raising activities as well as drills and training throughout the year for enforcement and refreshing the principles of anti-corruption within the organisation.

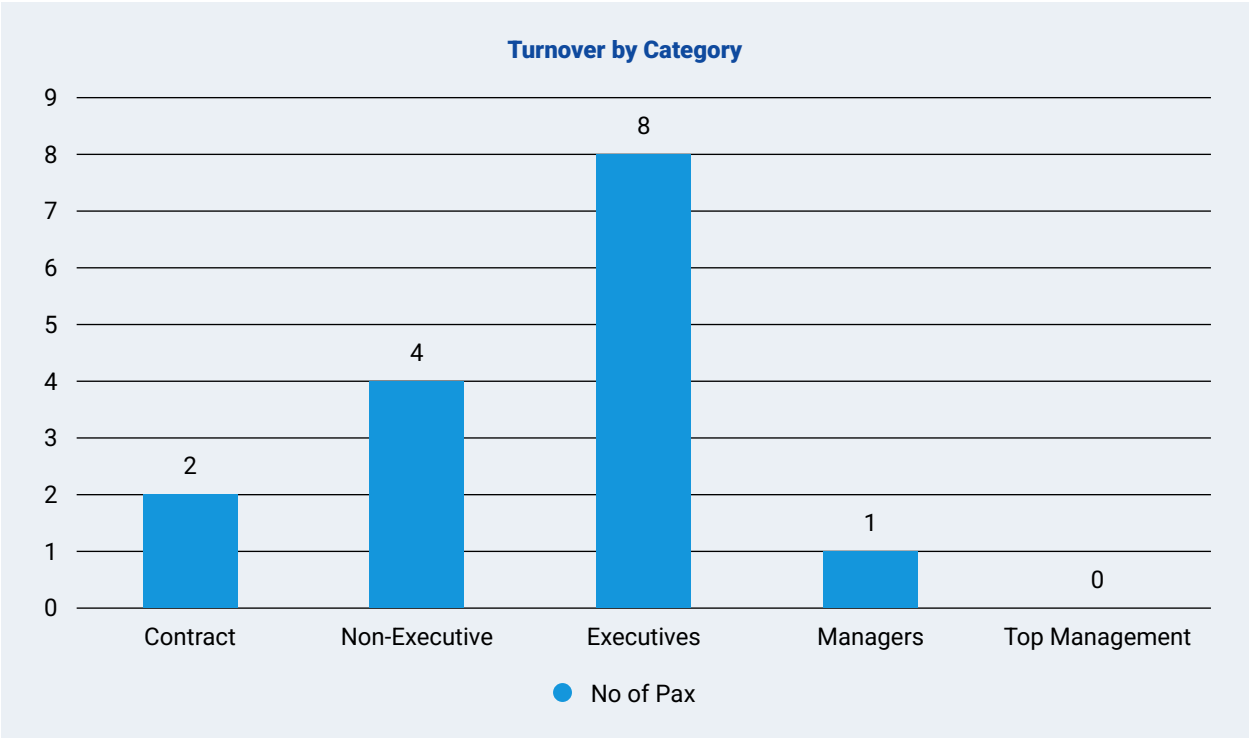
LABOUR PRACTICES AND STANDARDS GRI STANDARDS: GRI 404-1, GRI 401-1 & GRI 401-2

In a broader scope of Labour Practices and Standards, this continuation from the Social pillar's Training and Development covers areas of Contractual Law and Human Rights standards which are upheld by the Group uncompromisingly. There are three areas discussed under this indicator, involving the engagement of temporary and contract staff, the total turnover of staff in FYE2025 and any incidence of Human Rights breaches reported.

Achievements

In FYE2025, as can also be deduced from the data presented in the Diversity and Inclusion (D&I) indicator, a total of 6.4% of staff on the Group's payroll are contractors or temporary staff. As an equal opportunity employer, the Group upholds the basic tenets of the Labour Law in the engagement of contractors or temporary staff.

Where employee turnover is concerned, the Group's total employee turnover in FYE2025 amounted to 15 employees who left the Group from the following categories:



Sustainability Statement

GOVERNANCE (CONT'D)

LABOUR PRACTICES AND STANDARDS (CONT'D)

GRI STANDARDS: GRI 404-1, GRI 401-1 & GRI 401-2

Achievements (Cont'd)

Finally, the Group has maintained a good record concerning human rights as there have been no substantiated complaints concerning human rights violations in the reporting period.

SUPPLIER IMPACT ASSESSMENT

GRI STANDARDS: GRI 414-1 & GRI 414-2

The Group's Supplier Impact Assessment covers both the social and environmental scopes and engagement begins when a new Supplier is onboarded using a Supplier Assessment Form, detailing specific criteria sought after by the Group to maintain its performance excellence. Furthermore, the Group's engagement with its supplier or vendor network is detailed through its Supplier/Vendor Code of Conduct which safeguards the Group's service level expectations.

Having developed a working relationship with its current suppliers, which consists of both local and foreign suppliers, the Group has performed a Supplier Impact Assessment for the Environmental scope within FYE2025, the Social criteria for selection of new suppliers, meanwhile, will be developed by the Group in the near future.

Achievements

The Group's local to foreign supplier ratio is 3.4:1 with most of the Group's spending in the local market as foreign imports are only considered when it is both more cost-effective and technologically-advanced components which cannot be locally sourced otherwise. Sub-contractors with the Group are all local and comprise mainly of other Construction and Engineering firms.

In FYE2025, a total of six (6) suppliers have been assessed for environmental impact. Meanwhile, all current or existing suppliers are actively assessed for compliance to the Group's Supplier/Vendor Code of Conduct which forms the basis for engagement at the offset and ensures compliance to environmental and local government laws.

EPILOGUE: SUMMARY & FORWARD MOMENTUM OF SUSTAINABILITY MATTERS

The Group acknowledges that it is on a sustainability journey to continue embedding sustainability in all aspects of operations within its immediate future. On this basis, the Group has detailed their Sustainability Roadmap to be taken as a forward-looking statement and in no way guarantees the outcomes of the Group in its efforts to continue embedding sustainability into its culture.

The Group remains committed to oversee and improve its sustainability reporting culture in order to maintain a competitive edge and to ensure investors remain interested in a Company that is vibrant and dynamic in its operations, strategy and direction going forward.

To this end, the Group maintains vigilance over its emissions data, growing a suitable methodology to ascribe value and describe its achievements and targets in the upcoming financial year, especially on its Scope 2 and Scope 3 emissions as it doesn't have direct, or Scope 1 emissions. Northern Solar Holdings Berhad is committed to continuously improving its ESG disclosures and practices. The Group believes in sustainability as a strategic enabler to future-proof the business and deliver long term values.

Corporate Governance Overview Statement

INTRODUCTION

The Board of Directors ("**the Board**") of Northern Solar Holdings Berhad ("**the Company**") recognises the importance of corporate governance and is committed to ensuring that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance ("**MCCG**") are observed and practised throughout the Company and its subsidiaries (collectively referred to as "**the Group**") so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value.

This statement is prepared in compliance with ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and it is meant to be read together with the Corporate Governance Statement and Corporate Governance Report. The Corporate Governance Report provides details on how the Company has applied each practice as set out in the MCCG for the financial year ended 31 March 2025 ("**FYE2025**"), a copy of which is available on the Company's website at www.northernsolar.com.my.

This statement further outlines the following principles and recommendations which the Group has comprehended and applied. The Board will continue to take measures to improve compliance with principles and recommended best practices in the ensuing years:

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board has considered and discussed a wide range of matters during the FYE2025, including strategic decisions and reviewing of risk associated matters in the business. The Board is aware that decisions made for the business of the Group would affect a broad range of our stakeholders. While the Board seeks to ensure that the decisions were taken in a way that was fair and consistent with the Group's values, the Board also recognised the importance of balancing these with the need to support the long-term future of the business.

In order to ensure orderly and effective discharge of the above functions and responsibilities of the Board, the Board has established various committees where specific powers of the Board are delegated to the relevant Board Committees.

The Board has a formal schedule of matters reserved for deliberation as set out below, to ensure good governance is in place for the Group:

- Corporate overall strategic directions and plans;
- Corporate structure and capital, including reduction of capital, share issues, share buy backs including the use of treasury shares;
- Financial reporting including Annual budgets, and major capital commitments;
- New ventures or partnership or major contracts above the limits of authority delegated by the Board;
- Material acquisitions and disposals of undertakings and properties;
- Changes to the Management and control structure;
- Approval of core policies; and
- Overall corporate governance and development

Corporate Governance Overview Statement

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

II. BOARD COMPOSITION

The Board recognises the benefits of having a diverse Board to ensure that the mix and profiles of the Board members in terms of age, ethnicity and gender to provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The Board believes that a truly diverse and inclusive Board will leverage on different thought, perspective, cultural and geographical background, age, ethnicity and gender which will ensure that the Group has a competitive advantage.

In evaluating the suitability of individual Board members, the Nomination Committee (“NC”) takes into account several factors, including skills, knowledge, expertise, experience, professionalism and time commitment to effectively discharge his or her role as a Director, contribution and performance, background, character, integrity and competence. In the case of candidates for the position of Independent Non-Executive Directors, the NC will evaluate the candidates’ ability to discharge their responsibilities and should bring in their independent judgement, provide constructive challenge, strategic guidance, offer specialist advice and impartiality.

The Board currently has three (3) female Director, and with the current composition, the Board feels that its members have the necessary knowledge, experience, diverse range of skills and competence to enable them to discharge their duties and responsibilities effectively.

III. REMUNERATION

The Board has in place a Remuneration Policy and Procedure which is clear and transparent, designed to support and drive business strategy and long-term objectives of the Group. In this regard, the Remuneration Committee (“RC”) is responsible to formulate and review the remuneration policies for the Directors of the Company to ensure the same remain competitive, appropriate, and in line with the prevalent market practices.

The Board carries out a remuneration review for its employees including that of Senior Management, with the view to ensure that the Group continues to retain and attract the best talents in the industry. The proposed salary structure was considered by the RC and subsequently approved by the Board for implementation.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (“ARMC”) plays a key role in ensuring integrity and transparency of corporate reporting. The ARMC’s role is to review and challenge Management to ensure that appropriate disclosures of accounting treatment and accounting policies are made. The ARMC has a duty to provide assurance to the Board that robust risk management, controls and assurance processes are in place. The ARMC continues to monitor the potential risks of the Group and ensures that mitigating factors are in place to ensure the health, safety and business continuity of the Group.

During the FYE2025, the ARMC with the assistance of the Internal Auditors had undertaken a thorough review on the contract and quantity survey of Northern Solar Sdn. Bhd., a wholly-owned subsidiary of the Company, to ensure that appropriate controls and effective management processes are in place.

Annually, the composition of the ARMC is reviewed by the NC and recommended to the Board for its approval. With the view to maintain an independent and effective ARMC, the NC ensures that only Independent Non-Executive Directors who have the appropriate level of expertise and experience and have the strong understanding of the Group’s business would be considered for membership on the ARMC.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management is a critical component of good management practice and effective corporate governance. With the Risk Management Framework being in place, the Board's decision-making was supported by sufficient information for the right discussions and considerations. The enhanced level of risk debate and greater involvement from the Management were also critical in ensuring that appropriate monitoring and mitigations were embedded to support the proposals under discussion.

The Board will continue to drive a proactive risk management approach and ensure that the Group's employees have a good understanding on the application of risk management principles in order to work towards cultivating a sustainable risk management culture. The Board will also continue to challenge the Group's risk reporting mechanism and ensure that it is data-driven to capture and quantify exposures where applicable and necessary.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Group recognises the importance of stakeholder engagement leading to the long-term sustainability of its businesses. As a responsible corporate citizen, the Group must interact with stakeholders and also acknowledge the potential impact that its operations may have on a wide range of stakeholders. For engagement to be constructive and meaningful, each matter considered by the Board therefore has to be in the context of relevant economic, social and environmental factors.

The Company has heightened its engagement efforts with stakeholders by engaging discussions with analysts, fund managers and shareholders, both locally and overseas, upon requests.

Moving forward, the Board intends to adopt a more mature form of sustainability reporting to stakeholders by implementing the International Integrated Reporting Framework in the Annual Report, allowing stakeholders to have a better understanding on the Group sustainability.

II. CONDUCT OF GENERAL MEETINGS

The Company's Annual General Meeting ("AGM") is an important means of communicating with its shareholders. To ensure effective participation of an engagement with the shareholders at the AGM of the Company, all members of the Board would be present at the meeting to respond to questions raised by shareholders and proxies. In addition, the Chairman of the Board would chair the AGM in an orderly manner and encourage the shareholders and proxies to speak at the meeting. The overall performance of the Group would be presented at the meeting.

In line with good governance practices, the notice of the AGM would be issued at least twenty eight (28) days before the AGM date and the AGM is conducted through an electronic polling system. The Company will continue to explore and leverage on technology, to enhance the quality of engagement with its shareholders to facilitate further participations by shareholders at the AGM of the Company.

PRELUDE

Over the next few pages, we would look at the Board, its role, performance and oversight. We will provide details on the Board's activities and discussions during the financial year, the actions arising from these and the progress made against them. We also provide an insight on director independence effectiveness and our Board evaluation, succession planning and induction and ongoing developments.

Corporate Governance Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

1. Board of Directors

Northern Solar Holdings Berhad (“**the Company**”) and its subsidiaries (collectively referred to as “**the Group**”) acknowledge the pivotal role played by the Board of Directors (“**the Board**”) in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders’ value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good governance and ethical manner. The Directors individually have a legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board’s responsibilities, amongst others include the following:

- a) Lead and manage the Company in an effective and responsible manner;
- b) Establish the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the management and monitoring the performance of the management;
- c) Monitor financial outcomes and the integrity of internal and external reporting, in particular approving annual budgets and longer term strategic and business plans;
- d) Assess the effectiveness of the Board of Directors as a whole, the Committees of the Board and the contribution of each Director;
- e) To identify principal risks and to ensure the implementation of appropriate systems to protect the company’s assets and to minimise the possibility of the Company operating beyond acceptable risk parameters;
- f) To keep pace with the modern risk of business and other aspects of governance that encourage enhancement of effectiveness in Board and management;
- g) To review the adequacy and integrity of the Group’s internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- h) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Board and the key management;
- i) Establish and review annually corporate communication policies with respect to the following:-
 - (i) How the Company interacts with analysts, investors, other key stakeholders and the public.
 - (ii) Measures for the corporation to comply with its continuous and timely disclosure obligations.
- j) For each member of the Board of Directors, act as representatives of the Company in
 - (i) Enhancing the Group’s public image, reputation and credibility.
 - (ii) Providing contacts or network for the Group.
 - (iii) Being loyal to the Group.
 - (iv) Supporting the decisions of the majority of the Board of Directors.
 - (v) Contributing insights on potential business opportunities and market developments, with the primary responsibility for identifying, evaluating, and pursuing such opportunities resting with the Managing Director and Executive Directors.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

1. Board of Directors (Cont'd)

- k) Ensure all new Directors receive comprehensive orientation to fully understand the role of the Board and its Committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its Directors) and the nature and operation of the Group's business; and
- l) In discharging its duties, the Board may engage the services of external advisors at the expense of the Company. The Board also allows, any Board Committee or Director to engage the services of an external advisor at the expense of the Company, to adequately carry out such Committee's duties, where the circumstances so warrant, subject to the Board of Directors' approval.
- m) Oversees and evaluates the conduct and sustainability of the Group which includes strategy on economic, environmental and social considerations.

To assist in the discharge of its responsibilities, the Board has established the following Board Committees to perform certain of its functions and to provide recommendations and advice:

- (i) Audit and Risk Management Committee ("**ARMC**")
- (ii) Nomination Committee ("**NC**")
- (iii) Remuneration Committee ("**RC**")

Each Board Committee operates within their approved terms of reference set by the Board which are periodically reviewed. The Board appoints the Chairman and members of each Board Committee.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

Board meeting agenda includes statutory matters, governance and management reports, which include strategic risks, strategic projects and operational items. The Board approves an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

The profile of each Director is presented in the Annual Report of the Company.

2. Separation of position of the Chairman and Managing Director

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and the Managing Director of the Company are separately held, and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy open, exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

2. Separation of position of the Chairman and Managing Director (Cont'd)

The Chairman of the Board, Amirul Azhar Bin Baharom, an Independent Non-Executive Chairman, leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. The roles and responsibilities of the Chairman's key responsibility, amongst others, includes the following:

- (a) lead the Board and ensure its effectiveness in discharging its responsibilities;
- (b) ensure the efficient conduct of the Board's function and meetings;
- (c) facilitate the effective contribution of all Directors at Board meetings;
- (d) promote constructive and respectful relations between Directors, and between the Board and Management;
- (e) ensure the proper and timely flow of information to the Board;
- (f) ensure effective communication between the Board and the Management with shareholders, stakeholders and the public generally.

The Board delegates the Managing Director, namely Lew Shoong Kai, supported by the Executive Director and senior management to oversee the day-to-day operations to ensure the smooth and effective running of the Group. The Managing Director and Executive Director implement the policies, strategies, decisions adopted by the Board, monitor the operating financial results against plans and budgets and act as a conduit between the Board and Management in ensuring the success of the Group's governance and management functions.

During Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors contribute to the discussion. The Chairman and Executive Directors arrange informal meetings and events from time to time to build constructive relationships between the Board members.

The Executive Directors take on primary responsibility to spearhead and manage the overall business activities of the various business division of the Group to ensure optimum utilization of corporate resources and expertise by all the business divisions and at the same time achieve the Group's long-term objectives. The Executive Directors are assisted by the heads of each division in implementing and running the Group's day-to-day business.

3. Supply of and Access to Information

All Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs in a timely manner to enable them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings are sent to Directors at least five (5) working days before the meetings. Management provides the Board with detailed meeting materials at least five (5) days in advance of the Board or Board Committees' meetings. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

3. Supply of and Access to Information (Cont'd)

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

4. Commitment of the Board

The Board would meet at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agendas with due notice given and Board papers are prepared by the Company Secretary and circulated to all Directors prior to the meetings.

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretary.

The Board met three times during the financial year ended 31 March 2025 ("FYE2025"). The attendance of each Director at the Board Meetings held during FYE2025 are as follow:

Directors	Number of meetings attended	%
Amirul Azhar Bin Baharom	3/3	100%
Lew Shoong Kai	3/3	100%
Chew Win Hoe	3/3	100%
Tan Ai Ning	3/3	100%
Teh Muy Ch'ng	3/3	100%
Roselinda Binti Mohammad Hashim	3/3	100%

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") allow a Director to sit on the board of a maximum of five (5) listed issuers. At present, all Directors of the Company have complied with the AMLR of Bursa Securities where they do not sit on the board of more than five (5) listed issuers.

5. Continuous Development of the Board

The Board, via the NC, continues to identify and attend appropriate briefings, seminars, conferences and courses to keep abreast of changes in legislations and regulations affecting the Group.

All Directors have completed the Mandatory Accreditation Programme. The Directors are mindful that they would continue to enhance their skills and knowledge to maximize their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

5. Continuous Development of the Board (Cont'd)

The list of training programmes attended by the Directors during the financial year under review are as follows:

Date	Name of Training Programme	Name of Participant
04.02.2024	Corporate Directors Training Programme Fundamental 5.0 by SSM	Roselinda Binti Mohammad Haslim
16 to 17.10.2024	Bursa Malaysia Mandatory Accreditation Programme (MAP)	Roselinda Binti Mohammad Haslim
11.09.2024	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024 organised by KPMG	Teh Muy Ch'ng
16.10.2024	Deloitte Board-Ready Women Program 2024 organised by Deloitte	Teh Muy Ch'ng
10.12.2024	Mastering Tax & Corporate Compliance Conference organised by Boardroom	Teh Muy Ch'ng
11 to 12.09.2024	Bursa Malaysia Mandatory Accreditation Programme (MAP)	Lew Shoong Kai
11 to 12.09.2024	Bursa Malaysia Mandatory Accreditation Programme (MAP)	Chew Win Hoe
07.11.2024	Director & Management Training Session: Taxation on Foreign Source Income, Capital Gains, and Budget 2025 Update	Amirul Azhar Bin Baharom
03.12.2024	KPMG Webinar: MFRS Updates 2024	Tan Ai Ning
22 to 23.10.2024	MAICSA Annual Conference 2024	Tan Ai Ning
03.09.2024	SSM Program Bimbingan ASAS Skim Kepentingan 2024 (PBASK24) Zon Tengah	Tan Ai Ning

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

5. Continuous Development of the Board (Cont'd)

The Company Secretaries also highlight the relevant guidelines on statutory and regulatory requirements from time to time to the Board. The External Auditors on the other hand, briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

6. Board Committees

ARMC

The ARMC overseeing risk management, monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The ARMC maintains direct, unfettered access to the Company's External Auditor, Internal Auditor and management.

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The present members of the ARMC are as follows:

Directors	Designation
Teh Muy Ch'ng	Chairperson
Roselinda Binti Mohammad Hashim	Member
Tan Ai Ning	Member

A copy of the ARMC's Terms of Reference can be found in the Company's website at <https://northernsolar.com.my/>.

NC

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board.

The NC comprises of the following, all of whom are Independent Non-Executive Directors. The present members of the NC are as follows:

Directors	Designation
Tan Ai Ning	Chairperson
Roselinda Binti Mohammad Hashim	Member
Teh Muy Ch'ng	Member

The NC did not convene any meeting during the FYE2025 as the Company was recently listed on 6 February 2025.

A copy of the NC's Terms of Reference is available at the Company's website at <https://northernsolar.com.my/>.

RC

The RC is responsible for recommending to the Board the remuneration principles and the framework for members of the Board and Senior Management.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

6. Board Committees (Cont'd)

RC (Cont'd)

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors. The present members of the RC are as follows:

Directors	Designation
Roselinda Binti Mohammad Hashim	Chairperson
Tan Ai Ning	Member
Teh Muy Ch'ng	Member

The RC did not convene any meeting during the FYE2025 as the Company was recently listed on 6 February 2025.

A copy of the RC's Terms of Reference can be found in the Company's website at <https://northernsolar.com.my/>.

7. Code of Conduct & Ethics

The Company has established a Code of Conduct & Ethics to promote a corporate culture which engenders ethical conduct that permeates throughout the Group. The Code of Business Ethics is based on principles in relation to trust, integrity, transparency, accountability, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism.

The Group practices the relevant principles and values in the Group's dealings with employees, customers, suppliers and business associates. The Directors, officers and employees of the Group are also required to observe, uphold and maintain high standards of integrity in carrying out their roles and responsibilities and to comply with the relevant laws and regulations as well as the Group's policies.

The Board is provided guidance through the Code of Conduct & Ethics on disclosure of conflict of interest and other disclosure information/requirements to ensure that the Directors comply with the relevant regulations and practices. In order to address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring such Directors to abstain from participating in deliberations during meetings and abstaining from voting on any matter in which they may also be interested or conflicted. The Directors of the Group are also required to disclose and confirm their directorships and shareholdings in the Group and any other entities where they have interests.

Notices on the closed period for trading in the Company's shares are sent to Directors, principle officers and the relevant employees on a quarterly basis specifying the timeframe during which they are prohibited from dealing in the Company's shares, unless they comply with the procedures for dealings during closed period as stipulated in the AMLR.

Details of the Code of Conduct & Ethics can be found in the Company's website at <https://northernsolar.com.my/>.

Corporate Governance Statement

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

I. Board Responsibilities (Cont'd)

8. Whistleblowing Policy

The Company has adopted a Whistleblowing Policy as the Board believes that a sound whistleblowing system will strengthen, support good management and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded to the Company's whistleblowing channel.

Full details of the Whistleblowing Policy can be found on the Company's website at <https://northernsolar.com.my/>.

9. Company Secretaries

The Board is assisted by qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Group's constitution, policies, procedures and compliance with the relevant regulatory requirements, codes, guidance and legislations. All the Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretary and Administrators for practising company secretary. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions.

In addition, the Company Secretaries is also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities.
- Advising the Board on matters related to corporate governance and the AMLR.
- Ensuring that Board procedures and applicable rules are observed.
- Maintaining records of the Board and ensuring effective management of the Company's statutory records.
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded.
- Assisting communications between the Board and Management.
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.
- Preparing agendas and co-coordinating the preparation of Board papers.

Corporate Governance Statement

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

II. Board Composition

1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The NC ensures that the composition of the Board is refreshed periodically while the tenure, performance and contribution of each Director is assessed by the NC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

As at the date of this Statement, the Board consists of one (1) Independent Non-Executive Chairman, three (3) Independent Non-Executive Directors, one (1) Managing Director and one (1) Executive Director. This complies with Rule 15.02 of the AMLR which requires at least two (2) or one-third (1/3) of the Board of the Company, whichever is higher, are Independent Directors. The composition of the Board is also in line with the Practice 5.2 of the Malaysian Code on Corporate Governance ("MCCG"), by virtue of the fact that 66.67% of its composition are Independent Directors. The composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgment on the affairs of the Company.

The Board of Directors' profile can be found in the Annual Report of the Company.

2. Independency of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The Board, via the NC assesses each Director's independence to ensure on-going compliance with this requirement annually. The NC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Company.

As at the date of this statement, none of the Independent Directors has exceeded a cumulative term of nine (9) years.

3. Appointment of Board and Senior Management

The Board of Directors comprise of a collective of individuals having an extensive complementary knowledge and competencies, as well as expertise to make an active, informed and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Corporate Governance Statement

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

II. Board Composition (Cont'd)

3. Appointment of Board and Senior Management (Cont'd)

The NC will assess the suitability, fitness and propriety of the candidates based on criteria set out in the Fit and Proper Policy before formally considering and recommending them for appointment to the Board or senior management. In proposing its recommendation, the NC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in AMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and Annual General Meeting.

4. Gender Diversity

While the Board of Directors acknowledge the need to promote gender diversity within its composition and endeavour to increase female participation in the Board and Senior Management, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions. As at the end of the financial year ended 31 March 2025, the Board comprises of three (3) women Directors, representing approximately 50% of the total numbers of the Board which is in line with the MCCG of at least 30% representation of women on Board.

The Board has yet to adopt a specific policy on diversity. The Board is of the opinion that its members possess the necessary knowledge, experience, diverse range of skills, and competence to effectively discharge their duties and responsibilities.

5. Identifying Suitable Candidates

Any proposed appointment of a new member to the Board will be deliberated by the full Board based upon a formal report, prepared by the NC on the necessity for reviewing the qualifications and experience of the proposed director. The NC would be guided by the Directors' Fit and Proper Policy and an internal policy on Criteria and Skill Sets for the Board Members in assessing the suitability of the potential candidates for appointment to the Board.

6. Chairperson of the NC

The NC is led by Tan Ai Ning, the Independent Non-Executive Director, who directs the NC for succession planning and appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the NC with relevant information of the Group's needs, allowing them to source for suitable candidates when the need arises.

7. Annual Evaluation

The NC is responsible in evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NC Chairperson and supported by the Company Secretary via questionnaires. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

Corporate Governance Statement

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

II. Board Composition (Cont'd)

7. Annual Evaluation (Cont'd)

The assessment criteria used in the assessment of Board and individual Directors include a mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contributions of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Roles and Responsibilities of the Board and Board Committees and elements of environmental social and governance.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his/her contribution to Board processes.

Any appointment of a new Director/ re-appointment of Director to the Board or Board Committee will be subject to the Directors' Fit and Proper assessment and is recommended by the NC for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors (including the Managing Director) for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all directors shall retire at least once every three (3) years.

The Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

The NC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement the Directors standing for re-election at forthcoming AGM of the Company.

III. Remuneration

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and Senior Management in order for the Company to attract and retain Board and Senior Management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and Senior Management lie with the RC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind and etc.) which is determined by the Group's overall financial performance in each financial year which is designed to support our strategy and provides a balance between motivating and challenging our senior managements to deliver our business priorities, as set out by Executive Directors, and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with the Chairman of the Board receiving a higher fee in respect of his service as Chairman of the Board. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

Corporate Governance Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

Presently, the ARMC consists of three (3) Independent Non-Executive Directors and all of them are financially literate and have sufficient understanding of the Group's business. All the members of the ARMC undertook continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The Chairperson of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact. The composition of the ARMC undergoes an annual review by the NC and subsequently recommended to the Board for approval. Based on the results of the evaluation conducted on the performance of the ARMC for FY2025, the Board expressed satisfaction with the performance of the ARMC in discharging its responsibilities.

The ARMC has adopted a Terms of Reference which sets out its goals, objectives, duties, responsibilities and criteria on the composition of the ARMC which includes a former key audit partner of the Group to observe a cooling-off period of at least three (3) years before being able to be appointed as a member of the ARMC. For FYE2025, no former partner of the Company's Auditors is appointed as a member of ARMC.

In presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders, the Board is responsible to present a clear, balanced and understandable assessment of the Group's performance and position. The ARMC is entrusted to provide assistance to the Board in reviewing the Group's financial reporting process and accuracy of its financial results, and scrutinising information for disclosure to ensure accuracy, adequacy, completeness and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the External Auditors. Through the ARMC, the Board maintains a transparent relationship with the External Auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The ARMC is empowered to communicate directly with the External Auditors to highlight any issues of concern at any point in time.

On an annual basis, the ARMC considers the re-appointment of the External Auditors and their remuneration and makes recommendations to the Board. The External Auditors are subject to re-appointment each year at the AGM.

The External auditors met the ARMC without the presence of the executive Board members and management on regular basis pertaining to matters relating to the Group and its audit activities. During such meetings, the External Auditors highlighted and discussed the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the ARMC or the Board.

The ARMC ensures the External Audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the External Auditors in order to make sure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

The External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Further information on the roles and responsibilities of the ARMC may be found in the Annual Report of the Company.

Corporate Governance Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. Risk Management and Internal Control Framework

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management framework has been adopted by the Group. The Group's risk management systems are designed to manage and eliminate risks, where possible to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the ARMC. This covers all material controls including financial, operational, compliance and risk management systems. The ARMC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the framework.

The Group has outsourced the internal audit function as being the most cost-effective means of implementing an internal audit function. The independent third-party service provider of the internal audit services for the FYE2025 was Talent League Sdn. Bhd. ("TLSB"), which reported directly to the ARMC as specified in the Terms of Reference of the ARMC. The Internal Auditor carries out its function in accordance with the annual Internal Audit Plan approved by the AC. TLSB has approximately for 3 audit personnel assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are set out below:

Name	Mr. Roy Thean
Qualification	A member of the MIA, Malaysian Institute of Certified Public Accountants, and Institute of Internal Auditors Malaysia
Independence	Does not have any family relationship with any of the director and/or major shareholder of the Company
Public Sanction or penalty	Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Further information may be found in the Statement on Risk Management and Internal Control and the Management Discussion and Analysis of this Annual Report.

Corporate Governance Statement

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

I. Communication with stakeholders

The Board believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a corporate communications policy and procedure not only to comply with the disclosure requirements as stipulated in the AMLR, but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group has set up an investor relations program to facilitate effective two-way communication with investors and analyst to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are constantly conducted to learn about their needs enabling sustainability and growth of the Group.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Company's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relation page.

II. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to go through the Annual Report, it is circulated at least twenty-eight (28) calendar days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

Audit and Risk Management Committee's Report

OBJECTIVE

The Audit and Risk Management Committee ("**ARMC**") was established with the primary objective of assisting the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices, reviewing related party transactions, conflict of interest, overseeing external and internal audit processes, and the stewardship of the Group's risk management framework of the holding company and each of its subsidiary companies.

COMPOSITION MEETING ATTENDANCE

The ARMC comprise of three (3) members, all of whom are Independent Non-Executive Directors. One of the members is a member of the Malaysian Institute of Accountant, bringing specialized expertise to the ARMC deliberations. The composition of the ARMC adheres strictly to the stipulated requirements outlined in Rule 15.09(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), ensuring compliance with regulatory standards and best practices.

During the financial year ended 31 March 2025 ("**FYE2025**"), the ARMC held three (3) meetings and the records of the attendance of the ARMC members are as follows:

Directors	Designation	Number of meetings attended	%
Teh Muy Ch'ng	Chairperson	3/3	100%
Roselinda Binti Mohammad Hashim	Member	3/3	100%
Tan Ai Ning	Member	3/3	100%

All members of the ARMC possess financial literacy and are equipped with the necessary skills to proficiently analyze and interpret financial statements. This expertise enables them to fulfill their duties, roles, and responsibilities for the Company with precision and effectiveness. Their adeptness in financial matters ensures comprehensive oversight and informed decision-making, contributing significantly to the ARMC's ability to safeguard the Company's interests and maintain transparency and integrity in financial reporting.

TERMS OF REFERENCE

The scope of duties and responsibilities of the ARMC are stated in the Terms of Reference ("**TOR**") is made available on the Company's website.

SUMMARY ACTIVITIES

The activities of the ARMC during the FYE2025, include the following:

- Reviewed the unaudited quarterly results of the Group and the Company including the announcements pertaining thereto, before recommending to the Board for approval and release of the results to Bursa Securities;
- Reviewed together with the External Auditors their Audit Planning Memorandum for the FYE2025;
- Reviewed and discussed with the External Auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and Management's response to these recommendations;
- Reviewed and approved non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group and the Company;
- Reviewed and approved the Internal Audit Plan to ensure adequate scope and coverage of the activities of the Group and the Company which was prepared based on risk-based approach;

Audit and Risk Management Committee's Report

SUMMARY ACTIVITIES (CONT'D)

- f) Reviewed the internal audit reports presented and considered the findings of internal audit through the review of the internal audit reports tabled and Management responses thereof;
- g) Reviewed the effectiveness of the Group's system of internal control and risk management;
- h) Reviewed related party transactions, conflict of interest and potential conflict of interest situation that may arise within the Group and/or the Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms;
- i) Reviewed the Company's compliance with the ACE Market Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements; and
- j) Report to the Board on its activities and significant findings and results.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has appointed an established external professional Internal Audit firm, which reports to the ARMC and assists the ARMC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.

Internal audit provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the ARMC.

The ARMC approves the Internal Audit Planning Memorandum during the first ARMC meeting each year. Any subsequent changes to the Internal Audit plan are approved by the ARMC. The scope of internal audit covers the audits of all units and operations, including subsidiaries as stated in the letter of engagement.

During the FYE2025, the following activities were carried out by the Internal Auditors in discharge of its responsibilities:

- (i) The internal audit function conducted based on an annual internal audit plan which was tabled before and approved by the ARMC;
- (ii) Internal Audit Plan covers the key functional areas and business activities of the major subsidiaries of the Group as well as issues relating to control deficiencies and areas for improvements including the relevant recommendations to address the issues;
- (iii) Emphasis on best practices and management assurance that encompass all business risks, particularly on the effectiveness and efficiency of operations, reliability of reporting, compliance with applicable law and regulations and safeguard of assets;
- (iv) Performed follow-up on status of Management agreed action plan on recommendation raised in previous cycles of internal audits including specific timelines for those outstanding matters to be resolved; and
- (v) Reports issued by the internal audit function were tabled at ARMC meetings in which Management was present at such meeting to provide pertinent clarification or additional information to address questions raised by ARMC members pertaining to matters raised.

The ARMC and the Board agree that the internal audit review was done in accordance with the audit plan and the coverage is adequate.

For further details on the risk management, internal controls and internal audit functions, please refer to the Statement on Risk Management and Internal Control in this Report.

Additional Compliance Information

1. Utilisation of Proceeds

The Company was listed on the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on 6 February 2025. In conjunction with the listing, the Company undertook a public issue of 395,600,000 new ordinary shares at an issue price of RM0.63 per share, raising gross proceeds of RM42.369 million. The status of the utilisation of the proceeds as at 31 March 2025 are as follows:

Detail of utilisation	Estimated timeframe for the utilisation upon listing	Proposed utilisation RM'000	Actual utilisation RM'000
Working Capital	Within 24 months	RM29,166	-
Repayment of bank borrowings	Within 12 months	RM5,500	RM3,403
Business Expansion	Within 24 months	RM3,150	RM2,038
Estimated listing expenses	Within 1 month	RM4,553	RM4,553
Total		RM42,369	RM9,994

2. Material Contracts

There were no material contracts entered into by the Group involving the interests of the Directors and major shareholders during the financial year.

3. Contract Related to Loans

There were no material contracts relating to loans entered into by the Group involving the Directors and major shareholders during the financial year.

4. Recurrent Related Party Transactions

Details of transactions with related parties undertaken by the Group during the financial year ended 31 March 2025 are disclosed the financial statements.

5. Audit and Non-audit Fees

During the financial year ended 31 March 2025, the audit and non-audit fees paid/payable to the external auditors are as follows:

Nature of Services	Company (RM'000)	Group (RM'000)
Audit Fees	40	140
Non-Audit Fees		
(a) Review of Statement on Risk Management and Internal Control	5	5
(b) Interim audit	3	48
Total	48	193

6. List of Properties

During the financial year ended 31 March 2025, there was no list of properties.

Statement on Risk Management and Internal Control

BASIS OF PREPARATION

The Board of Directors ("**the Board**" or "**BOD**") of Northern Solar Holdings Berhad ("**Northern Solar Bhd**", "**NSHB**" or "**the Group**") presents the following Statement on Risk Management and Internal Control to outline the nature and scope of risk management and internal control for the financial year ended 2025 ("**FYE2025**").

This statement has been prepared in accordance with Rule 15.26(b) of Bursa Malaysia Securities Berhad's ("**Bursa Securities**", "**Bursa Malaysia**" or "**Bursa**") ACE Market Listing Requirements ("**AMLR**") and is guided by Guidance Note 3 (GN3) of Bursa Securities Listing Requirements ("**the Guidelines**"), in conjunction with Principle B of the Malaysian Code of Corporate Governance ("**MCCG**").

In addition to this, the Group adheres to the ISO 31000 Risk Management Standard, which provides a globally-recognised framework for risk identification, assessment, and mitigation.

GOVERNANCE

The Group's prudent strategy in risk management is embedded into its operational functions to ensure a proactive and responsive approach to evolving challenges. These practices are guided by the principles outlined above in the 'Basis of Preparation' section. Furthermore, the Group's robust and structured approach to manage risks at acceptable levels involve both the BOD and the Management team.

BOARD RESPONSIBILITY

The BOD is mandated with the ultimate responsibility of overseeing risk for the Group and ensuring the effectiveness of internal controls through the establishment of clear structures, procedures and regular reviews to safeguard the Group's assets and protect shareholders' interests. Additionally, the BOD has delegated its role to specific Board Committees to regularly discuss risks that should be considered by the Group's Management. All board members actively shoulder key responsibilities to discuss and participate in risk management matters during Board meetings. The role of the Board encompasses:

- **Strategic oversight – Guiding the Group's direction**
The BOD ensures right resources are available for strategies to work and to monitor Management's performance against targets.
- **Risk management – Safeguarding the Organisation's future**
The BOD ensures the availability of adequate controls to assess and manage risks proactively. These include identifying risks, assessing risks' impacts, creating mitigation plans and continuous monitoring to ensure effectiveness.
- **Duty of care – Exercising Skill, Care and Diligence**
The BOD prepares for Board meetings, review materials and actively participate in decision-making during Board meetings. Gaps in information are identified and closed where necessary.

Additionally, at BOD-level, several board committees are formed to oversee specific tasks, which boosts the Group's corporate governance standards. These board committees are the Audit and Risk Management Committee, which oversees the Group's financial reporting and controls as well as the risk management framework of the Group and the Remuneration Committee, which defines the remuneration of the executives of the Group. All board committees are formed to distinguish the board's responsibilities with the focussed expertise of its individual members.

The Group's BOD is chaired by its distinguished Group Chairman, who plays a vital role in leading the BOD and setting its direction. The Chairman ensures the BOD functions well and fosters constructive discussions for the Group's direction. To facilitate this, the Group's chair sets its meeting agendas, keeping the BOD informed and facilitates communications between the executive and non-executive directors. The Chairman leads board appointments and oversee performance reviews for benchmarking and target-setting purposes.

Statement on Risk Management and Internal Control

RISK MANAGEMENT

Robust risk management system is held in place by the Audit and Risk Management Committee at the Board-level. This Committee oversees the Group's risk management and internal control systems meet the standards as outlined in the Basis of Preparation section of this Statement.

The Group has an Enterprise Risk Management ("ERM") policy in place and is documented in its Risk Management Handbook (Ref No. NSSBRMH-0524001). The ERM policy is designed as a structured approach to reach the following objectives:

- Identify, assess and manage key risks that could possibly affect the achievement of the Group's objectives
- Integrate risk management into corporate governance and decision-making at all levels
- Ensure accountability and oversight through a structured framework, including the Audit and Risk Management Committee (ARMC)
- Support continuous risk monitoring and evaluation, ensuring timely mitigation measures are implemented
- Promote a proactive risk culture and embedding risk awareness into daily business operations

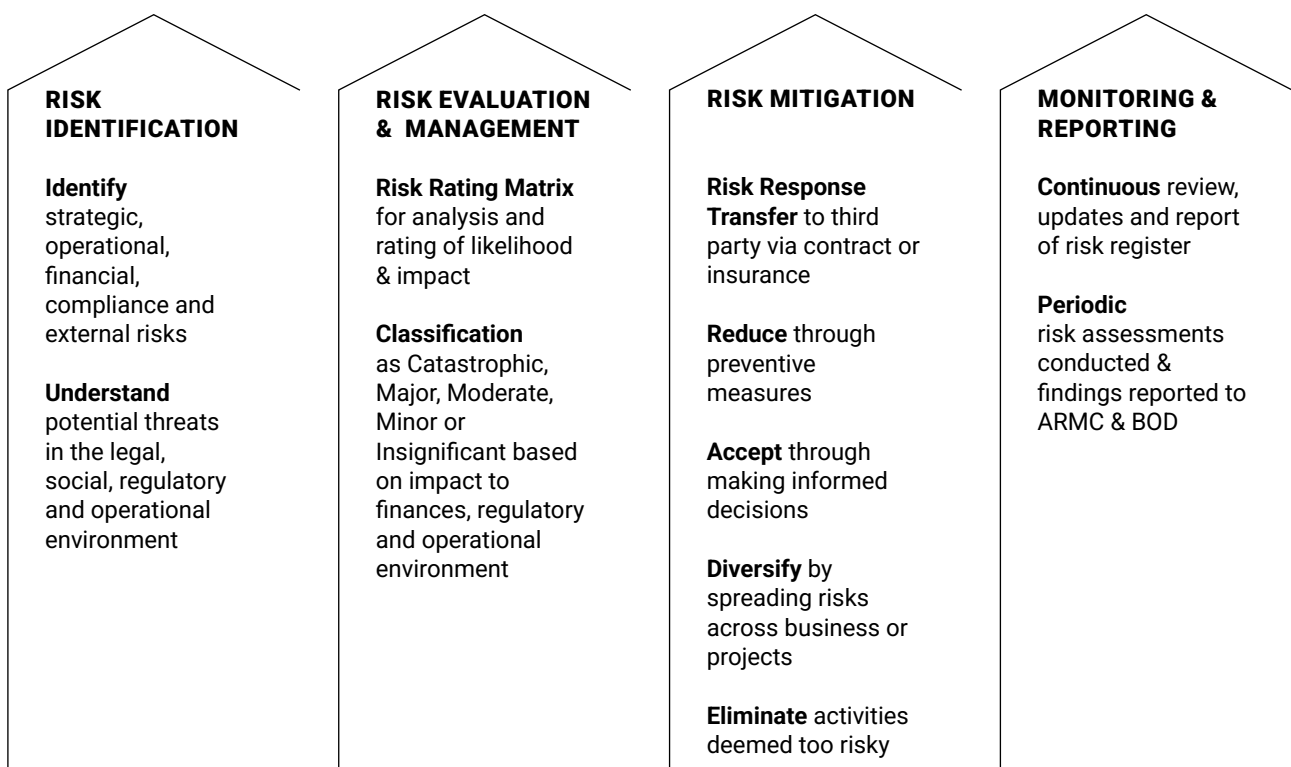
As the ERM process is continuously evolving, active participation from the BOD, management and employees in ongoing in the Group's response to its risk landscape.

Risk Management Framework

The Group's Risk Management Framework comprises 2 phases of interlinked processes, namely Risk Strategy and the Risk Assessment Process.

In the Risk Strategy phase, the Group is guided by establishing a structured approach to identification, assessment and management of risks. This includes setting up the guardrails and thresholds for the Group's risk appetite and ensuring its alignment with the Group's strategic and operational goals. Furthermore, the strategy is formulated to ensure compliance with governance requirements, which include periodic reviews by the Board and the ARMC.

The Risk Assessment Process comprises a series of interconnected processes in the following sequence:



Statement on Risk Management and Internal Control

KEY RISKS & MITIGATION

Within the financial year, the Group has identified and managed various risks across several categories, classified within the following table:

Risk Category	Risk	Mitigation
Strategic	Marketplace Risk Macroeconomic and local market conditions affect market penetration rates for solar energy projects	Reduce market aversion by coming up with innovative solutions that meet customers' pricing and necessity concerns
	Regulatory Risk Rapid regulatory changes to the sector	Effective and rapid problem-solving to meet regulatory requirements and satisfy clients' needs
Operational	Supply Chain Disruption Supply chain disruption affecting the availability of inverter and equipment	Sourcing and Procurement practices strengthened with better negotiated vendor contracts and widening the pool of vendors for service coverage
Financial	Forex & Borrowing Risks Fluctuations in foreign exchange rates and interest rates affect the financial stability in operations	Adoption of hedging strategies which manages currency exposure and interest rates

INTERNAL CONTROL FRAMEWORK

The key elements of the internal control framework that provide effective governance and oversight of internal control are described as follow:

- (i) A well-defined organisational structure with clear lines of accountability and responsibilities provide a sound framework within the organisation in facilitating check and balance for proper decision making at the appropriate authority levels of management including matters that require the Board's approval.
- (ii) A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of management involved including matters that require the Board's approval.
- (iii) The Board and ARMC meet at least once on a quarterly basis to review and deliberate on the unaudited quarterly financial reports, annual financial statements, internal audit reports and etc. Discussions with management were held to deliberate on the actions that are required to be taken to address internal control issues identified.
- (iv) Internal policies and procedures had been established for key business units within the Group.
- (v) The whistleblowing policy provides an avenue for employees and member of the public to disclose any improper conduct or any action that is or could be harmful to the reputation of the Group and/or compromise the interest of stakeholders. The policy outlines when, how and to whom a concern may be properly raised, distinguishes a concern outside their management line and in confidence. The identity of the whistle blower is kept confidential and protection is accorded to the whistle blower against any form of reprisal or retribution. Any concerns raised will be investigated and reported to the Board. The whistleblowing policy has been uploaded in the Group's website at <https://northernsolar.com.my/>.

The internal control framework is designed to give reasonable assurance with respect to the:

- maintenance of proper operational and accounting records;
- reliability of financial information used within the business or for publication;
- safeguarding of assets against unauthorised use or disposition;
- efficiency and effectiveness of the running of the businesses and operations; and
- compliance with laws and regulations.

Statement on Risk Management and Internal Control

INTERNAL AUDIT FUNCTION

The Group had appointed an independent professional firm, Talent League Sdn. Bhd. ("TLSB") to assist the Board and ARMC in performing regular and systematic review and provide independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system. TLSB is free from any relationship or conflict of interest, which may impair their objectivity and independence of the internal audit function.

The total costs incurred in respect of the outsourced of internal audit functions for the FYE2025 was RM128,000.

During the FYE2025, internal audit visits were carried out and the findings of the internal audit, including the recommended corrective actions, were presented directly to the ARMC.

In addition, follow up review will be conducted to ensure that corrective actions have been implemented on a timely manner. Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

INTERNAL CONTROL ENVIRONMENT

The Group's Internal Control environment starts with the tone from the top, in which Board-level and ARMC meetings are chaired, managed and professionally run to ensure all board members and board committee members contribute to endorse and develop a robust, professionally audited and risk managed operation. In the financial year under review, all board and ARMC meetings held every quarter had garnered the full attendance of board members.

The decisions made at the board level are then formulated into policies and procedures that support regulatory compliance and ensure operational resilience that safeguard business continuity processes in the unlikely event of a risk scenario occurring. These policies and procedures are known as the Standard Operating Procedures (SOPs), whereby a periodic review by the Internal Auditors are done with the Head of Departments.

The Human Resources function prepares, curates and updates the Employee Handbook periodically to maintain vigilance on the latest Human Resources trends for benchmarking purposes and ensure best practices adoption for the Group. The Group's functions are supported by information sharing and effective, transparent and timely internal communications. There are weekly all-hands-on-deck meetings held to discuss operational issues and monthly key senior management meetings to discuss broader and wider-reaching issues for the Group.

In terms of financial reporting, the Group is actively monitoring and reviewing its financial performance through its internal dashboards and use of a balanced score card system that ensures the Group reaches both its financial and strategic targets. The financial health of the Group is determined through the review of its unaudited quarterly consolidated financial results and annual audited consolidated financial statements. These matters under review are then highlighted by the external auditors and brought to discussion with the Board members.

The role of the Company Secretaries are also important in providing the necessary advice and guidance on matters relating to the Company's Constitution, Board policies and procedures, compliance with regulatory requirements and the relevant codes of practice which govern public-listed companies.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors had reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

Statement on Risk Management and Internal Control

CONCLUSION

For the financial year under review and up to the date of approval of this statement, the Board is of the opinion that the risk management and internal control system of the Group currently in place is adequate and effective to safeguard the Group's interests and assets.

In addition, the Board has received reasonable assurance from the Executive Directors that the Group's risk management and internal control system are adequate and operate effectively, in all material respects.

The Board will continue to assess and monitor the adequacy and effectiveness of the risk management and internal control system of the Group and to strengthen it, as and when necessary.

This statement is made in accordance with a resolution of the Board of Directors dated 17 July 2025.

Statement on Directors' Responsibility

In Relation to the Audited Financial Statements

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia.

The Directors are responsible to ensure that the financial statement is given a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have observed the following criteria:

- overseeing the overall conduct of the company's business and that of the group;
- identifying principle risks and ensuring that an appropriate system of internal control exists to manage these risks;
- reviewing the adequacy and integrity of internal controls system and management information system in the company and within the group;
- adopting suitable accounting policies and apply them consistently;
- making judgements and estimates that are reasonable and prudent; and
- ensuring that the financial statements were prepared on a going concern basis and in compliance with all applicable approved accounting standards in Malaysia subject to any material departures, if any, were disclosed.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 March 2025, appropriate accounting policies were used and applied consistently, and adopted to include new and revised Malaysian Financial Reporting Standards where applicable. The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.

Financial Statements

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Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are mainly provision of engineering, procurement, construction and commissioning ("EPCC") of solar photovoltaics ("PV") systems and plant, generation of electricity, operations and maintenance services of solar PV equipment and systems as well as being solar PV systems developer for public sector. There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year	11,409,186	(3,053,182)
Attributable to:		
Owners of the parent	11,411,981	(3,053,182)
Non-controlling interest	(2,795)	-
	11,409,186	(3,053,182)

DIVIDEND

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

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

The Company was incorporated on 9 January 2024 with an issued and paid-up share capital of RM1 comprising 1 ordinary share of RM1 per share as subscriber's share.

On 11 October 2024, the Company increased its issued and paid-up share capital from RM1 to RM14,874,165 by way of issuance of 328,347,999 new ordinary shares for a total consideration of RM14,874,164 as full payment for the acquisition of the aggregate net assets of Northern Solar Sdn. Bhd..

On 3 February 2025, the Company issued 67,252,000 new ordinary shares at an issue price of RM0.63 per ordinary share for a total consideration of RM42,368,760 in conjunction with the initial public offering and listing of the Company on Bursa Malaysia Securities Berhad.

The ordinary shares newly issued ranked equally in all respects with the existing ordinary shares of the Company. There were no other issuance of shares during the financial year.

The Company did not issue any debentures during the financial year.

Directors' Report

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Amirul Azhar Bin Baharom
Teh Muy Ch'ng
Tan Ai Ning
Roselinda Binti Mohammad Hashim
Lew Shoong Kai
Chew Win Hoe

Subsidiaries of Northern Solar Holdings Berhad (excluding those who are already the Directors of the Company)

Jasrinderjit Singh Dhillon A/L Gurmel Singh
Tew Liang Tze

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year ended 31 March 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	<----- Number of ordinary shares ----->		
	Balance as at 1.4.2024	Acquired Disposed	Balance as at 31.3.2025
Amirul Azhar Bin Baharom	-	571,400 (491,400)	80,000
Teh Muy Ch'ng	-	160,000 (160,000)	-
Tan Ai Ning	-	158,000 (91,000)	67,000
Roselinda Binti Mohammad Hashim	-	285,700 (140,000)	145,700
Lew Shoong Kai	1	139,547,899 (17,802,000)	121,745,900
Chew Win Hoe	-	139,547,900 (17,802,000)	121,745,900

DIRECTORS' BENEFITS

Since the end of the previous financial period, none of the Directors have received or become entitled to receive any benefits (other than benefits included in the aggregate amount of remuneration received or due and receivable by the Directors) 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 Directors have a substantial financial interest.

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

Directors' Report

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 31 March 2025 were as follows:

	Group RM	Company RM
Fees	134,000	134,000
Salaries and allowances	714,335	-
Contributions to defined contribution plan	107,138	-
Social security contributions	2,552	-
Other benefits	393,245	-
	1,351,270	134,000

No benefit-in-kind was provided to Directors of the Company during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amounts written off for bad debts or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Directors' Report

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D)

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT (CONT'D)

- (d) In the opinion of the Directors:
- (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Corporate restructuring

On 11 October 2024, the Company has acquired the entire equity interest of Northern Solar Sdn. Bhd. for a purchase consideration of RM14,874,164, which was wholly satisfied by the issuance of 328,347,999 new shares at an issue price of RM0.0453 per share.

On 11 October 2024, the Company has acquired 51% equity interest of Norwatt Power Sdn. Bhd. ("NPSB") for a cash consideration of RM510,000. The intended principal activities of NPSB is solar PV systems developer for public sector. NPSB has not commenced operations as at end of the reporting period.

(b) Initial Public Offering ("IPO") and listing of the Company on Bursa Malaysia Securities Berhad

In conjunction with the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad, the Company issued its Prospectus for its IPO entailing the following:

- (i) Public issue of 67,252,000 new shares ("Public Issue Shares") at an IPO price of RM0.63 per share in the following manner:
 - (a) 19,780,000 Public Issue Shares for application by the Malaysia Public;
 - (b) 7,912,000 Public Issue Shares for application by the Group's eligible Directors, employees and persons who have contributed to the success of the Group; and
 - (c) 39,560,000 Public Issue Shares by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and industry.

Directors' Report

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (b) Initial Public Offering ("IPO") and listing of the Company on Bursa Malaysia Securities Berhad (Cont'd)

In conjunction with the Company's listing on the ACE Market of Bursa Securities Malaysia Securities Berhad, the Company issued its Prospectus for its IPO entailing the following (Cont'd):

- (ii) Offer for sale of 35,604,000 existing shares by way of private placement in the following manner:

- (a) 9,890,000 existing shares to Bumiputera investors approved by the Ministry of Investment, Trade and industry; and
- (b) 25,714,000 existing shares to selected investors.

Upon completion of the IPO, the Company was admitted to the Official List of Bursa Malaysia Securities Berhad and the Company's entire enlarged issued share capital of 395,600,000 shares were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 6 February 2025.

SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

On 14 April 2025, the Company had incorporated a new subsidiary known as Northern Solar Rakyat Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is provision of EPCC of solar PV systems and investment in solar PV plant.

On 5 May 2025, the Company had incorporated a new subsidiary known as Northern Solar Assets Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is construction of power plants, operation of generation facilities that produce electric energy and other construction installation activities.

On 13 May 2025, the Company had incorporated a new subsidiary known as Northern Solar Utilities Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is provision of EPCC, corporate green power programme ("CGPP") and the construction and installation of large sales solar ("LSS").

SUBSIDIARIES

The details of the subsidiaries are as follows:

Name of companies	Principal place of business/ Country of incorporation	Effective ownership and voting interest		Principal activities
		2025 %	2024 %	
Direct subsidiaries of the Company				
Northern Solar Sdn. Bhd. ["NSSB"]	Malaysia	100	-	Provision of engineering, procurement, construction and commissioning of solar photovoltaics systems and plant, generation of electricity as well as operations and maintenance services of solar PV equipment and systems
Norwatt Power Sdn. Bhd. ["NPSB"]	Malaysia	51	-	Solar PV systems developer for public sector

Directors' Report

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2025 were as follows:

	Group RM	Company RM
Statutory audit	140,000	40,000
Non-statutory audit	53,000	8,000
	193,000	48,000

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

Lew Shoong Kai
Director

Chew Win Hoe
Director

Kuala Lumpur
17 July 2025

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 92 to 141 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of their financial performance and cash flows for the financial year then ended.

On behalf of the Board,

Lew Shoong Kai
Director

Chew Win Hoe
Director

Kuala Lumpur
17 July 2025

Statutory Declaration

I, Lew Fui Shi (CA 35898), being the officer primarily responsible for the financial management of Northern Solar Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 92 to 141 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur, this)
17 July 2025)

Lew Fui Shi

Before me:

Independent Auditors' Report

To the members of Northern Solar Holdings Berhad (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Northern Solar Holdings Berhad, which comprise the statements of financial position as at 31 March 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 financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 92 to 141.

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 of 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), 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 ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

(a) Recoverability of trade receivables

The carrying amount of trade receivables of RM19,144,999 have been disclosed in Note 8 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

Our audit procedures included the following:

- (i) Recomputed the probability of default using historical data and forward-looking information adjustment applied by the Group;
- (ii) Recomputed the correlation coefficient between the macroeconomic indicators used by the Group and historical losses to determine the appropriateness of the forward-looking information used by the Group; and
- (iii) Inquiries of management to assess the rationale underlying the relationship between the forward-looking information and expected credit losses.

Independent Auditors' Report

To the members of Northern Solar Holdings Berhad (Incorporated in Malaysia)

Key Audit Matters (Cont'd)

(b) Revenue recognition for Engineering, Procurement, Construction and Commissioning ("EPCC")

Revenue from EPCC of solar photovoltaics systems during the financial year amounted to RM83,152,840 is disclosed in Note 19 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgement in determining the satisfaction of performance obligations as stated in the contracts with customers, transaction price allocations and costs in applying the input method to recognise revenue over time, which is based on the percentage of completion method. The determination of the percentage of completion requires management to exercise significant judgement in estimating the total costs to complete.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations.

In estimating the total costs to complete, the Group considers the completeness and accuracy of its cost estimation, including its obligations to contract variations, claims and cost contingencies.

Our audit procedures included the following:

- (i) Reviewed contracts with customers to identify distinct and material performance obligations, and compared our findings to the findings of the Group;
- (ii) Verified project costs incurred during the financial year to supporting documentation;
- (iii) Assessed estimated total costs to complete through enquiries with operational and financial personnel of the Group in relation to variations and claims and verified documentation to support the cost estimates; and
- (iv) Recomputed the percentage of completion determined by management for revenue recognition based on verified actual costs incurred to-date and budgeted costs.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Independent Auditors' Report

To the members of Northern Solar Holdings Berhad (Incorporated in Malaysia)

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 MFRSs, 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 and 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 ISAs 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 decision of users taken on the basis of these financial statements.

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) 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.

Independent Auditors' Report

To the members of Northern Solar Holdings Berhad (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 5 to the financial statements.

Other Matters

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

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
17 July 2025

Pang Zhi Hao
03450/09/2025 J
Chartered Accountant

Statements of Financial Position

As at 31 March 2025

		Group		Company	
	Note	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
ASSETS					
Non-current assets					
Plant and equipment	4	12,325,177	7,089,567	-	-
Right-of-use assets	4	2,296,066	2,917,921	-	-
Investments in subsidiaries	5	-	-	15,384,164	-
Investment in an associate	6	211,983	201,295	-	-
		14,833,226	10,208,783	15,384,164	-
Current assets					
Inventories	7	5,216,735	3,982,840	-	-
Trade and other receivables	8	21,767,085	13,756,606	767,000	71,110
Contract assets	17	3,024,920	1,162,209	-	-
Cash and bank balances	9	52,216,704	9,003,447	39,526,580	1
Current tax assets		3,180	-	-	-
		82,228,624	27,905,102	40,293,580	71,111
TOTAL ASSETS		97,061,850	38,113,885	55,677,744	71,111
EQUITY/CAPITAL DEFICIENCY AND LIABILITIES					
Equity/capital deficiency attributable to owners of the parent					
Share capital	10	55,432,995	1	55,432,995	1
Invested equity		-	1,000,000	-	-
Merger reserve	11	(13,874,164)	-	-	-
Retained earnings/(Accumulated losses)		26,065,953	19,653,972	(3,060,768)	(7,586)
		67,624,784	20,653,973	52,372,227	(7,585)
Non-controlling interest		471,956	-	-	-
TOTAL EQUITY/ CAPITAL DEFICIENCY		68,096,740	20,653,973	52,372,227	(7,585)
LIABILITIES					
Non-current liabilities					
Borrowings	13	7,724,850	2,094,747	-	-
Lease liabilities	14	2,067,423	3,430,248	-	-
Deferred tax liabilities	18	830,533	125,620	-	-
		10,622,806	5,650,615	-	-

Statements of Financial Position

As at 31 March 2025

		Group		Company	
	Note	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
LIABILITIES (CONT'D)					
Current liabilities					
Borrowings	13	2,580,472	564,792	-	-
Lease liabilities	14	261,789	913,531	-	-
Trade and other payables	15	10,126,492	8,121,858	3,305,517	78,696
Derivative liabilities	16	1,079	-	-	-
Contract liabilities	17	3,449,190	590,667	-	-
Current tax liabilities		1,923,282	1,618,449	-	-
		18,342,304	11,809,297	3,305,517	78,696
TOTAL LIABILITIES					
		28,965,110	17,459,912	3,305,517	78,696
TOTAL EQUITY AND LIABILITIES/CAPITAL DEFICIENCY NET OF LIABILITIES					
		97,061,850	38,113,885	55,677,744	71,111

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

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2025

		Group		Company 9.1.2024 (date of incorporation)	
		1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	31.3.2024 RM
	Note				
Revenue	19	84,865,204	77,974,073	-	-
Cost of sales		(52,790,261)	(56,388,396)	-	-
Gross profit		32,074,943	21,585,677	-	-
Other income		2,014,908	168,899	148,457	-
Administrative expenses		(13,977,179)	(6,571,350)	(3,201,639)	(7,586)
Other operating expenses		(960,297)	(90,245)	-	-
Net loss on impairment of financial assets		(1,305,363)	(1,841,150)	-	-
Profit/(Loss) from operations		17,847,012	13,251,831	(3,053,182)	(7,586)
Finance costs	23	(789,678)	(534,337)	-	-
Share of results of an associate, net of tax	6(e)	10,688	(3,089)	-	-
Profit/(Loss) before tax	20	17,068,022	12,714,405	(3,053,182)	(7,586)
Tax expense	24	(5,658,836)	(2,625,899)	-	-
Profit/(Loss) for the financial year		11,409,186	10,088,506	(3,053,182)	(7,586)
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income/(loss)		11,409,186	10,088,506	(3,053,182)	(7,586)
Profit/(Loss) attributable to:					
Owners of the parent		11,411,981	10,088,342	(3,053,182)	(7,586)
Non-controlling interests		(2,795)	164	-	-
		11,409,186	10,088,506	(3,053,182)	(7,586)

Statements of Profit or Loss and Other Comprehensive Income

For the Financial Year Ended 31 March 2025

	Group		Company 9.1.2024 (date of incorporation)	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	31.3.2024 to 31.3.2024 RM
Note				
Total comprehensive income/ (loss) attributable to:				
Owners of the parent	11,411,981	10,088,342	(3,053,182)	(7,586)
Non-controlling interests	(2,795)	164	-	-
	11,409,186	10,088,506	(3,053,182)	(7,586)
Earnings per ordinary shares attributable to equity holders of the parent				
Basic and diluted (sen)	25	3.37	1,008.83	

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

Statements of Changes in Equity

For the Financial Year Ended 31 March 2025

Group	Share capital RM	Invested equity RM	Retained earnings RM	Total attributable to owners of the parent RM	Non-controlling interests RM	Total RM
Balance as at 1 April 2023	-	1,000,000	9,565,630	10,565,630	-	10,565,630
Profit for the financial year	-	-	10,088,342	10,088,342	164	10,088,506
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive income	-	-	10,088,342	10,088,342	164	10,088,506
Transactions with owners						
Issuance of ordinary shares	1	-	-	1	-	1
Acquisition of a subsidiary	-	-	-	-	(4,413)	(4,413)
Additional issuance of shares in a subsidiary	-	-	-	-	250,000	250,000
Disposal of a subsidiary	-	-	-	-	(245,751)	(245,751)
Total transactions with owners	1	-	-	1	(164)	(163)
Balance as at 31 March 2024	1	1,000,000	19,653,972	20,653,973	-	20,653,973

Statements of Changes in Equity

For the Financial Year Ended 31 March 2025

Group	Note	Share capital RM	Invested equity RM	Merger reserve RM	Retained earnings RM	Total attributable to owners of the parent RM	Non-controlling interests RM	Total RM
Balance as at 1 April 2024		1	1,000,000	-	19,653,972	20,653,973	-	20,653,973
Profit for the financial year		-	-	-	11,411,981	11,411,981	(2,795)	11,409,186
Other comprehensive income, net of tax		-	-	-	-	-	-	-
Total comprehensive income		-	-	-	11,411,981	11,411,981	(2,795)	11,409,186
Transactions with owners								
Dividend paid by a subsidiary	12	-	-	-	(5,000,000)	(5,000,000)	-	(5,000,000)
Acquisition of a subsidiary	5	-	-	-	-	-	474,751	474,751
Issuance of ordinary shares for the acquisition of a subsidiary	10	14,874,164	(1,000,000)	(13,874,164)	-	-	-	-
Issuance of ordinary shares	10	42,368,760	-	-	-	42,368,760	-	42,368,760
Listing expenses attributable to the initial public offering	10	(1,809,930)	-	-	-	(1,809,930)	-	(1,809,930)
Total transactions with owners		55,432,994	(1,000,000)	(13,874,164)	(5,000,000)	35,558,830	474,751	36,033,581
Balance as at 31 March 2025		55,432,995	-	(13,874,164)	26,065,953	67,624,784	471,956	68,096,740

Statements of Changes in Equity

For the Financial Year Ended 31 March 2025

Company	Note	Share capital RM	Accumulated losses RM	Capital deficiency RM
As at 9 January 2024, date of incorporation		1	-	1
Loss for the financial year		-	(7,586)	(7,586)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(7,586)	(7,586)
Balance as at 31 March 2024/1 April 2024		1	(7,586)	(7,585)
Loss for the financial year		-	(3,053,182)	(3,053,182)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(3,053,182)	(3,053,182)
Transactions with owners				
Issuance of ordinary shares for the acquisition of a subsidiary	10	14,874,164	-	14,874,164
Issuance of ordinary shares	10	42,368,760	-	42,368,760
Listing expenses attributable to the initial public offering	10	(1,809,930)	-	(1,809,930)
Total transactions with owners		55,432,994	-	55,432,994
Balance as at 31 March 2025		55,432,995	(3,060,768)	52,372,227

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

Statements of Cash Flows

For the Financial Year Ended 31 March 2025

		Group		Company 9.1.2024 (date of incorporation)	
		1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	31.3.2024 RM
Note					
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		17,068,022	12,714,405	(3,053,182)	(7,586)
Adjustments for:					
Depreciation of:					
- Plant and equipment	4	397,048	146,188	-	-
- Right-of-use assets	4	486,856	300,737	-	-
Gain on lease termination	20	(3,025)	(16,949)	-	-
Loss on disposal of a subsidiary	5	-	546	-	-
Impairment loss on an associate	6	-	6,465	-	-
Net impairment losses on trade receivables	8	1,305,363	1,841,150	-	-
Fair value loss on derivative liabilities	16	1,079	-	-	-
Bad debts written off	20	15,872	-	-	-
Interest expenses:					
- Lease liabilities	23	280,568	312,630	-	-
- Borrowings	23	457,848	110,435	-	-
- Others	23	51,262	111,272	-	-
Interest income	20	(401,257)	(130,943)	(148,457)	-
Loss/(Gain) on unrealised foreign exchange	20	13,480	(14,773)	-	-
Loss on disposal of plant and equipment	20	66,354	-	-	-
Share of (profit)/loss of an associate, net of tax	6	(10,688)	3,089	-	-
Operating profit/(loss) before working capital changes		19,728,782	15,384,252	(3,201,639)	(7,586)
Inventories		(1,233,895)	1,134,040	-	-
Receivables		(8,429,890)	(5,362,335)	(695,890)	(71,110)
Payables		1,970,930	(141,931)	228,460	5,000
Contract assets		(1,862,711)	(663,044)	-	-
Contract liabilities		2,858,523	(1,294,757)	-	-
Cash generated from/(used in) operations		13,031,739	9,056,225	(3,669,069)	(73,696)
Tax paid		(4,650,618)	(1,418,654)	-	-
Net cash from/(used in) operating activities		8,381,121	7,637,571	(3,669,069)	(73,696)

Statements of Cash Flows

For the Financial Year Ended 31 March 2025

		Group		Company 9.1.2024 (date of incorporation)	
		1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	31.3.2024 to 31.3.2024 RM
	Note				
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of a joint venture		-	(50)	-	-
Acquisition of additional interests in an associate	6	-	(151,000)	-	-
Net cash inflow/(outflow) on acquisition of a subsidiary	5	20,008	2,066	(510,000)	-
Net cash outflow on disposal of a subsidiary	5	-	(254,528)	-	-
Additional issuance of shares in a subsidiary					
- Non-controlling interests		-	250,000	-	-
Advances from related parties		51,181	1,557,058	-	-
Repayments from a joint venture		-	8,870	-	-
(Repayments to)/Advances from Directors		(24,614)	17,430	-	-
Advances to shareholders		(442,901)	-	-	-
Advance from a subsidiary		-	-	2,998,361	73,696
Placement of deposits pledged		(408,306)	(124,337)	-	-
Placement in restricted bank balances		(653,896)	-	-	-
Interest received		401,257	130,943	148,457	-
Proceeds from disposal of equity interest in joint venture		-	50	-	-
Proceeds from disposal of plant and equipment		7,794	-	-	-
Purchase of plant and equipment	4	(3,161,728)	(6,999,924)	-	-
Net cash (used in)/from investing activities		(4,211,205)	(5,563,422)	2,636,818	73,696
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid	12	(5,000,000)	-	-	-
Drawdown of borrowings		17,116,241	2,000,000	-	-
Repayments of borrowings		(9,470,458)	(2,391,325)	-	-
Drawdown of lease liabilities		-	832,670	-	-
Repayments of lease liabilities		(4,498,800)	(857,494)	-	-
Proceeds from issuance of ordinary shares	10	42,368,760	-	42,368,760	-
Payments of listing expenses attributable to the initial public offering	10	(1,809,930)	-	(1,809,930)	-
Interest paid		(711,194)	(517,165)	-	-
Proceeds from subscribers' share		-	1	-	1
Net cash from/(used in) financing activities		37,994,619	(933,313)	40,558,830	1
Net increase in cash and cash equivalents		42,164,535	1,140,836	39,526,579	1
Effects of exchange rate on cash and cash equivalents		(13,480)	14,773	-	-
Cash and cash equivalents at beginning of financial year/date of incorporation		8,524,985	7,369,376	1	-
Cash and cash equivalents at end of financial year/period	9	50,676,040	8,524,985	39,526,580	1

Statements of Cash Flows

For the Financial Year Ended 31 March 2025

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Group			
	Lease liabilities		Borrowings	
	31.3.2025 (Note 14) RM	31.3.2024 (Note 14) RM	31.3.2025 (Note 13) RM	31.3.2024 (Note 13) RM
Balance as at 1 April	4,343,779	4,416,675	2,659,539	3,050,864
Cash flows:				
Drawdown of borrowings	-	-	17,116,241	2,000,000
Drawdown of lease liabilities	-	832,670	-	-
Payment of borrowings	-	-	(9,928,306)	(2,501,760)
Payment of lease liabilities	(4,700,884)	(1,152,952)	-	-
Interest paid	202,084	295,458	457,848	110,435
Non-cash flows:				
Additions of lease liabilities	2,497,402	184,955	-	-
Termination of lease	(91,653)	(250,199)	-	-
Interest expense	78,484	17,172	-	-
Balance as at 31 March	2,329,212	4,343,779	10,305,322	2,659,539

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

Notes to the Financial Statements

31 March 2025

1. CORPORATE INFORMATION

Northern Solar Holdings Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company has been changed from 5-9A, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur to E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

The principal place of business is located at Unit 8-01 & 8-02, Level 8, Menara Lagenda, No.3, Jalan SS20/27, 47400 Petaling Jaya, Selangor.

The consolidated financial statements for the financial year ended 31 March 2025 comprise the Company and its subsidiaries and the interests of the Group in an associate. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 17 July 2025.

2. PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are mainly provision of engineering, procurement, construction and commissioning ("EPCC") of solar photovoltaics ("PV") systems and plant, generation of electricity, operations and maintenance services of solar PV equipment and systems as well as being solar PV systems developer for public sector. There have been no significant changes in the nature of the activities of the Company and its subsidiaries during the financial year.

3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial period except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 31 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The acquisitions of Northern Solar Sdn. Bhd. have been accounted for as a business combination amongst entities under common control. Accordingly, the financial statements of Northern Solar Holdings Berhad have been consolidated using the merger method of accounting.

Under merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer.

Notes to the Financial Statements

31 March 2025

4. PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Group	Balance as at 1.4.2024 RM	Additions RM	Disposal RM	Acquisition of subsidiary RM (Note 5)	Termination RM	Reclassification RM	Balance as at 31.3.2025 RM
31.3.2025							
Cost							
Air conditioner	19,130	1,150	(19,130)	-	-	-	1,150
Computer system	160,979	258,838	-	-	-	-	419,817
Electrical and fittings	3,575	65,840	(3,575)	-	-	-	65,840
Furniture and fittings	56,212	169,197	(56,212)	-	-	-	169,197
Office equipment	142,761	27,716	-	1,305	-	-	171,782
Motor vehicles	-	291,776	-	-	-	297,530	589,306
Operating equipment	23,602	-	-	-	-	-	23,602
Renovation	48,697	1,787,276	(27,697)	-	-	-	1,808,276
Signboard	3,800	-	(3,800)	-	-	-	-
Website	61,604	-	-	-	-	-	61,604
Power purchase agreement ("PPA")							
- Solar PV System	1,286,747	-	-	-	-	8,278,021	9,564,768
Construction-in- progress - PPA Solar PV System	5,477,386	559,935	-	-	-	(5,375,656)	661,665
Total	7,284,493	3,161,728	(110,414)	1,305	-	3,199,895	13,537,007
Motor vehicles	297,530	-	-	-	-	(297,530)	-
PPA - Solar PV System	2,902,365	-	-	-	-	(2,902,365)	-
Rights-of-use assets ("ROU") - Office buildings	184,955	2,497,402	-	-	(184,955)	-	2,497,402
Total	3,384,850	2,497,402	-	-	(184,955)	(3,199,895)	2,497,402

Notes to the Financial Statements

31 March 2025

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

31.3.2025	Balance as at 1.4.2024 RM	Charge for the financial year RM	Disposal RM	Termination RM	Reclassification RM	Balance as at 31.3.2025 RM
Accumulated depreciation						
Air conditioner	4,383	1,821	(6,137)	-	-	67
Computer system	40,582	55,450	-	-	-	96,032
Electrical and fittings	843	2,049	(1,170)	-	-	1,722
Furniture and fittings	8,688	13,215	(13,842)	-	-	8,061
Office equipment	28,257	14,729	-	-	-	42,986
Motor vehicles	-	33,726	-	-	183,619	217,345
Operating equipment	196	2,360	-	-	-	2,556
Renovation	8,493	91,324	(13,570)	-	-	86,247
Signboard	1,199	348	(1,547)	-	-	-
Website	3,666	6,160	-	-	-	9,826
PPA - Solar PV System	98,619	175,866	-	-	472,503	746,988
Total	194,926	397,048	(36,266)	-	656,122	1,211,830
Motor vehicles	124,114	59,505	-	-	(183,619)	-
PPA - Solar PV System	315,002	157,501	-	-	(472,503)	-
ROU - Office buildings	27,813	269,850	-	(96,327)	-	201,336
Total	466,929	486,856	-	(96,327)	(656,122)	201,336

Notes to the Financial Statements

31 March 2025

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

Group	Balance as at 1.4.2023 RM	Additions RM	Termination RM	Balance as at 31.3.2024 RM
31.3.2024				
Cost				
Air conditioner	16,030	3,100	-	19,130
Computer system	81,253	79,726	-	160,979
Electrical and fittings	3,575	-	-	3,575
Furniture and fittings	32,661	23,551	-	56,212
Office equipment	109,999	32,762	-	142,761
Operating equipment	-	23,602	-	23,602
Renovation	15,497	33,200	-	48,697
Signboard	3,800	-	-	3,800
Website	21,754	39,850	-	61,604
PPA - Solar PV System	-	1,286,747	-	1,286,747
Construction-in-progress - PPA Solar PV System	-	5,477,386	-	5,477,386
Total	284,569	6,999,924	-	7,284,493
Motor vehicles	297,530	-	-	297,530
PPA - Solar PV System	2,902,365	-	-	2,902,365
ROU - Office buildings	412,339	184,955	(412,339)	184,955
Total	3,612,234	184,955	(412,339)	3,384,850
	Balance as at 1.4.2023 RM	Charge for the financial year RM	Termination RM	Balance as at 31.3.2024 RM
Accumulated depreciation				
Air conditioner	2,703	1,680	-	4,383
Computer system	19,661	20,921	-	40,582
Electrical and fittings	485	358	-	843
Furniture and fittings	4,356	4,332	-	8,688
Office equipment	15,256	13,001	-	28,257
Operating equipment	-	196	-	196
Renovation	4,783	3,710	-	8,493
Signboard	819	380	-	1,199
Website	675	2,991	-	3,666
PPA - Solar PV System	-	98,619	-	98,619
Total	48,738	146,188	-	194,926
Motor vehicles	64,608	59,506	-	124,114
PPA - Solar PV System	157,501	157,501	-	315,002
ROU - Office buildings	123,172	83,730	(179,089)	27,813
Total	345,281	300,737	(179,089)	466,929

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31 March 2025

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

	Group	
	31.3.2025	31.3.2024
	RM	RM
Carrying amount		
Air conditioner	1,083	14,747
Computer system	323,785	120,397
Electrical and fittings	64,118	2,732
Furniture and fittings	161,136	47,524
Office equipment	128,796	114,504
Motor vehicles	371,961	-
Operating equipment	21,046	23,406
Renovation	1,722,029	40,204
Signboard	-	2,601
Website	51,778	57,938
PPA - Solar PV System	8,817,780	1,188,128
Construction-in-progress - PPA Solar PV System	661,665	5,477,386
Total	12,325,177	7,089,567
Motor vehicles	-	173,416
PPA - Solar PV System	-	2,587,363
ROU - Office buildings	2,296,066	157,142
Total	2,296,066	2,917,921

(a) All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. After initial recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

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

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

(c) Construction-in-progress are not depreciated until such time when the asset is available for use.

Depreciation on plant and equipment is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Air conditioner	10%
Computer system	20%
Electrical and fittings	10%
Furniture and fittings	10%
Office equipment	10%
Motor vehicles	20%
Operating equipment	10%
Renovation	20%
Signboard	10%
Website	10%
PPA - Solar PV System	4%-6.7%

Notes to the Financial Statements

31 March 2025

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

- (d) The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease term of right-of-use assets are as follows:

Motor vehicles	5 years
PPA - Solar PV System	15 years - 25 years
ROU - Office buildings	2 - 9 years

- (e) During the financial year, the Group made the following cash payments to purchase plant and equipment:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Purchase of plant and equipment	5,659,130	7,184,879
Financed by hire purchase and lease liabilities	(2,497,402)	(184,955)
Cash payments on purchase of plant and equipment	3,161,728	6,999,924

5. INVESTMENTS IN SUBSIDIARIES

	Company	
	31.3.2025	31.3.2024
	RM	RM
Unquoted shares in Malaysia, at cost	15,384,164	-

The details of the subsidiaries are as follows:

Name of companies	Principal place of business/ Country of incorporation	Effective ownership and voting interest		Principal activities
		2025 %	2024 %	
Direct subsidiaries of the Company				
Northern Solar Sdn. Bhd. ["NSSB"]	Malaysia	100	-	Provision of engineering, procurement, construction and commissioning of solar photovoltaics systems and plant, generation of electricity as well as operations and maintenance services of solar PV equipment and systems
Norwatt Power Sdn. Bhd. ["NPSB"] *	Malaysia	51	-	Solar PV systems developer for public sector

* Not audited by BDO PLT.

Notes to the Financial Statements

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5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.
- (b) The acquisitions of Northern Solar Sdn. Bhd. have been accounted for as a business combination amongst entities under common control. Accordingly, the financial statements of Northern Solar Holdings Berhad have been consolidated using the merger method of accounting.

Under merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer.

- (c) On 11 October 2024, the Company has acquired 51% equity interest of Norwatt Power Sdn. Bhd. for a cash consideration of RM510,000. The intended principal activities of NPSB is solar PV systems developer for public sector. NPSB has not commenced operations as at end of the reporting period.

Fair values of the identifiable assets and liabilities acquired and the effects on cash flow arising from the acquisition were as follows:

Group	RM
Plant and equipment	1,305
Cash and bank balances	530,008
Other receivables	443,051
Tax recoverable	1,652
Other payables	(7,137)
Net assets	968,879
Non-controlling interest at the date of acquisition	(474,751)
Cash consideration receivable	15,872
Cost of acquisition	510,000
Cash inflow on acquisition:	
Cash and bank balances of a subsidiary acquired	530,008
Less: Cost of acquisition	(510,000)
Net cash inflow on acquisition	20,008

Notes to the Financial Statements

31 March 2025

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (c) Fair values of the identifiable assets and liabilities acquired and the effects on cash flow arising from the acquisition were as follows: (Cont'd)

NPSB had contributed the following results to the Group for the financial year ended 31 March 2025 from the acquisition date.

	11.10.2024 to 31.3.2025 RM
Revenue	-
Loss for the financial year	(5,704)

Had the acquisition occurred on 1 April 2024, revenue and profit after tax of the Group for the financial year ended 31 March 2025 are as follows:

	1.4.2024 to 31.3.2025 RM
Revenue	84,865,204
Profit for the financial year	11,407,246

- (d) Deemed acquisition of Norwatt Power Sdn. Bhd. ("NPSB")

In the previous financial year, a subsidiary of the Company, NSSB acquired additional 25 ordinary shares in NPSB for a total consideration of RM25. Following this transaction, NSSB's equity interest in NPSB increased from 50% to 75%, which resulted in NSSB obtaining control of NPSB in accordance with MFRS 10 *Consolidated Financial Statements*. Consequently, NPSB became an indirect subsidiary of the Company.

In the previous financial year, NPSB increased its issued and paid-up capital from 100 ordinary shares to 1,000,000 ordinary shares by an allotment of 999,900 ordinary shares. The consideration paid by NSSB for the new shares allotted amounted to RM749,925.

Fair values of the identifiable assets and liabilities acquired and the effects on cash flow arising from the acquisition were as follows:

	RM
Cash and bank balances	2,066
Other payables	(19,719)
Net liabilities assumed	(17,653)
Non-controlling interest at the date of acquisition	4,413
Less: Carrying amount of previously held equity interest in investment in a joint venture as at date of deemed acquisition	(50)
Goodwill	13,290
Cost of acquisition	-
Cash and bank balances of a subsidiary acquired	2,066
Net cash inflow on acquisition	2,066

Notes to the Financial Statements

31 March 2025

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(d) Deemed acquisition of Norwatt Power Sdn. Bhd. ("NPSB") (Cont'd)

NPSB had contributed the following results to the Group for the financial year ended 31 March 2024 from the acquisition date.

	14.4.2024 to 30.6.2024 RM
Revenue	-
Profit for the financial year	658

Had the acquisition occurred on 1 April 2023, revenue and profit after tax of the Group for the financial year ended 31 March 2024 are as follows:

	1.4.2023 to 31.3.2024 RM
Revenue	77,974,073
Profit for the financial year	10,089,000

(e) Disposal of NPSB

In the previous financial year, NSSB completed the disposal of its entire equity interest (equivalent to 75%) in a subsidiary, Norwatt Power Sdn. Bhd., a company incorporated in Malaysia, which was engaged in install and develop solar farm for a total cash consideration of RM750,000.

The loss on disposal of the subsidiary by NSSB was as follows:

Group	RM
Cash and bank balances	1,004,528
Trade and other payables	(21,521)
Net assets disposed	983,007
Non-controlling interest at the date of disposal	(245,751)
Goodwill	13,290
Loss on disposal of a subsidiary	750,546 (546)
Net consideration from disposal	750,000
Cash and bank balances of a subsidiary disposed	(1,004,528)
Net cash outflow on disposal	(254,528)

Notes to the Financial Statements

31 March 2025

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (f) The Group does not have any subsidiary that has non-controlling interests, which is material to the Group for the financial year ended 31 March 2025.

6. INVESTMENT IN AN ASSOCIATE

	Group	
	31.3.2025 RM	31.3.2024 RM
Unquoted shares, at cost	210,849	210,849
Accumulated share of post-acquisition profit/(loss)	7,599	(3,089)
Less: Impairment loss	(6,465)	(6,465)
	211,983	201,295

- (a) Investment in an associate is measured at cost less impairment losses in the separate financial statements of the Company and accounted for using equity method in the consolidated financial statements.
- (b) The details of the associate are as follows:

Name of company Held through NSSB	Principal place of business/ Country of incorporation	Effective interest in equity		Principal activities
		2025	2024	
Engtex Energy Sdn. Bhd. ^{*^} ("EESB")	Malaysia	20	20	Specialist in photovoltaics industry, develop solar system and other renewable energy

* Not audited by BDO PLT

[^] This associate has a financial year end of 31 December, which is not conterminous with the Company. The unaudited financial statements of the associates for financial year ended 31 March 2025 has been used in applying the equity method of accounting.

- (c) On 14 November 2023, EESB increased its issued and paid-up capital from 100,000 ordinary shares to 1,000,000 ordinary shares by an allotment of 999,000 ordinary shares. The consideration paid by the Group for the new shares allotted amounted to RM151,000. Following this transaction, the Group's equity interest in EESB has decreased from 49% to 20%.

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31 March 2025

6. INVESTMENT IN AN ASSOCIATE (CONT'D)

- (d) The summarised financial information of the associate which is accounted for by the Group using the equity method are as follows:

	31.3.2025 RM	31.3.2024 RM
Assets and liabilities		
Non-current assets	5,614,964	4,638,000
Current assets	230,096	1,014,328
Non-current liabilities	(7,306)	-
Current liabilities	(4,777,841)	(4,645,855)
Net assets	1,059,913	1,006,473
Results		
Profit/(Loss) for the financial year	53,440	(15,445)

- (e) The reconciliation of net assets of the associate to the carrying amount of the investment in an associate is as follows:

	31.3.2025 RM	31.3.2024 RM
Share of net assets/Carrying amount in the statements of financial position	211,983	201,295
Share of results		
Share of total comprehensive profit/(loss)	10,688	(3,089)

- (f) Management reviews the investment in an associate for impairment when there is an indication of impairment. Recoverable amount of the investment in an associate is assessed by reference to the fair value less costs of disposal ("FVLCD") of the underlying assets of the associate. The recoverable amount of the cost of investment is based on the share of net assets of the associate, which is equivalent to the carrying amount of RM211,983 (2024: RM201,295).

During the previous financial year, the Group recognised impairment losses amounting to RM6,465 on the cost of investment in an associate due to reduction in fair value less cost of disposal of the associate.

7. INVENTORIES

	Group 31.3.2025 RM	31.3.2024 RM
At cost		
Material product	5,216,735	3,982,840

- (a) Inventories are stated at the lower of cost and net realisable value.
- (b) Cost of inventories of the Group recognised as an expense during the financial year amounted to RM36,534,204 (2024: RM40,481,751).

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7. INVENTORIES (CONT'D)

- (c) Inventories are determined on the first-in, first-out basis. Cost comprises all costs of purchase, and cost of conversion plus other costs incurred in bringing the inventories to their present condition and location.

8. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Trade receivables					
Third parties		21,276,572	9,316,627	-	-
Retention sums	(c)	1,012,540	592,918	-	-
Amounts owing by related parties		2,400	3,450,396	-	-
		22,291,512	13,359,941	-	-
Less: Impairment loss		(3,146,513)	(1,841,150)	-	-
	(b)	19,144,999	11,518,791	-	-
Other receivables					
Third parties		127,800	55,889	-	-
Amounts owing by related parties	(d)	442,901	-	-	-
Deposits		181,058	166,712	-	-
		751,759	222,601	-	-
Total receivables		19,896,758	11,741,392	-	-
Prepayments		1,870,327	2,015,214	767,000	71,110
Total trade and other receivables		21,767,085	13,756,606	767,000	71,110

- (a) Trade and other receivables excluding prepayments are classified as financial assets and measured at amortised cost.
- (b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group are 30 days to 90 days (2024: 30 days to 90 days). They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (c) Retention sums are due upon the expiry of the defect liability period stated in the respective construction contracts. The defect liability periods range from 12 to 24 months (2024: 12 months to 24 months).
- (d) Amounts owing by related parties are non-trade transactions which are unsecured, non-interest bearing and repayable on demand or within one (1) year.
- (e) Trade and other receivables are denominated in RM.
- (f) Recognition and measurement of impairment loss

The Group applies the simplified approach to measure expected credit loss ("ECL") for trade receivables. This entails recognising a lifetime expected loss allowance for all trade receivables that do not contain a significant financing component.

Notes to the Financial Statements

31 March 2025

8. TRADE AND OTHER RECEIVABLES (CONT'D)

(f) Recognition and measurement of impairment loss (Cont'd)

Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The estimate of expected cash shortfall shall reflect the cash flows expected from collateral and other credit enhancements that are part of the contractual terms. The shortfall is then discounted at an approximation to the asset's original effective interest rate of the asset.

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers based on grouping of customers sharing the same credit risk characteristics and past due days. Expected loss rates are calculated using the roll rate method. The expected loss rates are based on the Group's historical credit losses experience over the three (3) years period prior to the period end.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward-looking information (gross domestic product ("GDP"), inflation rate and unemployment rate and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

Impairment for other financial assets is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the other financial assets. For those in which the credit risk has not increased significantly since initial recognition of the other financial assets, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for other financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The probability of non-payment by other financial assets is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other financial assets.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

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8. TRADE AND OTHER RECEIVABLES (CONT'D)

(g) The ageing analysis of the Group's trade receivables is as follows:

Group	Gross carrying amount RM	Impaired RM	Net balance RM
31.3.2025			
Current	10,248,863	(232,421)	10,016,442
Past due			
- 1 to 30 days	4,308,837	(244,685)	4,064,152
- 31 to 60 days	2,005,900	(143,662)	1,862,238
- More than 60 days	5,280,832	(2,078,665)	3,202,167
	11,595,569	(2,467,012)	9,128,557
Individual assessment	447,080	(447,080)	-
	22,291,512	(3,146,513)	19,144,999
31.3.2024			
Current	10,648,710	(217,448)	10,431,262
Past due			
- 1 to 30 days	769,886	(103,785)	666,101
- 31 to 60 days	309,020	(191,316)	117,704
- More than 60 days	797,395	(493,671)	303,724
	1,876,301	(788,772)	1,087,529
Individual assessment	834,930	(834,930)	-
	13,359,941	(1,841,150)	11,518,791

These receivables are not secured by any collateral or credit enhancement.

During the financial year, the Group did not renegotiate the terms of any trade receivables.

(h) The reconciliation of movements in the impairment losses on trade receivable is as follows:

Group	Lifetime ECL allowance RM	Credit impaired RM	Total allowance RM
At 31 March 2024			
At beginning of financial year	-	-	-
Charge for the financial year	1,006,220	834,930	1,841,150
At end of financial year	1,006,220	834,930	1,841,150

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8. TRADE AND OTHER RECEIVABLES (CONT'D)

(h) The reconciliation of movements in the impairment losses on trade receivable is as follows (Cont'd):

Group	Lifetime ECL allowance RM	Credit impaired RM	Total allowance RM
At 31 March 2025			
At beginning of financial year	1,006,220	834,930	1,841,150
Charge for the financial year	1,693,213	275,400	1,968,613
Reversal of impairment loss	-	(663,250)	(663,250)
At end of financial year	2,699,433	447,080	3,146,513

Credit impaired refers to individually determined debtors who are in significant financial difficulties as at the end of the reporting period.

- (i) No expected credit loss is recognised arising from other receivables as it is negligible.
- (j) Information on financial risks of trade and other receivables is disclosed in Note 29 to the financial statements.

9. CASH AND BANK BALANCES

	Group		Company	
	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Cash at banks and on hand	51,329,936	8,524,985	39,526,580	1
Deposits with licensed banks	886,768	478,462	-	-
	52,216,704	9,003,447	39,526,580	1

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) The Group's cash at banks and deposits with licensed banks amounting to RM653,896 (2023: RM Nil) and RM886,768 (2023: RM478,462) respectively are pledged to the banks to secure the banking facilities granted to the Group.
- (c) Deposits with licensed banks of the Group have maturity periods ranging from 30 days to 367 days (2024: 365 days to 368 days) with interest rates ranging from 2.30% to 2.70% (2024: 2.40% to 2.70%) per annum.

Notes to the Financial Statements

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9. CASH AND BANK BALANCES (CONT'D)

(d) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Ringgit Malaysia	51,962,595	8,730,702	39,526,580	1
Singapore Dollar	235,916	255,565	-	-
United States Dollar	18,193	17,180	-	-
	52,216,704	9,003,447	39,526,580	1

(e) No expected credit losses is recognised arising from cash and bank balances because the probability of default by these financial institutions were negligible.

(f) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Cash and bank balances	52,216,704	9,003,447	39,526,580	1
Less: Deposits pledged	(886,768)	(478,462)	-	-
Restricted bank balances	(653,896)	-	-	-
Total cash and cash equivalents	50,676,040	8,524,985	39,526,580	1

(g) Information on financial risks of cash and bank balances is disclosed in Note 29 to the financial statements.

10. SHARE CAPITAL

	Group and Company			
	31.3.2025		31.3.2024	
	Number of shares	RM	Number of shares	RM
Ordinary shares				
Issued and fully paid with no par value				
At beginning of financial year/date of incorporation	1	1	1	1
Issued for the acquisition of a subsidiary	328,347,999	14,874,164	-	-
Issued during the financial year	67,252,000	42,368,760	-	-
Listing expenses attributable to the initial public offering	-	(1,809,930)	-	-
Balance at end of financial year/period	395,600,000	55,432,995	1	1

Notes to the Financial Statements

31 March 2025

10. SHARE CAPITAL (CONT'D)

- (a) On 9 January 2024, the Company was incorporated with an issued and paid-up share capital of RM1 comprising 1 ordinary share of RM1 per share as subscriber's share.
- (b) On 11 October 2024, the Company increased its issued and paid-up share capital from RM1 to RM14,874,165 by way of issuance of 328,347,999 new ordinary shares for a total consideration of RM14,874,164 as full payment for the acquisition of the aggregate net assets of Northern Solar Sdn. Bhd..
- (c) On 3 February 2025, the Company issued 67,252,000 new ordinary shares at an issue price of RM0.63 per ordinary share for a total consideration of RM42,368,760 in conjunction with the initial public offering and listing of the Company on Bursa Malaysia Securities Berhad.
- (d) The newly issued ordinary shares ranked equally in all respects with the existing ordinary shares of the Company. There were no other issuance of shares during the financial year.
- (e) The owners of the parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

11. MERGER RESERVE

The merger reserve arose as a result of the excess of the consideration paid over the share capital of the subsidiary pursuant to the internal reorganisation exercise for the purpose of the Company's listing on ACE Market of Bursa Malaysia Securities Berhad.

12. DIVIDEND PAID BY A SUBSIDIARY

	Group	
	31.3.2025	31.3.2024
In respect of the financial year ended 31 March 2024:		
Final single tier dividend of five (5) ringgit per ordinary share, paid on 31 May 2024	5,000,000	-

The dividend was proposed, declared and paid by a subsidiary, Norther Solar Sdn. Bhd. before the Company acquired the entire equity interest of Northern Solar Sdn. Bhd. on 11 October 2024.

The Directors do not recommend the payment of any dividend in respect of the current financial year.

13. BORROWINGS

	Group	
	31.3.2025	31.3.2024
	RM	RM
Non-current liabilities		
Term loans	7,724,850	2,094,747
Current liabilities		
Banker's acceptances	948,563	-
Term loans	1,631,909	564,792
	2,580,472	564,792
	10,305,322	2,659,539

Notes to the Financial Statements

31 March 2025

13. BORROWINGS (CONT'D)

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) Banker's acceptances are secured by the following:
 - (i) Joint and several guarantee by Directors; and
 - (ii) Government guarantee issued by Syarikat Jaminan Pembiayaan Perniagaan Berhad.
- (c) Term loans are secured by the following:
 - (i) Joint and several guarantee executed by Chew Ann Bee, Chew Win Hoe and Lew Shoong Kai;
 - (ii) Guarantee from Credit Guarantee Corporation Malaysia Berhad; and
 - (iii) Guarantee issued by Syarikat Jaminan Pembiayaan Perniagaan Berhad.
- (d) Term loans of the Group are repayable by monthly instalments of 60 to 84 months (2024: 60 months).
- (e) The interest rates of borrowings are ranging from 3.90% to 8.17% (2024: 4.00% to 8.17%) per annum.
- (f) All borrowings are denominated in RM.
- (g) Information on financial risks of borrowings is disclosed in Note 29 to the financial statements.

14. LEASE LIABILITIES

Group	Balance as at 1.4.2024 RM	Additions RM	Lease payments RM	Interest expense RM	Termination RM	Balance as at 31.3.2025 RM
Carrying amount						
Motor vehicles	167,371	-	(171,930)	4,559	-	-
PPA - Solar PV System	4,020,345	-	(4,217,870)	197,525	-	-
Office buildings	156,063	2,497,402	(311,084)	78,484	(91,653)	2,329,212
	4,343,779	2,497,402	(4,700,884)	280,568	(91,653)	2,329,212

Group	Balance as at 1.4.2023 RM	Additions RM	Lease payments RM	Interest expense RM	Termination RM	Balance as at 31.3.2024 RM
Carrying amount						
Motor vehicles	201,139	-	(43,128)	9,360	-	167,371
PPA - Solar PV System	3,911,851	832,670	(1,010,274)	286,098	-	4,020,345
Office buildings	303,685	184,955	(99,550)	17,172	(250,199)	156,063
	4,416,675	1,017,625	(1,152,952)	312,630	(250,199)	4,343,779

Notes to the Financial Statements

31 March 2025

14. LEASE LIABILITIES (CONT'D)

	Group	
	31.3.2025 RM	31.3.2024 RM
Represented by:		
Non-current liabilities	2,067,423	3,430,248
Current liabilities	261,789	913,531
	2,329,212	4,343,779
Lease liabilities owing to financial institutions	-	4,187,716
Lease liabilities owing to non-financial institutions	2,329,212	156,063
	2,329,212	4,343,779

- (a) Lease liabilities are classified as financial liabilities measured at amortised cost.
- (b) The Group leases certain items of plant and equipment. Leases of plant and equipment and motor vehicles comprise only fixed payments over the lease terms. The periodic rent of office building leases is to be reset periodically to market rental rates. The periodic rent is fixed over the lease term.
- (c) The Group have certain leases of assets with lease term of 12 months or less and low-value leases of RM10,000 and below. The Group applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.
- (d) The following are the amounts recognised in profit or loss:

	Group	
	31.3.2025 RM	31.3.2024 RM
Depreciation charge of right-of use assets:		
(included in cost of sales)	157,501	157,501
(included in administrative expenses)	59,505	59,506
(included in other operating expenses)	269,850	83,730
Interest expense on lease liabilities		
(included in finance costs)	280,568	312,630
Expense relating to short-term leases and leases of low-value assets		
(included in cost of sales)	281,808	32,620
(included in administrative expenses)	16,865	13,606
	1,066,097	659,593

Notes to the Financial Statements

31 March 2025

14. LEASE LIABILITIES (CONT'D)

- (e) The following are total cash outflows for leases as a lessee:

	Group	
	31.3.2025 RM	31.3.2024 RM
Included in net cash from operating activities:		
Payment relating to short-term leases and low value assets	298,673	46,226
Included in net cash from financing activities:		
Interest paid in relation to lease liabilities	202,084	295,458
Net repayment of lease liabilities	4,498,800	24,824
	4,999,557	366,508

- (f) Lease liabilities are denominated in RM.
- (g) Information of financial risks of the lease liabilities is disclosed in Note 29 to the financial statements.
- (h) Management exercises significant judgement in determining the incremental borrowing rates whenever the implicit rates of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.
- (i) The Group has several lease contracts that include extension and termination options. These options are negotiated by the Group to provide flexibility in managing the leased-asset portfolio and align with the business needs of the Group.
- (j) The following are the undiscounted potential future rental payments that are not included in the lease term:

Group	Within five years RM	More than five years RM	Total RM
31.3.2025			
Extension options expected not to be exercised	72,000	36,000	108,000

Notes to the Financial Statements

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15. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Trade payables					
Third parties		7,216,077	6,696,719	-	-
Amount owing to a related party		-	64,495	-	-
	(b)	7,216,077	6,761,214	-	-
Other payables					
Third parties		818,536	341,993	151,031	-
Amount owing to a related party	(c)	58,681	7,500	-	-
Amount owing to a subsidiary	(c)	-	-	3,072,057	73,696
Amounts owing to Directors	(d)	-	24,614	-	-
Deposits received		806,139	73,803	-	-
Accruals		1,227,059	912,734	82,429	5,000
		2,910,415	1,360,644	3,305,517	78,696
Total trade and other payables		10,126,492	8,121,858	3,305,517	78,696

- (a) Trade and other payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranging from 30 days to 90 days (2024: 30 days to 90 days) from date of invoices.
- (c) Amounts owing to a related party and a subsidiary are non-trade transactions which are unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents.
- (d) In the previous financial year, amounts owing to Directors were non-trade transactions which were unsecured, non-interest bearing and payable within the next twelve (12) months in cash and cash equivalents.
- (e) The currency exposure profile of trade and other payables are as follows:

	Group		Company	
	31.3.2025 RM	31.3.2024 RM	31.3.2025 RM	31.3.2024 RM
Ringgit Malaysia	8,906,241	6,047,851	3,305,517	78,696
United States Dollar	1,220,251	2,074,007	-	-
	10,126,492	8,121,858	3,305,517	78,696

- (f) Information on financial risks of trade and other payables is disclosed in Note 29 to the financial statements.

Notes to the Financial Statements

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16. DERIVATIVE LIABILITIES

	Group	
	31.3.2025	31.3.2024
	RM	RM
Derivative liabilities	1,079	-

- (a) The Group uses forward currency derivatives to manage some of the foreign transaction exposure. These derivatives are not designated as cash flow or fair value hedges and are entered into for period consistent with currency transaction exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting.
- (b) Derivative liabilities of the Group are categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial year.
- (c) Fair value of a forward foreign currency contract is the amount that would be payable or receivable upon termination of the outstanding position arising and is determined by reference to the difference between contracted rate and the forward exchange rate as at the end of each reporting period applied to a contract of similar amount and maturity profile.
- (d) Derivative liabilities are denominated in United States Dollar.
- (e) Information on financial risks of derivative liabilities is disclosed in Note 29 to the financial statements.

17. CONTRACT ASSETS/CONTRACT LIABILITIES

	Group	
	31.3.2025	31.3.2024
	RM	RM
Contract assets	3,024,920	1,162,209
Contract liabilities	3,449,190	590,667

- (a) Contract assets represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billings to the customer.

- (b) Contract liabilities are the obligations to transfer goods or services to customers for which the Group has received the consideration, the fair values at initial recognition, or has billed the customers. For projects, contract liabilities are excess of the progress billings to customers over the project costs incurred plus profit accrued. The operations and maintenance services represents the billings that have been made to the customers before the services were provided to the customers.
- (c) No expected credit loss is recognised arising from contract assets as it is negligible.

Notes to the Financial Statements

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17. CONTRACT ASSETS/CONTRACT LIABILITIES (CONT'D)

(d) Movements of contract liabilities during the financial year are as follows:

	Group	
	31.3.2025 RM	31.3.2024 RM
Balance as at 1 April	590,667	1,885,424
Provision for operations and maintenances services during the financial year	1,165,065	271,717
Progress billings during the financial year	2,170,674	673,233
Recognised in profit or loss	(477,216)	(2,239,707)
Balance as at 31 March	3,449,190	590,667

(e) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group	
	31.3.2025 RM	31.3.2024 RM
Within 1 year	25,951,040	7,018,111
Between 1 and 4 years	1,027,848	18,750,048
	26,978,888	25,768,159

18. DEFERRED TAX LIABILITIES

	Group	
	31.3.2025 RM	31.3.2024 RM
At beginning of financial year	125,620	420,455
Recognised in profit or loss (Note 24)	704,913	(294,835)
At end of financial year	830,533	125,620

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18. DEFERRED TAX LIABILITIES (CONT'D)

(a) The components and movements of deferred tax (assets)/liabilities during the financial year are as follows:

Group	Plant and equipment RM	Others RM	Total RM
Balance as at 1 April 2024	121,816	3,804	125,620
Recognised in profit or loss	719,907	(14,994)	704,913
Balance as at 31 March 2025	841,723	(11,190)	830,533
Balance as at 1 April 2023	423,096	(2,641)	420,455
Recognised in profit or loss	(301,280)	6,445	(294,835)
Balance as at 31 March 2024	121,816	3,804	125,620

19. REVENUE

	Group	
	31.3.2025 RM	31.3.2024 RM
Revenue from contracts with customers:		
EPCC of solar PV systems	83,152,840	77,028,160
Sale of electricity through solar energy generation	1,583,613	945,913
Operations and maintenance services	128,751	-
	84,865,204	77,974,073
Timing of revenue recognition		
Transferred over time	84,865,204	77,974,073

(a) There is no significant financing component in the revenue arising from EPCC of solar PV systems, sale of electricity through solar energy generation and operations and maintenance services as the sales are made on the normal credit terms not exceeding twelve (12) months.

Notes to the Financial Statements

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19. REVENUE (CONT'D)

- (b) Disaggregation of revenue from contracts with customers has not been presented as the Group evaluates their business performance based on geographical location and the business of the Group are focused only in Malaysia.

- (c) Engineering, procurement, construction and commissioning ("EPCC") of solar PV Systems

EPCC contracts involve multiple deliverables, such as solar system design, supply of solar energy equipment, installation of solar energy system and testing of newly installed solar energy system.

EPCC of solar PV systems is recognised over time when products have been transferred or the services have been rendered to the customers over time. The Group is restricted contractually from directing the solar energy system under construction for another use as they are being developed and has an enforceable right to payment for performance completed to date. Therefore, revenue is recognised over time, based on the costs incurred to date as a proportion of the estimated total costs to be incurred. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives, penalties and liquidated ascertained damages. Past experience is used to estimate the variable consideration, using most likely method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

When the outcomes of a construction contract activity can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period. Stage of completion is determined based on the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, contract revenue are recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately, with a corresponding provision for an onerous contract.

- (d) Sale of electricity through solar energy generation

The Group sells electricity generated through its self-constructed rooftop solar PV systems under a 15 to 25 years renewable energy power purchase agreement. Revenue is recognised at point over time upon supply of electricity by kilowatt-hour to the customers.

- (e) Operations and maintenance services

Revenue from operations and maintenance services is recognised over time as and when the customer simultaneously receives and consumes the benefits provided by this service and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the service that would be performed to the customer.

Notes to the Financial Statements

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20. PROFIT/(LOSS) BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the following amounts have been included in arriving at profit/(loss) before tax:

	Group		Company	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	9.1.2024 (date of incorporation) to 31.3.2024 RM
After charging:				
Auditors' remuneration				
- statutory audit	140,000	90,000	40,000	5,000
- non-statutory audit	53,000	-	8,000	-
Loss on disposal of plant and equipment	66,354	-	-	-
Rental expenses of short-term leases and low value assets	298,673	46,226	-	-
Loss on disposal of a subsidiary	-	546	-	-
Loss on realised foreign exchange	-	10,531	-	-
Loss on unrealised foreign exchange	13,480	-	-	-
Bad debts written off	15,872	-	-	-
And crediting:				
Other income				
- Renewable energy certificates	1,365,630	-	-	-
Interest income	401,257	130,943	148,457	-
Gain on realised foreign exchange	230,072	-	-	-
Gain on unrealised foreign exchange	-	14,773	-	-
Gain on lease termination	3,025	16,949	-	-

Interest income is recognised as it accrues, using the effective interest method.

21. EMPLOYEE BENEFITS

	Group		Company	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	1.4.2024 to 31.3.2024 RM
Fees	134,000	-	134,000	-
Salaries and allowances	6,172,815	3,324,248	-	-
Contributions to defined contribution plan	881,560	502,313	-	-
Social security contributions	81,328	46,852	-	-
Other employee benefits	1,841,820	1,239,533	-	-
	9,111,523	5,112,946	134,000	-

Notes to the Financial Statements

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22. DIRECTORS' REMUNERATION

Included in the employee benefits expenses is the Directors' remuneration as below:

	Group		Company 9.1.2024 (date of incorporation)	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM
Fees	134,000	-	134,000	-
Salaries and allowances	714,335	314,000	-	-
Contributions to defined contribution plan	107,138	59,209	-	-
Social security contributions	2,552	1,544	-	-
Other employee benefits	393,245	455,256	-	-
	1,351,270	830,009	134,000	-

23. FINANCE COSTS

	Group	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM
Interest expenses on:		
- Lease liabilities	280,568	312,630
- Borrowings	457,848	110,435
- Others	51,262	111,272
	789,678	534,337

Notes to the Financial Statements

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24. TAX EXPENSE

	Group		Company 9.1.2024 (date of incorporation)	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	1.4.2024 to 31.3.2024 RM
Malaysian income tax:				
- Current year	4,346,171	2,657,199	-	-
- Under provision in prior years	607,752	263,535	-	-
	4,953,923	2,920,734	-	-
Deferred tax (Note 18)				
- Relating to origination and reversal of temporary differences	594,115	126,455	-	-
- Under/(Over) provision in prior years	110,798	(421,290)	-	-
	704,913	(294,835)	-	-
	5,658,836	2,625,899	-	-

- (a) The Malaysian corporate income tax is calculated at the statutory tax rate of 24% of the estimated taxable profits for the fiscal year. In the previous financial period, the Malaysian income tax for small and medium-sized enterprises is calculated at the statutory tax rate of 15% on first RM150,000 of the chargeable income, 17% on the next RM450,000 and 24% on the excess on RM600,000 of the chargeable income for the fiscal year.
- (b) The numerical reconciliation between the tax expense and the product of accounting profit/(loss) multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company 9.1.2024 (date of incorporation)	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	1.4.2024 to 31.3.2024 RM
Profit/(Loss) before tax	17,068,022	12,714,405	(3,053,182)	(7,586)
Taxation at Malaysian statutory tax rate at:				
- 15% for first RM150,000	-	22,500	-	-
- 17% for next RM450,000	-	76,500	-	-
- 24% for balance	4,096,325	2,907,457	(732,764)	(1,821)
	4,096,325	3,006,457	(732,764)	(1,821)

Notes to the Financial Statements

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24. TAX EXPENSE (CONT'D)

(b) (Cont'd)

	Group		Company 9.1.2024 (date of incorporation)	
	1.4.2024 to 31.3.2025 RM	1.4.2023 to 31.3.2024 RM	1.4.2024 to 31.3.2025 RM	31.3.2024 to 31.3.2024 RM
Tax effects in respect of:				
Non-allowable expenses	846,526	130,561	732,764	1,821
Non-taxable income	(2,565)	-	-	-
Income tax exempted under Section 127(3)(b)	-	(353,364)	-	-
	4,940,286	2,783,654	-	-
Under/(Over) provision in prior years				
- Income tax	607,752	263,535	-	-
- Deferred tax	110,798	(421,290)	-	-
	5,658,836	2,625,899	-	-

25. EARNINGS PER SHARE

(a) Basic

Basic earnings per ordinary share for the financial year has been calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue (excluding treasury shares) during the financial year.

	Group	
	31.3.2025 RM	31.3.2024 RM
Profit attributable to equity holders of the parent (RM)	11,411,981	10,088,342
Weighted average number of ordinary shares in issue	338,297,611	1,000,001
Basic earnings per ordinary share (sen)	3.37	1008.83
Number of shares upon completion of the Listing	395,600,000	395,600,000
Basic earnings per ordinary share (sen)	2.88	2.55

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25. EARNINGS PER SHARE (CONT'D)

(b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share as there are no dilutive potential ordinary shares.

26. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

The Company has controlling related party relationships with its associate, its joint venture, and its related parties.

(b) Significant related party transactions

In addition to the related parties information detailed elsewhere in the financial statements, the Group had the following significant transactions with related parties during the financial years:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Sales	973,443	4,811,756
Purchases	-	440,300
Rental expenses	240,948	67,500
Disposal of a subsidiary	-	750,000

Information regarding outstanding balances arising from related party transactions as at 31 March 2025 are disclosed in Notes 8 and 15 to the financial statements.

(c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include all the Directors of the Group who make certain critical decisions in relation to the strategic direction of the Group.

The remuneration of the key management personnel and Directors during the financial year was as follows:

	Group		Company	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Short-term employee benefits	1,972,533	1,367,307	134,000	-

The estimated monetary value of benefits-in-kind received by the key management personnel other than in cash from the Group and the Company amounted to RM4,400 (2023: RM nil).

Notes to the Financial Statements

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27. OPERATING SEGMENT

Operating segment reporting is not separately presented as the Group is principally engaged in the provision of engineering, procurement, construction and commissioning of solar photovoltaics systems and plant, which are substantially within a single operating segment.

For the purpose of resources allocation and performance assessment, the chief operating decision-maker reviews the profit from operations of the Group as disclosed in the statements of profit or loss and other comprehensive income.

(a) Geographical information

The business activities of the Group are solely located in Malaysia and as such segment reporting by geographical location is not presented.

(b) Major customers

There are no major customers, which contributed equal or more than 10% of the Group's revenue. As such, information on major customers is not presented.

In the previous financial year, the following is major customer with revenue equal or more than 10 percent of the Group's revenue:

	RM	%
Group		
31.3.2024		
Customer A	25,964,000	33

28. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concern while maximising return to the shareholders through the optimisation of the debt and equity ratios.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025 and 31 March 2024.

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31 March 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(a) Capital management (Cont'd)

The Group monitors capital using a gearing ratio, which is total external borrowings divided by tangible net worth and net inter-group borrowings. Total external borrowings are calculated as total borrowings and lease liabilities owing to financial institutions. Tangible net worth represents the total equity of the Group. Net inter-group borrowings are calculated as advances from inter-group net of advances to inter-group which includes Directors and related parties. The gearing ratio as at 31 March 2024 and 31 March 2025 are as follows:

	Group	
	31.3.2025 RM	31.3.2024 RM
Total external borrowings	10,305,322	6,847,255
Tangible net worth	68,091,740	20,653,973
Net inter-group borrowings	(442,901)	1,583,358
	67,653,839	22,237,331
Gearing ratio	0.15	0.31

(b) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

Derivative liabilities

The fair value of derivative liabilities is measured based on forward exchange rate at the end of each reporting period.

Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value

The carrying amounts of financial assets and financial liabilities, such as trade and other receivables, cash and bank balances, trade and other payables, short-term borrowings and short-term lease liabilities are reasonable approximation of fair values due to their short-term nature or they are reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amounts of the non-current borrowings and lease liabilities are estimated based on the future contractual cash flows discounted at current market interest rates available for similar financial instruments and of the same remaining maturities.

(c) Fair value hierarchy

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

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the Financial Statements

31 March 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (Cont'd)

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table sets out the financial instrument carried at fair value and carrying amount shown in the statements of financial position:

Group	Fair value of financial instrument carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
31.3.2025					
Financial liability					
Fair value through profit or loss					
- Derivative liabilities	-	1,079	-	1,079	1,079

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to a variety of financial risks, including credit risk, liquidity and cash flow risk, foreign currency risk and interest rate risk. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

There have been no significant changes on the Group's exposure to financial risks from the previous year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

The Group's management reviews and agrees on policies managing each of the financial risks and they are summarised as follows:

(i) Credit risk

Trade receivables and cash and bank balances could give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are creditworthy counterparties. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's primary exposure to credit risk arises through its trade receivables. The Group's trading terms with its customers are mainly on credit. The credit period is generally for a period of thirty (30) days, extending up to ninety (90) days. Each customer has a maximum credit limit and the Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

Exposure to credit risk

Financial assets

As at the end of each reporting period, the Group's maximum exposures to credit risk of trade receivables are represented by the carrying amounts of trade receivables recognised in the statements of financial position.

Notes to the Financial Statements

31 March 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(i) Credit risk (Cont'd)

Exposure to credit risk (Cont'd)

Financial guarantees

At the end of the reporting period, the Directors are of the view that the chances of the third parties and financial institutions to call upon the guarantees are remote. The financial guarantees have not been recognised since the fair value was not material.

Maturity profile of financial guarantee contracts and bank guarantees of the Group as at the end of each reporting period based on contractual undiscounted repayment obligations is repayable upon any default by the Group on contractual obligations.

The maximum exposure to credit risk in relation to the financial guarantees given amounted to RM951,215 (2024: RM596,238) as at the end of the reporting period.

Credit risk concentration profile

As at the end of each reporting period, the Group determines concentration of credit risk by monitoring its trade receivables on an ongoing basis. At the end of each reporting period, approximately 38% (2024: 43%) of the trade receivables of the Group were due from five (5) (2024: five (5)) major customers.

(ii) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The Group designates guarantees given to third parties in respect of trade and contracts as insurance contracts as defined in MFRS 17 *Insurance Contracts*. At the end of the reporting period, the Directors are of the view that the chances of the third parties to call upon the guarantees are remote.

Notes to the Financial Statements

31 March 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Liquidity and cash flow risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

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

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Group				
31 March 2025				
Financial liabilities				
Trade and other payables	10,126,492	-	-	10,126,492
Financial guarantees	951,215	-	-	951,215
Lease liabilities	356,664	1,318,656	1,076,989	2,752,309
Borrowings	2,944,274	6,824,115	1,635,607	11,403,996
	14,378,645	8,142,771	2,712,596	25,234,012
31 March 2024				
Financial liabilities				
Trade and other payables	8,121,858	-	-	8,121,858
Financial guarantees	596,238	-	-	596,238
Lease liabilities	1,155,336	3,612,841	211,596	4,979,773
Borrowings	684,768	2,271,472	-	2,956,240
	10,558,200	5,884,313	211,596	16,654,109
Company				
31 March 2025				
Financial liabilities				
Trade and other payables	3,305,517	-	-	3,305,517
31 March 2024				
Financial liabilities				
Trade and other payables	78,696	-	-	78,696

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

Notes to the Financial Statements

31 March 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iii) Foreign currency risk (Cont'd)

The Group is exposed to foreign currency risk mainly due to its trade and other payables and cash and bank balances that are denominated in currency other than Ringgit Malaysia, mainly United States Dollar ("USD"), and Singapore Dollar ("SGD"). Foreign exchange risk arises when future commercial transactions recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's exposure to foreign currency risk arising from foreign currency balances as at the end of the reporting period are represented by the following carrying amounts:

	RM/SGD RM	RM/USD RM	Total RM
31 March 2025			
Cash and bank balances	235,916	18,193	254,109
Trade and other payables	-	(1,220,251)	(1,220,251)
	235,916	(1,202,058)	(966,142)
31 March 2024			
Cash and bank balances	255,565	17,180	272,745
Trade and other payables	-	(2,074,007)	(2,074,007)
	255,565	(2,056,827)	(1,801,262)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit after tax and equity for a 5% (2024: 5%) strengthening of the following functional currency of the Group against the respective foreign currencies, with all other variables held constant.

Effects of 5% changes to RM against foreign currencies	Group	
	31.3.2025 RM	31.3.2024 RM
Profit after tax/equity		
- RM/SGD strengthen	(8,965)	(9,711)
- RM/SGD weaken	8,965	9,711
- RM/USD strengthen	45,678	78,159
- RM/USD weaken	(45,678)	(78,159)

Notes to the Financial Statements

31 March 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market interest rate.

The income and operating cash flows of the Group are independent of changes in market interest rate. Interest rate exposures mainly from bank borrowings of the Group and is managed through effective negotiation with financial institutions for best available rates.

Exposure to interest rate risk

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's financial instruments that are exposed to interest rate risk:

Group	WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
31 March 2025						
Financial assets						
Fixed rate instrument						
Deposits with licensed banks	2.64	886,768	-	-	-	886,768
Financial liabilities						
Fixed rate instruments						
Lease liabilities	4.30	261,789	273,789	821,063	972,571	2,329,212
Borrowings	4.01	2,376,079	1,489,468	4,276,488	1,595,931	9,737,966
		2,637,868	1,763,257	5,097,551	2,568,502	12,067,178
Floating rate instruments						
Borrowings	8.17	204,393	222,395	140,568	-	567,356
31 March 2024						
Financial assets						
Fixed rate instrument						
Deposits with licensed banks	2.69	478,462	-	-	-	478,462
Financial liabilities						
Fixed rate instruments						
Lease liabilities	4.46	913,531	940,337	2,281,652	208,259	4,343,779
Borrowings	4.00	374,811	389,571	1,141,645	-	1,906,027
		1,288,342	1,329,908	3,423,297	208,259	6,249,806
Floating rate instruments						
Borrowings	8.17	189,981	205,526	358,005	-	753,512

Notes to the Financial Statements

31 March 2025

29. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(iv) Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity of the Group's profit after tax and equity to a reasonably possible change in 50 basis points against interest rate of floating rate instrument, with all other variables held constant:

Effects on profit for the financial year/equity	Group	
	31.3.2025 RM	31.3.2024 RM
- 50 basis point higher	(2,156)	(2,863)
- 50 basis point lower	2,156	2,863

No sensitivity analysis for fixed rate instruments was presented as the change in market interest rate at the end of the reporting period would not affect profit or loss.

30. CAPITAL COMMITMENT

The Group's capital commitment at the end of each reporting period are as follows:

	Group	
	31.3.2025 RM	31.3.2024 RM
In respect of purchase of plant and equipment:		
Contracted but not provided for	448,914	-
Approved but not contracted for	678,845	1,512,000
	1,127,759	1,512,000

31. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs

31.1 New MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Adoption of the above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

Notes to the Financial Statements

31 March 2025

31. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs (CONT'D)

31.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

The following are Standards and Amendments of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable in future financial years.

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Corporate restructuring

On 11 October 2024, the Company has acquired the entire equity interest of Northern Solar Sdn. Bhd. for a purchase consideration of RM14,874,164, which was wholly satisfied by the issuance of 328,347,999 new shares at an issue price of RM0.0453 per share.

On 11 October 2024, the Company has acquired 51% equity interest of Norwatt Power Sdn. Bhd. ("NPSB") for a cash consideration of RM510,000. The intended principal activities of NPSB is solar PV systems developer for public sector. NPSB has not commenced operations as at end of the reporting period.

(b) Initial Public Offering ("IPO") and listing of the Company on Bursa Malaysia Securities Berhad

In conjunction with the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad, the Company issued its Prospectus for its IPO entailing the following:

- (i) Public issue of 67,252,000 new shares ("Public Issue Shares") at an IPO price of RM0.63 per share in the following manner:
 - (a) 19,780,000 Public Issue Shares for application by the Malaysia Public;
 - (b) 7,912,000 Public Issue Shares for application by the Group's eligible Directors, employees and persons who have contributed to the success of the Group; and
 - (c) 39,560,000 Public Issue Shares by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and industry.

Notes to the Financial Statements

31 March 2025

32. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

(b) Initial Public Offering ("IPO") and listing of the Company on Bursa Malaysia Securities Berhad (Cont'd)

(ii) Offer for sale of 35,604,000 existing shares by way of private placement in the following manner:

- (a) 9,890,000 existing shares to Bumiputera investors approved by the Ministry of Investment, Trade and industry; and
- (b) 25,714,000 existing shares to selected investors.

Upon completion of the IPO, the Company was admitted to the Official List of Bursa Malaysia Securities Berhad and the Company's entire enlarged issued share capital of 395,600,000 shares were listed and quoted on the ACE Market of Bursa Malaysia Securities Berhad on 6 February 2025.

33. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

On 14 April 2025, the Company had incorporated a new subsidiary known as Northern Solar Rakyat Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is provision of EPCC of solar PV systems and investment in solar PV plant.

On 5 May 2025, the Company had incorporated a new subsidiary known as Northern Solar Assets Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is construction of power plants, operation of generation facilities that produce electric energy and other construction installation activities.

On 13 May 2025, the Company had incorporated a new subsidiary known as Northern Solar Utilities Sdn. Bhd. with a paid-up share capital of RM1 comprising 1 ordinary share. The intended principal activity of the subsidiary is provision of EPCC, corporate green power programme ("CGPP") and the construction and installation of large sales solar ("LSS").

Analysis of Shareholdings

As at 1 July 2025

Total Number of Issued Shares : 395,600,000
 Class of Shares : Ordinary Shares
 Voting Rights : One vote per share

DISTRIBUTION OF SHAREHOLDERS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	9	0.434	63	0.000
100 to 1,000	445	21.507	194,737	0.049
1,001 to 10,000	1,085	52.440	5,645,300	1.427
10,001 to 100,000	413	19.961	13,645,000	3.449
100,001 to 19,779,999*	114	5.509	83,370,900	21.074
19,780,000 and above**	3	0.144	292,744,000	74.000
TOTAL	2,069	100.00	395,600,000	100.00

* Less than 5% of issued shares

** 5% and above of issued shares

LIST OF SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Lew Shoong Kai	121,745,900	30.775	-	-
2.	Chew Win Hoe	121,745,900	30.775	-	-
3.	Lagenda Properties Berhad	49,252,200	12.450	-	-

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Name	No. of Ordinary Shares			
		Direct Interest	%	Indirect Interest	%
1.	Amirul Azhar bin Baharom	80,000	0.020	-	-
2.	Lew Shoong Kai	121,745,900	30.775	-	-
3.	Chew Win Hoe	121,745,900	30.775	-	-
4.	Roselinda binti Mohammad Hashim	145,700	0.036	-	-
5.	Tan Ai Ning	67,000	0.016	-	-
6.	Teh Muy Ch'ng	0	0.000	-	-

Analysis of Shareholdings

As at 1 July 2025

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	Chew Win Hoe	121,745,900	30.775
2.	Lew Shoong Kai	121,745,900	30.775
3.	Lagenda Properties Berhad	49,252,200	12.450
4.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad for Kenanga Shariah Growth Opportunities Fund (50156 TR01)	9,371,400	2.368
5.	Newaction Marketing Sdn. Bhd.	8,290,100	2.095
6.	CIMB Islamic Nominees (Tempatan) Sdn Bhd PMB Investment Berhad for Majlis Amanah Rakyat	5,004,200	1.264
7.	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Kenanga Syariah Growth Fund	3,804,000	0.961
8.	Pelaburan Mara Berhad	3,500,000	0.884
9.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad for Kenanga Growth Opportunities Fund (50154 TR01)	2,998,500	0.757
10.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Kenanga Oneprs Growth Fund (420119)	2,765,000	0.698
11.	Chee Yew Fei	2,381,000	0.601
12.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. pledged securities account for Tan Yat Kiang (MY1469)	1,889,100	0.477
13.	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd for Yong Jan Nice	1,767,600	0.446
14.	Lew Fui Shi	1,666,000	0.421
15.	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad - Kenanga Premier Fund	1,542,100	0.389
16.	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Kenanga Islamic Balanced Fund	1,438,300	0.363
17.	CIMB Islamic Nominees (Tempatan) Sdn Bhd PMB Investment Berhad for Universiti Teknikal Mara Sdn Bhd	1,400,000	0.353
18.	Citigroup Nominees (Tempatan) Sdn Bhd Kenanga Islamic Investors Bhd for Tabung Warisan Negeri Selangor	1,211,300	0.306
19.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Kenanga Amanah Saham Wanita (N14011980040)	1,204,400	0.304
20.	Citigroup Nominees (Tempatan) Sdn Bhd Kenanga Investors Berhad for Lembaga Kemajuan Tanah Persekutuan (Felda)	1,200,300	0.303
21.	Public Nominees (Tempatan) Sdn Bhd pledged securities account for Tan Yat Teng (E-SJA)	1,175,000	0.297
22.	Canary Equity Sdn Bhd	1,008,300	0.254

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Analysis of Shareholdings

As at 1 July 2025

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Name	No. of Shares	%
23.	Amanahraya Trustees Berhad for Malaysia France Institute Sdn Bhd	1,000,000	0.252
24.	Hing Kee Vui	1,000,000	0.252
25.	Lim Chye Ting	1,000,000	0.252
26.	Loh Kuo Ping	1,000,000	0.252
27.	Cartaban Nominees (Asing) Sdn Bhd Exempt an For Barclays Capital Securities Ltd (SBL/PB)	847,700	0.214
28.	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd for Khoo Boo Teik	801,200	0.202
29.	Choo Yoon Lin	793,700	0.200
30.	HLB Nominees (Tempatan) Sdn Bhd pledged securities account for Wong Siu Chung	742,000	0.187

1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with Reports of the Directors' and the Auditors' thereon. **Please refer to Explanatory Note 1**

- | | |
|---|-------------------------------------|
| <p>2. To approve the Directors Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM300,000.00 per annum until the next Annual General Meeting of the Company.</p> | <p>Ordinary Resolution 1</p> |
|---|-------------------------------------|

- | | |
|-----------------------------|------------------------------|
| i. Amirul Azhar Bin Baharom | Ordinary Resolution 2 |
| ii. Lew Shoong Kai | Ordinary Resolution 3 |

4. To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

5.	AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS AND WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO THE COMPANIES ACT 2016	Ordinary Resolution 5
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That pursuant to Section 85 of the Companies Act 2016 approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company's shares arising from any issuance of new Company's shares pursuant to Section 75 and Section 76 of the Companies Act 2016.

6. To transact any other business that may be transacted at the 2nd AGM of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

Notice of Annual General Meeting

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC NO. 202008004409)
LIM ZHI XUAN (MAICSA 7076624) (SSM PC NO. 202408000432)
 Company Secretaries

Kuala Lumpur
 Dated : 31 July 2025

Explanatory Notes on Ordinary and Special Businesses:

1. Item 1 of the Agenda

This item is meant for discussion only as the provisions of Section 340 of the Companies Act 2016, it does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. Items 3(i) and 3(ii) of the Agenda

The Nomination Committee ("NC") have considered the performance and contribution of each of the retiring Directors. Based on the results of the Board Evaluation conducted for the financial year ended 31 March 2025, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NC, the Board supports the re-election of the Directors based on the following justifications:

Amirul Azhar Bin Baharom : Amirul Azhar Bin Baharom fulfils the requirements of independence set out in Listing Requirements of Bursa Securities. He remains objective and independent in expressing his view and participating in Board's deliberations and decision-making process.

Amirul Azhar Bin Baharom has exercised due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Chairman of the Company.

Lew Shoong Kai : Lew Shoong Kai has experience in the solar industry, and the Board believes his extensive experience is hugely beneficial to the Company. He is primarily responsible for crafting the business model, strategic planning of our corporate direction as well as developing the growth strategic for the Group.

Lew Shoong Kai has exercised due care and carried out his professional duties proficiently during his tenure as Managing Director of the Company.

3. Item 5 of the Agenda

The Ordinary Resolution 5 proposed under item 5 of the Agenda is to seek a new general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the above Meeting, to issue and allot ordinary shares of not more than ten percent (10%) for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority will, unless revoked or varied at a General Meeting, will expire at the conclusion of the next AGM of the Company.

Notice of Annual General Meeting

The Company continues to consider opportunities to broaden its earnings potential. If any of the expansion/diversification proposals involves the allotment of new shares, the Directors, under certain circumstance when the opportunity arises, would have to convene a general meeting to approve the allotment of new shares even though the number involved may be less than 10% of the issued share capital.

In order to avoid any delay and costs involved in convening a general meeting to approve such allotment of shares, it is thus considered appropriate that the Directors be empowered to allot shares in the Company, up to any amount not exceeding in total 10% of the issued share capital of the Company at the time of submission to the authority. The new authority will provide flexibility to the Company for the allotment of shares for the purpose of funding future investment, working capital and/or acquisitions. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next Annual General Meeting of the Company.

Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 2nd AGM may appoint proxy(ies) to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
2. Where a member appoints more than one (1) proxy to attend and vote at the same 2nd AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
6. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

The original instrument appointing a proxy ("**Proxy Form**") must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively, deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

- (ii) By electronic means

The Proxy Form can be electronically lodged with the Company's Share Registrar via TIIH Online at <https://tiih.online>. Please refer to the Administrative Guide for the 2nd AGM on the procedures for electronic lodgement of Proxy Form via TIIH Online.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the SICDA; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.

Notice of Annual General Meeting

8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 August 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 2nd AGM.
9. Any alteration in the Proxy Form must be initialed.
10. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolution set out in the Notice of 2nd AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2nd AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 2nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2nd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty

Administrative Details

Second Annual General Meeting of Northern Solar Holdings Berhad

Date : Thursday, 28 August 2025
 Time : 10.00 a.m. or at any adjournment thereof
 Venue : Jade Room, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

REGISTRATION

1. Registration will start at 9.00 a.m. and will remain open until the conclusion of the Second Annual General Meeting ("2nd AGM") or such time as may be determined by the Chairman of the meeting.
2. Shareholders or proxies are requested to produce/show their original MyKAD or Passport (for non-Malaysians) to the registration staff for verification purposes. Please ensure the original MyKAD or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.
3. Upon verification, shareholders or proxies will also be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement for the identification wristband if it is lost or misplaced.

CORPORATE MEMBERS

1. Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Tricor Investor & Issuing House Services Sdn. Bhd. ("TIIH") on or before the Annual General Meeting.
2. Attorneys appointed by power of attorney are required to deposit their power of attorney with TIIH not later than Tuesday, 26 August 2025 at 10.00 a.m. to attend and vote at the 2nd AGM.

PROXY

The appointment of proxy may be made in hard copy form or by electronic form in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the 2nd AGM or any adjournment thereof, otherwise the Proxy Form shall not be treated as valid:

In hardcopy form

In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar at Tricor Investor & Issuing House Services Sdn Bhd of Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

In electronic form

You may also submit your proxy appointment electronically via TIIH Online website at <https://tiih.online>. Please do read and follow the procedures below to submit proxy form electronically.

Administrative Details

Second Annual General Meeting of Northern Solar Holdings Berhad

ELECTRONIC LODGMENT OF PROXY FORM

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	- Using your computer, please access the website at https://tiih.online. Register as a user under the "e-Services" by selecting "Create Account by Individual Holder". Please refer to the tutorial guide posted on the homepage for assistance. - If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of form of proxy	- After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password. - Select the corporate event: NORTHERN SOLAR HOLDINGS BERHAD 2ND AGM - SUBMISSION OF PROXY FORM. - Read and agree to the Terms and Conditions and confirm the Declaration. - Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. - Appoint your proxy/proxies and insert the required details of your proxy/proxies or appoint the Chairman as your proxy. - Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. - Review and confirm your proxy(s) appointment. - Print the form of proxy for your record.
ii. Steps for corporation or institutional shareholders	
Register as a User with TIIH Online	- Access TIIH Online at https://tiih.online - Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects "Create Account by Representative of Corporate Holder". - Complete the registration form and upload the required documents. - Registration will be verified, and you will be notified by email within one (1) to two (2) working days. - Proceed to activate your account with the temporary password given in the email and re-set your own password. Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.
Proceed with submission of form of proxy	- Login to TIIH Online at https://tiih.online - Select the corporate event: "NORTHERN SOLAR HOLDINGS BERHAD 2ND AGM – SUBMISSION OF PROXY FORM" - Agree to the Terms & Conditions and Declaration. - Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. - Prepare the file for the appointment of proxies by inserting the required data. - Login to TIIH Online, select corporate event: "NORTHERN SOLAR HOLDINGS BERHAD 2ND AGM - SUBMISSION OF PROXY FORM". - Proceed to upload the duly completed proxy appointment file. - Select "Submit" to complete your submission. - Print the confirmation report of your submission for your record.

Administrative Details

Second Annual General Meeting of Northern Solar Holdings Berhad

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MESSAGES

GOVERNANCE

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INFORMATION

VOTING AT MEETING

1. In accordance with Rule 8.31A(1) of ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Malaysia**"), the voting at the 2nd AGM will be conducted by poll. The Company has appointed Tricor as Poll Administrator to conduct the poll voting electronically (e-voting) via Tricor e-Vote application and Shieldwell Consultancy Sdn Bhd as Independent Scrutineers to conduct the polling process and verify the results of the poll.
2. During the 2nd AGM, the Chairman will invite the Poll Administrator to brief you on the poll procedure.
3. Upon completion of the voting session for the 2nd AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are carried.

RESULTS OF THE VOTING

The motions proposed at the AGM and the results of the voting will be announced at the AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

ANNUAL REPORT

1. The Annual Report is available on the Company's website at <https://northernsolar.com.my/> and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.
2. You may request for a printed copy of the Annual Report at <https://tiih.online> by selecting "**Request for Annual Report**" under the "**Investor Services**".
3. Kindly consider the environment before you decide to request for the printed copy of the Annual Report. Environmental concerns like global warming, deforestation, climate change and many more affect every human, animal and nation on this planet.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose determining who shall be entitled to attend the 2nd AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 21 August 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting.

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 2nd AGM proceedings is allowed without prior written permission of the Company.

DOOR GIFT

No door gift would be provided at the 2nd AGM.

ENQUIRY

If you have any enquiries on the above, please contact our Share Registrar during office hours from 8:30 a.m. to 5.30 p.m. on Monday to Friday (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603 - 2783 9299
Email address : is.enquiry@vistra.com



NORTHERN SOLAR HOLDINGS BERHAD
(Registration No. 202401001236 (1547087-X))
(Incorporated in Malaysia)

PROXY FORM

Number of Shares Held	
CDS Account No.	

I/We, _____ NRIC/Passport No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

contact no. _____ email address _____ being a member / members of **Northern Solar Holdings Berhad ("Company")** hereby appoint the person(s) below or *failing him/her, the Chairman of the Second Annual General Meeting ("**2nd AGM**") as my/our proxy(ies) to vote for me/us on my/our behalf at the 2nd AGM of the Company which will held at Jade Room, Level G, M World Hotel, No. 1, Persiaran Bandar Utama, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 28 August 2025 at 10.00 a.m., or at any adjournment thereof.

Option	Name of proxy(ies)	NRIC/ Passport No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%

IMPORTANT NOTE:

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) kindly strike out the words "the Chairman of the 2nd AGM", if you do not wish to appoint the Chairman of the 2nd AGM as the proxy or failing the proxy to vote on your behalf (iv) sign or execute this form.

*My/our *proxy/proxies shall vote as follows:

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain for voting at his(her) discretion.

NO.	RESOLUTIONS	FOR		AGAINST	
	Ordinary Business	PROXY 1	PROXY 2	PROXY 1	PROXY 2
Ordinary Resolution 1	To approve the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM300,000.00 per annum until the next Annual General Meeting of the Company.				
Ordinary Resolution 2	To re-elect Amirul Azhar Bin Baharom as Director in accordance with Clause 18.2 of the Constitution of the Company.				
Ordinary Resolution 3	To re-elect Lew Shoong Kai as Director in accordance with Clause 18.2 of the Constitution of the Company.				
Ordinary Resolution 4	To re-appoint Messrs BDO PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
	Special Business				
Ordinary Resolution 5	Authority to allot and issue shares by the Directors and waiver of pre-emptive rights pursuant to the Companies Act 2016.				

Dated this _____ day of _____ 2025

Signature / Common Seal of Shareholder

Contact No: _____



Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 2nd AGM may appoint proxy(ies) to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
2. Where a member appoints more than one (1) proxy to attend and vote at the same 2nd AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
6. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 2nd AGM or at any adjournment thereof, as follows:
(a) In hard copy form

The original instrument appointing a proxy ("**Proxy Form**") must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

(b) By electronic means

The Proxy Form can also be lodged electronically via online lodgement facility, please login to the link website at <https://tuh.online> and select "**e-Services**" to login. Please follow the procedures provided in the Administrative Guide for the 2nd AGM in order to deposit the Proxy Form electronically.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the SICDA, the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 August 2025 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 2nd AGM.
9. Any alteration in the Proxy Form must be initialed.
10. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of the 2nd AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 2nd AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 2nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 2nd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

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PLEASE
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The Share Registrar of
NORTHERN SOLAR HOLDINGS BERHAD
Registration No. 202401001236 (1547087-X)

c/o: TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.
Registration No.: 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

Please Fold Here



www.northernsolar.com.my



The Future Energy Is Now

NORTHERN SOLAR HOLDINGS BERHAD
(Registration No. 202401001236 (1547087-X))
(Incorporated in Malaysia)

Units 8-01 and 8-02, Level 8, Menara Lagenda
No. 3, Jalan SS20/27
47400 Petaling Jaya, Selangor

 Tel: +603-7839 8319

 Email: info@northernsolar.com.my