WIDAD
GROUP BERHAD

Foundation for Sustainable Future

ANNUAL REPORT 2025

INSIDE THIS REPORT

We encourage you to visit our full Annual Report at http://www.widadgroup.com/reports. You will have the privilege to download, retrieve and view any pages of the Annual Report at your conveniece.

17th NOTICE ANNUAL GENERAL MEETING

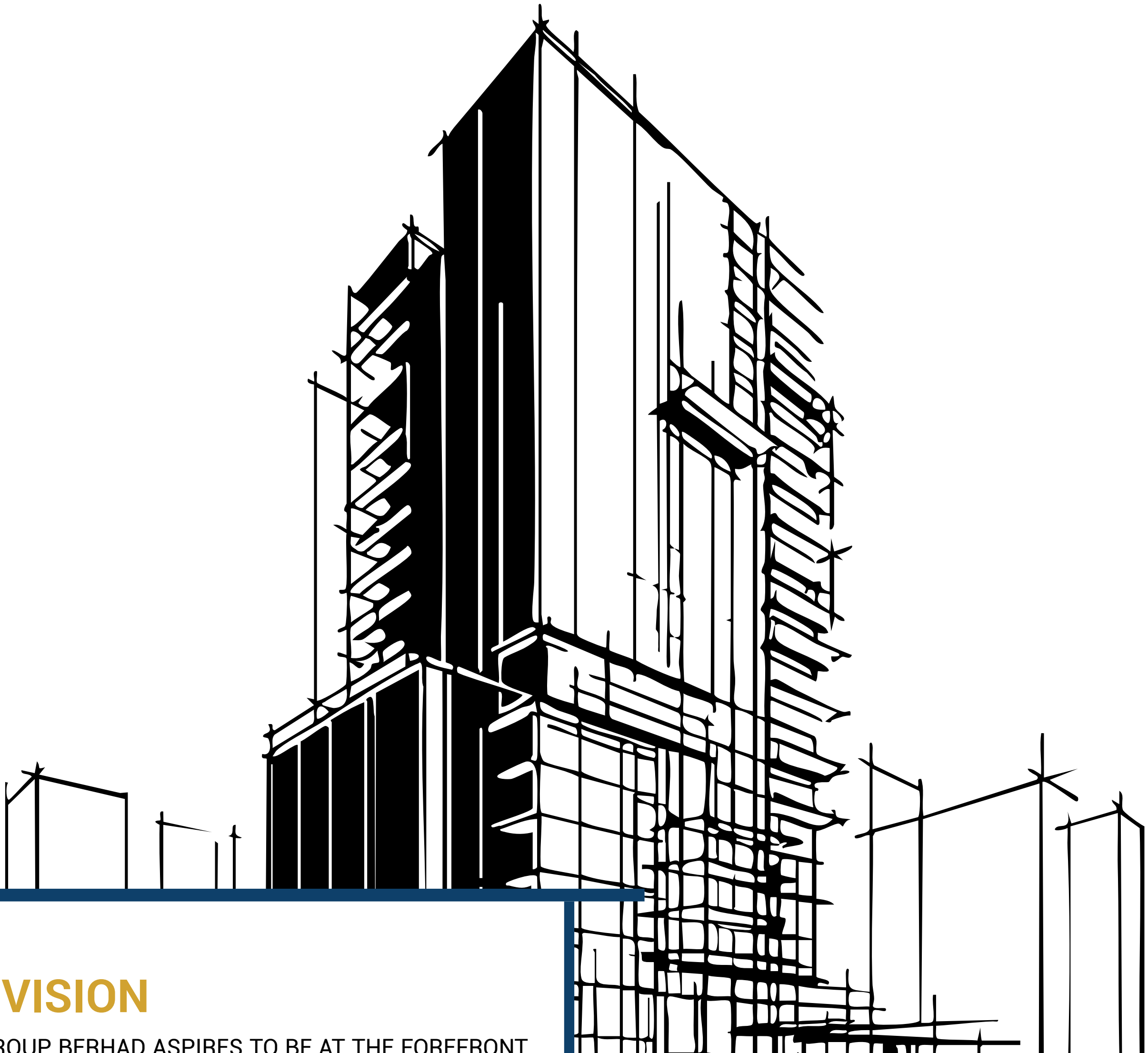
Thursday
25 June 2026
10.30 a.m.

Function Room,
Kuala Lumpur Golf & Country Club (KLGCC),
10, Jalan 1/70 D, Off Jalan Bukit Kiara,
60000 Kuala Lumpur.


Our employees
single-handedly
made us a
TRUSTED
name in the
industry

All employees, from top management to the newest hire, have a hand in strengthening our reputation as a trusted player and partner in the organisation. Hands down, they are and will always remain our most valuable asset.

WIDAD GROUP BERHAD IS AN INVESTMENT HOLDING COMPANY WHICH IS PRINCIPALLY INVOLVED IN CONSTRUCTION ACTIVITIES, INTEGRATED FACILITY MANAGEMENT SERVICES AND CONCESSION.



OUR VISION

WIDAD GROUP BERHAD ASPIRES TO BE AT THE FOREFRONT OF NATION BUILDING AND ECONOMIC DEVELOPMENT IN SOUTH EAST ASIA. THROUGH EMPOWERING PEOPLE IN OUR ORGANISATION TO UNLEASH THEIR FULL POTENTIAL, WE CAN ENRICH THE LIVES OF OUR STAKEHOLDERS AND CONTRIBUTE MEANINGFULLY TO THE INDUSTRY AND REGION AT LARGE.

OUR MISSION

OUR CLIENTS ALWAYS COME FIRST. WE STRIVE TO CREATE A SYNERGISTIC RELATIONSHIP THAT IS SUSTAINABLE AND DELIVER PEERLESS SOLUTIONS. OUR FIRM COMMITMENT TO CONTINUOUSLY DEVELOP THE SKILLS OF OUR PEOPLE WILL FURTHER STRENGTHEN THE CAPABILITIES OF OUR ORGANISATION.

OUR GUIDING PRINCIPLE

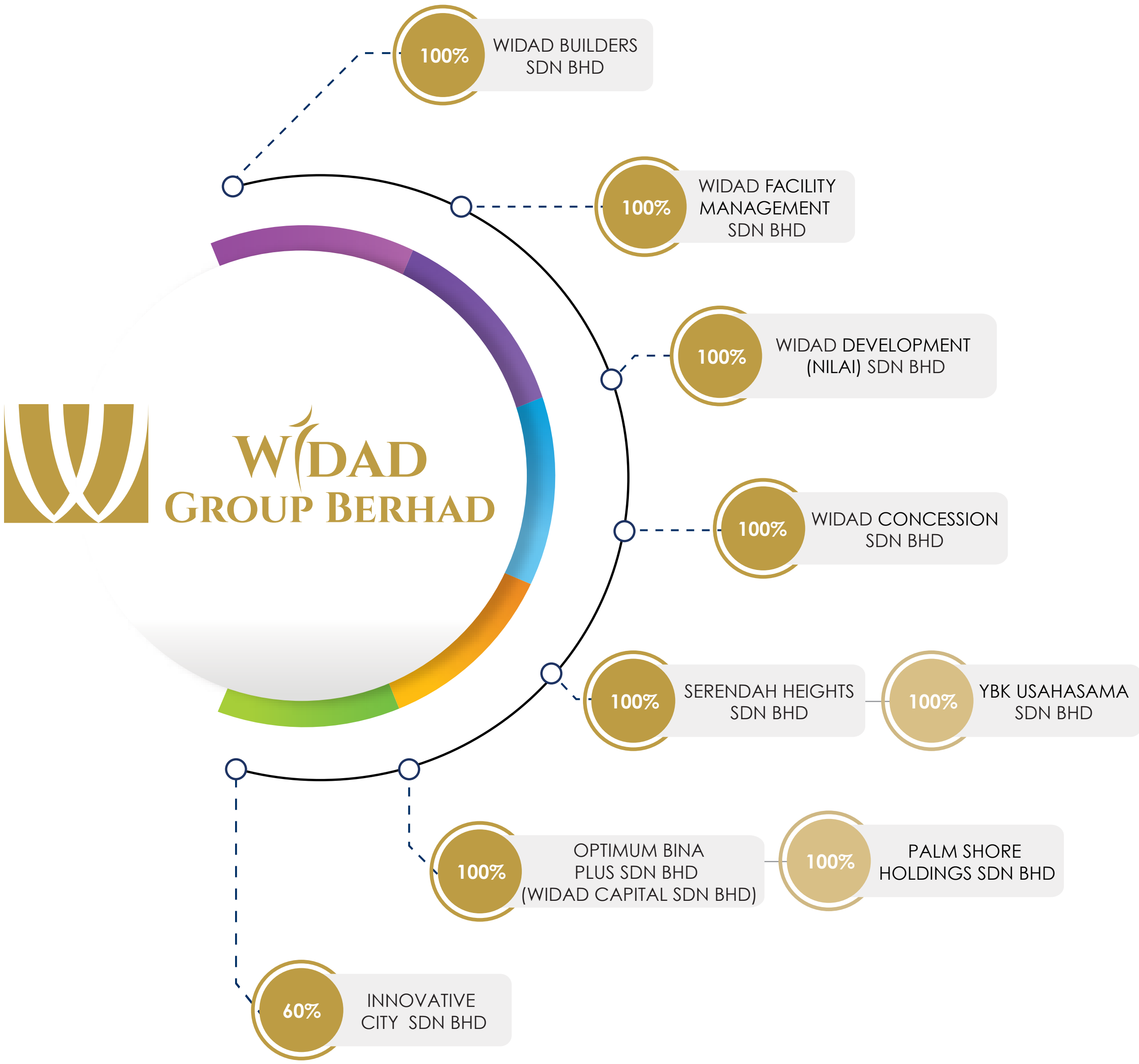
WORTHINESS

INGENUITY

SYNERGY

EFFICIENT

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

1. **Tan Sri Muhammad Ikmal Opat Bin Abdullah**
(Executive Deputy Chairman)
2. **Dato' Nasir Bin Mat Dam**
(Executive Director)
3. **Puan Saloma Binti Mohd Jonid**
(Executive Director)
4. **Dato' Boey Chin Gan**
(Independent Non-Executive Director)
5. **Mr. Ong Kuan Wah**
(Independent Non-Executive Director)
5. **Dato' Dr. Abdullah Bin Sepien**
(Independent Non-Executive Director)
(Appointed on 23/04/2026)
6. **Gen (R) Tan Sri Dato' Sri Zulkiple Bin Kassim**
(Independent Non-Executive Director)
(Resigned on 24/04/2026)
7. **Mr. Tung Ghee Meng**
(Independent Non-Executive Director)
(Resigned on 27/03/2026)

AUDIT COMMITTEE

Mr. Ong Kuan Wah (Chairman)
Dato' Boey Chin Gan (Member)
Dato' Dr. Abdullah Bin Sepien (Member)
(Appointed on 23/04/2026)
Mr. Tung Ghee Meng (Member)
(Resigned on 27/03/2026)

NOMINATION AND REMUNERATION COMMITTEE

Dato' Boey Chin Gan (Chairman)
Mr. Ong Kuan Wah (Member)
Dato' Dr. Abdullah Bin Sepien (Member)
(Appointed on 23/04/2026)
Mr. Tung Ghee Meng (Member)
(Resigned on 27/03/2026)

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Dato' Dr. Abdullah Bin Sepien (Chairman)
(Appointed on 23/04/2026)
Mr. Ong Kuan Wah (Member)
Mr. Tung Ghee Meng (Chairman)
(Resigned on 27/03/2026)
Gen (R) Tan Sri Dato' Sri Zulkiple Bin Kassim (Member)
(Resigned on 24/04/2026)

COMPANY SECRETARIES

Lim Seck Wah (MAICSA 0799845)
(SSM PC No: 202008000054)

Tang Chi Hoe (Kevin) (MAICSA 7045754)
(SSM PC No: 202008002054)

Shuhilawati Tajuddin (LS0010190)
(SSM PC No: 202008001358)

REGISTERED OFFICE

Level 15-2,
Bangunan Faber Imperial Court
Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel : 03-2692 4271 Fax : 03-2732 5388

PRINCIPAL PLACE OF BUSINESS

Bangunan Widad Business Group,
No. 3, Jalan Semantan, Damansara Heights,
50490 Kuala Lumpur.
Tel : 03-2094 0009 Fax : 03-2095 9090

REGISTRAR

Mega Corporate Services Sdn. Bhd.
Level 15-2, Bangunan Faber Imperial Court,
Jalan Sultan Ismail, 50250 Kuala Lumpur
Tel : 03-2692 4271 Fax : 03-2732 5388

AUDITORS

Grant Thornton Malaysia PLT (AF0737)
(Member Firm of Grant Thornton International Ltd.)
Chartered Accountants
Level 11, Sheraton Imperial Court,
Jalan Sultan Ismail, 50250 Kuala Lumpur
Tel : 03-2692 4022 Fax : 03-2732 1010

STOCK EXCHANGE LISTING

Stock Name : **WIDAD**
Stock Code : **0162**

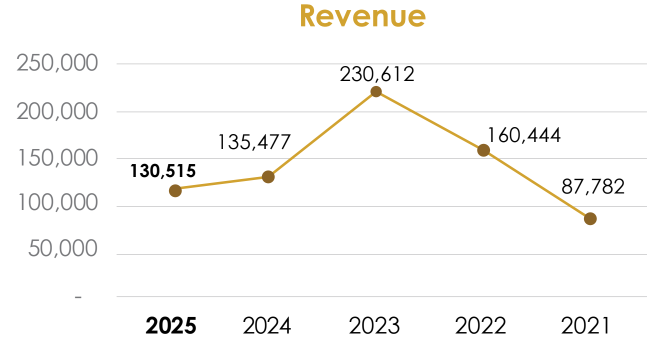
PRINCIPAL BANKERS

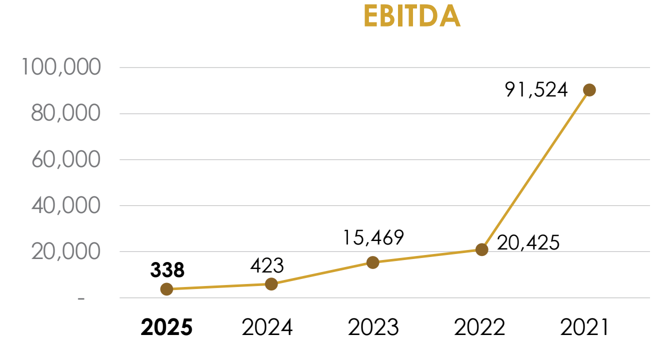
CIMB Islamic Bank Berhad
OCBC Al-Amin Bank Berhad
HSBC Amanah Malaysia Berhad
MBSB Bank Berhad

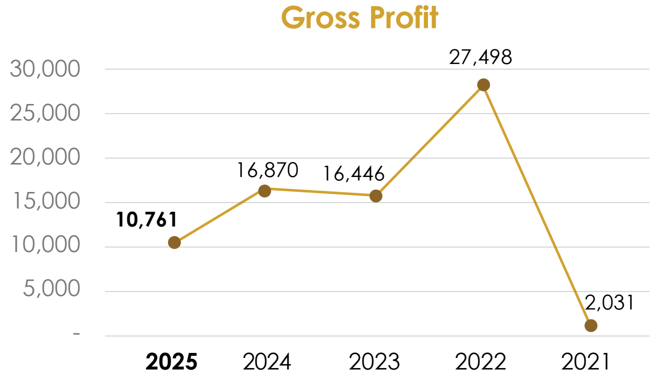
FINANCIAL HIGHLIGHTS

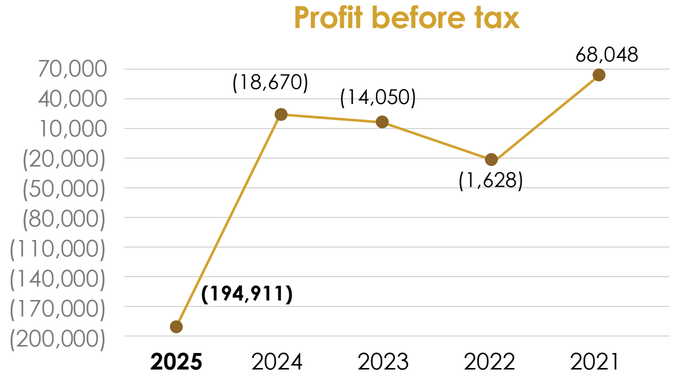
Financial Results

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Revenue	130,515	135,477	230,612	160,444	87,782
Gross Profit	10,761	16,870	16,446	27,498	2,031
EBITDA	338	423	15,469	20,425	91,524
Depreciation	2,114	3,652	3,759	3,708	3,682
Finance cost	20,492	24,430	25,760	18,346	20,064
(Loss)/Profit before tax	(194,911)	(18,670)	(14,050)	(1,628)	68,048
Tax	(30,021)	(5,675)	(2,583)	(4,499)	2,744
(Loss)/Profit after tax	(224,932)	(24,345)	(16,633)	(6,127)	70,791
Key Ratios					
Gross Profit Margin (%)	8.25	12.45	7.13	17.14	2.31
Net Profit Margin (%)	(172.34)	(17.97)	(7.21)	(3.82)	80.64
EPS (sen)	(7.21)	(0.79)	(0.59)	(0.23)	2.65









FINANCIAL HIGHLIGHTS

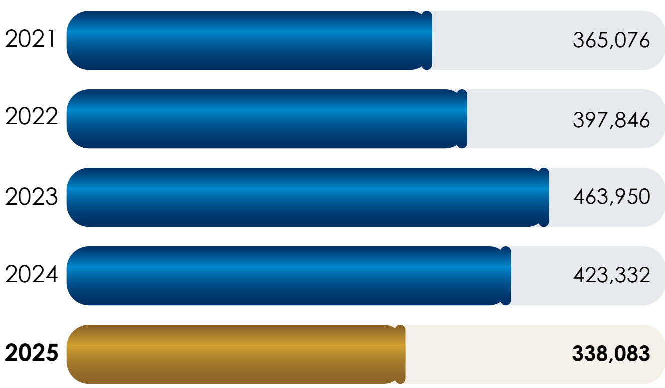
Financial Position

	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Total assets	751,907	1,038,648	1,087,560	926,446	865,650
Total liabilities	543,864	606,635	631,202	554,353	507,733
Total borrowings	338,083	423,332	463,950	397,846	365,076
Equity	208,043	432,013	456,358	372,093	357,916
Key Ratios					
Current ratio	2.24	2.71	3.09	2.67	1.17
Gearing	1.63	0.98	1.02	1.07	1.02
Gearing (net)	1.07	0.64	0.65	0.52	0.56
Debt to capital	0.62	0.49	0.50	0.52	0.51
NTA/Shares (sen)	68.30	13.95	14.74	13.25	13.00

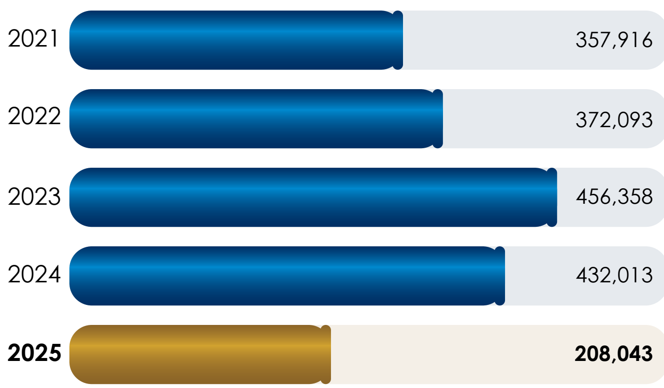
Total assets

Total liabilities

Total borrowings



Equity



A HANDS-ON approach is the best approach

Our employees' hands-on approach to delivering innovative solutions has proven to be the key to customers' continued trust and confidence in us. But the main reason for our success is that our dedicated and hard-working employees know their tasks and are responsible enough to see them through.

PROFILE OF DIRECTORS

TAN SRI MUHAMMAD IKMAL OPAT BIN ABDULLAH

Executive Deputy Chairman

Malaysian | Male | Aged 58

Tan Sri Dato' Sri Muhammad Ikmal Opat Abdullah was appointed as the Executive Deputy Chairman of Widad Group Berhad on 17 July, 2024. He is the founder of Widad Business Group Sdn. Bhd., established in 2002, and has been instrumental in the company's growth and diversification. Tan Sri Muhammad Ikmal holds a Bachelor of Arts in Mass Communication from Universiti Kebangsaan Malaysia. Under his leadership, Widad Business Group has expanded into various sectors, including facilities management, construction, property development, and education.

He has no family relationship with any Director and/or major shareholder of Widad and has no conflict of interest with Widad. He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

DATO' NASIR BIN MAT DAM

Executive Director

Malaysian | Male | Aged 71

Dato' Nasir bin Mat Dam was appointed as an Executive Director of Widad Group Berhad on 17 July, 2024. He holds a Master in Development Administration from Western Michigan University, USA, a Bachelor of Arts in Sociology from Universiti Malaya, and a Diploma in Public Administration from Institut Tadbiran Awam Negara. Dato' Nasir has held various significant positions, including Deputy Secretary-General at the Ministry of Works (2008–2013) and the Ministry of Education (Higher Education) (2013–2015). He also served as a Commission Committee member of the Public Services Commission of Malaysia (2016–2019). Since January 2020, he has been the Senior Executive Director (Education) of Widad Business Group and, as of February 2022, the Vice Chancellor of Widad University College.

He has no family relationship with any Director and/or major shareholder of Widad and has no conflict of interest with Widad. He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

PROFILE OF DIRECTORS

PUAN SALOMA BINTI MOHD JONID

Executive Director

Malaysian | Female | Aged 67

Puan Saloma was appointed to the Board of Widad as Executive Director on 1 August 2023.

She graduated from the University of Malaya with a degree in Economics majoring in Business Administration. Puan Saloma has 30 years' experience in capital market and investment banking specialising in equity and debt capital markets, project financing and credit analysis. She started her career with Aseambankers Malaysia Berhad (now known as Maybank Investment Bank Berhad) in October 1983 and served the bank for ten years until October 1993. In 1994, she joined RHB Investment Bank Bhd and held a Dealer's Representative license for the regulated activity in investment portfolio management and industry advisory to retail, corporate, institutional clients.

In 2014, she joined Widad Business Group Sdn Bhd (WBGSB) and presently designated as Group Human Resources & Administration Director. She is also director in a G7 private construction company, Vertical Engineering Sdn Bhd, a related company of WBGSB.

She does not hold any directorship in any other public company.

She has no family relationship with any Director and/or major shareholder of Widad and has no conflict of interest with Widad.

She has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

DATO' BOEY CHIN GAN

Independent Non-Executive Director

Malaysian | Male | Aged 61

Dato' Boey Chin Gan was appointed as an Independent Non-Executive Director of Widad Group Berhad on 17 July, 2024. He also serves as the Chairman of the Board's Nomination and Remuneration Committee and as member of the Audit Committee.

He holds a Bachelor of Arts (Honours) from Universiti Kebangsaan Malaysia. Dato' Boey has extensive experience in administrative and strategic planning, having served as the Press Secretary to the Minister of Housing and Local Government of Malaysia from 1993 to 2004. He was also a Kedah State Assemblyman for Kulim from 2004 to 2008.

Currently, Dato' Boey Chin Gan is as an Independent Non-Executive Director at Ajiya Berhad.

He has no family relationship with any Director and/or major shareholder of Widad and has no conflict of interest with Widad.

He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

PROFILE OF DIRECTORS

MR. ONG KUAN WAH

Independent Non-Executive Director

Malaysian | Male | Aged 57

Mr. Ong was appointed to the Board of Widad as Independent Non-Executive Director on 4 September 2018. He also serves as the Chairman of the Board's Audit Committee as well as member of the Nomination and Remuneration Committee and the Risk Management and Sustainability Committee.

He graduated from Royal Melbourne Institute of Technology, Australia with a degree in Accounting and also holds a graduate diploma in Computing from Monash University, Australia. Mr. Ong is a Chartered Accountant member of the Malaysian Institute of Accountants and a member of the Chartered Tax Institute of Malaysia.

After graduating in 1991, Mr. Ong started his career at Kassim Chan & Co. and several other medium-sized accounting firms. He specialises in audit and tax works and has over thirty years of experience in financial management, accounting, secretarial, liquidation, internal and external audit and Malaysian tax related matters. He also owns a practice specialising in audit and tax.

He has no family relationship with any Director and/ or major shareholder of Widad and has no conflict of interest with Widad.

He was publicly reprimanded and fined RM100,000 by Bursa Malaysia Securities Berhad for breach of paragraph 16.13(b) of the Main Market Listing Requirements of Bursa Malaysia Securites Berhad on 19 September 2023 for his directorship in Dataprep Holdings Berhad.

Apart from the aforesaid reprimand and penalty by Bursa Malaysia Securities Berhad, he has not been convicted of any offences other than traffic offences, if any, within the past five (5) years.

DATO' DR. ABDULLAH BIN SEPIEN

Independent Non-Executive Director

Malaysian | Male | Aged 80

Dato' Nasir bin Mat Dam was appointed as an Executive Dato' Dr. Abdullah Bin Sepien was appointed as an Independent Non-Executive Director of Widad Group Berhad on 23 April, 2026. He also serves as the Chairman of the Board's Risk Management and Sustainability Committee as well as member of the Audit Committee and the Nomination and Remuneration Committee.

He holds Doctor of Philosophy in Economics and Masters in Agricultural Development Economics Degrees from the Australian National University and a Bachelor of Science Degree in Agricultural Economics from Louisiana State University.

He served the Bank Bumiputera Malaysia Berhad (BBMB) Group for more than 12 years in various capacities. These included Chief Economist, Chief Executive Officers of Bumiputera Lloyds Leasing Bhd and Bumiputera Merchant Bankers Berhad and Chief General Manager of Corporate and International Banking. Before joining BBMB, he was Head of the Economics and Statistics Division of the Rubber Research Institute of Malaysia.

Currently, Dato' Dr. Abdullah Bin Sepien is a Non-Independent and Non-Executive Chairman of South Malaysia Industries Berhad (SMIB) and was its Audit Committee Chairman for more than 20 years.

He has no family relationship with any Director and/ or major shareholder of Widad and has no conflict of interest with Widad.

He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

Construction starts with planning, design, financing and continues until the project is built and ready for use. At Widad Group Berhad, we bring together the most effective processes, leading technologies and passionate people to focus on what matters most
– that is our customers.

PROFILE OF KEY SENIOR MANAGEMENT

MR. NOR AZLAN ZAINAL

Group Chief Executive Officer / Group Chief Financial Officer

Malaysian | Male | Aged 56

Mr. Nor Azlan holds a Bachelor of Accountancy (Hons) from Universiti Teknologi MARA in 1993. He is also a Chartered Accountant under the Malaysian Institute of Accountants. Mr. Nor Azlan began his career at Ernst & Young, until he was admitted to the Malaysian Institute of Accountants.

Subsequently, he joined Guolene Paper Products Sdn Bhd (a subsidiary of Hong Leong Group) Packaging Division in 1997 as an accountant before moving on to Golden Pharos Berhad in 1998 as Chief Financial Officer. In 2004, he co-founded and assumed the role as Chief Executive Officer of Right Balance Sdn Bhd, a diversified group with interests in oil and gas, transportation, and trading of wood products.

In 2018, he joined Widad Business Group Sdn Bhd as Group CFO.

Currently, Mr. Nor Azlan is an Independent Non-Executive Board member and Chairman of the Board's Audit Committee and Risk Management And Sustainability Committee of Mikro MSC Berhad.

He has no family relationship with any Director and/or major shareholder of Widad Group Berhad and has no conflict of interest with Widad Group Berhad.

He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

DATO' JULAINI JUSOH

Chief Operating Officer, Integrated Facilities Management

Malaysian | Male | Aged 56

Dato' Julaini holds a Mechanical Engineering from University of Science Malaysia. He began his career as a mechanical engineer with Sharp-Roxy (M) Sdn Bhd from 1994- 1997. Between 1997-2001, he later moved to BMES Maintenance Services Sdn Bhd as Area Manager, and then took on the role as General Manager at Gemilang Maintenance Services Sdn Bhd (GMS) in 2001. At GMS, Dato' Julaini was promoted to Chief Operating Officer in 2009, and was responsible for the company's daily operations and financials. After a decade at GMS, he joined Widad Builders Sdn Bhd ("WBSB") as Chief Operating Officer in 2011.

Dato' Julaini's impressive career in facilities management in Malaysia is a testament to his outstanding leadership and engineering expertise. Despite his age, he remains a tech wizard and a valuable asset to the organization by incorporating IIOT to meet current market demands. His exceptional leadership has been instrumental in managing the facilities management for some of Malaysia's most iconic landmarks, including the National Palace and the Johor Bahru Sentral Land Transportation Hub, the concessionaire of higher educational institutions, UiTM Jasin, and Johor Naval Base, the revered Jabatan Laut Malaysia for all passenger and ferry terminal to Langkawi Island, and the properties of Cyberview.

As the Chief Operating Officer (COO) of Widad Group Berhad (WGB), Dato' Julaini is committed to the company's vision of becoming a competitive, foremost, and world-class standard organization. Under his visionary leadership, WGB has been recognized with numerous prestigious awards, including the Best Facilities Management award from the Public Works Department of Malaysia. His unwavering commitments to excellence and exceptional expertise have also earned him numerous accolades, such as The Facilities Management Excellence Award by Global Responsible Business Leadership 2018 and The Brand Laureate Brand Leadership Award 2022 – CEO of the Year, solidifying his position as a leader in the field of facilities management. Dato' Julaini does not hold any directorship in any other public company.

He has no family relationship with any Director and/or major shareholder of Widad Group Berhad and has no conflict of interest with Widad Group Berhad.

He has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT

DATUK IR. TS. MOHD SYASWAN SAMSUDIN

Chief Operating Officer, Construction

Malaysian | Male | Aged 45

Datuk Ir. Ts. Mohd Syaswan holds a Bachelor in Civil Engineering (Hons) in Universiti Teknologi Malaysia, Johor. Apart from being the Group's Construction division Chief Operating Officer, he is also the Executive Director of Widad Builders Sdn Bhd since 2010 and the Executive Director of Group Construction Division for Widad Business Group Sdn Bhd.

Prior to joining Widad Group Berhad, Datuk Ir. Ts. Mohd Syaswan worked at Cempaka Muda Sdn Bhd, where he served as a project engineer handling the day to day construction operations from 2003- 2005. He then joined TN Perunding Consulting Engineers as Civil & Structural Design Engineer for two years (2005-2007), followed by Pembinaan BLT Sdn Bhd from 2007 - 2010, a wholly owned company under the Ministry of Finance. He was actively involved in the project management during pre-construction, construction and post-construction stages. He is currently overseeing the on-going project for construction of sewerage treatment plant and pipeline network in Bayan Baru, Penang and road upgrading projects in Klang, Selangor. He was awarded as an excellent project manager

Datuk Ir. Ts. Mohd Syaswan obtained registration with the Board of Engineers Malaysia (BEM) as a Professional Engineer with Practicing Certificate in 2009 and was registered as a Corporate Member of the Institution of Engineers in Malaysia (IEM) in 2009. He was also registered as an Associate ASEAN Engineer of ASEAN Federation of Engineering Organizations (AFEO) in 2012.

Furthermore, Datuk Ir. Ts. Mohd Syaswan is registered with Suruhanjaya Perkhidmatan Air Negara (SPAN) – Qualified Person (2012), Suruhanjaya Perkhidmatan Air Negara – Authorised Entrant & Stanby Person (2014), Green RE Sdn Bhd / Universiti Teknologi Malaysia (UTM) – Certified Green Re Manager (2015), The Road Engineering Association of Asia & Australia (REAAA) – Ordinary Member (2015), Association of Consulting Malaysia (ACEM) – Individual Membership (2015) and The Malaysian Asset & Project Management Association (MAPMA) – Ordinary Member (2016). In 2020, Datuk Ir. Ts. Mohd Syaswan obtained registration with Malaysia Board of Technologists as a Professional Technologist.

Datuk Ir. Ts. Mohd Syaswan does not hold any directorship in any other public company.

He has no family relationship with any Director and/or major shareholder of Widad Group Berhad and has no conflict of interest with Widad Group Berhad.

MS. SHUHILAWATI TAJUDDIN

Company Secretary

Malaysian | Female | Aged 51

Ms. Shuhilawati is a licensed company secretary by the Companies Commission of Malaysia with London Chamber of Commerce & Industry ("LCCI") qualification. From 2003, she has been working as a Senior Assistant to the Company Secretaries at Alor Setar Business Centre Sdn Bhd before joining Alfaiz Holdings Sdn Bhd and its group of companies as Internal Company Secretary in 2017.

At present, she is hired as internal Company Secretary for Widad Business Group Sdn Bhd and its group of companies.

Ms. Shuhilawati does not hold any directorship in any other public company.

She has no family relationship with any Director and/ or major shareholder of Widad Group Berhad and has no conflict of interest with Widad Group Berhad.

She has not been convicted of any offences other than traffic offences, if any, within the past five (5) years and has not been imposed of any public sanction or penalty by the regulatory bodies during the financial year.

Lending a **HELPING** hand to our communities

From volunteering to making donations, we are committed to make a positive difference to people's lives. Nowhere has that statement been truer than with the successes of our CSR initiatives, which is driven primarily by our core values.

OUR SOLUTIONS & SERVICES

CONSTRUCTION, CIVIL & ENGINEERING

Widad Group Berhad has a long-built experience in delivering quality services across a wide-range of construction and infrastructure works. Backed by our efficient processes, latest technologies and strong in-house talent, Widad Group Berhad offers end-to-end construction services for our clients from planning and designing to financing and completing a project.

Over the years, we have successfully completed various construction and infrastructure works such as roads (single and dual carriageway), earthworks and water supply (rural and urban), to name a few - all complete with necessary mechanical and electrical systems.

Our strong track record in completing projects as scheduled and well within cost estimates, have earned the trust and support from our clients, among which include government agencies and well-known corporate names. Our ability to offer a diversified range of construction and civil engineering services, positions Widad Group Berhad as a one-stop centre for our existing and prospective clients.

Below are the work scope for our construction and civil engineering segments are as follows:

CIVIL ENGINEERING WORK SCOPE

- General Civil Engineering Work
- Bridges, Jetties & Marine Structures
- Water Retaining Structures
- Sewerage Systems
- Flood Mitigation Systems
- Irrigation & Drainage Systems
- Joint Boxes and Duct Construction
- Manholes for Cable Networks

CONSTRUCTION WORK SCOPE

- Jungle Clearing & Land Preparation Works
- Mechanical Sanitation & Water Engineering Works

BITUMINOUS ROAD SURFACE, ROAD SIGNS AND MARKINGS
- Guard Rail Barriers
- Milestones, etc

PILING WORKS
- In situ concrete
- Precast reinforced concrete
- Steel
- Timber

OTHERS
- Sub soil drainage
- Water distribution network
- Steel structural works
- Precast reinforced or non-reinforced concrete beams, kerbs, culverts & drains

OUR SOLUTIONS & SERVICES

INTEGRATED FACILITIES MANAGEMENT

We are one of the leading Integrated Facilities Management ("IFM") services providers in Malaysia. With nearly 2 decades of experience in the domestic IFM scene, we have served various types of built environments that were in different stages of their asset lifecycle. The IFM services essentially emphasise on the coordination of space, infrastructure and people, often associated with the administration of among others, office blocks, schools, complexes, convention centres and hotels.

At Widad Group Berhad, we remain committed to deliver stellar, high quality IFM services to our clients from a diverse range of industries, while strictly complying to international quality management standards. The Group strives to sustain peak efficiency in our customers' facilities, by consistently exceeding customers' expectations, while maintaining the safety and comfort. Top-notch technologies and talent are central to our IFM services as we deliver a high level of competency across our services.

Widad Group Berhad's IFM services comprises 3 main categories as follows:

SCHEDULED MAINTENANCE

We consistently inspect the facilities of our customers on a timely and regular basis and follow best maintenance practices to ensure optimum cost, effectiveness and efficiency.

AD HOC MAINTENANCE

We offer round-the-clock coverage making use of our expertise and latest technology to ensure total customer satisfaction.

UPGRADING & RENOVATION

We advise our customer in designing, building as well as performing all upgrading works within the premises.

OUR SOLUTIONS & SERVICES

SCOPE OF SERVICES

PROPERTY MANAGEMENT

Interior & exterior building cleaning. Hard & soft landscaping. Security & monitoring. Pest & hygiene control. Garbage disposal services. Swimming pool maintenance.

MECHANICAL & ELECTRICAL

Air-conditioning system. Fire prevention system. Electrical & lighting system. Lifts, escalators & walkalators.

CIVIL & STRUCTURAL

Civil engineering works. Building works. Mechanical sanitary & water engineering works. Jungle clearing & land preparation. Specialist civil engineering works.

TYPES OF MAINTENANCE

PROACTIVE MAINTENANCE

Involves usage of specialised tools and equipment to identify, repair and solve equipment problems at an early stage.

PREVENTIVE MAINTENANCE

Involves maintenance works performed on a planned schedule which includes inspection, servicing and cleaning.

PREDICTIVE MAINTENANCE

Involves using high end monitoring tools to detect any malfunctions early before any breakdown can occur.

CORRECTIVE MAINTENANCE

Involves immediate repair works due to equipment or machinery failure.

OTHER AREAS OF EXPERTISE

- Facilities Management
- Mobilisation and Demobilisation Management
- Transition Management
- Financial Management
- Utilities Management
- Quality Management
- Risk Management
- Health, Safety and Environmental Management
- Human Resource Management
- Customer Care Management
- Incident Response and Disaster Recovery Management
- Procurement Management
- Inventory Management
- Operation and Maintenance Management
- Information System Management
- Management Review and Reporting
- Warranty Management
- Energy Management and Conservation
- Waste and Redundant Materials
- Technical Library
- Security Management
- Event Management
- Asset Condition Appraisal

MANAGEMENT DISCUSSION & ANALYSIS

Overview of the Group's Business

Widad Group Berhad ("**Widad**" or the "**Company**") and its subsidiaries (the "**Group**") is principally involved in providing the construction services, provision of integrated facility management ("**IFM**") and concession business.

The Group has over two decades of experience in delivering quality services across a wide range of construction and infrastructure works and provision of IFM services. The Group offers end-to-end services from planning, designing, financing and completing of construction projects and undertake full-fledged IFM activities for various type of built environments that are in different stages of their asset lifecycle.

The Group is presently focused on executing and managing its existing order book. Amid challenging market conditions, the Group continues to face a competitive environment in securing new projects.

The Group holds internationally recognised certifications, including ISO 41001 for Facility Management, ISO 50001 for Energy Management, ISO 14001 for Environmental Management, ISO 45001 for Occupational Health and Safety, and ISO 9001 for Quality Management, underscoring its commitment to operational excellence and best practices.

Review of Operations

Construction

The construction segment remained the Group's largest revenue contributor, generating RM94.67 million or 72.53% of the Group's total revenue in FYE 2025 (FYE 2024: RM101.05 million or 74.58%). This reflects a decrease of RM6.38 million or 6.31% compared to the previous financial year.

The lower revenue was primarily attributable to slower construction activities during the financial year, coupled with certain projects having reached tail-end phase of construction, resulting in lower progress billings.

As at 31 December 2025, the construction segment has an outstanding order book of RM415.82 million, to be executed and completed in 2027, providing near-term earnings visibility.

IFM

The Group continues to leverage and expand its expertise in IFM services. The IFM segment contributed RM20.32 million or 15.57% of the Group's total revenue in FYE 2025 (FYE2024: RM21.60 million or 15.95%).

This represents a slight decrease of RM1.28 million or 5.93% as compared to the previous financial year, mainly due to the completion of certain contracts and the timing of contract renewal cycles, which is part of the normal course of business.

As at 31 December 2025, the IFM segment has an order book of RM66.83 million to be executed over the next three years, representing an increase compared to the previous financial year and supporting medium-term earnings visibility.

Concession

The concession segment remained resilient during the financial year under review. Revenue from the concession business increased to RM15.53 million, representing 11.90% of the Group's total revenue in FYE 2025, as compared to RM12.83 million in FYE 2024, reflecting an increase of RM2.70 million or 21.03%.

During the year, the Group continued to provide IFM services at the UiTM Jasin campus in Melaka, as well as asset management services for a training centre for the Royal Malaysian Navy in Johor. The Group remains focused on enhancing operational efficiencies across its concession assets.

The long-term nature of these concession arrangements provides the Group with stable and predictable recurring income streams, with earnings visibility extending until 2039.

As at 31 December 2025, the concession segment, comprising maintenance services and receivables from concession-related construction works, has an outstanding order book of RM168.07 million. Separately, the Group has receivables from concession income (availability charges) amounting to RM607.85 million, which to be collected progressively over the remaining concession period. This reinforces the Group's long-term revenue visibility and stable recurring income stream.

Financial Review

Financial results

Amid a challenging operating environment, the Group recorded a revenue decline of 3.67% or RM4.96 million, from RM135.48 million in FYE 2024 to RM130.51 million in FYE 2025. The lower revenue was primarily attributable to slower construction activities during the financial year, coupled with certain projects having reached tail-end phase of construction, resulting in lower progress billings.

The Group recorded a gross profit of RM10.76 million in FYE 2025, compared to RM16.87 million in FYE 2024. The gross profit margin decreased to 8% from 12% in the previous financial year, mainly due to higher construction costs and margin compression on ongoing projects.

In line with lower revenue for the year, the Group reported a loss before tax of RM194.91 million in FYE 2025, largely attributable to the impairment losses on receivables and contract assets amounting to RM190.54 million.

Without this impairment loss on the financial assets, the Group's loss before tax improved significantly to RM4.38 million for the financial year, from RM18.67 million in FYE 2024. This improvement was primarily driven by a reduction in administrative expenses to RM23.34 million in FYE2025 from RM29.78 million in FYE 2024, following the implementation of cost optimisation measures during the year. In addition, finance costs decreased to RM20.49 million from RM24.43 million in the previous financial year, mainly due to lower borrowings and the disposal of a building.

The Group recorded a tax expense of RM30.02 million in FYE 2025 despite a loss before tax of RM194.91 million, mainly due to tax provision relating to deferred tax liabilities of concession businesses for current and prior years amounting to RM27.50 million.

Statement of Financial Position

The Group's total assets lowered by RM286.74 million or 27.61% from RM1,038.65 million as at FYE 2024 to RM751.91 million as at FYE 2025. The drop was mainly attributable to the drop in contract assets of RM121.35 million and trade receivables of RM85.91 million resulting from the provision for impairment totalling RM190.54 million.

Meanwhile, the lower cash and bank balances were largely due to the repayment of periodic debt obligations.

The Group's total liabilities decreased by RM62.77 million or 10.35%, from RM606.63 million as at FYE 2024 to RM543.86 million as at FYE 2025. The decrease was primarily driven by a net reduction in borrowings and lease liabilities amounting to RM85.25 million, mainly due to the disposal of an asset and settlement of related borrowings as well as the scheduled annual repayment of Sukuk Wakalah principal during the financial year. Contract liabilities and income tax payable decreased by RM1.49 million and RM5.43 million respectively.

The overall reduction in liabilities was partially offset by increases in trade payables, other payables and deferred tax liabilities amounting to RM29.40 million in aggregate.

MANAGEMENT DISCUSSION & ANALYSIS

As a result of the losses incurred during FYE 2025, the Group's total equity decreased to RM208.04 million from RM432.01 million in FYE 2024. Consequently, the Group's net gearing ratio increased to 1.07 times as compared to 0.64 times in the previous financial year. The Group remains committed to strengthening its capital structure and aims to progressively reduce its gearing to a more sustainable level in the coming years.

Notwithstanding the above, the Group maintained a healthy current ratio of 2.24 times in FYE 2025, albeit slightly lower than the previous financial year, mainly due to lower cash and bank balances as well as a reduction in contract assets.

Statement of Cashflows

The Group recorded lower net cash inflows from operating activities of RM35.11 million in FYE 2025, as compared to RM41.92 million in FYE 2024. The decrease was primarily attributable to reduced construction activities during the financial year, which resulted in lower billings and progress claims, as reflected in the reduction of contract assets.

The Group recorded a net cash inflow from investing activities of RM70.80 million in FYE 2025, as compared to a net cash outflow of RM0.55 million in FYE 2024. The significant improvement was primarily attributable to proceeds from the disposal of an asset amounting to RM41.26 million during the financial year.

In addition, the Group generated cash inflows from withdrawals of fixed deposits and designated accounts, as well as interest received. These were partially offset by the placement of maintenance reserve funds and capital expenditure incurred for the renovation of new office.

The Group recorded a net cash outflow from financing activities of RM100.05 million in FYE 2025, as compared to RM58.24 million in FYE 2024. The higher outflow was primarily attributable to repayments of borrowings during the financial year, together with interest and lease payments. These were partially offset by proceeds from the issuance of ordinary shares pursuant to a private placement exercise.

The overall net cash outflow from financing activities reflects the Group's continued efforts in managing its debt obligations.

Corporate Matters

Private Placement

On 24 January 2025, Widad implemented the first tranche of its private placement exercise of up to 309,645,300 new ordinary shares, raising approximately RM1.00 million through the issuance of 24,700,000 new ordinary shares. The proceeds from the first tranche were primarily utilised to finance the construction projects' working capital requirements.

The remaining 284,945,300 shares were not implemented and was deemed completed upon the expiry of the extension period on 19 September 2025 due to unfavourable market condition.

Proposed Acquisition, Proposed Diversification and Proposed Share Consolidation ("**Proposals**").

On 17 April 2025, Widad Development (Nilai) Sdn Bhd ("**Purchaser**"), a wholly-owned subsidiary of Widad, entered into a conditional sale and purchase agreement ("**SPA**") with Guper Bonded Warehouse Sdn Bhd ("**Vendor**") for the acquisition of several parcels of freehold industrial land in Nilai, Negeri Sembilan for a total consideration of RM31.30 million, to be satisfied via the issuance of new ordinary shares. In conjunction with the Proposed Acquisition, the Company also proposed to diversify its existing businesses to include property development and to undertake a share consolidation exercise on the basis of every 10 existing shares into 1 consolidated share.

Subsequently, on 21 August 2025, the Purchaser and Vendor mutually agreed to terminate the SPA in light of prevailing economic conditions and to allow for a reassessment of the Proposed Acquisition, including the identification of revised parcels of land. Following the termination, all obligations under the SPA have ceased and neither party has any further claims against the other.

The Company intends to enter into a new SPA in due course upon finalisation of the revised terms of the Proposed Acquisition. The Company will also revisit and refine the overall structure of the Proposals, and any material developments will be announced in accordance with regulatory requirement.

Proposed Asset Disposal

On 28 April 2025, Widad Builders Sdn Bhd , a wholly-owned subsidiary of Widad, entered into a sale and purchase agreement with Richfield Builder (M) Sdn Bhd for the disposal of a property for a cash consideration of RM41.50 million. The disposal was undertaken as part of the Group's strategic initiative to strengthen its financial position through the reduction of finance costs and depreciation expenses, while enhancing overall cash flow. The disposal was completed on 3 October 2025, following the issuance of the title by the Land Office to Richfield Builder (M) Sdn Bhd as the registered owner of the property.

Outlook and Prospect of Malaysian Economy

Malaysia's economy remained resilient in 2025, expanding by approximately 5.2%, supported by strong domestic demand, sustained private consumption and continued investment activities. The growth momentum was underpinned by favourable labour market conditions, steady income growth and ongoing implementation of investment projects, particularly in infrastructure, manufacturing and services sectors. Inflation remained moderate, reflecting manageable cost pressures and stable domestic conditions.

Looking ahead, Bank Negara Malaysia projects the economy to grow between 4.0% and 5.0% in 2026, driven primarily by domestic demand. Household spending is expected to remain supportive amid stable employment and income levels, while investment activity will continue to be anchored by the execution of multi-year infrastructure projects, government-led initiatives and private sector investments. The external sector is expected to expand at a more moderate pace due to global uncertainties; however, Malaysia's diversified economic base is expected to provide resilience against external headwinds.

Against this backdrop, the outlook for the construction sector is expected to remain positive, supported by the continued rollout of infrastructure projects, including transportation, utilities and public facilities, as well as increasing participation in renewable energy and data centre developments. Notwithstanding this, the sector may continue to face near-term challenges arising from cost pressures, project timing and competitive tender conditions.

The IFM segment is expected to remain resilient, underpinned by recurring maintenance contracts, growing demand for integrated asset management services and the increasing focus on operational efficiency across both public and private sectors. The expansion of infrastructure assets and commercial developments is anticipated to further support demand for IFM services.

Meanwhile, the concession segment is expected to continue providing stable and predictable income streams, supported by long-term concession agreements and consistent maintenance-related revenue. This segment remains less susceptible to economic cycles and continues to serve as a key contributor to the Group's earnings visibility and cash flow stability.

Overall, while global uncertainties and external risks remain, the Group is cautiously optimistic that the supportive domestic economic environment, coupled with its diversified business segments, will position it to navigate challenges and capitalise on emerging opportunities in the coming financial years.

(Sources: BNM Annual Report 2025, Economic & Monetary Review 2025 and Quarterly Bulletin publications)

Moving Forward

For the financial year 2025, the Group remains focused on sustaining the momentum achieved to date, underpinned by its order book of approximately RM1.26 billion. The Group remains focused on strengthening execution capabilities, enhancing operational efficiency and delivering quality outcomes across its core business segments, in line with evolving market requirements.

Within the construction segment, the Group will prioritise disciplined project execution, cost optimisation and timely delivery, while actively pursuing new contract opportunities to replenish its order book amid a competitive operating environment.

The IFM segment will continue to leverage its expertise in integrated asset management services to drive recurring income streams, supported by ongoing contracts and expanding service offerings to both public and private sector clients.

Meanwhile, the concession segment will remain a key pillar of the Group, providing stable and predictable cash flows under long-term concession arrangements, thereby enhancing the Group's overall earnings visibility and financial resilience.

The Group also remains committed to strengthening its network and strategic partnerships to support business growth, while maintaining a strong focus on governance, operational excellence and service reliability.

Recognising the importance of restoring financial health and operational stability, the Group has undertaken and will continue to implement targeted turnaround initiatives aimed at improving efficiency, optimising capital structure and reinforcing its core business fundamentals to support sustainable long-term growth.

MANAGEMENT DISCUSSION & ANALYSIS

Risk

Industry risk

The Group operates primarily in the construction, IFM and concession segments, which are inherently exposed to cyclical industry conditions and macroeconomic factors. Key risks include labour shortages, fluctuations in raw material prices, supply chain disruptions, interest rate movements and evolving regulatory requirements.

Notwithstanding external uncertainties, Malaysia's economy remained resilient, recording GDP growth of approximately 5.2% in 2025, supported by strong domestic demand and sustained investment activity. Growth is expected to moderate to between 4.0% and 5.0% in 2026 amid global uncertainties, although continued infrastructure development and implementation of national policies such as the New Industrial Master Plan 2030 are expected to support construction activities.

The construction sector is anticipated to remain supported by investments in infrastructure, industrial developments and data centre projects, while the IFM and concession segments are underpinned by recurring income streams and long-term service contracts. However, the Group remains mindful of cost pressures and execution risks arising from industry dynamics.

To mitigate these risks, the Group adopts prudent project selection, disciplined cost management, ongoing monitoring of project performance and operational efficiency improvements, while maintaining flexibility to respond to changing market conditions.

Competition risk

The Group operates in highly competitive markets across its construction and IFM segments, where competition arises from both established industry players and new entrants. Pricing pressures, margin compression and the need to secure new projects to sustain order book visibility remain key challenges.

In the construction segment, competition is particularly intense for both public and private sector projects, requiring strong technical capabilities, track record and competitive pricing strategies. Meanwhile, the IFM segment faces increasing competition driven by demand for integrated, cost-efficient and technology-enabled service offerings.

To remain competitive, the Group focuses on strengthening its core competencies, enhancing operational efficiency, maintaining quality delivery standards and leveraging its diversified business model, including recurring income from concession assets. The Group also continues to optimise cost structures and improve execution capabilities to enhance its overall value proposition.

Dependent on third-party contractors

The Group's construction operations rely on a network of third-party contractors and suppliers for the execution of construction works, provision of raw materials and delivery of specialised services. As such, the Group is exposed to risks relating to the performance, reliability and financial stability of these third parties. Any delays, substandard workmanship, supply disruptions or inability of contractors to meet project requirements may impact project timelines, cost efficiency and overall quality of delivery, which in turn could affect the Group's financial performance and reputation.

To mitigate these risks, the Group adopts a structured procurement and contractor management framework, including the appointment of experienced and financially sound contractors with proven track records. The Group maintains a panel of pre-qualified contractors and suppliers, and conducts ongoing performance monitoring, regular evaluations and stringent quality control measures throughout the project lifecycle. In addition, contractual safeguards and clear performance benchmarks are implemented to ensure accountability and adherence to project specifications.

Through these measures, the Group seeks to ensure operational continuity, maintain high standards of execution and minimise potential disruptions arising from its dependence on third-party contractors.

Dividend

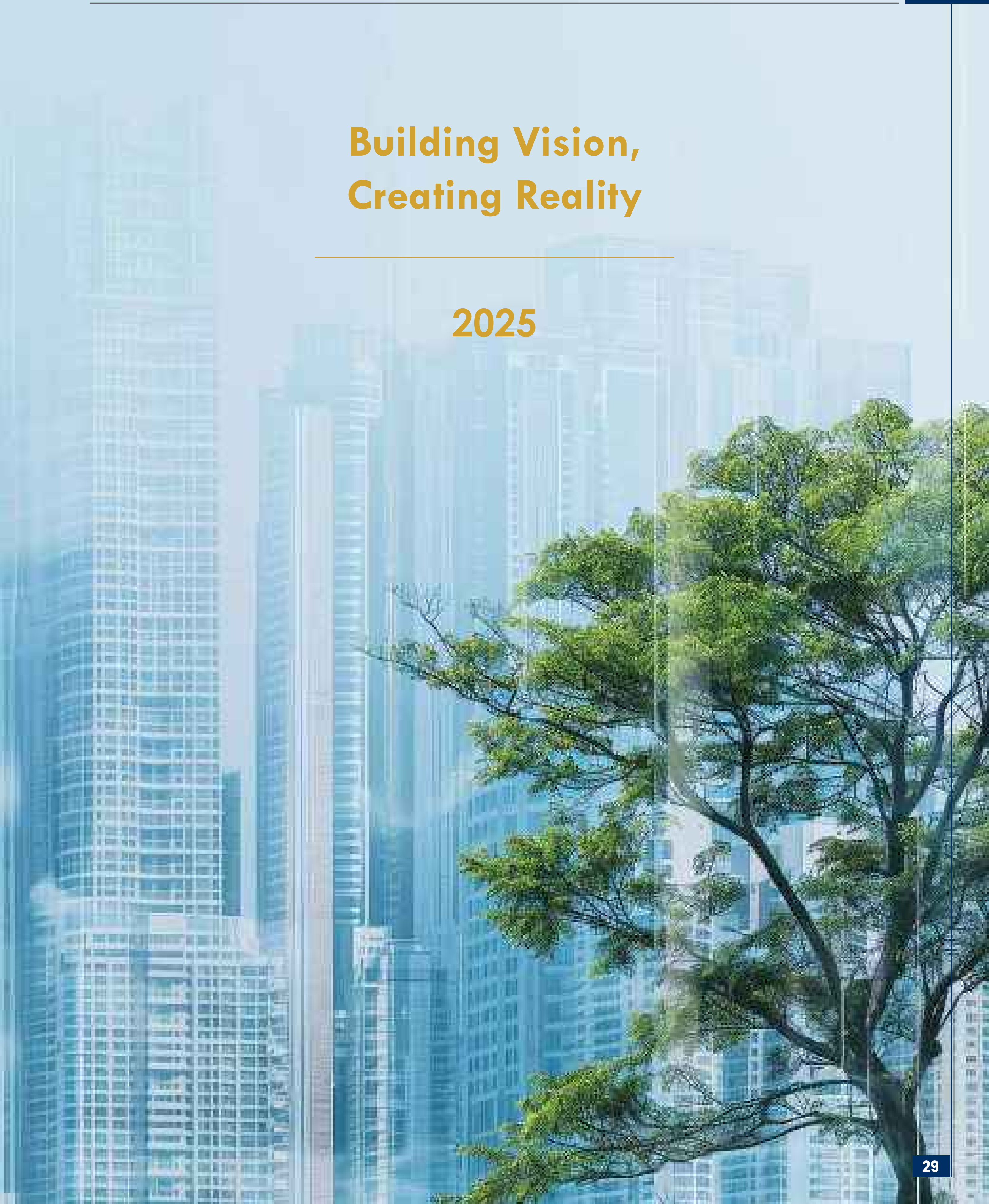
The Board recognises the importance of dividends as a means of delivering returns to shareholders. However, the declaration of dividends is subject to the Group's financial performance, cash flow position and future funding requirements.

For the financial year under review, the Board has resolved not to declare any dividend in order to conserve cash and support the Group's ongoing operational requirements and business initiatives.

The Board remains committed to enhancing long-term shareholder value and will continue to review the Group's dividend policy as the financial position and operating performance strengthen.

Building Vision, Creating Reality

2025



SUSTAINABILITY REPORT

BASIS OF THIS REPORT

THE NEXT CHAPTER OF SUSTAINABLE GROWTH

Refers to the Group's commitment to growing its business responsibly while balancing economic performance, operational, resilience, social responsibility and strong governance. It reflects our approach to integrating environmental, social and governance (ESG) consideration into our business plan, daily operations and decision making process to support long term value creation.

As our business evolves across construction and facility management, we focus on strengthening governance practices, safeguarding the wellbeing of our people and stakeholders, managing operational risks and enhancing efficiency in the use of resources. Through this approach, Widad aims to achieve steady and resilient growth that is aligned with stakeholder's expectation, regulatory requirements and sustainable business practices.

SCOPE AND BOUNDARY OF REPORTING

The reporting period for this Sustainability Report corresponds to the Group's financial year from 1 January 2025 to 31 December 2025 ("FY2025"). The disclosures cover the Group's principal business activities and are tailored to meet the information needs of its investors and other key stakeholders.

This report highlights the Group's efforts to create sustainable value for its key stakeholder groups, including employees, customers, suppliers, and local communities.

For FY2025, the scope of this report has been expanded to include three key entities within the Group, as set out in the table below:

Company Entities	Principal of Activities
Widad Group	Investment Holding
Widad Facility Management Sdn Bhd	Property Management Mechanical & Electrical Civil & Structural
Widad Builders Sdn Bhd	Construction

These entities represent the most significant components of the Group's operations in terms of sustainability impact and stakeholder interest. Unless otherwise stated, the data and information disclosed in this report pertain exclusively to these entities, with a primary focus on operations within Malaysia.

REPORTING FRAMEWORK

This Sustainability Report has been prepared with reference to the following guidelines and reporting standards for the reporting period from 1 January 2025 to 31 December 2025 ("FY2025"):

- Bursa Malaysia Securities Berhad Sustainability Reporting Guide (3rd Revision, 2022)
- Global Reporting Initiative (GRI) Standards 2021
- Malaysian Code on Corporate Governance (MCCG) issued by the Securities Commission Malaysia
- United Nations Sustainable Development Goals (UN SDGs)

The sustainability disclosures and topics presented in this report have been determined based on their materiality to the operations of the three reporting entities and their relevance to the Group's key stakeholders.

ASSURANCE STATEMENT

The Board of Directors and Management of Widad Group Berhad hold ultimate responsibility for the preparation and integrity of this Sustainability Report. The information and data disclosed herein are derived from the Group's internal processes, systems and records. The report has been prepared by Management, reviewed by the Board Risk and Sustainability Committee (BRSMC), and subsequently approved by the Board of Directors to ensure that the disclosures are presented fairly, accurately and in accordance with the Group's sustainability reporting practices

SUSTAINABILITY REPORT

FEEDBACK

We value the input of our stakeholders as we continue to improve our sustainability journey. We welcome any comments, feedback, or suggestions regarding this report. Please direct your inquiries to;

Sustainability Committee

Widad Group Berhad
Jalan Semantan, Bukit Damansara
50490, Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur

** All references to the "Company", "Organisation", "Widad" or "Widad HQ" refer specifically to Widad Group Berhad, the investment holding entity. All references to the "Group" or "Widad Group" refer collectively to Widad Group Berhad and its subsidiary included in the reporting scope for FY2025, namely Widad Facility Management Sdn Bhd, which operates the Group's Integrated Facilities Management (IFM) division in Malaysia & Widad Builders Sdn Bhd (WBSB). The terms "we", "us", "our", and "ourselves" refer to Widad Group Berhad and, where applicable by context, the Group as defined above.*

SUSTAINABILITY SCORECARD

Recognising the need for greater visibility and structured monitoring, we introduced a Sustainability Scorecard this year. This tool helps us track our progress more effectively, identify gaps early and ensure that our sustainability targets remain on course.

ENVIRONMENTAL							
GRI Code	**KPI Description**	**Unit**	**FY2024**	**FY2025**	**Target**	**Achievement**	**UN SDG**
GRI 305-1	GHG Emission – Scope 1 (Fuel)	tCO_2e	79.65	12.79	10% reduction annually	Significant reduction recorded	SDG 13
GRI 305-2	GHG Emission – Scope 2 (Electricity)	tCO_2e	319.13	102.70	10% reduction annually	Reduction recorded	SDG 13

ECONOMIC							
GRI Code	**KPI Description**	**Unit**	**FY2024**	**FY2025**	**Target**	**Achievement**	**UN SDG**
GRI 204-1	Proportion of spending on local suppliers	%	87%	94%	100%	Increase recorded	SDG 8, SDG 12
Bursa C7(a)	Proportion of procurement spending on local suppliers	%	87%	94%	100%	Increase recorded	SDG 8
-	Procurement non-compliance cases	No	0	0	0	Maintained	SDG 16
-	Supplier engagement / monitoring	No	N/A	Ongoing	N/A	Monitoring strengthened	SDG 12

SOCIAL							
GRI Code	**KPI Description**	**Unit**	**FY2024**	**FY2025**	**Target**	**Achievement**	**UN SDG**
GRI 403-9	Lost Time Injury Frequency Rate (LTIFR)	Rate	0	0	Zero	Maintained	SDG 8
GRI 405-1	Percentage of female employees	%	81%	75%	Above first year	Maintained	SDG 5
GRI 404-1	Average training hours per employee	Hours	14.49	29.22	Above first year	Achieved	SDG 4
GRI 418-1	Data breach incidents	No	0	0	Zero incidents	Zero incidents	SDG 16
GRI 413-1	Community programmes conducted	No	1	1	Above first year	Maintained	SDG 11

GOVERNANCE							
GRI Code	**KPI Description**	**Unit**	**FY2024**	**FY2025**	**Target**	**Achievement**	**UN SDG**
GRI 205-1	Operations assessed for corruption risks	%	100%	100%	100%	Achieved	SDG 16
GRI 205-2	Employees trained on anti-corruption	%	0%	100%	100%	Achieved	SDG 16
GRI 205-3	Confirmed corruption cases	No	0	0	Zero Case	Achieved	SDG 16
GRI 2-9	Independent Directors	%	57.14%	57.14%	>50%	Achieved	SDG 16

SUSTAINABILITY GOVERNANCE

OVERVIEW

Widad Group Berhad adopts a structured governance framework that integrates sustainability across its operations. The Group has progressed from ad hoc monitoring to a more data-driven approach, ensuring business units contribute to long-term sustainability objectives. This enables continuous improvement while supporting effective ESG risk management, responsible growth and long-term value creation.

STRENGTHENING AND ENHANCING TRANSPARENCY

The Group has established a sustainability governance structure to support accountability, transparency and informed decision-making. Enhanced collaboration across business units strengthens the Group's ability to manage climate-related and broader ESG risks in line with Bursa Malaysia's sustainability expectations.

SUSTAINABILITY REPORT

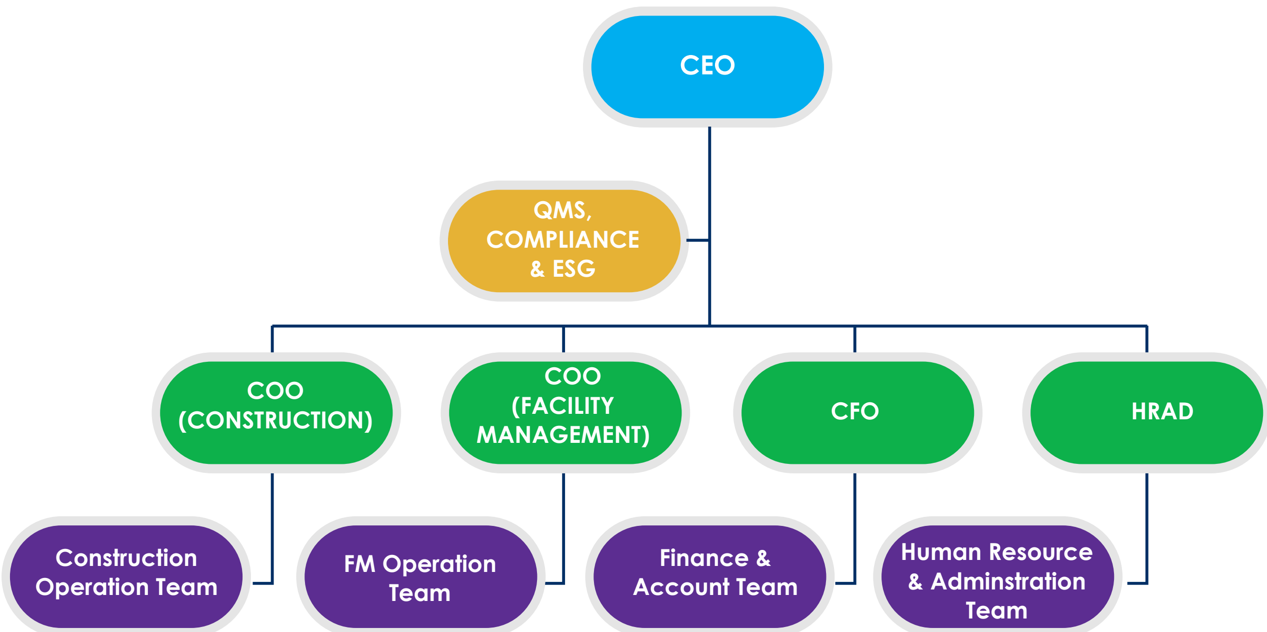
WIDAD GROUP SUSTAINABILITY GOVERNANCE STRUCTURE

Sustainability oversight is chaired by the Board Risk Sustainability Committee, which provides strategic direction and oversight of material ESG risks and opportunities. At the Management level, sustainability matters are coordinated through a Management Committee, which supports implementation, Performance monitoring and cross-functional collaboration. Relevant Sustainability matters are reported to Management and the Board Risk Committee, where applicable.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Board's leadership and oversight of all sustainability matters are reinforced by

WIDAD GROUP SUSTAINABILITY MANAGEMENT STRUCTURE



CEO	• Provide overall strategic direction and leadership • Oversee corporate governance and sustainability performance • Ensure alignment between business strategy and ESG commitment • Reports sustainability performance to the Board
QMS, COMPLIANCE & ESG	• Acts as the Group representative for QMS, compliance and ESG matters • Coordinate and consolidate data from business units and supporting functions • Monitor regulatory, governance and sustainability requirements • Prepares group-level sustainability, ESG and compliance reports for management review
COO (CONSTRUCTION)	• Oversees construction operations and project delivery • Ensures compliance with safety, quality and regulatory requirements • implements sustainability practices at project and site level • Provides operational data and inputs for ESG reporting
COO (FACILITY MANAGEMENT)	• Oversees facility management operations and service delivery • Ensures operational efficiency, safety and service quality • Supports implementation of sustainability initiatives in FM operations • Provides operational data and inputs for ESG reporting
CFO	• Oversees financial management, controls and reporting • Ensures financial governance and regulatory compliance • Supports ESG disclosures related to financial and economic performance • Provides financial data for sustainability and integrated reporting
HRAD	• Oversees human resource management and administrative functions • Ensures compliance with labor laws and employment standards • Drives employee engagement, welfare and training initiatives • Provides social and workforce data for ESG reporting
OPERATIONAL & FUNCTIONAL TEAM - Construction Operation Team - FM Operation Team - Finance & Account Team - Human Resources Administration Team	• Execute operational and functional activities • Implement approved policies and sustainability practices • Maintain records and operation data • Support group level ESG and compliance reporting

WHY THIS GOVERNANCE STRUCTURE WORKS

This governance structure supports the Group's construction and facility management operations by linking Board oversight with day-to-day execution. The Board oversees key ESG risks and opportunities, particularly in safety, regulatory compliance, environmental impact and service continuity. Management integrates sustainability into project delivery, site operations and facility management, supported by the Group QMS, Compliance & ESG Representative who coordinates implementation, data consolidation and consistent reporting. Operational teams carry out monitoring and implementation at site and service levels, strengthening transparency, risk management and performance tracking across the Group. This approach supports responsible growth and long-term value creation in line with Bursa Malaysia, GRI and IFRS sustainability disclosure requirements.

SUSTAINABILITY REPORT

WIDAD ESG FRAMEWORK

In its second year of sustainability reporting Widad Group Berhad has formalized its ESG framework to establish a structured and consistent approach for integrating environmental, social and governance considerations into the Group's business strategy, operations and decision making processes. The framework reflects the Group's current sustainability priority and serves as a foundational reference to progressively strengthen ESG Implementation, in alignment with regulatory requirements and stakeholder expectations.

WIDAD GROUP BERHAD

WGB ESG FRAMEWORK

VISION

Deliver safe, Resilient and Sustainable infrastrructure & service

MISSION

Responsible conduct - Safe workplace - Environmental stewardship - Ethical governance

ESG PILLAR & MATERIAL ISSUE

ENVIRONMENTAL (E)

- Energy & Emissions
- Water Management
- Waste & resources
- Environmental & Compliance

SOCIAL (S)

- Occupational health & safety
- Labor practice & human right
- Training & Development
- Community engagement

GOVERNANCE (G)

- Board oversignt & risk management
- Anti Corruption & ethics
- Whistleblowing
- Compliance & internal control

SUSTAINABLE VALUE CREATION
Economic is embedded through governance, risk management and operational efficiency across the Group's ESG practices

This supports;

- Long-term business sustainability
- Financial resilience and cost optimization
- Compliance with regulatory and stakeholders expectations
- Sustainable returns for shareholders & stakeholders

UNSDG ALIGNMENT

ECONOMIC

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

ENVIRONMENT

7 AFFORDABLE AND CLEAN ENERGY
14 LIFE BELOW WATER
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

SOCIAL

4 QUALITY EDUCATION
5 GENDER EQUALITY
11 SUSTAINABLE CITIES AND COMMUNITIES
8 DECENT WORK AND ECONOMIC GROWTH
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

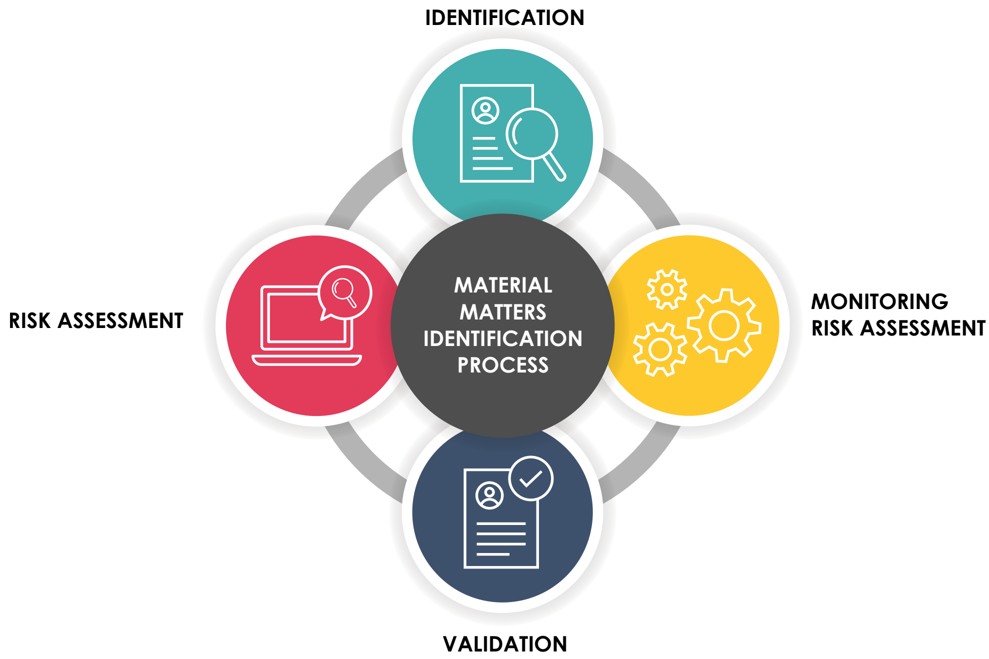
GOVERNANCE

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

DETERMINING OUR MATERIAL MATTERS

Widad Group Berhad conducts a materiality assessment to identify the environmental, social and governance ("ESG") matters that are most important to the Group and its stakeholders.

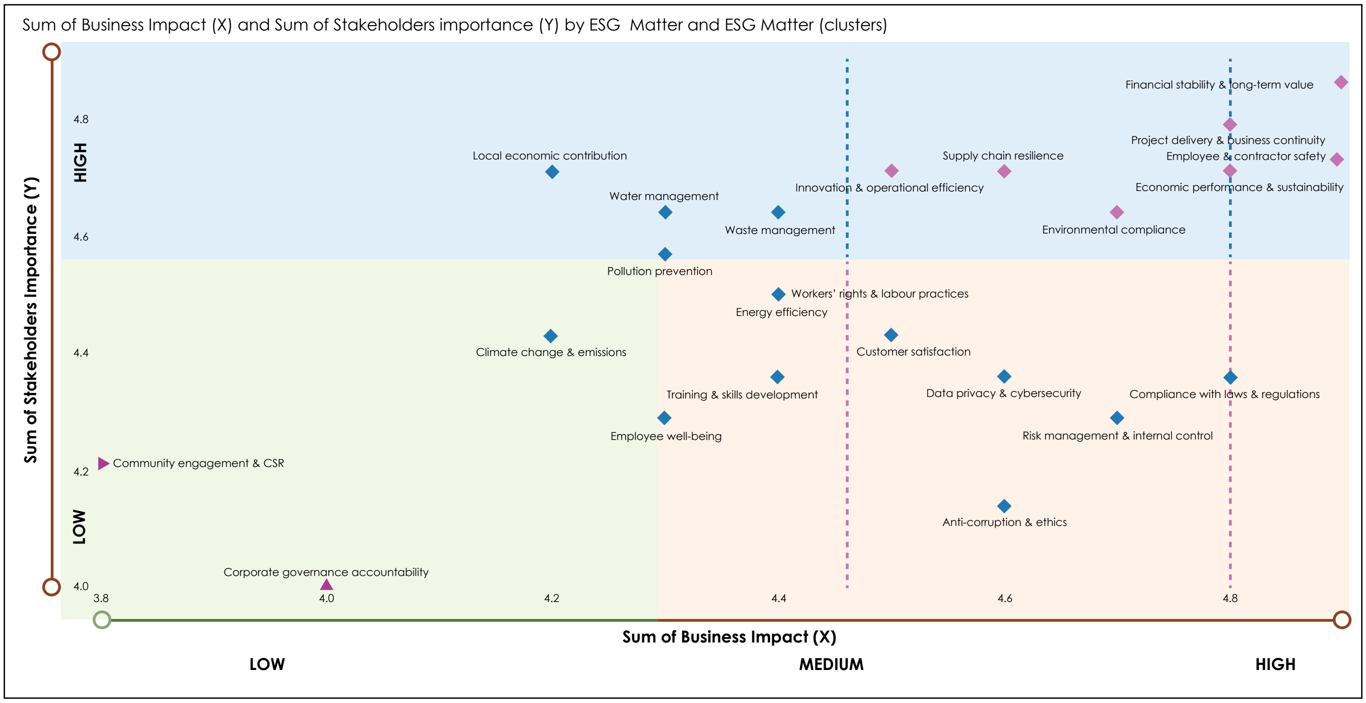
As this represents the Group's second year of sustainability reporting, the materiality assessment process has been refined to improve consistency and relevance. The outcome enables the Group to priority key sustainability matters, manage associated risks and opportunities and ensure that sustainability disclosure reflect the Group's operational activities and strategic direction.



Identification	Prioritization	Validation	Monitoring Risk Assessment
Identification of a comprehensive list of potential ESG matters relevant to the Group's operations and industry context	Assessment and ranking ESG matters based on their relative importance to the group and its stakeholders	Confirmation of the final list of material ESG matters to ensure completeness and accuracy	Ongoing monitoring of material ESG matters and their associated risks and opportunities.
Key Activities : - Review of regulatory requirements (Bursa Malaysia Sustainability Reporting Guide) - Consideration of stakeholder concerns through engagement and internal discussion	Key Activities: - Evaluate ESG matters based on impact toward business performance & significance to key stakeholder groups	Key Activities: - Do a comparison against material matters prior year for consistency & progression	Key Activities: - Monitoring of performance indicators and incident trends
Outputs - Long list of potential ESG matters.	Outputs: - Materiality Scores - Materiality Matrix	Outputs: - Final Materiality Matrix	Outputs: - Update risk & opportunities and consider to material matters

SUSTAINABILITY REPORT

DETERMINING OUR MATERIAL MATTERS



Material matters are identified based on their relative importance to stakeholders and their impact on the Group's business. Matters positioned in the upper-right quadrant are prioritised for strategic focus, while other matters remain actively monitored through policies, controls and governance mechanisms. As this represents the Group's second year of structured ESG reporting, the materiality outcomes reflect current stakeholder perceptions and business priority, which will continue to be reviewed and enhanced as ESG practices mature.

ESG Pillar	High Impact	Medium Impact	Lower Impact
Economic	• Financial stability & long-term value • Project delivery & business continuity • Economic performance & sustainability • Supply chain resilience (procurement practise)	• Innovation & operational efficiency • Local economic contribution	
Social	• Employee & Contractor safety (Employee Safety & Health) (OSH)	• Labour practices / workers right • Training & Skill development • Data privacy & Security	• Community engagement & CSR
Environmental	• Water Management • Environmental compliance	• Energy efficiency • Pollution prevention • Climate change	
Governance	• Compliance with laws & regulations	• Risk Management & internal • Anti-Corruption & ethics	• Corporate governance accountability

DETERMINING OUR MATERIAL MATTERS

RISK AND OPPORTUNITIES RELATED TO OUR MATERIALITY

The sustainability risk and opportunities identified derived from the Group's stakeholder survey results, particularly matters assessed as important and perceived to pose higher risk if not effectively managed. This survey- based approach enables the Group to align its sustainability risk management with stakeholder expectations and material business priority.

KEY PILLAR	MATERIAL MATTERS	RISK EXPOSURE	MANAGEMENT RESPONSE	SDG
ECONOMIC	Supply Chain Resilience (Procurement Practices)	Supplier non-compliance with contractual or performance requirement Potential project delays & reputational risk arising from supplier performance issue	Supplier evaluation & due diligence Contract Monitoring & Supplier engagement	SDG 8 SDG 12
ENVIRONMENT	Water Management & environmental protection	Inefficient water usage in operation Potential disruption to water supply affecting operational continuity	Water consumption monitoring Implementation of operational control measures	SDG 6 SDG 7 SDG 13 SDG 12
ENVIRONMENT	Energy efficiency & resource optimisation	High energy consumption leading to operational cost & environmental impact	Energy monitoring and adoption of energy conservation practise	
ENVIRONMENT	Climate Change	Operational disruptions due to climate-related impact such as extreme weather conditions	Environmental management measures Monitoring of emissions & climate related risks	
ENVIRONMENT	Waste management & resource use	Improper waste handling or disposal practices	Proper waste segregation & disposal through licensed contractors Monitoring the waste generation	
SOCIAL	Employee Health & Safety (OHS)	Work-related injuries, accidents or occupational illness	Implementation of Safety procedures Safety Training & monitoring	SDG 8
SOCIAL	Training & Skills Development	Service quality & operational effectiveness	Training & development programmes	SDG 4 & SDG 8
SOCIAL	Labor practices & standards	Unfair treatment Discrimination	Policies, Awareness programmes Monitoring	SDG 5 & SDG 8

SUSTAINABILITY REPORT

KEY PILLAR	MATERIAL MATTERS	RISK EXPOSURE	MANAGEMENT RESPONSE	SDG
SOCIAL	Diversity, Equity & Inclusion	Lack of diversity and inclusion may affect talent attraction, moral & organisational culture	Broader talent pool, inclusive work culture and organisational resilience	SDG 4 & SDG 8
SOCIAL	Data Privacy & Security	Data breach or misuse of personal data	Strengthen stakeholder confidence and improve information security practise	SDG 11
SOCIAL	Community Engagement	Social licences to operate and project acceptance	Stronger community trust, improved stakeholder relationship	SDG 11
SOCIAL	Employee well-being & engagement	Productivity & retention	Employee engagement initiatives and communication	SDG 8
GOVERNANCE	Board Oversight	Inadequate oversight of ESG and compliance matters may lead to regulatory non-compliance and governance gaps	Board level oversight, compliance monitoring and internal control structures strengthen accountability and decision making	SDG 16
GOVERNANCE	Business ethics, Anti-Corruption & Whistleblowing	Undetected unethical behaviour, retaliation risks or lack of reporting may weaken transparency and trust Operational & financial exposure arising from unethical conduct, fraud or corruption	Implementation of whistleblowing and grievance mechanisms Anti-corruption policies and management oversight Risk management framework & internal control processes	
GOVERNANCE	Internal Audit	Weak internal controls may result in ethical misconduct, financial misstatement or reputational damage	Internal audit function provides independent assurance, strengthens controls and supports continuous improvements	

SUSTAINABILITY REPORT

ENGAGING WITH STAKEHOLDERS

Building trust through transparency

We believe that fostering an environment where information is shared openly and proactively creates a strong foundation for collaborative progress. This approach ensures that every voice is heard, strengthens our licence to operate and supports informed decision-making across our value chain. Through consistency engagement, we align our actions with stakeholder priority, enhance accountability and contribute to long-term sustainable value creation.

	LEVEL OF ENGAGEMENT
★ ☆ ☆ ☆ ☆	Building (Inform)
★ ★ ☆ ☆ ☆	Management Engagement (Consult/ Involve)
★ ★ ★ ☆ ☆	Collaboration or Value Creation (Collaborate/Empower)
★ ★ ★ ★ ☆	Partnerships & Strategy (Integrate)

	FREQUENCY
D	Daily
W	Weekly
M	Monthly
Q	Quarterly
Y	Yearly
AR	As Required

SUSTAINABILITY REPORT

>> SHAREHOLDERS / INVESTORS

Level of Engagement ★ ★ ★ ★ ☆

WHY WE ENGAGE

Shareholders/ investors are essential to sustaining our long-term growth. We engage with them to ensure transparency, strengthen trust, maintain confidence in our business performance, and communicate our strategic direction. Effective engagement enables informed investment decisions and supports our ability to deliver sustainable value

KEY INTEREST

- Financial performance and profitability
- Business strategy and long-term growth
- Risk management & governance
- Dividend policy and returns
- Transparency and timely disclosures
- ESG performance & regulatory compliance

OUR ENGAGEMENT APPROACH

- Provide timely disclosure through Bursa announcement and statutory reporting
- Conduct Annual General Meetings (AGM) to communicate performance and strategies
- Facilitate investor inquiries through email and direct communication
- Maintain strong governance and risk-management frameworks
- Enhance ESG disclosure aligned with Bursa's latest guidelines and IFRS requirements

VALUE CREATED FOR STAKEHOLDERS

- Strengthen investor confidence and continued support for our growth trajectory
- Enhance market reputation through transparent and consistent communication
- Greater alignment between shareholder expectations and business strategy
- Attraction of long-term, responsible investors prioritizing sustainable performance
- Improved oversight and accountability through strong governance practices

Engagement Platform/ Frequency	
• Annual Grand Meeting (AGM)	Y
• Bursa Malaysia Announcements	AR
• Annual Report Financial Performance	Y
• Corporate Website (Investor Relations)	AR Y
• Company Secretary	AR
• Investor briefings or ad-hoc dialogues	AR

>> EMPLOYEES

Level of Engagement ★ ★ ★ ☆ ☆

WHY WE ENGAGE

Employees are our most valuable asset. We invest in employee engagement to safeguard well-being, support professional development and ensure a safe and respectful working environment.

This focus empowers our workforce to contribute effectively to organizational performance and long-term business sustainability.

KEY INTEREST

- Learning & development
- Career progression & development
- Health & Well-being
- Integrity and business practice
- Diversity and Inclusion
- Work environment & respect in the workplace
- Anti-Corruption
- Employee Obligation

OUR ENGAGEMENT APPROACH

- Provide structured training plans for all employees
- Track annual training hours to ensure continuous capability building
- Offer competency –based programs aligned with job roles
- Use performance results (KPI) to support career advancement, training allocation and succession planning
- Encourage employees to pursue professional certifications and skill enhancement opportunities
- Maintain full compliance with established Health, Safety and Environment (HSE) requirements, including mandatory safety briefings, HSE training and continuous monitoring of incidents
- Strengthen our approach to employee well-being by gradually introducing structured wellness initiatives and health-related programs, reflecting our continued progress in enhancing a safe and supportive work environment for HQ staff
- Continue expanding wellness and awareness activities across all locations to promote a healthier workforce
- Monitor diversity across employee categories and ensure equal opportunity in recruitment
- Reinforce the code of conduct for all employees and contractors and conduct integrity awareness sessions
- Ensure reporting channels are accessible for whistleblowing
- Monitor adherence to workplace rules and standards

VALUE CREATED FOR STAKEHOLDERS

Our proactive engagement with employees creates meaningful value for both our workforce and the organisation. By investing in development, promoting integrity, enhancing workplace well-being and fostering an inclusive culture, we strengthen our human capital and organisational resilience.

Engagement Platform/ Frequency	
• Internal & External Training Program (in-person, virtual, hybrid)	AR M Q Y
• Health, Safety & Well-being Program	AR Q Y
• Engagement with HOD & managers	AR M
• Performance Review	Y
• Widad Group Corporate Website	AR
• Digital Communication	AR

>> CLIENTS

Level of Engagement ★ ★ ★ ★ ☆

WHY WE ENGAGE

Clients are central to our business success. Engaging with them enables us to understand project expectations, deliver quality outcomes, build trust, and maintain long-term relationships.

KEY INTEREST

- Project quality and timely delivery
- Technical capability & problem solving
- Cost-effectiveness and value for money
- Transparent communication and progress update
- Compliance with contract specifications
- Anti-corruption and ethical conduct
- Health, safety and environmental performance
- Employee competency and professionalism

OUR ENGAGEMENT APPROACH

- Hold regular project progress meetings and technical reviews
- Provide transparent reporting on timelines, risk and milestone
- Conduct site inspection and joint walkthroughs with clients
- Facilitate technical discussions to address issues and propose solutions
- Respond promptly to client inquiries and instruction
- Comply with all contractual obligation, HSE requirements, and QA/QC standards
- Uphold integrity by reinforcing anti-corruption measures and compliance expectation

VALUE CREATED FOR STAKEHOLDERS

- Improved project delivery, quality and client satisfaction
- Stronger trust and long-term business relationships
- Enhanced communication and reduced projects risks
- Better alignment with client expectations and contractual requirements
- Reinforced reputation as a reliable, compliant, and solution-focused service provider

Engagement Platform/ Frequency	
• Project progress meetings	W M
• Technical & coordination meetings	AR
• Joint site inspections & walk-about	W M
• Client Performance Review	AR
• Formal reporting (Progress, HSE & QA/QC)	W M
• Email, calls & direct communications	AR
• Contract clarification & briefing sessions	AR

>> SUBCONTRACTORS / SUPPLIERS

Level of Engagement ★ ★ ★ ☆ ☆

WHY WE ENGAGE

Subcontractors or suppliers are critical to ensuring safe, high-quality, and timely delivery of our projects. Engaging with them help strengthen operational performance, uphold compliance and foster long-term, responsible partnerships.

KEY INTEREST

- Workplace safety & regulatory compliance
- Project specifications, timelines and quality expectations
- Payment terms and contract obligations
- ESG (HSE, environmental practices, anti-corruption)
- Workforce competency and training
- Fair, transparent procurement process

OUR ENGAGEMENT APPROACH

- Conduct regular safety briefings, toolbox talks and site inspections
- Hold coordination meetings to review project progress and quality requirements
- Provide clear contract and procurement guidelines
- Conduct supplier evaluations and monitor performance
- Share compliance requirements on HSE, environmental standards and anti-corruption
- Facilitate two-way communication via email, site visits and direct discussions

VALUE CREATED FOR STAKEHOLDERS

- Higher safety and quality performance
- Stronger compliance across the supply chain
- Transparent and consistent communication
- Strengthen long-term partnership
- Reduced operational and procurement risks

Engagement Platform/ Frequency	
• Toolbox talks & safety briefings	D M
• Site inspections & walkthroughs	AR Q Y
• Project coordination meetings	AR M
• Subcontractor / Supplier performance evaluation	Y
• Contract meetings & compliance briefings	AR
• Email / direct communication	AR

SUSTAINABILITY REPORT

>> REGULATORIES / AUTHORITIES

Level of Engagement ★ ★ ★ ☆ ☆

WHY WE ENGAGE

Regulatories/Authorities are important stakeholders in ensuring compliance with legal, environmental, safety and governance requirements while maintaining our licence to operate.

KEY INTEREST

- Regulatory compliance and reporting
- Environmental protection
- Health & Safety Compliance
- Governance and anti- corruption
- ESG Disclosure
- Statutory permits and approvals

OUR ENGAGEMENT APPROACH

- Submission of statutory reports and documents
- Participation in inspections, audits and regulatory reviews
- Attendance at briefings, consultations and dialogues
- Open communication channels for clarifications
- Implementation of corrective actions

VALUE CREATED FOR STAKEHOLDERS

- Stronger compliance and reduced regulatory risks
- Enhance trust with government agencies
- Improved transparency and governance
- Reduced operational disruptions
- Alignment with national ESG Requirements

Engagement Platform/ Frequency	
• Regulatory inspections & audits	AR M Y
• Statutory reporting submissions	M Q Y
• Regulatory briefings & dialogues	AR
• Compliance updates & meetings	AR
• Email / official correspondence	AR
• Permit or license renewal processes	AR

>> COMMUNITIES / NGO

Level of Engagement ★ ★ ★ ☆ ☆

WHY WE ENGAGE

Communities / NGO surrounding our operations are important stakeholders whose well-being and safety are essential to maintaining our social licence to operate. Engagement enables us to identify community needs, minimise operational impacts and contribute to local development.

KEY INTEREST

- Community well-being and safety
- Local economic opportunities
- CSR support and outreach
- Environmental impacts
- Transparency and responsiveness

OUR ENGAGEMENT APPROACH

- CSR activities, outreach programs and community support
- Dialog with local leaders, NGOs and community representatives
- Notices and communications regarding project impacts
- Feedback handling through grievance channels
- Environmental and social monitoring at project sites
- Collaborated & partnership with NGOs for the community support activity & preservation of flora and fauna

VALUE CREATED FOR STAKEHOLDERS

- Strengthen community relationships and trust through the various CSR programs collaboration with the NGOs to contribute and improve community well-being and protect our flora and fauna
- Positive social impact and support for vulnerable groups
- Reduced community-related risks during project execution
- Better alignment with local expectation
- Enhanced corporate reputation

Engagement Platform/ Frequency	
• CSR programmes & community outreach	Y AR
• Engagement with local leaders / NGOs	AR
• Community dialogue & consultation	AR
• Environmental & social monitoring	M AR
• Public communication (letters / notices)	AR
• Grievance Handling / feeback channels	AR

HIGHLIGHT SUSTAINABLE VALUE CREATION

Widad Group Berhad's approach to sustainable value creation focuses on building long-term business resilience through sound governance, effective risk management and responsible operational practices. As this is the Group's second year of structured ESG reporting, sustainability considerations are progressively integrated into business strategy, daily operation and decision-making, in line with regulatory expectations and stakeholders priority.

OUR VALUE CREATION MODEL

Widad Group Berhad adopts a structured and practical value creation Model that links ESG inputs and actions to near-term outcomes and Long-term value. This approach supports the Group's construction and facility management operations while remaining proportionate to the Group's current stage of ESG implementation.

- **STRATEGIC FOUNDATION**
  - Board and management oversight of sustainability and risk matters
  - ESG framework, policies and internal controls
  - People, system and operational processes
- **ESG INTEGRATION & EXECUTION**
  - Identification and prioritisation of material ESG topics
  - Integration of ESG considerations into operational and project management practices
  - Monitoring of safety, compliance, service delivery and key operational risks
  - Strengthening internal coordination, data consistency and reporting discipline
- **PERFORMANCE OUTCOME**
  - Improved visibility of ESG related risks and opportunities
  - Stronger compliance and governance culture
  - More consistent sustainability monitoring and reporting
  - Enhance operational discipline and risk awareness across business unit's function
- **LONG TERM SUSTAINABLE VALUE**
  - Business continuity and operational resilience
  - Improve stakeholder confidence and trust
  - Readiness for evolving regulatory and sustainability disclosure requirements
  - Support for sustainable growth and long term value for shareholders and stakeholders

LINKAGE TO MATERIAL ESG TOPICS

Sustainable value creation is driven through the Group's material Environmental, Social and Governance topics. Environmental management supports regulatory compliance and operational efficiency; social practices promote workforce safety, well-being and service quality; and governance strengthens accountability, ethical conduct and effective risk oversight. Collectively, these material ESG topics contribute to responsible growth, enhanced risk management and long-term business sustainability.

LOOKING AHEAD

As the Group continues to enhance its ESG practices across its business activities and daily operations, its sustainable value creation approach will be further strengthened through clearer performance indicators, improved data maturity, and more outcome-based disclosures in future reporting cycles. This phased approach reflects Widad's commitment to continuous improvement while ensuring that sustainability disclosures remain accurate, balanced, and aligned with the Group's operational realities.

SUSTAINABILITY REPORT

SUSTAINABILITY JOURNEY

Widad Group Berhad's sustainability journey reflects the Group's progressive efforts to strengthen environmental, social and governance ("ESG") practices in line with regulatory expectations and evolving stakeholder priority. As ESG reporting continues to develop globally and within Malaysia, the Group adopts a phased approach to enhance governance, data monitoring and sustainability integration across its operations.

2024

FOUNDATION

- INITIAL SUSTAINABILITY DISCLOSURE
- ALIGNMENT WITH BURSA MALAYSIA SUSTAINABILITY REPORTING GUIDE
- IDENTIFICATION OF ESG TOPICS TO THE GROUP

2025

STRUCTURED REPORTING

- SECOND YEAR OF STRUCTURES REPORTING
- ESTABLISH GOVERNANCE STRUCTURE
- INTRODUCED OF SUSTAINABILITY SCORECARD
- EXPANDED DISCLOSURE ON ESG PERFORMANCE

2026

DATA & SYSTEM ENHANCEMENT

- STRENGTHENING DATA COLLECTION PROCESSES
- IMPROVING MONITORING OF ENVIRONMENTAL & OPERATIONAL INDICATORS
- ENHANCING COORDINATION ACROSS OPERATING ENTITIES FOR SUSTAINABILITY REPORTING

2027

IFRS ALIGNMENT

- PROGRESSIVE ALIGNMENT WITH IFRS SUSTAINABILITY DISCLOSURE STANDARDS
- ENHANCED ESG PERFORMANCE INDICATOR & TARGETS
- CONTINUED INTERGRATION OD SUSTAINABILITY CONSIDERATION INTO BUSINESS STRATEGY & OPERATIONS

The Group adopts a phased approach to strengthen sustainability governance, improve ESG data management and progressively align with evolving sustainability disclosure standards.

HIGHLIGHT ECONOMIC

Supply Chain Resilience (procurement practise)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SUPPLIER CHAIN RESILIENCE (PROCUREMENT PRACTISE)

WHY IT MATTERS

The Group relies on external suppliers and subcontractors to support operational activities and project delivery. Ineffective procurement practices may expose the Group to supply disruption, cost escalation, quality issues and governance risks.

Strengthening supply chain resilience enhances:

- Business continuity
- Financial discipline
- Transparent procurement governance
- Responsible consumption and sourcing practices

OUR APPROACH

The Group applies structured procurement governance controls to ensure Transparency, accountability and supply continuity. Key measures include:

- Maintenance of an Approved Vendor List
- Competitive quotation and tender processes
- Segregation of approval authority
- Documentation of procurement transactions
- Management review for high-value procurement

To strengthen ethical standards within the supply chain, the Group requires contractors And third parties to acknowledge and comply with the Group's Anti-Bribery and Anti-Corruption (ABAC) Contractor & Third-Party Pledge.

The pledge affirms that vendors:

- Do not engage in bribery or corrupt practices
- Comply with applicable laws and regulations
- Avoid conflicts of interest
- Cooperate in the event of compliance reviews

This reinforces supply chain integrity and supports responsible sourcing practices aligned with SDG 12.

Indicator	Unit	FY2024	FY2025
GRI 204-1 Proportion of spending on local suppliers	%	87%	94%
Bursa C7(a) Proportion of spending on local suppliers	%	87%	94%

The Group maintained structured procurement governance throughout FY2025, with continued reliance on approved vendors and local suppliers to enhance supply chain stability. No procurement non-compliance cases were recorded during the financial year. Supplier performance monitoring was strengthened as part of efforts to enhance procurement transparency and resilience.

HIGHLIGHT ENVIRONMENT

Energy Management
- **Scope 1 Emission (Fuel)**
- **Scope 2 Emission (Electricity)**

Water Management

Waste Management

Environmental Compliance

7 AFFORDABLE AND CLEAN ENERGY

6 CLEAN WATER AND SANITATION

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Environmental stewardship remains an important component of the Group's sustainable value creation model. During FY2025, the Group monitored key environmental indicators including electricity consumption, fuel usage, greenhouse gas emissions and water consumption across its operating entities. While environmental management is implemented at the operational level, oversight at the Group level continues to evolve through structured reporting, monitoring improvements and governance alignment with emerging sustainability standards.

ENVIRONMENTAL

WHY IT MATTERS

Environmental responsibility is relevant to the Group due to the nature of its operational activities in construction and facility management, where energy consumption, fuel usage, water use and waste generation may occur.

Effective environmental management supports regulatory compliance, cost efficiency and operational continuity. As sustainability reporting expectations evolve under Bursa Malaysia's ACE Market requirements and upcoming IFRS Sustainability Disclosure Standards, the Group progressively enhances environmental monitoring and disclosure practices to improve transparency and accountability.

OUR APPROACH

The Group adopts a decentralised approach to environmental management aligned with the operational profile of each entity.

- Widad Group Berhad (WGB) primarily performs corporate and administrative functions, with environmental impact arise mainly from office-based electricity and water consumption.
- Widad Facility Management (WFM) monitors electricity, fuel and water consumption within its operational scope.
- Widad Builders Sdn. Bhd. (WBSB) manages environmental matters related to construction activities in accordance with project-specific requirements and applicable regulatory obligations.

Environmental data from entities where utilities are directly monitored by the Group are consolidated at Group level for sustainability reporting purposes.

GOVERNANCE & OVERSIGHT

Environmental matters are monitored through the Group's sustainability reporting structure, with oversight embedded within the broader governance and internal control framework. Operational entities are responsible for compliance with relevant environmental regulations and project-specific requirements.

Where applicable, environmental considerations are incorporated into the Group's risk management processes to support operational resilience and regulatory compliance.

OUR PERFORMANCE

ENERGY MANAGEMENT

ENVIRONMENTAL PERFORMANCE MODEL

RESOURCE CONSUMPTION

- Electricity Use
- Fuel consumption
- Waters consumption

ENVIRONMENTAL IMPACT

- GHG Emissions (Scope 1)
- GHG Emission (Scope 2)
- Waste

ENVIRONMENTAL MONITORING

- Data collection across HQ, Subsidiary, Project Sites & Managed Sites

REPORTING

- Sustainability Reporting
- Bursa Malaysia guidelines
- GRI
- UNSDG

GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

Entity / Operations	Electricity Consumption (kWh)	Energy Consumption (MJ)
Widad Group Berhad (HQ)	99,856.39	359483.00
Widad Builders Sdn Bhd (Project Sites)	37,090.00	13,3524.00
Widad Facility Management Sdn Bhd (Managed Sites)	53,404.76	19,2257.136
Total Group FY2025	190,351.15	**685,264.14**
Total Group FY2024		2,675,172.05

Note:

* The Group relocated from its previous corporate office during FY2025. From July 2025 onwards, the Group operated from a temporary rented premise where utilities were included within rental arrangements and not separately billed to the Group. As such, corporate electricity consumption reflects only the period where direct utility billing was available.

** WBSB project sites represent construction locations where utilities are directly paid and monitored by the Group. WFM operational sites manage their own utilities at the site level, while utilities for the WFM corporate office were previously borne by the Group.

*** In FY2024, energy consumption data was disclosed on a consolidated basis due to limited site-level data availability. In FY2025, the Group enhanced its data collection processes and is now able to disclose energy consumption by operating entity.

SUSTAINABILITY REPORT

GRI 305-1 DIRECT (SCOPE1: FUEL) GHG EMISSION (tCO_2e)

Fuel type	FY2025 Emissions	FY2024 Emissions
PETROL	12,565.23	76,427.83
DIESEL	222.52	3,224.22
TOTAL (kg CO_2e)	**12,787.75**	**79,652.05**
GHG EMISSIONS (tCO_2e)	**12.79**	**79.65**

Note:
Fuel consumption in FY2025 decreased compared to FY2024 due to stricter operational controls on vehicle usage implemented during the year. Vehicle utilisation was limited to essential operational activities, resulting in lower fuel consumption and reduced Scope 1 greenhouse gas emissions.

GRI 305-1 DIRECT (SCOPE 2: ELECTRICITY) GHG EMISSION (tCO_2e)

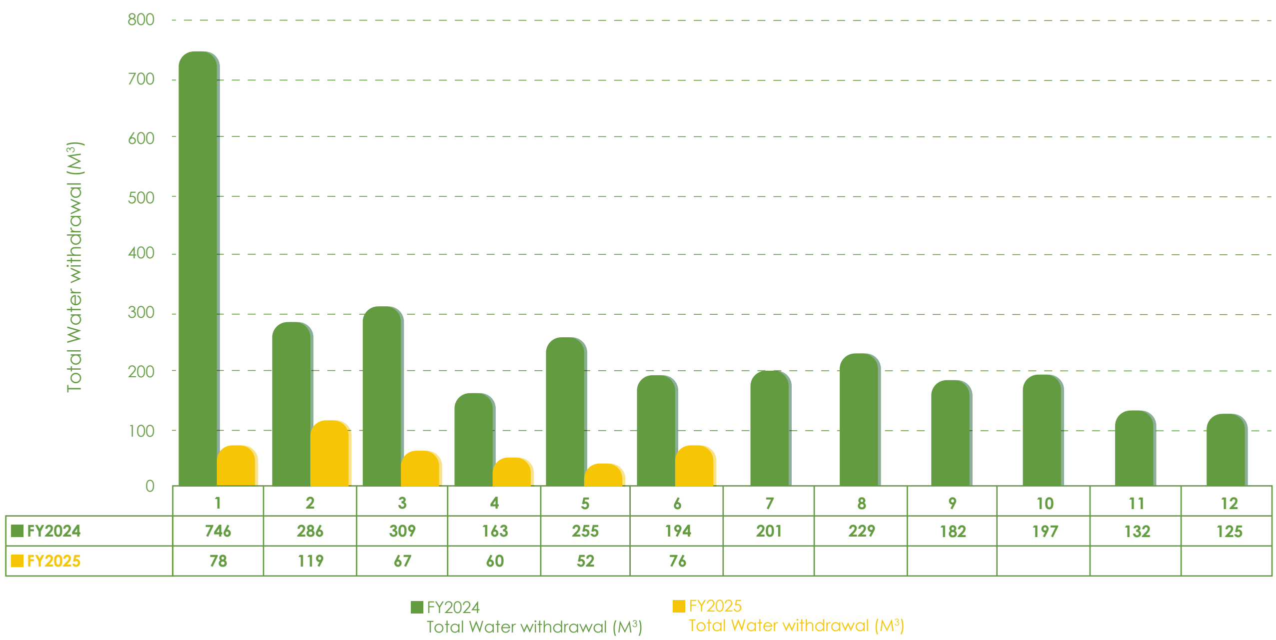
ENTITIES	FY2025 Emissions	FY2024 Emissions
Widad Group Berhad (Hq)	75.69	
Widad Builders (Project Sites)	28.11	319.13
Widad Facility Management (Managed Sites)	40.48	
TOTAL (KG CO_2E)	**102,699.44**	**319,134.22**
GHG EMISSIONS (tCO_2e)	**102.70**	**319.13**

WATER MANAGEMENT

The Group monitors water consumption at locations where utilities are directly paid and recorded by the Group. Water consumption at the corporate office located at Widad(HQ) is tracked through municipal water utility bills and consolidated for sustainability reporting purposes.

Operational water usage may vary depending on the nature of activities undertaken by each entity. The Group encourages responsible water usage practices and monitors consumption trends to support efficient resource management.

Total Annual Water Withdrawal (ML) - Widad (HQ)



Water consumption data for FY2025 represents municipal water usage recorded at the Group's corporate office located at Widad (HQ) for the period from January to June 2025. From July 2025 onwards, water utility charges are included as part of the office rental arrangement and separate water consumption data is not available to the Group.

Water consumption at construction project sites and managed facilities is typically handled under site-specific arrangements where utilities are paid directly by clients or site management, and therefore such consumption data is not centrally recorded by the Group.

**FOOTNOTE

Indicator	Conversion Factor
Electricity	1 kWh = 3.6 MJ
Water	1 ML = 1,000 m^3

WASTE MANAGEMENT

The Group recognises the importance of responsible waste management in minimising environmental impact arising from its operational activities. Waste generated from facility management operations may include scheduled waste resulting from maintenance and operational activities at managed facilities.

Scheduled waste generated at managed sites under WFM is handled and disposed of through licensed waste contractors in accordance with applicable environmental regulations. These contractors are responsible for the safe collection, transportation and treatment or recovery of scheduled waste.

OUR PERFORMANCE

Indicator	Unit	FY2025	FY2024
GRI 306-3 Scheduled Waste Generated – WFM Managed Sites	MT	40.480	N/A
Scheduled Waste Generated – WBSB Project Sites	MT	0.000	N/A
Number of Managed Sites with Recorded Data	No.	2	N/A
Disposal Method	–	Licensed Contractor	N/A

Scheduled Waste by Managed Site (WFM)

Managed Site	Quantity (MT)
Bank Negara Malaysia	0.104
UiTM Kampus Jasin	40.376
Total Scheduled Waste	**40.480**

Note:
Scheduled waste generated at managed facilities under Widad Facility Management Sdn. Bhd. is handled and disposed of through licensed waste contractors in accordance with regulatory requirements.No scheduled waste generation was recorded from construction project sites under Widad Builders Sdn. Bhd. during the reporting period. Waste management at project sites is generally managed under project-specific arrangements handled by contractors or site management.

ENVIRONMENTAL COMPLIANCE

The Group is committed to complying with applicable environmental laws and regulations in the jurisdictions where it operates. Environmental compliance considerations are integrated within operational practices to minimise environmental risks and ensure responsible management of environmental aspects arising from business activities.

During the reporting period, the Group continued to observe applicable environmental regulatory requirements relating to operational activities, including proper handling and disposal of scheduled waste through licensed contractors where applicable.

Indicator	Unit	FY2024	FY2025
GRI 307-1 Non-compliance with environmental laws and regulations	Number of cases	0	1
Environmental fines or penalties	RM	0	4,000

HIGHLIGHT SOCIAL

"Putting People at the Heart of Our Sustainability Journey by Protecting our Workforce, Supporting Communities and building positive social outcomes"

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

11 SUSTAINABLE CITIES AND COMMUNITIES

Occupational Safety Health (OSH)

Labour Practise

Diversity, Equity & Inclusion

Training & Skill Development

Data Privacy & Security

Community Engagement

Employee Well Being & Engagement

We place people at the centre of our sustainability commitments, ensuring that our workforce is protected, supported and empowered, we continuously prioritise employee wellbeing and safety, uphold fair labour practices and foster an inclusive working environment where our people can thrive. Beyond the workplace, we also extend our responsibility to the communities around us by contributing through meaningful initiative, structured programmes on ongoing engagement. Through these efforts, we strive to create positive and lasting social outcomes for our employees, stakeholders and the wider community while strengthening trust and responsibility across our operations.

OCCUPATIONAL SAFETY & HEALTH

WHY IT MATTERS

Occupational Safety and Health (OSH) is relevant to the Group's due to the nature of its operational activities and the need to safeguard employees and contractors across different working environments. Safety management practices are implemented at the operational level, with WFM applying its own safety procedures, while construction activities are conducted in accordance with client-led safety requirements and site-specific controls. Adherence to established safety protocols and coordination with relevant stakeholders support the reduction of workplace risks, compliance with applicable requirements and the maintenance of safe working conditions. The Group continues to monitor safety practices and identify opportunities to strengthen coordination and oversight progressively.

OUR APPROACH

The Group applies a decentralised approach to occupational safety and health based on the nature of each operating entity. WFM implements its own safety practices within its operations. Construction activities under WBSB. WBSB are carried out in accordance with client-led occupational safety and health requirements and site-specific controls. As the holding company, Widad Group Berhad does not undertake operational activities and therefore does not implement a standalone OSH policy. Nevertheless, all operations remain subject to the requirements of the Occupational Safety and Health Act 1994.

Upholding Safety Performance

The Group upholds its safety performance through clear objectives that guide operational practices and performance monitoring. The objective of "**Zero Harm – No Loss**" reflects the Group's commitment to preventing work-related injuries and illnesses and to promoting a safe working environment across its operations.

In the previous reporting year, the group recorded zero (0) work-related illnesses involving both employees and non-employees. Building on this outcome, the Group continues to reinforce safety awareness and practices in 2025, with a focus on sustaining safe operations, regulatory compliance and continuous improvement aligned with operational needs.

SUSTAINABILITY REPORT

Our Performance

Entity	Indicator	FY2024	FY2025	Remarks
Widad Group Berhad (WGB)	**GRI 403-10:** Work-related ill health	N/A	–	Office-based operations; OSH apply in accordance OSH Act 1994
	Bursa C5(a): Number of work-related fatalities	N/A	–	Not applicable to office-based, non-operational activities
	Bursa C5(b): Lost Time Incident Rate (LTIR)	N/A	–	Not applicable to office-based, non-operational activities
	Bursa C5(c): No. of employees trained on health & safety	0	0	Office-level safety awareness and emergency preparedness activities conduct
Widad Builders Sdn. Bhd. (WBSB)	**GRI 403-10:** Work-related ill health	0	0	Reported under JKKP 8; construction sites operate under client-led OSH arrangements
	Bursa C5(a): Number of work-related fatalities	0	0	Reported under JKKP 8; site safety managed by clients
	Bursa C5(b): Lost Time Incident Rate (LTIR)	0	–	Reported under JKKP 8; safety implementation subject to client OSH controls
	Bursa C5(c): No. of employees trained on health & safety	29	95	Training conducted in accordance with project and client OSH requirements
Widad Facility Management (WFM)	**GRI 403-10:** Work-related ill health	0	0	Applicable to facility management operations
	Bursa C5(a): Number of work-related fatalities	0	0	No fatalities recorded
	Bursa C5(b): Lost Time Incident Rate (LTIR)	0	0	Reported under JKKP 8 based on WFM operational safety records
	Bursa C5(c): No. of employees trained on health & safety	24	104	Training conducted for WFM workforce and relevant personnel

NOTE: Performance indicators are disclosed by operating entity to reflect differences in operational scope, safety management responsibilities and data availability. ALL entities, including the holding company, are subject to the Occupational Safety and Health Act 1994 based on the nature of their operations.

Engaging employees for a safer workplace

The Group recognises that employee awareness and participation are important in maintaining a safe and healthy working environment. Safety practices are reinforced through basic safety briefings, training and communication at the operational level, in line with the nature of each entity's activities.

Employees are encouraged to follow established safety procedures, comply with site and workplace safety requirements, and participate in safety-related activities where applicable. Through these efforts, the Group aims to promote a positive safety culture and support safe operations across its workplaces.

The comprehensive list of training programmes conducted during the year, along with the total attendance for each programs is outlined below.

Programmes	Total Attendance in OSH Training
Energy training & safety training	10
HIRARC (Pengenalpastian hazard, penaksiran Risiko dan kawalan risiko	22
Kursus pertolongan cemas	8
Seminar Organisasi keselamatan kebakaran	4
OSHWA Bersama safety	8
Safety & Good Work Practice & Aerial Work Platform Basic HVAC Safety & Awareness, Basic Air	4
Conditioning system Kepentingan pemakaian kasut keselamatan	3
Safety shoes di tempat kerja	21
Latihan Kebakaran – Bomba	119

LOOKING AHEAD

Looking forward, the Group will continue to support basic training and skills development initiatives based on operational needs and regulatory requirements. Focus will be placed on ensuring employees receive relevant training to support their roles, maintain compliance and enhance workplace awareness. The Group will progressively improve the coordination and documentation of training activities across its entities as part of its ongoing sustainability efforts.

LABOUR PRACTICES & STANDARD

WHY IT MATTERS

Labour practices and employment standards are important to the Group as they directly influence workforce stability, operational efficiency and regulatory compliance. As a construction and facility management Group, Widad Group Berhad depends on a reliable and competent workforce to deliver projects safely, meet client requirements and sustain business operations.

Inadequate labour practices may result in legal non-compliance, operational disruptions and reputational risk. Conversely, fair employment practices support employee engagement, productivity and retention, while reducing exposure to labour-related disputes and penalties. Strong labour standards therefore contribute to business continuity, service quality and long-term value creation for the Group.

Our Approach

Building on the prior year's disclosure, the Group continues to uphold its commitment to ethical and fair employment practices across its operations. This commitment remains a core principle guiding the management of labour practices and employment standards within the Group.

Employment terms and conditions are governed by internal human resource policies and aligned with applicable labour and employment legislation. The Group promotes ethical recruitment, fair treatment of employees and contractors, and non-discriminatory workplace practices. Respect for workers' rights forms an integral part of the Group's employment approach.

Labour Practices & Standards

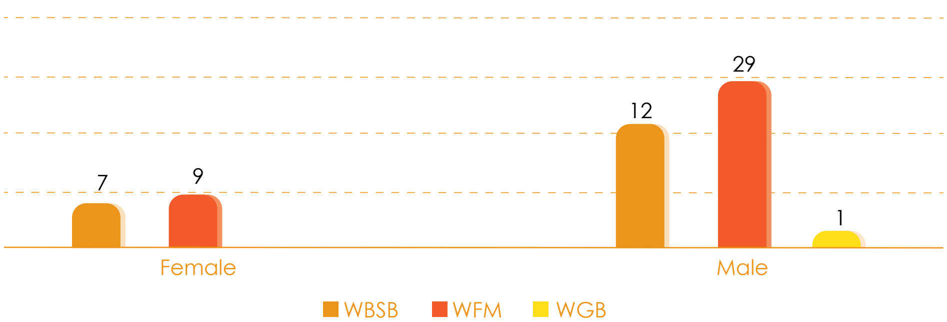
- Employee hiring & turnover
- Employee contracts
- Employee benefits
- Grievance & employee Complaints

Our Performance

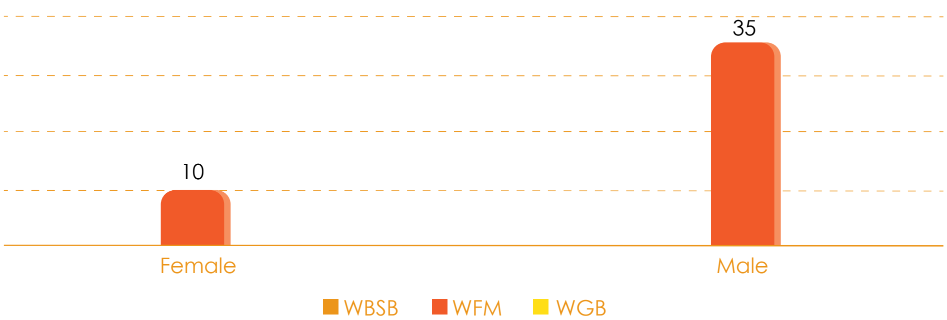
The benefits provided to employees meet or exceed the minimum requirements mandated under Malaysian labour laws. These benefits include life insurance coverage, healthcare benefits, parental leave entitlements and retirement-related provisions, as outlined in the Group's Employee Handbook.

For employees engaged under a Contract of Service, benefit entitlements are determined in accordance with the terms and conditions set out in the respective employment contracts. Benefit administration is implemented at the operating entity level to ensure compliance with applicable legal and contractual requirements

NEW EMPLOYEE HIRES BY GENDER AND ENTITY

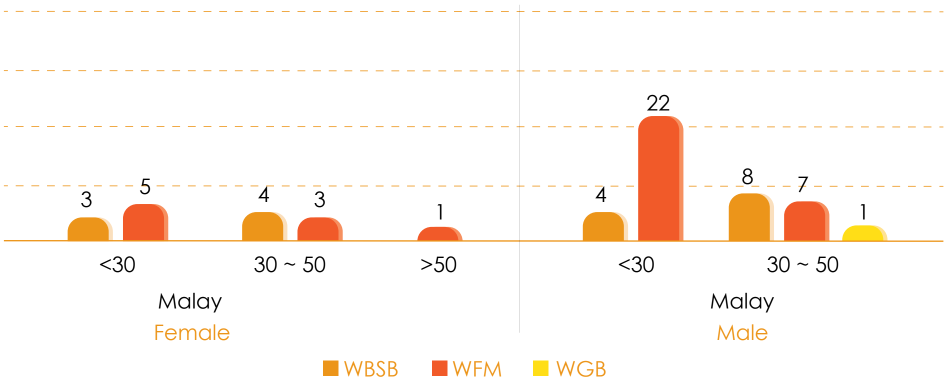


EMPLOYEE TURNOVER BY GENDER AND ENTITY

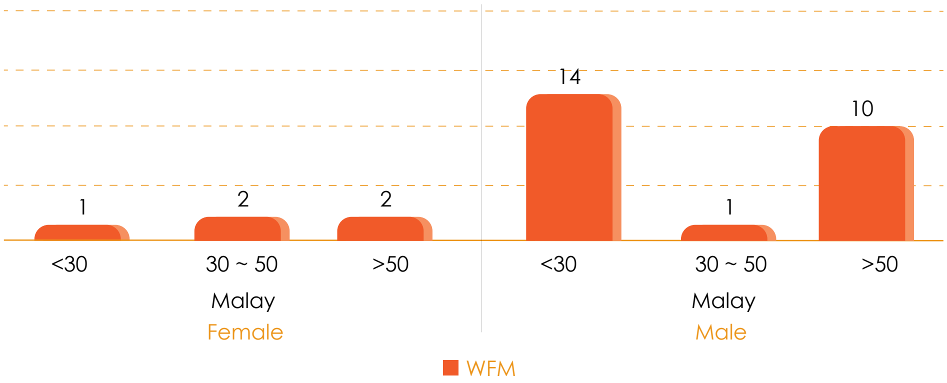


SUSTAINABILITY REPORT

NEW EMPLOYEE HIRES BY AGE, ETHNIC AND ENTITY



EMPLOYEE TURNOVER BY AGE, ETHNIC AND ENTITY



EMPLOYEE BENEFITS

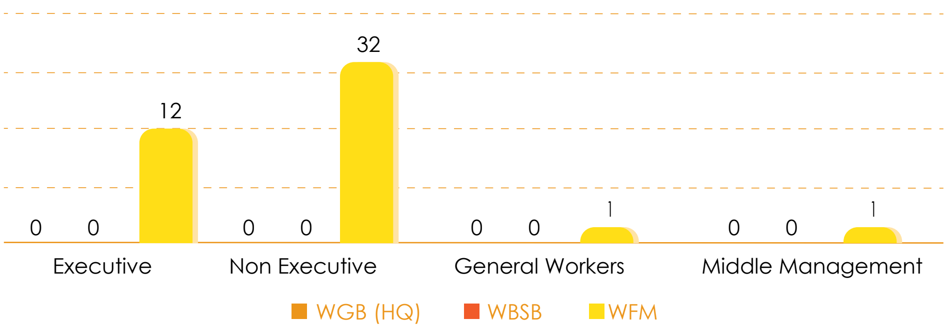
The benefits provided to employees meet or exceed the minimum requirements mandated under Malaysian labour laws. These benefits include life insurance coverage, healthcare benefits, parental leave entitlements and retirement-related provisions, as outlined in the Group's Employee Handbook.

For employees engaged under a Contract of Service, benefit entitlements are determined in accordance with the terms and conditions set out in the respective employment contracts. Benefit administration is implemented at the operating entity level to ensure compliance with applicable legal and contractual requirements.

PARENTAL LEAVE

	WGB			WBSB			WFM		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Total number of employees that were entitled to parental leave, by gender.	11	8	19	44	23	67	170	51	221
Total number of employees that took parental leave, by gender.	0	0	2	2	3	5	14	5	19
Total number of employees that returned to work in the reporting period after parental leave ended, by gender.	0	0	2	2	3	5	14	5	19
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender.	0	0	2	3	5	8	0	0	0
Return to work and retention rates (%) of employees that took parental leave, by gender.	0%	0%	100%	100.00%	100.00%	100.00%	100%	100%	100.00%

TOTAL NUMBER OF EMPLOYEE TURNOVER BY EMPLOYEE CATEGORY



Employee Category	WGB (HQ)	WBSB	WFM
Executive	0	0	12
Non-Executive	0	0	32
General Workers	0	0	1
Middle Management	0	0	1

DIVERSITY, EQUITY & INCLUSION

WHY IT MATTERS

Diversity and equal opportunity are fundamental to building a resilient and high-performing organisation. A diverse workforce strengthens decision-making, enhances innovation and enables the Group to respond effectively to evolving stakeholder expectations and operational challenges.

As a Group operating across construction and facility management services, the ability to attract, develop and retain talent from different backgrounds, age groups and genders supports business continuity, project execution and long-term value creation.

Promoting diversity also supports compliance with Malaysian employment regulations and Bursa Malaysia's governance expectations relating to board diversity and workforce inclusion. The Group recognises that fair and inclusive employment practices contribute to employee engagement, organisational stability and sustainable growth.

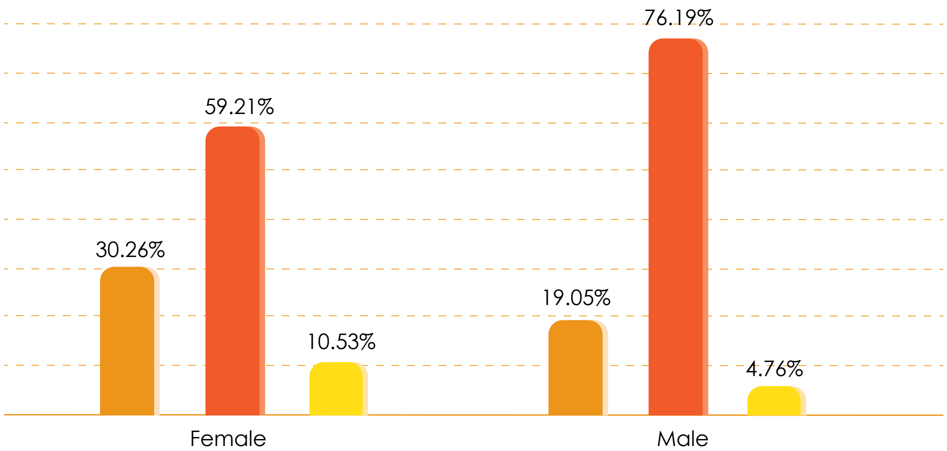
The Group is committed to providing equal employment opportunities and fostering a respectful and inclusive workplace. Employment decisions, including recruitment, promotion, training and remuneration, are based on merit, qualifications and performance.

Diversity considerations are applied in workforce planning and board appointments, taking into account gender, experience and professional background. The Human Resources function oversees workforce matters, while the Board considers diversity in leadership and succession planning.

The Group does not tolerate discrimination or unfair treatment. Any concerns are addressed through established grievance procedures in accordance with internal policies and applicable laws.

Our Performance

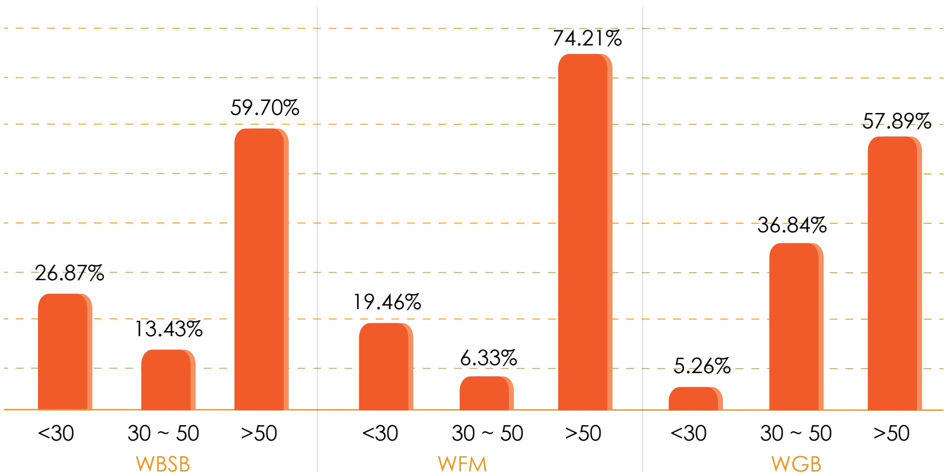
WORKFORCE COMPOSITION BY GENDER



Gender	FY2025 HQ	FY2025 WFM	FY2025 WBSB	FY2025 – Group Total	FY2024 – Group Total
Male (%)	58%	80%	66%	15%	19%
Female (%)	42%	20%	34%	75%	81%
Total Employees (No.)	19	221	67	307	196

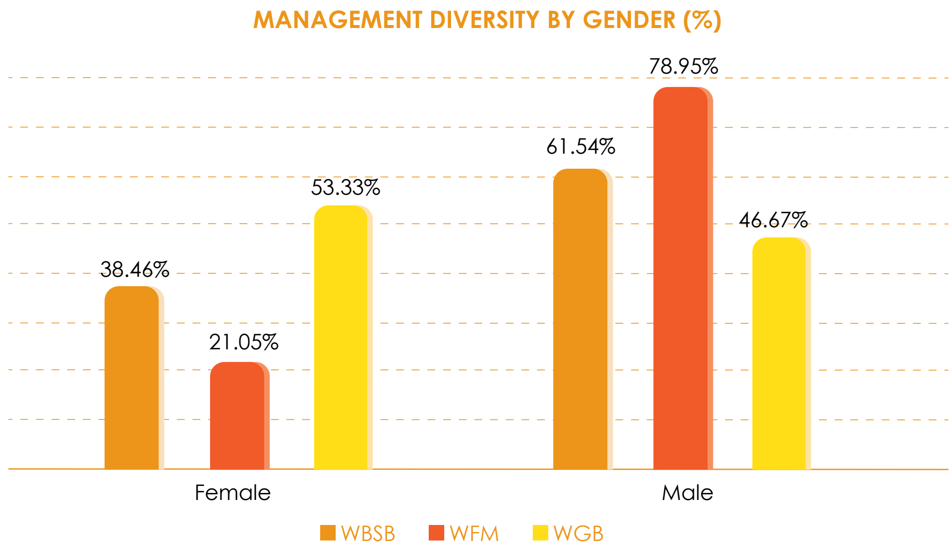
Note: *FY2024 data was reported on a consolidated Group basis.*

WORKFORCE COMPOSITION BY AGE GROUP (%)

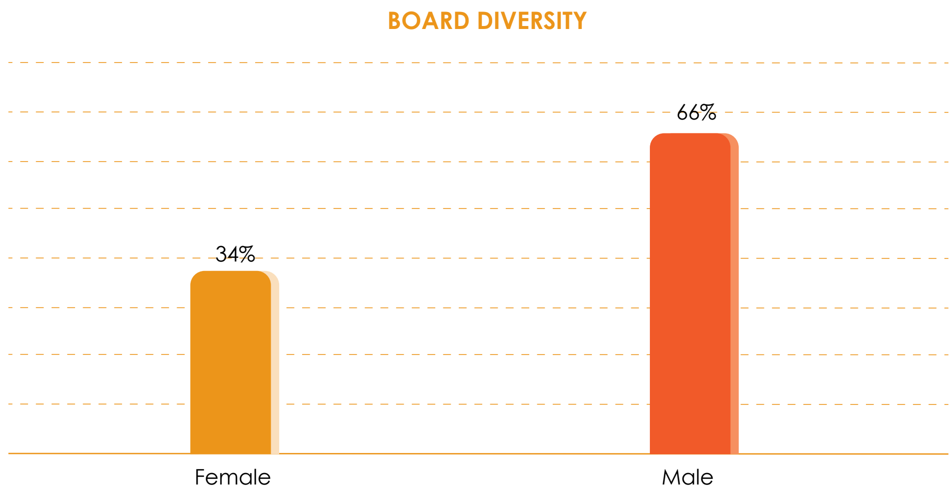


Entity	< 30 Years	30 – 50 Years	> 50 Years	Total Employees
WBSB	18	40	9	67
WFM	43	164	14	221
WGB (HQ)	1	11	7	19

SUSTAINABILITY REPORT



Category	WGB	WFM	WBSB	Group Total
Male (%)	53%	79%	62%	36%
Female (%)	47%	21%	38%	64%
Total Management (No.)	15	19	13	47



(Board usually reported at Group level only — not by entity.)

Category	FY2024	FY2025
Male Directors (%)	66%	66%
Female Directors (%)	33%	33%
Total Directors (No.)	3	3

TRAINING & SKILL DEVELOPMENT

WHY IT MATTERS

Training and skill development are essential to maintaining workforce competency, operational efficiency and service quality across the Group's operations. As the Group operates in facility management and construction-related activities, equipping employees with relevant technical, safety and soft skills supports consistent performance, regulatory compliance and long-term workforce sustainability. Continuous learning also contributes to employee engagement, retention and readiness to meet evolving business and stakeholder expectations.

OUR APPROACH

The Group supports training and skill development to ensure employees have the necessary competencies to perform their roles effectively. Training programmes are implemented based on operational needs and job requirements across the Group's operating entities.

As part of this commitment, the Group increased its training efforts during the year. Total training hours rose from 2,841.9 hours in FY2024 to 3,915 hours in FY2025, reflecting continued focus on employee development and capability building.

SUSTAINABILITY REPORT

OUR PERFORMANCE

During the reporting period, the Group continued to provide training opportunities to employees across its operating entities. Training activities focused on strengthening job-related skills, improving operational effectiveness and supporting compliance requirements. Where applicable, training data is tracked by operating entity to reflect differences in workforce size and operational focus.

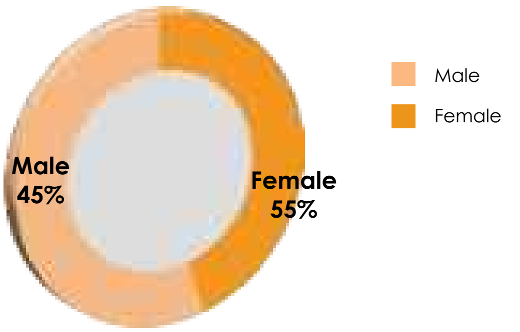
PERFORMANCE SUMMARY

Entity	FY2024 (Hours)	FY2025 (Hours)	Remarks
Widad Group Berhad (HQ)	–	124	Administrative & management training
Widad Facility Management (WFM)	–	3,655	Operational, technical & safety training
Widad Builders (WBSB)	–	136	Project-based & safety training
Total training hours	2,841.9	3,915	–
Average training hours per employee	**14.49**	**29.22**	–

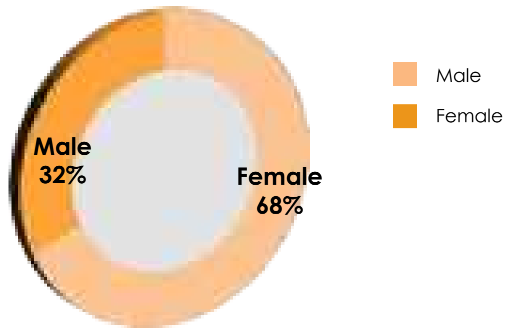
Note: In FY2025, the Group recorded a total of 3,915 training hours. Average training hours per employee are calculated based on employees who participated in training during the reporting period.

AVERAGE TRAINING HOURS BY GENDER BY ENTITIES

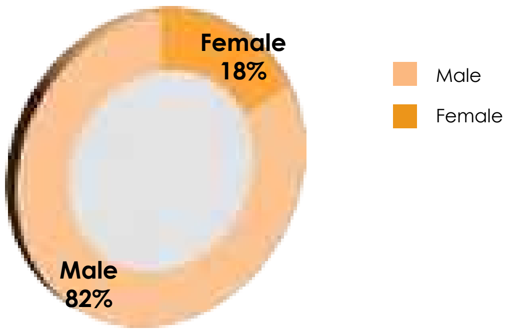
WGB (HQ)



WBSB



WFM



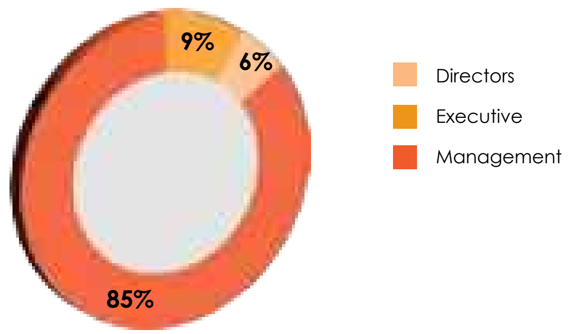
Gender / Entities	WGB(HQ) (Hours)	WBSB (Hours)	WFM (Hours)
Male	11.20	8.8	35.17
Female	9.71	11.50	28.93

SUSTAINABILITY REPORT

TOTAL HOURS OF TRAINING PER EMPLOYEE CATEGORY

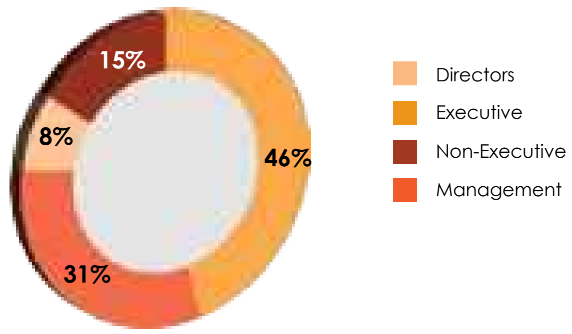
Category	Total Category	Hours	Average Hours
Executive	2	16	8
Management	6	52	8.7
Directors	5	56	11.2
Non-Executive	0	0	N/A
Overall	**13**	**124**	**9.5**

WGB (HQ)



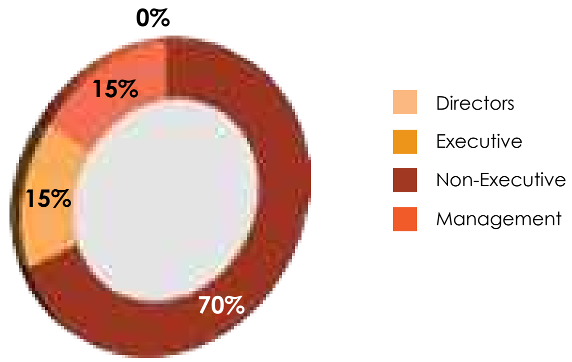
Category	Total Category	Hours	Average Hours
Executive	6	64	10.67
Management	4	48	12
Directors	1	8	8
Non-Executive	2	16	8
Overall	**13**	**136**	**10.46**

WBSB



Category	Total Category	Hours	Average Hours
Executive	16	434	27.13
Management	16	840.5	52.53
Directors	0	0	0
Non-Executive	76	2,380.5	31.32
Overall	108	3,655	33.84

WFM



DATA PRIVACY & SECURITY

WHY IT MATTERS

Data privacy and security are important to Widad Group Berhad as the Group handles personal, operational and confidential information relating to employees, customers, suppliers and business partners. These data are generated through administrative functions, facility management services and project-based activities. Protecting such information supports compliance with the Personal Data Protection Act 2010 (PDPA), helps maintain stakeholder trust and reduces the risk of unauthorised access, data misuse or reputational impact. As the Group continues to rely on digital systems and electronic records, maintaining appropriate data protection controls remains an essential aspect of responsible business conduct.

OUR PERFORMANCE

The Group applies basic and practical controls to safeguard personal and confidential information in line with its operational needs. Access to systems, email accounts and documents is restricted based on job roles, with password protection applied to company devices and systems. Access rights are reviewed when employees change roles or leave the organisation, and system access is revoked or reassigned accordingly.

Employees are required to observe confidentiality obligations under internal policies and employment terms. While the Group does not currently maintain a formal cyber security framework, data protection practices are integrated into existing administrative and operational controls. The Group continues to strengthen its data privacy and security practices progressively as part of its governance and risk management effort.

KEY DATA PRIVACY & SECURITY PRACTICES

Area	Practice	Status
Regulatory compliance	Compliance with PDPA requirements	Implemented
System access control	Password-protected systems and role-based access	Implemented
Data access restriction	Restricted access to HR, finance and confidential records	Implemented
Access termination control	System access revoked or reassigned upon employee exit or role change	Implemented
Data backup	Regular data backup practices	Implemented
Incident monitoring	Monitoring for data privacy incidents	No incidents reported
Employee obligations	Confidentiality requirements under employment terms	Implemented

GOVERNANCE & OVERSIGHT

Oversight of data privacy and security is integrated within the Group's governance and internal control framework. Management is responsible for implementing and maintaining appropriate controls within their respective functions, while compliance-related matters are escalated through established reporting channels where necessary. The Board and Management acknowledge the importance of data protection and will continue to review the adequacy of controls as part of the Group's ongoing ESG and risk management efforts.

LOOKING AHEAD

The Group will continue to strengthen its data privacy and security practices progressively in line with its operational needs and regulatory expectations. Future efforts will focus on improving internal awareness, enhancing documentation of existing controls and reviewing access management practices to ensure continued protection of personal and confidential information. As digitalisation increases, the Group will also monitor emerging data protection risks and assess opportunities to enhance controls and governance over time.

COMMUNITY ENGAGEMENT

WHY IT MATTERS

Community engagement is relevant to Widad Group Berhad as the Group operates within and alongside local communities through its administrative functions, facility management services and project-based activities. Engagement with communities supports positive social outcomes, helps address local needs and contributes to maintaining constructive relationships with stakeholders affected by the Group's operations. Meaningful community involvement also reflects the Group's commitment to responsible business practices and supports broader social sustainability objectives.

Sekolah Kebangsaan Taman Seri Gombak 2 (Program Pendidikan Khas Intergrasi)

CSR impact year 2025

» "Together we care, together we make a difference"

This programme was co-organised with Sekolah Kebangsaan Taman Seri Gombak 2 and included a total contribution RM 4,520.59. The initiative aim to bring happiness and engagement to special needs students through fun games. And also to promote inclusion and empathy by fostering meaningful interactions between the company and the students. The initiative reflects the Group's commitment to inclusive community development in line with SDG 11.

OUR PERFORMANCE

During the reporting period, the Group implemented selected corporate social responsibility (CSR) initiatives aimed at supporting community needs. These initiatives were carried out on an ad hoc basis and focused on providing social support aligned with the Group's values and capacity. The CSR activities undertaken did not involve formal employee volunteering programmes, donations or sponsorships during the year.

Community engagement activities were implemented based on identified needs and available resources. No long-term or recurring community programmes were in place during the reporting period, and no material community-related grievances were reported.

Total community investment and number of beneficiaries

Year	Total Amount Invested in the Community (RM)	Total Number of Beneficiaries of Our Investment
2024	2,435.00	31
2025	4,520.59	109

LOOKING AHEAD

The Group will continue to explore meaningful community engagement initiatives that support inclusive community development, including programmes that uplift lives through inclusive learning, in line with SDG 11.

EMPLOYEE WELL BEING & ENGAGEMENT

WHY IT MATTERS
Employee well-being and engagement contribute to a positive and supportive working environment at Widad Group Berhad. Maintaining workforce morale and encouraging healthy interaction support overall organisational effectiveness.

OUR APPROACH

The Group supports employee well-being through compliance with applicable employment requirements and internal workplace practices. Engagement initiatives are carried out periodically to encourage interaction and promote a healthy work environment.

OUR PERFORMANCE

During the reporting period, the Group organised a staff brisk walk and batik colouring activity to promote employee wellness and encourage healthy lifestyle participation. The activity also provided an opportunity for informal engagement among employees.

Human Resource & Admin Department gallery

Human Resource & Admin Department gallery

Indicator	Unit	FY2024	FY2025
GRI 401-1 Employee engagement activities conducted	Number	0	1
GRI 403-6 Health & wellness initiative implemented	Number	0	1

HIGHLIGHT GOVERNANCE

Board oversight

Business Ethics, Anti-Corruption & Whistleblowing

Internal Audit

16 PEACE AND JUSTICE STRONG INSTITUTIONS

In FY2025, Widad Group Berhad continued to reinforce its governance framework through anti-corruption practices, whistleblowing mechanisms and internal audit processes, supporting transparency, ethical conduct and effective risk management across the Group.

BUSINESS ETHICS, ANTI-CORRUPTION & WHISTLEBLOWING

WHY IT MATTERS

Business ethics and integrity are fundamental to sustaining stakeholder trust, safeguarding corporate reputation and ensuring long-term business sustainability.

Given the nature of the Group's operations, exposure to bribery, corruption and misconduct risks may arise through procurement activities, project delivery, contract management and third-party engagements. Weak ethical controls may result in financial loss, regulatory penalties and reputational damage. A strong anti-corruption framework, supported by an effective whistleblowing mechanism, strengthens accountability, enables early risk detection and reinforces the Group's commitment to transparency and responsible governance.

OUR APPROACH

The Group adopts a zero-tolerance stance towards bribery, corruption and unethical conduct. Ethical principles are embedded within the Group's governance framework, internal control systems and operational procedures. Employees are required to conduct business in compliance with applicable laws, internal policies and established approval processes.

Corruption risk considerations are integrated into:

- Procurement and vendor evaluation processes
- Financial authorization and segregation of duties controls
- Contract approval mechanisms
- Oversight by Top Management and the Board Risk Committee

Whistleblowing Mechanism

The Group has established a Whistleblowing Policy to provide a structured and confidential channel for employees and external stakeholders to report suspected misconduct, fraud, corruption, abuse of authority or non-compliance. Reports may be submitted via designated communication channels. All disclosures are handled confidentially and reviewed independently. Oversight of reported matters is exercised by Top Management, with escalation to the Board Risk Committee where necessary. The Group strictly prohibits retaliation against whistle-blowers who act in good faith.

OUR PERFORMANCE

During the reporting period:

- 100% of operations were assessed for corruption-related risks
- Anti-corruption awareness communication was conducted across employee categories
- One report of misconduct was received through the whistleblowing mechanism
- The allegation was investigated and substantiated
- Appropriate disciplinary action was taken
- No pending cases remained at year-end

The Group will continue strengthening internal controls, monitoring practices and employee awareness initiatives to progressively enhance governance maturity.

Performance Summary

Indicator		FY2024	FY2025
GRI 205-1 Operation assessed for risks related to corruption	Percentage	100%	100%
GRI 205-2 Communication and training about anti-corruption policies and procedures	Percentage	-	100%
GRI 205-3 Confirmed incidents of corruption and actions taken	Number	0	0
Bursa C1 (a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	0.00%	34.04%
Executive	Percentage	0.00%	9.85%
Non-Executive	Percentage	0.00%	100%
Bursa C1 (b) Percentage of operations assessed for corruption related to risk	Percentage	100%	100%
Bursa C1 (C) Confirm incidents of corruption and action taken	Number	0	0

Governance Oversight

The Board of Directors, through the Board Risk Committee, oversees the Group's governance framework relating to business ethics, anti-corruption and whistleblowing.

The Board Risk Committee is responsible for:

- Reviewing corruption and misconduct risk exposures
- Monitoring investigation outcomes of reported cases
- Overseeing adequacy of internal controls
- Ensuring appropriate disciplinary or corrective actions are taken

Significant matters are escalated to the Board for deliberation where required.

Top Management is responsible for:

- Implementing the anti-corruption framework
- Ensuring adherence to internal control procedures
- Monitoring operational corruption risk exposures
- Reviewing whistleblowing reports and initiating investigations

Management reports material findings to the Board Risk Committee to ensure independent oversight

LOOKING AHEAD

The Group will continue strengthening its anti-corruption framework and whistleblowing mechanism through enhanced awareness, improved monitoring processes and strengthened Board oversight. Governance practices will be progressively aligned with evolving regulatory expectations to support sustainable and responsible business conduct.

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Supplier Chain Resilience	Proportion spending on local suppliers	%	94	100%	No assurance	
Energy Management	Electricity Consumption	kWh	190,351.15	10% reduction annually	No assurance	
Energy Management	Energy Consumption	MJ	685,264.14	10% reduction annually	No assurance	
Water Management	Annual Water withdrawal	M3	452	—	No assurance	No target set due to recent relocation. Prior water usage data was unavailable as utilities were managed by the landlord. Baseline and targets will be established this year.
Waste Management	Schedule waste generated - Sites	MT	40.480	—	No assurance	Target not established as this is a new year of disclosure for scheduled waste. Baseline data is currently being collected, and targets will be set once sufficient data is available
Waste Management	Number of managed sites with recorded data	No	2	All Sites	No assurance	Target not established as this is a new year of disclosure for scheduled waste. Baseline data is currently being collected, and targets will be set once sufficient data is available
Waste Management	Non-Compliance with environmental laws and regulation	No of cases	1	0	No assurance	
Waste Management	Environmental fines & Penalties	RM	4,000	0.00	No assurance	
Occupational Safety & Health	Number of employee trained on health & safety	No	199	100	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-29_18:07:47

Page 1 of 9

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour Practices & Standard	New employee hires by gender and entitity female	No	16	40% representation of each gender in new hires across entities, where feasible.	No assurance	
Labour Practices & Standard	New employee hires by gender and entitity Male	No	42	40% representation of each gender in new hires across entities, where feasible.	No assurance	
Labour Practices & Standard	Employee turnover by gender & entity Female	No	10	Maintain or reduce employee turnover rate compared to the previous year	No assurance	
Labour Practices & Standard	New Employee hires by age, ethnic & entity <30 (Female)	No	3	Aim to maintain a balanced age and gender distribution in new hires across all entities, with a focus on supporting youth employment and diversity	No assurance	
Labour Practices & Standard	New Employee hires by age, ethnic & entity 30-50 (Female)	No	7	Aim to maintain a balanced age and gender distribution in new hires across all entities, with a focus on supporting youth employment and diversity	No assurance	
Labour Practices & Standard	New Employee hires by age, ethnic & entity >50 (Female)	No	1	Aim to maintain a balanced age and gender distribution in new hires across all entities, with a focus on supporting youth employment and diversity	No assurance	
Labour Practices & Standard	New Employee hires by age, ethnic & entity <30 (Male)	No	26	Aim to maintain a balanced age and gender distribution in new hires across all entities, with a focus on supporting youth employment and diversity	No assurance	
Labour Practices & Standard	New Employee hires by age, ethnic & entity 30~50 (Male)	No	16	Aim to maintain a balanced age and gender distribution in new hires across all entities, with a focus on supporting youth employment and diversity	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-29_18:07:47

Page 2 of 9

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour Practices & Standard	Employee turnover by age, ethnic & entity <30 (female) (Malay)	No	1	below 15% accross all entities	No assurance	
Labour Practices & Standard	Employee turnover by age, ethnic & entity 30-50 (female) (Malay)	No	2	below 15% across all entities	No assurance	
Labour Practices & Standard	Employee turnover by age ethnic & entity >50(Female) (Malay)	No	2	below 15% across all entities	No assurance	
Labour Practices & Standard	Employee turnover by age ethnic & entity <30 (Male) (Malay)	No	14	below 15% across all entities	No assurance	
Labour Practices & Standard	Employee turnover by age ethnic & entity 30-50 (Male) Malay)	No	1	below 15% across all entities	No assurance	
Labour Practices & Standard	Employee turnover by age ethnic & entity >50	No	10	below 15% across all entities	No assurance	
Labour Practices & Standard	Total number of employees that were entitled to parental leave	No	221	100% of permenants employee	No assurance	
Labour Practices & Standard	Total number of employees that took parental leave	No	19	—	No assurance	No specific target set: parental leave uptake is dependent on employees' personal circumstances
Labour Practices & Standard	Total number of employees that returned to work in that reporting period after parental leave ended	No	19	—	No assurance	No specific target set: parental leave uptake is dependent on employees' personal circumstances
Labour Practices & Standard	Total number of employees that returned to work after parental leave ended that still-employed 12 months after their return to work	No	8	100%	No assurance	

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Labour Practices & Standard	Return to work and retention rates (%) of employees that took parental leave	Percentage	100%	100%	No assurance	
Labour Practices & Standard	Total number of employee turnover by category Executive	No	12	Maintain overall employee turnover rate below 15% across all entities.	No assurance	
Labour Practices & Standard	Total number of employee turnover by category Non Executive	No	32	Maintain overall employee turnover rate below 15% across all entities.	No assurance	
Labour Practices & Standard	Total number of employee turnover by category General Workers	No	1	Maintain overall employee turnover rate below 15% across all entities.	No assurance	
Labour Practices & Standard	Total number of employee turnover by category Middle Management	No	1	Maintain overall employee turnover rate below 15% across all entities.	No assurance	
Diversity, Equity & Inclusion	Workforce composition by gender (Female)	Percentage	81%	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Workforce composition by gender (Male)	Percentage	19%	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Workforce composition by Age Group (<30 years)	No	62	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Workforce composition by Age Group (30-50 years)	No	215	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Workforce composition by Age Group (50 years)	No	30	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Management Diversity by Gender (Male)	Percentage	36%	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Management Diversity by Gender (female)	Percentage	64%	Balanced representation	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-29_18:07:47

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity, Equity & Inclusion	Board Diversity Male Directors	Percentage	66%	Balanced representation	No assurance	
Diversity, Equity & Inclusion	Board Diversity Male Directors	Percentage	33%	Balanced representation	No assurance	
Training & Skill Development	Average training hours per employee	Hours	29.22	Minimum 3 hours of awareness training per employee per year	No assurance	
Training & Skill Development	Average training hours per gender (Male)	Hours	55.17	Balance representation	No assurance	
Training & Skill Development	Average training hours per gender (female)	Hours	50.14	Balance representation	No assurance	
Training & Skill Development	total hours of training per employee category (Executive)	Hours	45.8	Ensure all employees across categories complete a minimum of 3 hours of awareness training annually, with continuous improvement in overall training hours	No assurance	
Training & Skill Development	total hours of training per employee category (Management)	Hours	73.23	Ensure all employees across categories complete a minimum of 3 hours of awareness training annually, with continuous improvement in overall training hours	No assurance	
Training & Skill Development	total hours of training per employee category (Directors)	Hours	19.2	Ensure all employees across categories complete a minimum of 3 hours of awareness training annually, with continuous improvement in overall training hours	No assurance	
Training & Skill Development	total hours of training per employee category (Non-Executive)	Hours	39.32	Ensure all employees across categories complete a minimum of 3 hours of awareness training annually, with continuous improvement in overall training hours	No assurance	

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Community Engagement	Total Amount invested in the community	RM	4,520.59	Maintained / Increased from the above year	No assurance	
Community Engagement	Total Number of beneficiaries of Our investment	No	109	Maintained / Increased from the above year	No assurance	
Employee Well being & Engagement	Employee engagement activities conducted	Number	1	Maintained / Increased from the above year	No assurance	
Employee Well being & Engagement	Health & Wellness initiative implemented	Number	1	Maintained / Increased from the above year	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Operation assessed for risks related to corruption	Percentage	100%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Communication and training about anti-corruption policies & procedures	Percentage	100%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Confirmed incidents of corruption and actions taken	Number	100%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Percentage of employees who have received training on anti-corruption by employee category (Management)	Percentage	34.04%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Percentage of employees who have received training on anti-corruption by employee category (Executive)	Percentage	9.85%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Percentage of employees who have received training on anti-corruption by employee category (Non-Executive)	Percentage	0.32%	100%	No assurance	
Business Ethics, Anti-Corruption & Whistleblowing	Percentage of operations assessed for corruption related to risk	Percentage	100%	100%	No assurance	

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-29_18:07:47

WIDAD GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Business Ethics, Anti-Corruption & Whistleblowing	Confirm incidents of corruption and action taken	Number	0	0	No assurance	

WIDAD GROUP BERHAD
IFRS S1

Date & Time: 2026-04-29_18:07:47
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG Emission	kilogramme Tonne	kg CO2e	12,787.75	10% annual reduction	No assurance	
GHG Emission	Tonnes of carbon dioxide equivalent	tCO2e	12.79	10% annual reduction	No assurance	

WIDAD GROUP BERHAD

IFRS S2

Date & Time: 2026-04-29_18:07:47

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	102.70	10% annual reduction	No assurance	