

EVERSENDI



RECOVERY IN ADVERSITY

ANNUAL REPORT 2021

INSIDE AR 2021

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19th Annual General Meeting

Date : 1 June 2022

Time : 2.00 pm

Venue : Virtual AGM - <https://www.DigitizeVote.my>



Multimedia version of our annual report:

- You can view or download our annual report via this link: <http://www.eversendai.com/web/19th-annual-general-meeting/>
- You can also scan the QR Code on the left with your smartphone or tablet to download this annual report onto your device.

OUR VISION, MISSION STATEMENT & CORE VALUES

VISION

To be global leader by innovating, excelling and sustaining with core values in new frontiers

MISSION

We aim to deliver sustainable value to our stakeholders by fulfilling our commitment to our clients while strengthening and forging new ties.

We endeavour to maintain and enhance consistent performance, work culture and standards.

We strongly believe in maximising the value of human capital and aligning it with company initiatives as a fundamental element of our business objectives.

CORE VALUES

Compliance to **Safety**

Conformance to **Quality**

Adherence to **Schedule**

Consistent **Client Satisfaction**

OUR EXPERTISE

Eversendai Corporation Berhad (“Eversendai”) is recognised globally as a leading organisation in undertaking turnkey contracts for highly complex projects with the involvement of very skilled and innovative construction methodologies. Our portfolio includes structural steel, power and process plants, process modules as well as composite and reinforced concrete building structures in the Asian and Middle Eastern regions. We have also expanded to engineer, fabricate and construct Offshore Wind Renewable Energy structures such as the Offshore Wind Substation Jacket and Substation Topside Platform. With all our proactive approaches and with the backing of our professional services under one roof, we are contributing to the overall development of the respective regions and countries where we operate in our unique way which surpasses the satisfaction levels of all involved stakeholders.

Structural Steel Design & Engineering

We provide professional, innovative, proactive and effective structural engineering solutions that bring challenging and complex structural designs into reality. We also provide qualified expertise and professional knowledge for a wide range of structural and infrastructural projects with our highly trained and experienced team of qualified engineers coupled with contemporary computer design and detailing software along with state-of-the-art techniques.

Our full-fledged engineering capabilities deliver effective outcomes by offering a comprehensive range of professionally-qualified, technically-sound structural engineering services which include detailed design and construction engineering, value engineering, connections design, erection engineering, BIM (Building Information Modelling), 3D modelling/detailing and very innovative construction methodologies for the entire spectrum of structural steel projects by meeting all the necessary and unique needs required in this specialised field.

Structural Steel Supply, Fabrication & Erection

Our strategically located state-of-the-art steel fabrication facilities, which are equipped with highly skilled manpower along with advanced CNC controlled machineries, are capable of fabricating highly complex structures. We also carry out trial/control assemblies on the fabrication shop floors for all the complex structures in order to avoid any mismatches during erection to ensure that all segments and assemblies will fit with ease, and without any complications at the respective project sites. We source raw steel materials from reputable and renowned rolling mills from all over the world for all of our projects in advance without compromising on specifications and quality in order to meet the delivery requirements. Our group of companies’ overall annual fabrication capacity exceeds over 200,000 tonnes from 7 fabrication facilities.

OUR EXPERTISE (Cont'd)

Our highly skilled project execution teams have completed many iconic projects across the globe by adopting innovative erection techniques including highly complicated strand jacking/sliding methods to lift heavy structures to the required heights and positions. Our track record includes complex geometrical high-rise buildings, major airports, shopping malls and industrial structures. We have all the credentials required to build the tallest, largest and longest structures in the world.

Our innovative construction methodologies have resulted in the successful and safe completion of several iconic landmark structures across the globe, which are symbols of pride in their respective nations. This has led to the creation of our unparalleled reputation with a matchless track record.

Composite Structure & Building Construction

Eversendai promotes innovation and modular construction using composite materials such as steel and concrete for high-rise buildings. Along with structural steel construction activities, we also undertake concrete building structures in certain regions and countries to diversify and enhance our strength and expertise in line with our vision and company growth strategies.

Mechanical Fabrication, Installation & Modularisation

We undertake Engineering, Procurement, Construction and Commissioning (EPCC) projects and have gained extensive experience in mechanical fabrication, installation and modularisation of pressure parts and non-pressure parts, piping, electrical and instrumentation, tanks, conveyor systems and installation of auxiliary equipment for power plants and oil and gas industries (for both upstream and downstream requirements). We also have the experience and capability of engineering, fabricating and constructing self-propelled jack-up barges/lift-boats, offshore buildings, process modules, topsides, jackets and piles for the oil and gas sector.

Renewable Energy – Offshore Wind

We have the capability to undertake fabrication & construction engineering services, procurement, fabrication and construction of jackets & piles, substation topside platforms including construction of Heating, Ventilation and Air-Conditioning (HVAC) systems and architectural works, mechanical completion, pre-commissioning, load out and sea fastening.

OUR PRESENCE

Eversendai is one of the most sought-after structural steel turnkey and mechanical fabrication, installation and modularisation contractors in the world, having served clients in over 18 countries. Over the years, Eversendai and its subsidiaries (“Eversendai Group”) has garnered an enviable reputation in the industry by executing many prestigious and complex projects, both locally and internationally.

Past & Present Projects

Malaysia	Kuwait
Singapore	Oman
India	Azerbaijan
United Arab Emirates	Algeria
Saudi Arabia	Bahrain
Qatar	Vietnam
Morocco	Hong Kong
	United Kingdom
	Holland
	Thailand
	Indonesia
	Philippines

Fabrication Facilities

Rawang – Malaysia
 Singapore
 Trichy, Tamil Nadu – India
 New Industrial Area Doha – Qatar
 Hamriyah Free Zone, Sharjah – UAE
 Al Qusais Industrial Area 1, Dubai – UAE
 RAK Maritime City, Ras Al Khaimah – UAE

CORPORATE INFORMATION

Board of Directors

Tan Sri Dato' Nathan A/L Elumalay

Executive Chairman & Group Managing Director

Tuan Mohammad Nizar Bin Idris

Senior Independent Non-Executive Director

Datuk Iskandar Bin Sarudin

Independent Non-Executive Director

Puan Nazariah Binti Ibrahim

Independent Non-Executive Director

Mr. Narla Srinivasa Rao

Executive Director

Mr. Narishnath A/L Nathan

Deputy Group Managing Director

Audit Committee

Puan Nazariah Binti Ibrahim

Chairman/Independent Non-Executive Director

Tuan Mohammad Nizar Bin Idris

Member/Senior Independent Non-Executive Director

Datuk Iskandar Bin Sarudin

Member/Independent Non-Executive Director

Remuneration Committee

Datuk Iskandar Bin Sarudin

Chairman/Independent Non-Executive Director

Tuan Mohammad Nizar Bin Idris

Member/Senior Independent Non-Executive Director

Nomination Committee

Tuan Mohammad Nizar Bin Idris

Chairman/Senior Independent Non-Executive Director

Datuk Iskandar Bin Sarudin

Member/Independent Non-Executive Director

Puan Nazariah Binti Ibrahim

Member/Independent Non-Executive Director

Risk Management Committee

Tuan Mohammad Nizar Bin Idris

Chairman/Senior Independent Non-Executive Director

Puan Nazariah Binti Ibrahim

Member/Independent Non-Executive Director

Datuk Iskandar Bin Sarudin

Member/Independent Non-Executive Director

Company Secretary

Mr. Cheok Kim Chee

MACS 00139

Registered Office

Lot 19956, Jalan Industri 3/6
Rawang Integrated Industrial Park
48000 Rawang
Selangor Darul Ehsan, Malaysia
Tel : +603 6091 2575
Fax : +603 6091 2577
Website : www.eversendai.com

Principal Bankers

Malaysia

- Alliance Bank Malaysia Berhad
- HSBC Amanah Malaysia Berhad
- United Overseas Bank (Malaysia) Berhad
- Bank of China (Malaysia) Berhad
- Export-Import Bank of Malaysia Berhad
- MBSB Bank Berhad

Singapore

- United Overseas Bank Limited

India

- Bank of Baroda
- HDFC Bank
- IndusInd Bank

Qatar

- The Commercial Bank (Q.S.C.)
- Qatar National Bank

UAE

- Abu Dhabi Commercial Bank
- Commercial Bank International
- Dubai Islamic Bank (PJSC)
- Emirates Islamic Bank
- Emirates NBD Bank (PJSC)
- Export-Import Bank of Malaysia Berhad
- First Abu Dhabi Bank (National Bank of Abu Dhabi)
- Gulf International Bank
- HSBC Bank Middle East Limited
- Mashreq Bank PSC
- Union National Bank
- United Arab Bank
- United Bank Limited

Independent Auditors

Baker Tilly Monteiro Heng PLT

201906000600 (LLP0019411-LCA) & AF0117
Baker Tilly Tower
Level 10, Tower 1
Avenue 5, Bangsar South City
59200 Kuala Lumpur, Malaysia
Tel : +603 2297 1000
Fax : +603 2282 9980

Share Registrar

Boardroom Share Registrars Sdn Bhd

11th Floor, Menara Symphony
No.5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor, Malaysia
Tel : +603 7890 4700
Fax : +603 7890 4670
Email :
Info.my@boardroomlimited.com

Stock Exchange Listing

Main Market of Bursa Malaysia

Securities Berhad

Stock Name : SENDAI
Stock Code : 5205

CORPORATE STRUCTURE

EVERSENDI CORPORATION BERHAD (200301011640 (614060-A))

Eversendai Engineering LLC (Baku, Azerbaijan)

Eversendai Construction WLL (Kuwait)

EVS Construction LLC (Dubai, UAE)

Eversendai Engineering LLC (Dubai, UAE)

Eversendai Engineering Qatar WLL (Qatar)

Eversendai Engineering LLC (Abu Dhabi, UAE)

Eversendai Engineering FZE (Sharjah, UAE)

Eversendai Engineering Saudi LLC (Saudi Arabia)

Eversendai Construction (S) Pte Ltd (Singapore)

Eversendai Engineering Sdn Bhd (Malaysia)

Eversendai Offshore Sdn Bhd (Malaysia)

Eversendai Constructions (M) Sdn Bhd (Malaysia)

ECB Properties Sdn Bhd (Malaysia)

Eversendai Resources Sdn Bhd (Malaysia)

Vahana Construction M (SARL) (Morocco)

Eversendai Engineering Pte Ltd (Singapore)

Eversendai Construction Pvt Ltd (Chennai, India)

Eversendai Offshore RMC FZE (Ras Al Khaimah, UAE)

Eversendai Engineering Pvt Ltd (Sri Lanka)

BOARD OF DIRECTORS

Tan Sri Dato' Nathan A/L Elumalay (Executive Chairman)

Tan Sri Dato' Nathan A/L Elumalay (Male), age 66, a Malaysian, was appointed to the Board of the Company on 12 August 2004 and is presently the Executive Chairman and Group Managing Director.

Other posts held in external company(ies): NIL

Tan Sri Dato' Nathan A/L Elumalay, the founder of Eversendai, built the company from a modest structural steel erection company in Malaysia to one of the world's most sought-after integrated structural steel turnkey contractor. His sheer drive, focus, determination, keen enthusiasm and acute attention to fine details adhering to core values of workplace safety, quality workmanship and timely delivery is the driving power behind the development of the Eversendai Group globally.

Under his leadership, the company grew from strength to strength and spread its business from Malaysia to Southeast Asia, South Asia, the Middle East and North Africa. Some of the prominent structures built by Eversendai over the course of more than three decades of operations include the Petronas Twin Towers (Tower 2), Kuala Lumpur International Airport, Merdeka PNB 118, Burj Al Arab, Burj Khalifa, Doha International Airport and Capital Gate Tower. He was also instrumental in establishing Eversendai's steel fabrication facilities in Rawang, Dubai, Sharjah, Ras Al-Khaimah, Doha and Trichy. Eversendai produces a combined annual capacity of over 200,000 tonnes. Today, Eversendai has a workforce of approximately 8,000 in 8 countries and operates at 11 offices.

His charismatic hands-on approach to business and the construction industry has earned him many accolades.

Some notable ones are the Malaysian Entrepreneur of the Year 2008 from Ernst & Young, the CEO of the Year Award in 2008 by CIDB and the Lifetime Achievement Award for Leadership in Construction Industry by the World Chinese Economic Forum in 2015. Tan Sri is also a prolific speaker and is often invited to deliver speeches at various seminars, forums, universities and conferences.

BOARD OF DIRECTORS (Cont'd)

Tuan Mohammad Nizar Bin Idris (Senior Independent Non-Executive Director)

Tuan Mohammad Nizar Bin Idris (Male), age 79, a Malaysian, was appointed to the Board of the Company on 1 June 2010 and is presently the Senior Independent Non-Executive Director.

Other post held within the company : NIL

Other posts held in external company(ies): Chairman of MCIS Insurance Berhad
Chairman of CDC Consulting Sdn Bhd
Board Member of FIDE FORUM

Tuan Mohammad Nizar Bin Idris obtained his Bachelor of Law (Honours) Degree from the University of Singapore and was admitted as an Advocate and Solicitor of the High Court of Malaya. He attended the Advance Management Programme at Harvard University, Boston.

After his graduation, he served the Judicial and Legal Service of the Government of Malaysia. He was the Senior Federal Counsel advising the Government of Malaysia on Tax and Fiscal matters. He represented the Government on a number of major cases in the courts in Malaysia and at the Privy Council in London.

He was headhunted to join Royal Dutch Shell and he worked for Shell in Malaysia, United Kingdom and the Netherlands. He was the Head of the Legal Division of Shell International Petroleum Ltd in London responsible for Shell's investment, joint ventures, mergers and acquisitions worldwide. Before retiring from Shell, he returned to Malaysia to assume the position of Deputy Chairman and Executive Director of the Shell Companies in Malaysia. He was also the Chairman of Shell Chemicals.

Upon retirement, he was appointed as a director on the board of several public and private companies including Banking, Investment Banking, Insurance and Unit Trust Management companies. He was also a Director of Khazanah National Berhad.

He is currently the Chairman of MCIS Insurance Berhad and Chairman of CDC Consulting Sdn Bhd. Tuan Nizar is also a director in FIDE FORUM.

BOARD OF DIRECTORS (Cont'd)

Datuk Iskandar Bin Sarudin

(Independent Non-Executive Director)

Datuk Iskandar Bin Sarudin (Male), age 66, a Malaysian, was appointed to the Board of the Company on 22 August 2017 and is presently the Independent Non-Executive Director.

Other post held within the company : NIL

Other posts held in external company(ies):

1. Director of Complete Logistic Services Berhad
2. Independent Director of AEON Co (M) Berhad
3. Chairman of Classic Scenic Berhad

Datuk Iskandar Bin Sarudin began his career in the Malaysian Administrative and Diplomatic Service in 1979. He has served the nation in Jakarta, Indonesia and Lagos, Nigeria as the Second Secretary and First Secretary of the Embassy of Malaysia and High Commission of Malaysia respectively.

He was then appointed as the Principal Assistant Secretary, Ministry of Foreign Affairs, Malaysia in 1989 before being tasked by the Ministry to establish Embassy of Malaysia in The Republic of Chile and Sarajevo, Bosnia and Herzegovina. He has also served as High Commissioner of Malaysia to Sri Lanka, Republic of Maldives and Ambassador of Malaysia to the Republic of Philippines, People's Republic of China and Mongolia in addition to being appointed as Deputy Secretary General (Management Affairs), Ministry of Foreign Affairs in 2006. Datuk Iskandar Sarudin retired in 2015.

Datuk Iskandar is also the President of Persatuan Muafakat One Belt One Road Malaysia (PMOBOR) since 2016 till now.

Puan Nazariah binti Ibrahim

(Independent Non-Executive Director)

Puan Nazariah binti Ibrahim (Female), age 61, a Malaysian, was appointed to the Board of the Company on 30 December 2019 and is presently the Independent Non-Executive Director

Other post held within the company : NIL

Other posts held in external company(ies): NIL

Puan Nazariah binti Ibrahim is a Fellow Member of the Association of Chartered Certified Accountants and a Member of the Malaysian Institute of Accountants (MIA). She held various positions in Tenaga Nasional Berhad since 1 October 1982.

Her last position held was Group Accountant from 1 March 2014 to 28 February 2017 and was also the Independent Non-Executive Director of Ipmuda Berhad from 28 September 2018 to 26 December 2019.

BOARD OF DIRECTORS (Cont'd)

<p>Mr. Narla Srinivasa Rao (Executive Director)</p> <p>Mr. Narla Srinivasa Rao (Male), aged 54, an Indian citizen, was appointed to the Board of the Company on 26 May 2010 and is presently the Executive Director.</p> <p>Other post held within the company : Chief Operating Officer, Group Structural Steel and Construction</p> <p>Other posts held in external company(ies): NIL</p> <p>Mr. Narla Srinivasa Rao graduated in 1987 with a Diploma in Mechanical Engineering and has a Post Graduate Diploma in Business Administration from Manchester Business School, United Kingdom.</p> <p>He started his career at Century Construction Pvt Ltd, India as a junior engineer where he gained valuable experience in fabrication and erection of structural steelwork and in hydro and coal-fired power plant construction.</p> <p>Subsequently joining Eversendai in 1993 as a site engineer. He held various positions within Eversendai before being appointed to his current position. He has played a major role in the successful execution of several major landmark projects for Eversendai.</p>	<p>Mr. Narishnath A/L Nathan (Executive Director)</p> <p>Mr. Narishnath A/L Nathan (Male), aged 39, a Malaysian, was appointed to the Board of the Company on 26 May 2010 and is presently the Executive Director.</p> <p>Other post held within the company : Deputy Group Managing Director</p> <p>Other posts held in external company(ies): NIL</p> <p>Mr. Narishnath A/L Nathan holds a Bachelor's degree in Business Information Technology (Honours) from Coventry University, United Kingdom. He first joined Eversendai Dubai in 2004, after which he was posted to Eversendai Qatar in 2006 as its General Manager where he, among others, set up Eversendai's fabrication facility and managed several other major projects. He was also instrumental in securing several large contracts for Eversendai.</p> <p>He was also the Country Head for the Eversendai Indian operations between 2009 to 2011 and subsequently from 2012 to 2021 as the Chief Executive Officer of the Eversendai Energy operations in the UAE. He is currently the Deputy Group Managing Director.</p> <p>He is the son of Tan Sri Dato' Nathan A/L Elumalay, the Executive Chairman and Group Managing Director.</p>
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Notes:

1. Family Relationships with any Director and/or Major Shareholder:

<u>Name of Director</u>	<u>Family Relationships</u>
a. Tan Sri Dato' Nathan A/L Elumalay	None
b. Tuan Mohammad Nizar Bin Idris	None
c. Datuk Iskandar Bin Sarudin	None
d. Puan Nazariah Binti Ibrahim	None
e. Mr. Narla Srinivasa Rao	None
f. Mr. Narishnath A/L Nathan	Son of Tan Sri Dato' Nathan A/L Elumalay#

Tan Sri Dato' Nathan A/L Elumalay is a major shareholder of the Company and the Group.

2. None of the Directors has any conflict of interest with the Company and the Group other than as disclosed in the notes to the financial statements.
3. There was no conviction for offences other than traffic offences (if any) within the past 5 years.
4. There was no public sanction or penalty imposed by relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT TEAM

<p>MR. ANBU JAYABALAN Chief Executive Officer, India</p> <p>Age: 51 Gender: Male Nationality: Indian Academic/Professional Qualification: B.Tech. Civil., M.E. Structures; Executive Post Graduate Program in Finance from Indian Institute of Management (IIM) Kozhikode Office Location: Chennai, India Date Appointed: 25 March 2015</p> <p>Mr. Anbu has 30 years of experience in Business and Construction Management specialised in residential, commercial and infrastructure projects. Currently, he is spearheading Eversendai India operations with project portfolio spread in Steel, Civil and Composite structures with the focus on end-to-end construction solutions. His previous positions prior to Eversendai include Vice President - Operations in a premier construction firm, leading project development and operations for the southern Indian region, inclusive of luxury category residential and commercial developments. Mr. Anbu has vast experience in Business Optimisation, managing large scale projects, handling PMCs and other consultants, delivering high quality projects in time and keeping the wellness of the stakeholders.</p>	<p>MR. PANDIRAJAN SUBRAMANIAN Senior General Manager, Singapore Operations</p> <p>Age: 58 Gender: Male Nationality: Singaporean Academic/Professional Qualification: Bachelor's Degree in Mechanical Engineering Office Location: Singapore Date Appointed: 12 September 1992</p> <p>Mr. Pandirajan has over 30 years' experience in Structural Steel and Construction Business. Prior to joining Eversendai Singapore in September 1992, he has worked with IISC Engineers for various projects in India which includes Fabrication and Installation of Mobile Service Tower for Polar Satellite Launch Vehicle (PSLV) – Sriharikota which is being used to assemble rockets even today and Upper Sindh Hydel Project in Kashmir. He has worked 14 years in Singapore as General Manager and successfully completed various high-rise composite structure steel buildings from 20 to 66 floors building before being transferred to Qatar for 7 years to undertake and complete Qatar's New Airport and Industrial Projects. Since then, he has been promoted to Senior General Manager and currently oversees the Structural Steel Division in Southeast Asia and Country Head for Singapore operations. He has vast experience and technical capabilities in the structural steel industry from inception of tender to costing, Engineering, Procurement, Fabrication, Erection until successful handover of projects.</p>
<p>MR. GOPALA KRISHNAN Executive Director, Eversendai Engineering Sdn Bhd</p> <p>Age: 60 Gender: Male Nationality: Malaysian Academic/Professional Qualification: MCE Office Location: Rawang, Malaysia Date Appointed: 30 September 2020</p> <p>Mr. Gopala has over 22 years' experience in Structural Steel works. Prior to joining Eversendai Malaysia, he was the General Manager for Eversendai Qatar. He worked in various departments of the Eversendai Group since its establishment in 1984. He briefly left Eversendai to pursue other ambitions before rejoining Eversendai. He was the General Manager before his appointment as an Executive Director of Eversendai Engineering Sdn Bhd, overseeing the Malaysia operations.</p> <p>He is the younger brother of Tan Sri Dato' Nathan A/L Elumalay, the Executive Chairman and Group Managing Director.</p>	<p>MR. SARAVANAN KALIAPPAN Sr. Vice President, Indian Operations (Special Projects)</p> <p>Age: 51 Gender: Male Nationality: Indian Academic/Professional Qualification: B.E. Civil : M.E. Structural, Master's in Business Administration, Ph.D Office Location: Chennai, India Date Appointed: 1 June 2016</p> <p>Mr. Saravanan has been with Eversendai Group for 25 years. He has handled numerous projects located in the Far East, Middle East and India while with the Group and has a wide range of experience in structural steel construction, design, construction methodology, and execution. Currently he manages Design and Engineering, Special Projects and Business development for Eversendai India and the Group. Prior to joining Eversendai, he worked in the petrochemical industry for 3 years doing petrochemical plant design and engineering works.</p>

KEY SENIOR MANAGEMENT TEAM (Cont'd)

<p>MS. PASHMEENA BHATIA Chief Financial Officer, Middle East & CIS</p> <p>Age: 57 Gender: Female Nationality: Indian Academic/Professional Qualification: FCPA, CMA Professional, MBA Office Location: Dubai, UAE Date Appointed: 2005</p> <p>Ms. Pashmeena joined Eversendai in 1988. She has been an integral member of the Senior Management team for the past 18 years. She has vast experience in planning, strategizing and managing the fiscal aspects of the Group's Middle East and North African financial functions, while providing value added insight and analysis to support relevant business functions. Ms Pashmeena specialises in treasury management, financial management, working capital management, project financing, corporate finance, corporate governance, corporate performance management, internal controls, compliance reporting, risk management, and qualitative analysis.</p>	<p>MR. PARDHASARADHI CHADALAVADA Operations Director</p> <p>Age: 57 Gender: Male Nationality: Indian Academic/Professional Qualification: B. Tech (Mechanical) Office Location: Dubai, UAE Date Appointed: 17 February 2016</p> <p>Mr. Pardhasaradhi has over 35 years of experience in various segments of the construction industry. He first joined Eversendai in February 2006 as a Deputy General Manager and subsequently promoted as Commercial Director for Middle East Operations and then as Operations Director / Country Head for UAE/CIS/Africa operations. He has vast experience not only in the structural steel industry but also with many plant construction projects coupled with highly competent techno-commercial capabilities. Prior to joining Eversendai, he worked with several leading Indian construction companies in executing several major industrial and infrastructural project assignments in various sectors such as major steel plants, power plants, petrochemical plants, mining projects and other oil refineries in India.</p>
<p>MR. PALADUGU BHASKARA RAO General Manager, Saudi Arabia Operations</p> <p>Age: 55 Gender: Male Nationality: Indian Academic/Professional Qualification: Licensiate in Mechanical Engineering Office Location: Riyadh, Saudi Arabia Date Appointed: 1 January 2016</p> <p>Mr. Paladugu Bhaskara Rao has 34 years of experience in structural steel fabrication and erection works. He started his career in India working on hydel power projects, penstock site fabrication, and installation works. He joined Eversendai in 1993 as a Site Engineer and was involved in the construction of various iconic buildings including malls, power plants, airports, etc. At present, he is managing the Group's Saudi Arabia operations for structural steel works which include design, connection design, fabrication and installation of complicated structures as well as fireproofing works and roofing and cladding works through specialist contractors.</p>	<p>MR. RAJAGOPAL DAMODHARAN General Manager, Sharjah Operations</p> <p>Age: 53 Gender: Male Nationality: Indian Academic/Professional Qualification: Diploma in Mechanical Engineering Office Location: Sharjah, UAE Date Appointed: August 2008</p> <p>Mr. Rajagopal Damodharan has 34 years of experience in various segments of the construction industries. He started his career in heavy structural fabrication activity for 8 years and later joined an international construction company as a project engineer for a refinery project in Surat, India. In 1996 he joined Eversendai as a Senior Project Engineer and held various positions within the Group before being appointed to the current position. He has been part of the successful execution of many landmark projects in the Middle East.</p>

KEY SENIOR MANAGEMENT TEAM (Cont'd)

<p>MR. P. BASKARAN Operations Director, Eversendai Offshore RMC FZE</p> <p>Age: 52 Gender: Male Nationality: Indian Academic/Professional Qualification: DME, MBA (Wolverhampton University, UK) Office Location: Dubai / Ras Al Khaimah, UAE Date Appointed: 1 August 2020</p> <p>Mr. P. Baskaran has over 30 years of extensive exposure and experience in the fields of Structural Steel and Plant construction. An innovative and energetic operations professional with a sound knowledge in Contracts and Commercial, he began his career in Mumbai, India as an Engineer with Mukand Engineers Limited, working in the areas of Fabrication & Erection of Structural Steel, Erection of Rolling Mill (Rotary & Stationary) Equipment followed by testing, commissioning, cold and hot runs including other aspects for various rolling mill operations for integrated Steel plants. He joined Eversendai Group in 1994 as a Site Engineer in Malaysia and carried out various projects in construction projects across Malaysia and Singapore. Since 2003 he joined the Group as a Project Manager in Dubai and has been involved in various landmark projects in the UAE, Oman, India and Kuwait.</p> <p>He served as a General Manager of our Kuwait operations prior to take up the current assignment to undertake the operations of Eversendai Offshore Business in Oil & Gas, Energy sectors which involves fabrication, installation and commission of self-propelled jack ups, Jacket, Topsides decks for sub-stations, process modules, etc.</p>	<p>MR. CHINAARAJ BABU General Manager - Proposals & Tendering, Eversendai LLC Dubai</p> <p>Age: 48 Gender: Male Nationality: Indian Academic/Professional Qualification: DIPLOMA IN CIVIL ENGINEERING (D.C.E) Office Location: Dubai, UAE Date Appointed: 10 June 1996</p> <p>Mr. Chinaaraj Babu has started of his career as Trainee Civil Engineer is one of India's Leading Company called Larsen & Toubro Ltd. Before joined Company, he has worked in Various Mega Projects of Civil Structures with L& T in the southern Parts of India like Stadium, Bridges, and factory cum road projects. He has vast experience in various segments of Construction projects like Bridges, Highrise Buildings, factory buildings, Stadium and other Commercial Projects in Both Structural Steel and Civil Structures experience in India.</p> <p>He has executed Projects from 1996 onwards in Malaysia, Philippines, Hong Kong and UAE, Saudi, and Qatar.</p> <p>After successful completion of Philip Morris Project in Philippines from 2001-2002 as Project Manager, he has been assigned as Tendering Manager for Eversendai Engineering LLC from 2003 onwards, promoted as General Manager (P&T) in 2013, where he has been dealing with Business development, Proposals / Tendering for entire Middle East, CIS region, Turkey & Russia Projects including special Infrastructure projects in India, Sri Lanka, Malaysia, UK and Australia.</p>
<p>MR. MURALIDHARAN B General Manager, Qatar Operations</p> <p>Age: 49 Gender: Male Nationality: Indian Academic/Professional Qualification: Diploma in Civil Engineering Office Location: Doha, Qatar Date Appointed: 1 April 2016</p> <p>Mr. Muralidharan has 29 years of experience working in various segments of the construction industry. He first started his career as a Site Engineer in India and was involved in many architectural & industrial construction sectors. He later joined Eversendai in 1996 as a site engineer and held various positions within the Group before being appointed as the General Manager. He has executed numerous landmarks and highly challenging projects across the Middle East, Malaysia and Philippines.</p>	

Notes: None of the Key Senior Management:

1. has any family relationship with any Director and/or Major Shareholder of the Company and the Group except for Mr. Gopala Krishnan.
2. has any conflict of interest with the Company and the Group.
3. has any conviction for offences others than traffic offences (if any) within the past 5 years.
4. has any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of Eversendai Corporation Berhad for the financial year ended 31 December 2021.

First and foremost, on behalf of the Board, I would like to congratulate Mr. Narishnath A/L Nathan who was promoted as our Deputy Group Managing Director effective 1 October 2021, and I look forward to his support and contributions to the Group. I would also wish to record my sincere appreciation to the Board of Directors, our management team, and all our employees for their contribution, dedication and commitment to the Group and to our financiers and our shareholders for their continuous support and confidence in the Group.

The year 2021 was unimaginable by any measure as the COVID-19 pandemic continued to swamp the entire globe like a colossal tsunami. Besides extracting an appalling human toll, it changed the way we live, work, learn, and much more. Its immediate consequences saw the world facing a severe economic contraction and triggered unprecedented Government actions which commenced in 2020 and continued well into 2021. Due to the geographical spread of our operations, we had to deal with different forms of restrictions imposed by the various local governments and authorities where we operate.

During this challenging year, we have had to perform the greatest balancing act in the company's history — dealing with the COVID-19 pandemic while focusing on our long-term sustainability. Right from the onset of the pandemic, Eversendai Group adopted stringent safety measures to ensure the safety and well-being of our people and all stakeholders. We ensured that all our employees received good care by implementing stringent Standard Operating Procedures and safety norms for COVID-19.

Eversendai Group's results for the year 2021 reflects an exceptionally challenging backdrop for the industry. The year began on a cautious note for Eversendai Group with the continuous disruptions and restrictions brought upon by COVID-19 related Government enforced actions in countries where Eversendai Group operates in. Unfortunately, we were unable to execute and deliver projects in the typical normal course of project execution to unlock the outstanding order book due to Government imposed restrictions resulting in employees and manpower movement disruption, supply chain disruptions, temporary project stoppages, quarantine & isolation of employees and compliance to new Standard Operating Procedures ("SOPs") to prevent the spread of COVID-19. We remain steadfast to weather this unprecedented pandemic with resilience and perseverance to recover progressively.

CHAIRMAN'S STATEMENT (Cont'd)

CORPORATE OVERVIEW

Despite many setbacks, our strategy of expanding into the European Offshore Wind Renewable Energy sector bode well for Eversendai Group as we successfully delivered three major Offshore Wind projects for Holland and Scotland, United Kingdom in 2021 from our waterfront fabrication facility in Ras Al Khaimah, United Arab Emirates. Eversendai also completed the major structural steel works for the World's Second Tallest Tower, the Merdeka PNB 118 Tower in Kuala Lumpur, Malaysia.

In continuation of our pursuit to venture into new regions, we made foray into North Africa region during 2020 by securing a 55-storey landmark luxurious tower project in Rabat, Morocco with our long-term client and the project is progressing very well and is expected to be completed by the second quarter of 2022.

We are confident to overcome the current obstacles and challenges with our team who are strongly committed with perseverance and persistence to re-shape the Eversendai Group and become a stable and sustainable Group going forward to ultimately reward our shareholders and maximise their value. Understanding and support from the shareholders and the various stakeholders for the Group at this moment are very much appreciated.

FINANCIAL OVERVIEW

The Group's revenue was RM1.22 billion for the financial year ended 31 December 2021, a 9.79% increase from RM1.11 billion reported last year. The Group recorded a RM146.1 million net loss during the year, RM6.98 million increase in losses from last year. It is mainly due to continued delays in progress of projects impacted by the COVID-19 pandemic, coupled with impairment loss and write-off of receivables and contract assets that amounted to RM55.8 million.

Our operations in Middle East have continued to contribute the largest share of the Group's revenue with 45.2% contribution. India operation contributed 24.2% revenue to the Group followed by Malaysia and Singapore operations which have contributed 14.9% of revenue to the Group. It is worth to take note that contribution from our India operations has been gradually increasing with its newly secured projects of RM183.18 million in 2021 which shall unlock its value in the next 2 to 3 years.

As far as our structural steel business in Middle East is concerned, there has been a reduced fabrication load for our fabrication facilities especially in UAE in 2021, and our fabrication facilities have been underutilized to a large extent impacting the turnovers resulting in losses for the Group. However, we are slowly overcoming these unforeseen developments and expecting to secure some very interesting and very large projects in 2022, to keep all our fabrication facilities in this region operating with an increased fabrication capacity on the back of these newly secured projects. We are confident that these efforts will bring back our past glory in this very important region of our operations.

CHAIRMAN'S STATEMENT (Cont'd)

RECOVERY IN ADVERSITY

Despite many challenges, Eversendai Group foresees the year 2022 as the year of recovery with resilience after the onslaught of the COVID-19 related impacts to the Group. We are focused on re-shaping the Group and with a renewed focus on our core values and with a re-energized focus on geographical regions that we have been predominantly strong. Going into 2022, our tender book is estimated at approximately RM11 billion with interesting prospective projects in the pipeline.

OUTLOOK

FY2021 was a challenging time for many businesses and communities, and we are incredibly proud of our people for standing up and supporting our customers. Our focus remains on customer service and growing sales. Market conditions look to remain positive for at least the medium term as the economic cycle is expected to be 'stronger for longer'. We have a strong pipeline of secured projects in place and are well positioned to take advantage of new market opportunities.

We are confident in our strategy and are moving forward with a robust financial and operating platform, leadership positions across many product categories, an experienced executive team and strong employee morale.

Amidst the challenging global operating environment and the continued soft construction industry sentiment, we will remain focused on securing and executing projects to the standards expected by our clients. We are confident that we are well-positioned to overcome any obstacles and stay on course to achieve our business goals. We will forge ahead by harnessing the full potential of our assets, staying resilient against any adverse external shocks and continuing to deliver value to our stakeholders.

ACKNOWLEDGEMENT

On behalf of the Board of Directors of Eversendai, I would like to take this opportunity to firstly thank all our valued shareholders and stakeholders for their unwavering support.

I thank my management team and employees for their commitment, hard work and diligence and also thank my fellow Board members for their guidance, perspectives and perseverance in carrying out their duties over the years.

Tan Sri Dato' Nathan A/L Elumalay
Executive Chairman & Group Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Eversendai Corporation Berhad (“Eversendai”) is a sought-after global organisation undertaking complex turnkey structural steel works for high-rise buildings, composite structures, long span structures, bridges and industrial plants. Eversendai has also expanded into the energy industries by providing detailed design, engineering, procurement, fabrication, construction and installation services for the power plant, oil & gas and offshore wind renewable energy industries, which includes process modules, jackets and piles, substation topside platforms, offshore buildings and self-propelled jack-up barges / liftboats.

The Group has an outstanding order book value of RM1.34 billion as at 31 December 2021. We have constructed some of the world’s most prestigious and iconic landmark structures such as the Petronas Twin Tower 2, Kuala Lumpur International Airport and the Merdeka PNB 118 in Malaysia which is the 2nd tallest tower in the World; the Singapore Indoor Stadium, Republic Plaza and the State Court building in Singapore; the Statue of Unity – the world’s tallest statue in India; the Burj Al Arab, ICD Tower and Burj Khalifa in Dubai; Capital Gate building, Warner Bros World theme park and Abu Dhabi International Airport in Abu Dhabi; Hamad International Airport, Khalifa Olympic Stadium and the National Museum in Qatar; and the Kingdom Centre, King Abdullah Petroleum Studies & Research Center (“KAPSARC”), and Capital Market Authority (“CMA”) Tower in Saudi Arabia.

Eversendai Group has a well-established presence in the Middle East, Malaysia, Singapore and India with a dedicated workforce of approximately 8,000 and seven fabrication plants in Malaysia, Singapore, Dubai, Sharjah, Ras Al Khaimah, Qatar and India with a combined fabrication capacity of 200,000 tonnes of steel per annum.

The Group is organised into business units and has reportable operating segments based on industry and geographical location as shown below:

1. Structural Steel

- Malaysia and Singapore (Southeast Asia)
- India
- Middle East & North Africa (MENA)

2. Energy

- Malaysia and Singapore (Southeast Asia)
- India
- Middle East & North Africa (MENA)

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

FINANCIAL REVIEW

Eversendai has maintained a relatively moderate financial status despite an increasingly challenging global economic landscape and competitive market environment, coupled with global pandemic which is remain unsubdued. Our performance for Financial Year 2021 (“FY2021”) could not match the heights reached in prior years. Nevertheless, Eversendai Group is well poised to enhance the growth momentum in the years to come.

Revenue

Eversendai recorded revenue of RM1.22 billion during the year in review, which was 9.79% marginally higher compared to RM1.11 billion in FY2020. The revenue in the current financial year was slightly higher than in FY2020 due to the gradual resumption of activities from the global lock down which slowed down the work progress at sites caused by COVID-19 pandemic.

Structural Steel Works continued to be our dominant business segment, contributing 86.9% to revenue with 45.2% from the Middle East, 24.2% from India, 14.9% from Malaysia and Singapore and 2.6% from North Africa. The remaining 13.1% share of revenue came from the Energy operations in the Middle East. In terms of regional contribution to revenue, the Middle East remained our largest market.

Profits

Eversendai recorded Loss Before Tax (“LBT”) of RM146 million in FY2021 compared to Loss Before Tax of RM132.6 million in FY2020. Regionally, Structural Steel Works segment in Middle East recorded LBT of RM47.9 million followed by Southeast Asia of RM46.5 million, Others of RM39.4 million and North Africa of RM0.8 million, while India contributed to a Profit Before Tax of RM0.8 million. Energy segment in the Middle East recorded Loss Before Tax of RM12.2 million.

Loss Per Share (“LPS”) remained unchanged at 17.6 sen in FY2021.

Shareholders' Equity, Assets and Dividend

The Shareholders' Funds closed the financial year at RM631.1 million against RM738.7 million in FY2020, representing a decrease of 14.6%. Our net tangible assets as at 31 December 2021 shrunk to RM612.8 million, 17.5% less than RM742.7 million as at the end of the previous year. Net tangible assets per share was 0.78 compared against 0.95 the year before. The Board does not recommend any dividend for the year under review in order to develop a stronger financial position in order to capitalise on new growth opportunities for Eversendai. The Board is confident that its approach on this issue will augur well in the years to come by continuing to create sustainable value for all our stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

REVIEW OF OPERATIONS: STRUCTURAL STEEL WORKS

MIDDLE EAST

The Middle East operation is Eversendai's primary strength. We first set foot in this region in 1996, after winning a contract to erect the steel structures for the Burj Al Arab in Dubai, the only 7-star hotel in the world. Our key operational offices and four out of the seven fabrication facilities are also located in this region. During FY2021, this region remains our largest contributor, accounting for 45.2% of the total Revenue of RM1.22 billion. This is a 4.36% decrease from 47.5% of total Revenue of RM1.11 billion recorded in FY2020.

United Arab Emirates ("UAE")

Revenue for UAE region have suffered with setbacks in the FY2021 due to the continued COVID-19 pandemic which basically delayed and suspended a number of projects. Some of the suspended projects have been restarted by the respective employers in third quarter of 2021 but due to the limited period of work during 2021, only marginal progress has been achieved for these projects.

Despite the above situation, we have managed to complete the construction of the following projects for FY2021:

- IL Primo A4 Tower
- One Za'abeel
- A2/A3 Tower
- Marsa Al Arab
- KIFAF Development
- Qatar Pavilion at EXPO
- ICD Pavilion at EXPO

The expected award of some of the major projects have not been materialized during the year of 2021 but we are in the final stages of concluding these in 2022.

Key On-going Projects:

- Zayed National Museum
- WASL Tower
- King Mohammed Tower, Morocco

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Kingdom of Saudi Arabia (“KSA”)

FY2021 Revenue over the FY2020 has been reduced by 47.7% due to the temporary suspension of Riyadh Metro-West Stabling Facility project by the client, which was supposed to contribute to the growth in the FY2021 Revenue. Delays in project progress and increased receivable turnover are the key challenges faced due to the continued COVID-19 Pandemic wave. However, the revenue of SAR19.26 million has been achieved against the planned revenue of SAR25 million in FY2021. The gross profit of 23.8% has been achieved compared to planned gross profit of 12% in FY2021. A net profit of 8.1 % has been achieved against the planned net profit of 5% in FY2021.

Completed Projects in 2021:

- Riyadh Metro Package 1 Line 1 & 2 Depots
- Riyadh Metro Package 3 FAST Elevated Stations
- Forum bridge Technical Advisory services

Key On-going Projects:

- Capital Market Tower/PIF Tower Misc. steel works
- Riyadh Metro Package-West stabling facilities
- JODP-Phase 3 Bridge and Arches
- Supply of Fabricated Structures for SWCC Pipeline Diversion
- King Salman Park Loop Bridges and O&M building

Qatar

FY2021 performance over the FY2020 was on a positive edge with two sizeable projects secured towards end of FY2019 and was a substantial contribution to the growth in the FY2021 in terms of Revenue, though continued COVID-19 Pandemic waves posed further challenges in mobilizing the new personnel for execution of the new projects.

Completed Projects in 2021:

- Al Thumama Stadium
- Shield 5 Program
- Alar Hotel Development

Key On-going Projects:

- Commercial Boulevard-BP18A
- Dune plaza
- HIA expansion
- Lusail plaza towers
- QINP-Water Park
- North Field Expansion-1 Transportation Beams & Stools for AGR Absorber

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Kuwait

In 2021, Eversendai Kuwait have not secured any new projects other than one on going project which is the Sabah Al-Salem Kuwait University – SAAF Package 1 & 2.

SOUTHEAST ASIA

Malaysia

Eversendai Malaysia operation was incorporated in 1982 to undertake its first project, the Dayabumi Complex in Kuala Lumpur. Eversendai Malaysia has undertaken various projects involving power plants, industrial plants and commercial buildings throughout the years and contributed RM127.4 million to Group revenue in FY2021 as compared with RM257.8 million the previous financial year.

We managed to secure only two contracts in FY2021 due to the prolonged COVID-19 pandemic and the prohibition of operations for contact-intensive services industries. However, four projects are still on-going comprising primarily the TRX Lifestyle Quarter (Retail) Package, Sabah SK Nexilis, Oxley Linked Bridges and VALE 3 Years Maintenance & Repair Service Contract.

Singapore

During the FY2021, our operations in Singapore contributed a total revenue and Profit Before Tax (“PBT”) of RM52.04 million and RM10.8 million respectively. Although the revenue increased by 24.8%, PBT decreased largely in comparison with FY2020. The revenue has increased in 2021 by way of securing new projects which started only in year 2021 but faced challenges to maintain our PBT due to the restrictions implemented by the Singapore Government to battle the continued COVID-19 pandemic affecting the project progress and deployment of workforce.

The construction outlook in Singapore is likely to improve in FY2022 with anticipated increase in construction demand with major projects being awarded in the infrastructure and commercial segment and we remain positive for FY2022.

Eversendai Singapore secured new projects worth nearly SGD55 million in 2021. Eversendai Singapore has targeted mainly Data Centres, Hospitals and Multi-Storey composite steel structures projects and is positioned to secure notable projects in 2022 & beyond.

Completed Projects in 2021:

- LYW Data Centre Phase-1
- Air Trunk Data Centre Phase-1

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Singapore (cont'd)

Newly Secured Projects in 2021:

- Air Trunk Data Centre Phase-2
- SIN-067
- Labrador-Kingpost
- NEIL Road-Basement Package
- Keppel Tower
- Labrador BC1-Misc Steel

Key On-going Projects in 2021:

- 70 Anson-Hub Synergy

India

India is expected to become the world's third-largest construction market by 2025. However, the outbreak of the COVID-19 pandemic and subsequent lockdown restrictions weighed on the industry's output in 2020 and 2021. Construction activities continue to remain disrupted across the country with labour shortages at project sites exacerbating the situation for private players already grappling with multiple issues such as liquidity crisis, rising project costs and dwindling demands.

Revenue achieved for FY 2021 is RM298.9 million compared to FY 2020 RM178.5 million. Eversendai India secured projects amounting to RM183.18 million in the year including the Bandaranaike International Airport which was secured in November 2021 for RM152.81 million.

Lockdowns and delays to complete the existing projects have resulted in unavoidable costs and losses. Various measures are being implemented to overcome this challenging situation.

Completed Projects in 2021:

- WDFCC Package 15 A
- Hamon – Reliance
- 285 Financial District

Key On-going Projects in 2021:

- Marathon Level: 26 to 38
- Sands Infra
- Shivaji Park
- DLF IT Park balance works
- Sesen Residential Development
- Sumer Trinity
- Piramal Revanta
- Residential Tower at Worli, Naman
- Lodha T4 Alpha
- Taramani

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

India (cont'd)

Key Awarded Projects in 2021:

- Bandaranaike International Airport, Sri Lanka

ENERGY

Eversendai's wholly owned subsidiary, Eversendai Offshore RMC FZE, recorded revenue of RM160.6 million, which was RM47.1 million higher than the previous year. The higher revenue for FY2021 was due to new projects awarded and recognition of revenue in FY2021.

The segment was awarded a contract to fabricate and construct the offshore wind substation topside platform and jacket for the Seagreen Offshore Wind Farm in Scotland, United Kingdom and another contract to fabricate and construct Jacket and Piles for the Hollandse Kust Zuid ("HKZ") Beta Offshore wind substation platform for Tennet in the Netherlands. Both the contracts were awarded by Petrofac Limited. These projects were undertaken in Eversendai's state-of-the-art 200,000 sq.m. waterfront fabrication yard in Ras Al Khaimah Maritime City in the UAE.

The year 2021 was challenging due to the unsubdued COVID-19 disruptions and thus continuous delays of new contract awards but was slightly better as compared to 2020 as we continue to make progress on our diversification plan into the offshore wind renewable energy sector. Our strategy continues to be balanced and not solely dependent on a single industry sector.

Our diversification into the offshore wind renewable energy sector is expected to create a sustainable business for the Group going forward.

RISK AND MITIGATING PROCESSES

Liquidity Risk

The Group manages its liquidity risks to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, Eversendai Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. Eversendai Group also raises committed funding from financial institutions and balances its portfolio with some short-term funding to achieve overall cost-effectiveness.

Political, Regulatory and Economic Factors

The Group's financial and business prospects are closely linked to the developments in the political, economic and regulatory conditions in the countries where the Group operates or intends to operate. Eversendai Group has and will continue to take effective and adequate measures to mitigate such risks. Eversendai Group's current significant operations are in countries that are economically and politically stable.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

RISK AND MITIGATING PROCESSES (cont'd)

Exposure to Liabilities for Contract Claims

In the past and as at this reporting period, Eversendai Group has not been affected by any liability arising from its exposure to contracts undertaken and will not have any material effect on its financial position, business and operations.

Business and Project Risks

The Group is engaged in the contracting industry and depends on securing new contracts for its business and growth. The structural steel contracting sector is highly dependent on the economies of the countries it operates in and the cyclical nature of the industry. Delay or failure to complete contractual work will potentially affect the Group's net profits and reputation.

Nevertheless, Eversendai Group has a good track record of successfully managing project risks in the past and will continuously conduct detailed studies to complete projects on schedule and to avoid project cost overruns. Eversendai Group is renowned for its commendable track record for timely project completion, conforming to quality and employing best practices in our operations. With more than 37 years of experience as an industry leader, the Group will be able to manage these businesses and mitigate project risks, should such occurrences arise.

OUTLOOK

As reported by the International Monetary Fund (IMF), the global recovery continues but the momentum has weakened as the pandemic resurges in 2021. The fault lines opened up by COVID-19 are looking more persistent. Rapid spread of Delta and the threat of new variants such as Omicron have increased uncertainty about how quickly the pandemic can be overcome. Premised on the above and barring any unforeseen circumstances, the Board is cautiously optimistic that the Group's prospects and financial performance shall remain positive and favourable as we are hopeful that our plans for growth and expansion will yield greater results for all our loyal shareholders.

2022 will be the year of recovery for Eversendai Group in the contracting segment in view of the slowdown in the world economy as a result of the pandemic for the last 2 years. The global economy is projected to grow 4.9% in 2022. However, we are cautious about the outlook even as the impact of the current market scenario continues to unfold. Rest assured, we are doing our best to protect the interests of all our stakeholders.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Sectorial and Market Specific Perspective

United Arab Emirates (“UAE”)

It is expected that the UAE economy is to expand by 4.2% in 2022. The UAE construction market was valued at USD101.45 billion in 2020, and it is expected to reach a value of USD133.53 billion by 2027, registering a compound annual growth rate (CAGR) of 4.69% over the period of 2022-2027. Eversendai UAE concluded a major construction contract in the 1st quarter of 2022 which will help to reach a commendable position with better performance in the market, in the upcoming future (2022-2023).

Qatar

Qatar's National Vision aims at transforming Qatar into an advanced country by 2030, sustaining its own development and providing for a high standard of living for all of its people for generations to come and enable the private sector to play an essential role in achieving sustainable development. Numerous projects are envisaged in the years ahead in line with Qatar's National Vision 2030 and was practically strengthened with the recent announcement of a huge expansion of the North Field Gas extraction projects estimated to be up to USD30 billion. With this vision, Eversendai Qatar's possible trend, outlook and sustainability will be a bullish trend progressing over the years from 2022 to 2030 by securing most of the projects and maximizing the fabrication factory capacity, alongside the optimum utilization of the Group fabrication facilities across the Asian Region.

Kingdom of Saudi Arabia

The KSA's construction market is expected to show significant growth in 2022 and offer lucrative potential movement according to their “Vision 2030”. As per the International Monetary Fund Reform, the momentum remains strong under the Vision 2030. New reform initiatives are being rolled-out under the Vision Realization Programs (VRPs). Oil prices have risen over the past year and are positively affecting fiscal and external balances. Higher oil prices provide both an opportunity and a risk to the fiscal reforms.

King Salman Park, Red Sea Development, NEOM, Qiddiya and AMAALA development projects which has been started by KSA government, consists of potential steel works, and there are high chances of Eversendai KSA securing some of these projects.

Kuwait

Kuwait's Vision 2035 programme has signalled that it is becoming more open to foreign investment. The plan includes various mega projects, including the building of a multipurpose industrial city to the tune of USD6.6 billion. The Kuwait construction market is highly competitive, with the presence of major international players and this presents us with opportunities for growth.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Sectorial and Market Specific Perspective (cont'd)

India

The construction sector in India is expected to hit a higher growth rate and move forward in 2022 due to the Government's increased focus on infrastructure projects and smart recovery of demand expected for residential as well as commercial segments. The construction sector is likely to grow in double digits at 10.7% in 2022 in a rebound from a contraction of 8.6% in 2021, aided by the base effect and a projected 9.2% growth in the economy, according to the Ministry of Statistics and Programme Implementation. Other allied sectors such as logistics, warehousing, and data centres are also expected to fuel demand going forward.

Singapore

The engineering and construction industry in Singapore has made a significant recovery from the 2020 recession, but it has also experienced multiple headwinds that are expected to persist. 2022 should be another rewarding but challenging year, and the industry looks to be poised to capture growth opportunities. The robust pipeline of public sector construction projects and expectation of more manpower supply with the gradual easing of border restrictions in 2022, boosts contractors' market sentiments, with all segments expecting a more upbeat business outlook in the first half of 2022 as compared to second half of 2021.

Singapore as a whole country expects a steady improvement in construction demand over the medium term. It is projected to reach between SGD25 billion and SGD32 billion per year from 2022 to 2025 (Source: Building & Constructions Authority (BCA) Singapore Report).

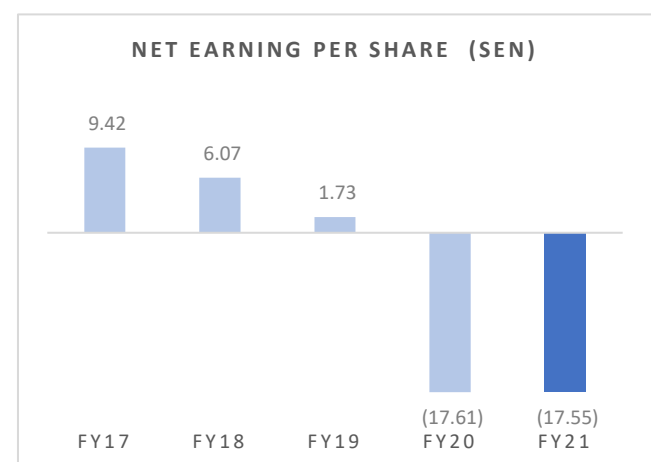
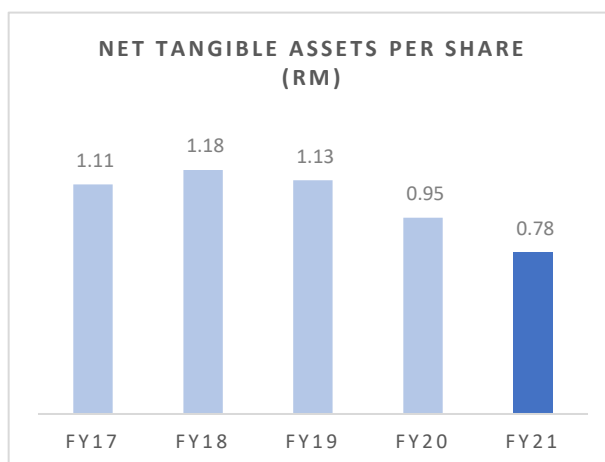
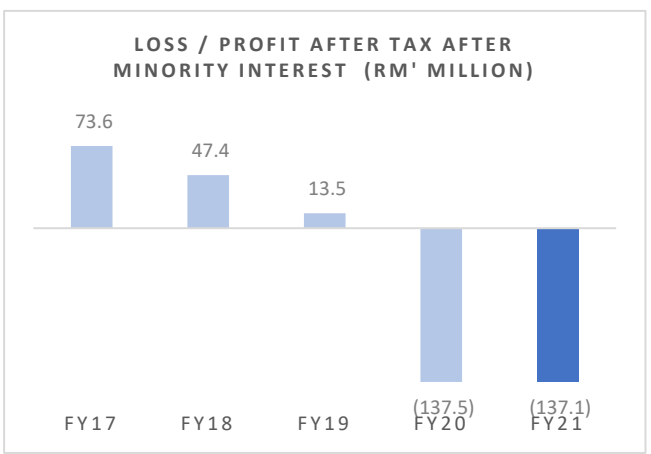
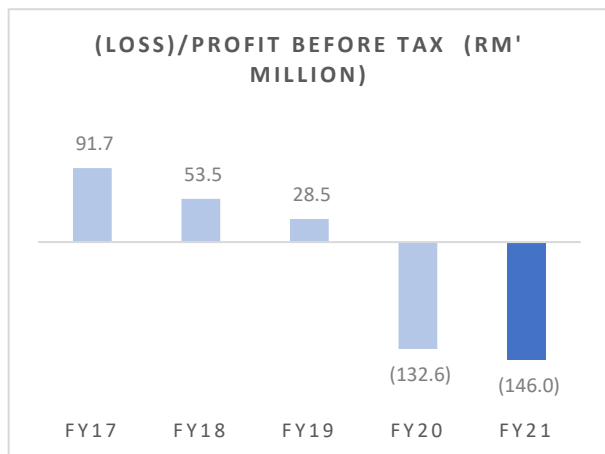
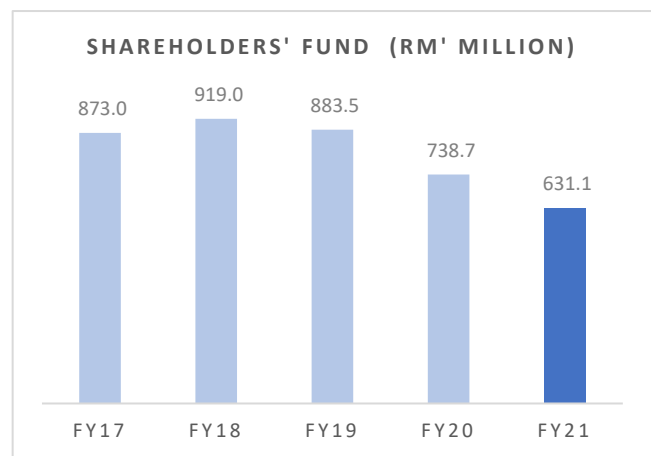
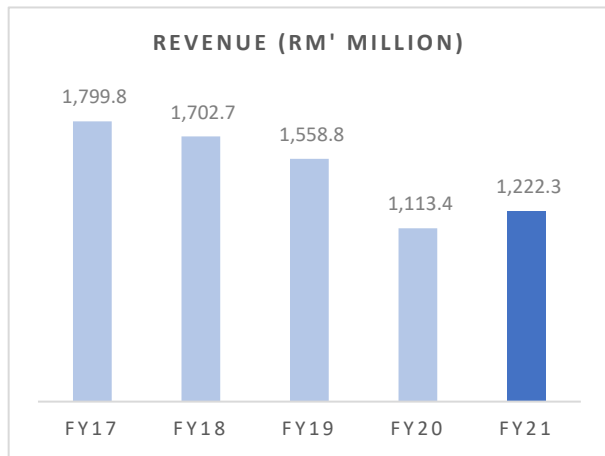
The overall outlook for Eversendai Singapore looks positive despite the continuing COVID-19 pandemic strains and looking forward strongly to achieve a higher target in year 2022 and beyond compared with previous years.

Malaysia

The construction sector is expected to record marginal contraction of 0.8% during the year compared to a double-digit decline in 2020. Following the rapid progress of a nationwide vaccination programme, economic activities in 2022 are anticipated to return to the pre-pandemic level especially with the announcement of entering an endemic period on 1 April 2022. The construction sector expects to continue and accelerate in various major projects and projects introduced by the Government from Budget 2021 (Source: Department of Statistics, Malaysia).

Malaysia's economic outlook faces strong headwinds due to the prolonged COVID-19 outbreak with emergence of new variants and many things remain uncertain. Despite the uncertainties, the Government believes the nation's economy can withstand any potential headwinds with expected GDP growth of between 5.5% and 6.5% upon the reopening of economy and social sectors (Source: Economic Outlook 2022 from Ministry of Finance, Malaysia).

5-YEAR GROUP FINANCIAL HIGHLIGHTS



SUSTAINABILITY REPORT

About This Section

Eversendai Corporation Berhad (“Eversendai”) is committed to driving its business operations and corporate activities towards sustainability. We manage the plans and processes to implement sustainability in key areas of our business and how they impact our stakeholders where we operate. Our sustainability management during the year in review is presented in this report.

Reporting Period

1 January 2021 to 31 December 2021

Reporting Scope

Eversendai Group is committed to reviewing and updating our sustainability management on an annual basis. Our sustainability management is in three key dimensions of Economic, Environment and Social, and the information covers Eversendai Group. However, it does not include any business operations carried out by Eversendai’s joint venture partners or any other activities beyond our direct control. Our reporting adheres to the following guidelines:

- Bursa Malaysia Sustainability Reporting Framework
- GRI Sustainability Reporting Standards

Feedback

Eversendai looks forward to input by any parties on how we can improve our sustainability management. For any feedback and enquiries, please contact:

Tel No : +603 6091 2575

Email : ir@eversendai.com

SUSTAINABILITY REPORT (Cont'd)

Sustainability In Eversendai

The story of Eversendai started in 1984 as a humble structural steel fabrication and erection company and has since grown organically as a specialist in the field. Eversendai is recognised as a sought-after global organisation undertaking complex turnkey structural steel works for high-rise buildings, composite structures, long span structures, bridges and industrial plants. The Group has also expanded beyond these making inroads into mechanical works providing design, engineering, procurement, fabrication, assembly and installation services for Power Plant, Offshore Wind and Oil & Gas industries including process modules, jackets & piles, topsides, offshore structures and jack-up barge/liftboats.

Eversendai, a Malaysian inspiration and an epitome of excellence, has come a long way from its humble beginnings to become one of the world's sought-after contractors. Eversendai attributes this success to the prudent management team and employees who have gone the extra mile through a sense of responsibility, loyalty, commitment and dedication adhering to fundamental values to achieve what it is today.

Eversendai's proven competence of high-profile projects in the world has served clients covering 17 countries comprising of Malaysia, Singapore, Indonesia, Thailand, Philippines, the United Arab Emirates, Oman, Kingdom of Saudi Arabia, Azerbaijan, Qatar, India, Sri Lanka, Kuwait, Bahrain, Hong Kong, Morocco and the United Kingdom. We have a dedicated workforce of approximately 8,000 in 8 countries and operates at 11 offices and an impressive portfolio of more than 460 accomplished projects. We own and operate 7 fabrication facilities located in Malaysia, Singapore, Dubai, Sharjah, Ras Al Khaimah, Qatar and India with an annual production capacity of over 200,000 metric tonnes of fabricated steel. With our state-of-the art fabrication facilities, we have constructed some of the world's renowned iconic landmarks and highly complex structures to create an enviable reputation.

Eversendai places considerable emphasis not to compromise on safety, quality of workmanship and timely delivery irrespective of the country in which we operate. Eversendai's in-house quality control and quality assurance department adheres strictly to the technical requirements and specifications, schedules and procedures of inspection and testing stipulated in the project quality management plans.

Apart from conducting in-house inspections and testing, we also undertake regular inspections along with the clients and third-party testing to ensure the consistency and transparency of the quality checks. Eversendai does not compromise on quality and the finished structure and services are in compliance with health, safety and environment regulations and in conformance with international codes and standards as required in the countries we operate in.

Eversendai has a long-standing tradition of hiring competent people who are all trained in their fields to become specialists in their respective disciplines.

SUSTAINABILITY REPORT (Cont'd)

Eversendai has an excellent client relationship with major international clients, with a history of successful collaboration on many landmark projects.

We have established a reputable brand name with an impressive track record to position ourselves as one of the leading and reliable entities. Eversendai has established a good reputation in the market through positive customer generated word-of-mouth testimonials. Our clients, architects, consultants and project managers have been the key influencers in advocating our exemplary capabilities in the industry. We are respected for our discipline, integrity and good quality work by embracing innovative construction methodologies in delivering complex landmark projects. Due to our reputation, we were invited to participate in and eventually execute top-notch projects in foreign countries.

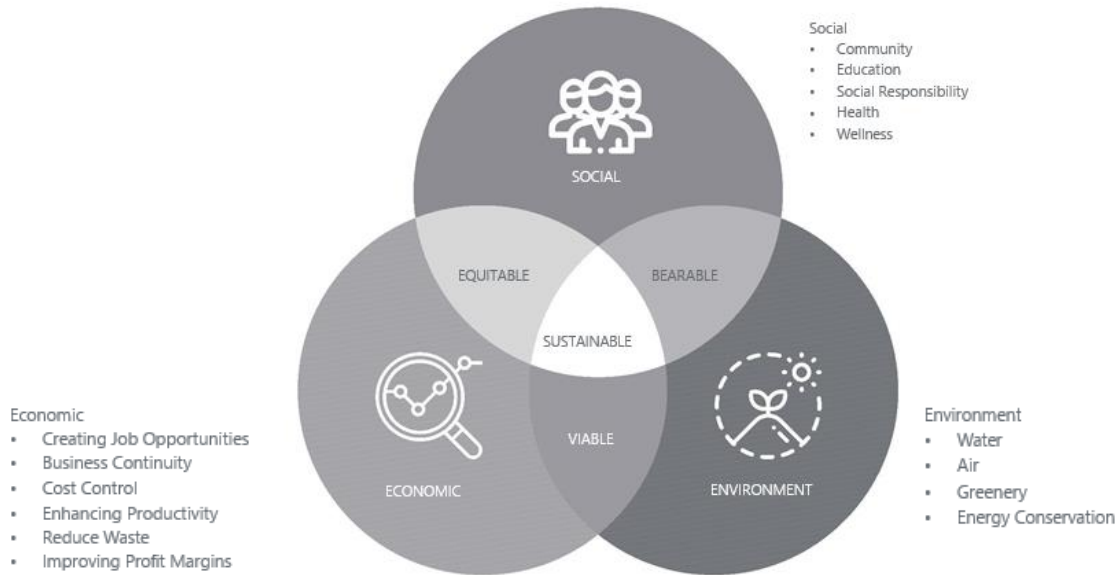
Eversendai's resilience charged with its vision, mission, core values and corporate philosophy has allowed us to sustain through challenging times, changing environments, stakeholders' aspirations and sudden fluctuations in economic and market conditions.

Eversendai's Corporate Philosophy

1. Keeping up with our commitments
2. Maintaining a good relationship with all our stakeholders
3. Innovative construction methodologies
4. Consistent performance
5. Continuous development of human resources
6. Loyal and dedicated employees
7. Effortless adaptability to local working culture and environment
8. Continuous exploration of new and diversified frontiers, seeking for opportunities
9. Continuous improvement to meet stakeholders' expectations

Sustainability has been an integral part of Eversendai for many years, although we commenced reporting in 2017 on a formal approach to initiate tracking and reporting the performance of the Company and its subsidiaries. We take cognisance that the importance of management of economic, environmental and social performance is vital for all sustainability actions in our business operations and activities. We have always understood the values and benefits of incorporating sustainability as a business imperative in every aspect of our operations. We believe the practice of sustainability will generate many benefits not only to Eversendai, but also to all stakeholders impacted by our activities. The priority is to implement a holistic approach to maximise its benefits from an economic and social perspective while also minimising its impact on the environment.

SUSTAINABILITY REPORT (Cont'd)



Materiality Assessment

For sustainability matters, we undertook a survey which covered various stakeholder groups and their prioritisation. From the results, the overall influence on stakeholder assessment and decisions on the significance of Eversendai’s Economic, Environment and Social Impacts were presented to the Board, using the Materiality Assessment (“Toolkit”) issued by Bursa Malaysia Securities Berhad.

Moving forward, the materiality assessment will be reviewed against/guided by the revisions to the Sustainability Reporting Framework (where appropriate and when comparing our business and processes against similar industries); to be issued by Bursa Malaysia Securities Berhad (“Bursa Malaysia”) as amendments to the Main Market Listing Requirements.

Reporting is made only on 70%* and above significance of Eversendai’s Economic, Environment and Social Impacts. Prioritisation of the impacts were formed based on the importance of the impacts to our organisation and stakeholders such as investors, customers, employees, the government, community, non-governmental organisations (NGOs) and outsourced service providers (suppliers, subcontractors and consultants).

Factors of Economic Performance	Factors of Environmental Performance	Factors of Social Performance
Cost Control	Compliance	Human Capital
Machinery	Environment	Occupational Health and Safety
Political Changes	Raw Materials	Systems and Processes
Risk Management	Supply Chain	Client Satisfaction
Taxes	Utilities	Integrity
Technology		

Note: * The above percentage (%) was extracted from the Eversendai Materiality Matrix based on Sustainability Aspects in GRI framework (GRI 2002).

SUSTAINABILITY REPORT (Cont'd)

Eversendai's Sustainability Initiatives

Indicator	Action	Outcome
Environment		
Environmental Management Indicators (EMIs)		
S1. Vision, Mission, Values and Policy	Corporate Vision, Mission, Core Values and the Integrated Management System Policy have been implemented and understood by all employees.	Eversendai Environmental Management System has been certified to the international standard of ISO 14001:2015 and has been recertified until 2023.
S2. Organisational structure related to environmental management	Organisational structures and job descriptions are available throughout Eversendai.	
S3. Leadership and management commitment to environmental issues	Leadership and management commitment to environmental issues have been explained and audited.	
S4. Communication to internal and external stakeholders	Regular communication exists with all stakeholders for consistent feedback and improvement including updates on environment matters.	
Environmental Performance Indicators (EPIs) Environmental Operational Indicators		
S1. Procurement measures S2. Process measures S3. Product/service use measures S4. Technical measures	Eversendai practises the concept of 3R (Reduce, Reuse and Recycle) in all activities and operations. Relevant stakeholders are also made aware of the 3R principles and practices. <ul style="list-style-type: none"> • Reducing consumption of paper by providing soft copies of documents; • Recycling paper for preparation of drafts; • Reducing energy consumption by switching off power supply during lunch breaks; • Reducing printing materials by providing soft copies; and • Reusing packaging materials for delivery purposes. 	
Environmental Impact Indicators		
S1. Energy usage S2. Water usage S3. Raw materials S4. Consumables S5. Domestic waste S6. Scheduled waste S7. Air emissions S8. Water discharge S9. Land discharge S10. Noise emission	Resources usage, discharges, emissions and waste generation are closely monitored and measured. Wherever possible, 3R is applied.	

SUSTAINABILITY REPORT (Cont'd)

Eversendai's Sustainability Initiatives (cont'd)

Indicator	Action	Outcome
Environmental Condition Indicators (ECIs)		
S1. Temperature S2. Surrounding air contaminant S3. Surrounding noise level S4. Population density S5. Geographical location	Eversendai has established an environment consultative network within the organisation and with relevant external stakeholders to manage practicable environmental conditions.	
Systems and Processes		
S1. Internal audit S2. External audit S3. Internal IMS audit S4. External IMS audit	<p>Eversendai has documented policies and procedures with consideration of internal control system to safeguard company against quantifiable losses. The documents consist of circulars, the Integrated Management System manual, the Policy Procedures and related documents that are continuously being revised and updated to meet operational needs.</p> <p>Eversendai has developed and implemented a systematic framework of internal control and risk management to prevent any material losses. The risk management department monitors the business units towards compliance with the framework. A meeting is held on a quarterly basis to review, revise and mitigate new or existing risks and controls.</p> <p>Internal Audit Function will review the adequacy and effectiveness of the management systems and operating controls of Eversendai Corporation Berhad and its subsidiaries. Internal Audit will make the necessary recommendations for the improvement of systems, controls and procedures that may be required to safeguard company resources, promote productivity and efficiency and ensure compliance with company policies and procedures, the laws and government regulations.</p> <p>In 2020, Eversendai has introduced the Anti Bribery and Corruption Management System as an additional compliance with regulatory requirements.</p>	Better and more effective system and process controls, competent personnel, consistent performance and continuous improvement.

SUSTAINABILITY REPORT (Cont'd)

Eversendai's Sustainability Initiatives (cont'd)

Indicator	Action	Outcome
Human Capital		
Compliance with the national and international standards and labour requirements		
S1. Recruitment S2. Internship S3. Training, learning and development S4. Performance Management System S5. Talent Management and Succession Planning S6. Work environment S7. Employee welfare S8. Diversity and equality	Employee engagement through meetings, social gatherings, sports and team building workshops.	Retention of competent, compliant and talented pool of employees for business continuity and growth of the company.
Occupational Health and Safety (OHS)		
Compliance with company in-house requirements, legal and other requirements and subscribed/relevant international standards		
S1. OHS Training and Toolbox Meeting S2. Workplace inspection S3. Incident report S4. OHS Audit S5. Health surveillance and welfare S6. Provision of PPE and other safety equipment	Regular meetings and discussions with all relevant stakeholders on OHS focusing on hazards, risks, controls, unsafe acts, unsafe conditions, unsafe work areas, unsafe equipment and machinery, and emergency drills.	Ensuring a safe and healthy workplace with 24 hours security and surveillance. Eversendai Occupational Health and Safety Management System has been certified to the international standards of OHSAS 18001:2007 and ISO 45001:2018.
Client Satisfaction		
Compliance and conformance with client requirements		
S1. Audit reports S2. Management reviews S3. Client/customer feedback S4. Joint inspections	Regular meetings and discussions with clients, all relevant outsourced service providers and employees focusing on client requirements.	Establishing benchmarks, contingency, innovation, product improvement and delivery plans.

SUSTAINABILITY REPORT (Cont'd)

Certifications To International Standards

Rawang, Malaysia Fabrication Facility

- ISO 9001:2015 – LRQA
- ISO 14001:2015 – LRQA
- ISO 45001:2018 – LRQA

Hamriyah Free Zone, Sharjah Fabrication Facility

- Certificate of Conformity of the Factory Production Control – Bureau Veritas
- UNI EN ISO 3834-2:2006 – Bureau Veritas
- ISO 9001:2015 – SGS
- ISO 14001:2015 – SGS
- OHSAS 18001:2007 – SGS

Al Qusais Industrial Area 1, Dubai Fabrication Facility

- ISO 9001:2015 – SGS
- ISO 14001:2015 – SGS
- OHSAS 18001:2007 – SGS

Industrial Area Doha, Qatar Fabrication Facility

- Certificate of Conformity of the Factory Production Control - Bureau Veritas
- UNI EN ISO 3834-2:2006 – Bureau Veritas
- ISO 9001:2015 – SGS
- ISO 14001:2015 – SGS
- ISO 45001:2018 – SGS
- OHSAS 18001:2007 – SGS

RAK Maritime City, Ras Al Khaimah Fabrication Facility

- ISO 9001:2015 – DNV GL
- ISO 14001:2015 – DNV GL
- OHSAS 18001:2007 – DNV GL
- CE Marking EN1090-EXC4 – DNV GL
- UNI EN ISO 3834-2:2006 – DNV GL
- DNV Shop Approval for Yard – DNV GL
- EN CP484 – DNV GL

Trichy, India Fabrication Facility

- Certificate of Conformity of the Factory Production Control - SGS
- ISO 9001:2015 – TUV NORD
- ISO 14001:2015 – TUV NORD

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Eversendai Corporation Berhad (the “Board”) is committed to upholding the practices of good corporate governance throughout Eversendai as prescribed in the Malaysian Code on Corporate Governance 2021 (the “Code”). The Board believes good corporate governance supports the enhancement of shareholders’ value and sustainable growth. The Board is pleased to share the manner in which the Principles of the Code have been applied within Eversendai in respect of the financial year ended 31 December 2021 and the extent to which the Company has complied with the recommendations of the Code during the financial year ended 31 December 2021 except where otherwise stated.

1. BOARD OF DIRECTORS

1.1 Composition and Size of Board

There are six (6) members on the Board, comprising the Executive Chairman (who is also the Group Managing Director), two (2) Executive Directors and three (3) Independent Non-Executive Directors.

1.2 Board Balance

The Board comprise members with diverse professional backgrounds, skills, extensive experience and knowledge in the areas of engineering, steel fabrication, information technology, finance, business, general management and strategy required for the successful direction of Eversendai.

There is currently one (1) female representation on the Board of Directors and the profiles of the members of the Board are provided for on pages 8 to 11 in the Annual Report.

The Board is of the view that it has the right mix of individual qualities to fulfill its role. With its diversity of skills, the Board has been able to provide clear and effective collective leadership to Eversendai and has brought informed and independent judgement to Eversendai’s strategy and performance so as to ensure that the highest standards of conduct and integrity are always at the core of Eversendai. None of the Independent Non-Executive Directors participate in the day-to-day management of Eversendai.

The presence of the Independent Non-Executive Directors is essential in providing unbiased and independent opinions, advice and decisions to ensure that the interests, not only of Eversendai, but also of shareholders, employees, customers, suppliers and other communities in which Eversendai conducts its business are well represented and considered.

Tuan Mohammad Nizar Bin Idris is the Senior Independent Non-Executive Director, to whom affairs of Eversendai may be conveyed.

The Code recommends that there should be clear division of responsibilities at the head of the company to ensure proper balance of power and authority.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.2 Board Balance (cont'd)

Although the roles of the Chairman of the Board and the Group Managing Director are combined, the Board is of the view that there is a strong independent element on the Board and that there are adequate measures and controls to ensure balance of power and authority, so that no individual has unfettered powers of decision. The more significant measures and controls are summarised below.

All Executive and Non-Executive Directors have unrestricted and timely access to all relevant information necessary for informed decision-making. The Executive Chairman encourages participation and deliberation by Board members to tap their collective wisdom and to promote consensus building as much as possible.

Matters which are reserved for the Board's approval and delegation of powers to the Board Committees, the Group Managing Director, the Chief Executive Officer and the Management are expressly set out in an approved framework on limits of authority. Business affairs of Eversendai are governed by Eversendai's Discretionary Authority Limits and manuals on policies and procedures. Any non-compliance issues are brought to the attention of the Management, Audit Committee and/or the Board, for effective supervisory decision-making and proper governance.

The division of authority is constantly reviewed to ensure that Management's efficiency and performance remain at its level best.

1.3 Board Roles and Responsibilities

The Board has adopted a Charter, which sets out, amongst others, the Board's strategic intent and outlines the Board's roles and responsibilities. It is a source of reference and primary induction literature for existing and prospective members of the Board. It also sets out the Code of Ethics and Conduct that the members of the Board must observe in the performance of their duties. The Board Charter is subject to review periodically. Details of the Board Charter is available online in the Governance and Responsibility section at www.eversendai.com.

The Board is collectively responsible for the success of Eversendai. The Board's roles and responsibilities include without limitation to the following:

- Reviewing and adopting strategic business plans for Eversendai's effective business performance. In setting Eversendai's strategic business plans, the Board relies on the reports provided by the Group Managing Director who oversees the entire business and operations of Eversendai;
- Overseeing the conduct of Eversendai's business to evaluate whether the business is being effectively managed. At each Board meeting, the Group Managing Director will brief the Board on the current operations, issues faced and plans of Eversendai in order for the Board to be kept abreast on the conduct, business activities and development of Eversendai;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.3 Board Roles and Responsibilities (cont'd)

- Identifying principal risks and ensuring the implementation of appropriate systems to effectively manage and monitor identified risks;
- Reviewing the efficacy of Eversendai's systems of internal control and of management information, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- Developing corporate objectives, policies and strategies; and
- Reviewing and approving acquisitions and disposals of undertakings and properties of substantial value and major investments.

The Board is guided by the Code of Conduct which outlines the duties and responsibilities of the Board.

In discharging the Board's duties and responsibilities, the Board has delegated certain duties and responsibilities to the following Board Committees:

- a) Audit Committee;
- b) Risk Management Committee;
- c) Nomination Committee; and
- d) Remuneration Committee.

The Chairman of each Board Committee will report to the Board on issues deliberated at each committee meeting.

1.4 Appointments to the Board

The Nomination Committee comprising three Independent Directors makes independent recommendations for appointments to the Board. In making these recommendations, the Nomination Committee assesses the suitability of candidates, taking into account the required mix of skills, knowledge, expertise and experience, professionalism, integrity, gender diversity, competencies and other qualities, before recommending them to the Board for appointment.

1.5 Re-election of Directors

The Company's Constitution provides that one-third (1/3) of the Directors are subject to retirement by rotation at every Annual General Meeting but are eligible for re-election provided that all Directors shall retire from office at least once in three (3) years.

With the coming into force of the Companies Act, 2016 on 31 January 2017, there is no age limit for directors of a company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.6 Assessment of Performance

The Board has an on-going responsibility of assessing the Directors. Upon the completion of every financial year, the Nomination Committee undertakes a Board Assessment and Evaluation process to assess the effectiveness of the Board in discharging its duties and responsibilities effectively and efficiently.

The Board Assessment and Evaluation is primarily based on answers to a detailed questionnaire prepared internally taking into account applicable best practices. The assessment questionnaire is distributed to all the respective Board members and covers topics which include, amongst others, the responsibilities of the Board in relation to strategic planning, risk management, performance management, financial reporting, audit and internal process, human capital management, corporate social responsibility, communication, corporate governance, and shareholders' interest and value.

Other areas being assessed include Board composition and size, the contribution of each member of the Board at meetings, the Board's decision-making and output, information and support rendered to the Board as well as meeting arrangements.

Actionable improvement programs will be identified, upon review of the results of the Board and committee assessment by the Nomination Committee and the Board. Such programs may include training needs of individual Directors.

1.7 Directors' Independence and Tenure

The Board takes cognizance of Practice 5.3 of the Malaysia Code of Corporate Governance 2021 ("Code") that the tenure of an independent director should not exceed a cumulative term limit of 9 years. Although a longer tenure of directorship may be perceived to influence a director's independence, the Board is of the view that the ability of long serving independent directors to remain independent and to discharge their duties with integrity and competency should not be measured solely by tenure of service or any pre-determined age.

The Board seeks to strike an appropriate balance between tenure of service, continuity of experience and refreshment of the Board. Such refreshment process of the Board will take some time and cannot happen overnight to maintain stability to the Board. Furthermore, the Company benefits from such directors who have, over time, gained valuable insights into Eversendai, its market and the industry.

Independent Directors are subject to an independence assessment by the Nomination Committee and the Board during assessment for appointment and on an annual basis. Under the evaluation process, each Independent Director will perform a self-review of his or her independence by completing a declaration form with questions drawn from the requirements imposed by the various authorities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.7 Directors' Independence and Tenure (cont'd)

In this respect, the Board had adopted the same criteria used in the definition of "independent directors" prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), including the tenure prescribed by the Code. The declaration form will be submitted to the Nomination Committee for evaluation. The Nomination Committee will evaluate the independence of the Independent Directors based on the criteria approved by the Board and submit its findings to the Board for deliberation.

Each Independent Director has undertaken to notify the Board of any changes to the circumstances or development of any new interest or relationship that would affect their independence as an independent director of the Company.

As at the approved date of this Statement, only 1 of the Independent Directors of the Company have served a tenure of 9 years and above. As prescribed under Practice 5.3 of the Code, upon completion of the 9 years, the Independent Director may continue to serve on the Board as an Independent Director. If the Board intends to retain an Independent Director beyond 9 years, it should justify and seek annual shareholders' approval through a two-tier voting process.

1.8 Fostering Commitment

In compliance with the MMLR, each member of the Board holds not more than five directorships in public listed companies to enable the Directors to discharge their duties effectively by ensuring that their commitment, resources and time are focused on the affairs of the Company to enable them to discharge their duties effectively.

The Directors have been informed of the expectations of time commitment during their appointments to the Board. This takes the form of the number of Board and Board Committee meetings scheduled to be held in a financial year. All the Directors are aware of their responsibilities and are required to devote sufficient time to discharge their duties and responsibilities, which includes attendance at meetings of the Board, Board Committees and General Meetings, preparatory work ahead of such meetings, keeping abreast of relevant business developments and legislations, contribution to the strategic development of the business, providing counsel and guidance to the Management team and meeting with professional advisers and independent auditors, where necessary.

The Directors' commitment is evidenced by their attendance and input at all Board and Board Committee meetings. The Board is thus satisfied with the level of time commitment by each of the Directors towards fulfilling their roles on the Board and Board Committees.

1.9 Board Meetings

The Board meets quarterly with additional meetings convened as and when the Board's approval and guidance is required. Upon consultation with the Chairman and Group Managing Director, due notice shall be given of proposed dates of meetings during the financial year and agenda and matters to be tabled to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.9 Board Meetings (cont'd)

Four (4) Board meetings were held during the financial year ended 31 December 2021 and the details of attendance of each Director are as follows:

DIRECTOR	DESIGNATION	NUMBER OF MEETINGS ATTENDED
Tan Sri Dato' Nathan A/L Elumalay	Executive Chairman & Group Managing Director	4 of 4
Mr. Narishnath A/L Nathan	Executive Director & Deputy Group Managing Director	4 of 4
Mr. Narla Srinivasa Rao	Executive Director & Chief Operating Officer, Group Structural Steel & Plant Construction	4 of 4
Tuan Mohammad Nizar Bin Idris	Senior Independent Non-Executive Director	4 of 4
Datuk Iskandar Bin Sarudin	Independent Non-Executive Director	4 of 4
Puan Nazariah Binti Ibrahim	Independent Non-Executive Director	4 of 4

1.10 Supply of Information

The Board is supplied with and assured of full and timely access to all relevant information to honour its duties effectively. A set of Board papers (together with a detailed agenda in the case of a meeting) is furnished to the Board members in advance of each Board meeting or Directors' Circular Resolution for consideration, guidance and where required, for decisions.

In addition to updated board meeting papers and reports, the Board is also furnished with ad-hoc reports to ensure that they are appraised on key business, financial, operational, corporate, legal, regulatory and industry matters, as and when the need arises.

The Directors also have direct access to the advice and services of the Group Internal Audit Department and Company Secretary in addition to other members of Senior Management. The Board is constantly advised and updated on statutory and regulatory requirements pertaining to their duties and responsibilities. The Board may, at Eversendai's expense, seek external and independent professional advice and assistance from experts in furtherance of their duties.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.11 Company Secretary

The Board is supported by a qualified, experienced and competent Company Secretary. The Company Secretary plays an important advisory role to the Board and takes charge of ensuring overall compliance with the MMLR and Companies Act 2016, and other relevant laws and regulations.

The Company Secretary also:

- Ensures that all appointments to the Board and Committees are properly made;
- Maintains records for the purposes of meeting statutory obligations;
- Ensures that obligations arising from the MMLR or other regulatory requirements are met; and
- Facilitates the provision of information as may be requested by the Directors from time to time.

1.12 Directors' Remuneration

The objectives of Eversendai Group's policy on Directors' remuneration are to attract and retain Directors of the calibre needed to run Eversendai successfully. In Eversendai, the component parts of remuneration for the Executive Directors are structured so as to link rewards to corporate and individual performance. In the case of Independent Non-Executive Directors, the level of remuneration reflects the experience, expertise and level of responsibilities undertaken by the Independent Non-Executive Directors.

Remuneration Procedures

The Remuneration Committee recommends to the Board the policy and framework of the Directors' remuneration and the remuneration package for the Executive Directors. In recommending Eversendai's remuneration policy, the Remuneration Committee may receive advice from external consultants. It is nevertheless the ultimate responsibility of the Board to approve the remuneration of these Directors.

The determination of the remuneration packages of Independent Non-Executive Directors (whether in addition to, or in lieu of, their fees as Directors), is a matter for the Board as a whole. Individual Directors do not participate in decisions regarding their own remuneration packages.

Directors' remuneration for Eversendai is determined at levels which enable Eversendai to attract and retain Directors with the relevant experience and expertise to manage Eversendai effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.12 Directors' Remuneration (cont'd)

The details of the remuneration of Directors during the financial year ended 31 December 2021 are set out below:

	Group (RM'000)				Company (RM'000)			
	Non-executive directors		Executive directors		Non-executive directors		Executive directors	
	Directors' Fee	Salaries/ bonus/ other allowances	Benefits-in-kind		Directors' fees	Salaries/ bonus/ other allowances	Benefits-in-kind	
Tan Sri Dato' Nathan A/L Elumalay	-	-	5,671	5	-	-	370	-
Narla Srinivasa Rao	-	-	1,055	387	-	-	-	-
Narishnath A/L Nathan	-	-	1,261	128	-	-	134	-
Mohammad Nizar Bin Idris	18	3	-	-	18	3	-	-
Datuk Iskandar Bin Sarudin	18	3	-	-	18	3	-	-
Nazariah Binti Ibrahim	18	3	-	-	18	3	-	-

1.13 Directors' Training

The Board is always encouraged to attend seminars, conferences and briefings in order to enhance its skills and knowledge and to keep abreast of the latest developments in the industry and marketplace.

Orientation and familiarisation programmes which include visits to Eversendai's business operations and meetings with key management are, where appropriate, organised for newly appointed Directors to facilitate their understanding of Eversendai's operations and businesses. Regular talks are scheduled on various topics for the Board and these sessions are held together with Senior Management to encourage open discussion and comments.

Directors evaluate their training needs on a continuous basis, by determining areas that would best strengthen their contributions to the Board. Regular briefings/updates (some by external advisers) on various subjects including the following are held at Board meetings:

- Market and industry;
- Regulatory and legal developments;
- Information on significant changes in business risks and procedures instituted to mitigate such risks;
- Corporate matters or new acquisitions by Eversendai; and
- New developments in law, regulations and Directors' duties and obligations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1. BOARD OF DIRECTORS (cont'd)

1.13 Directors' Training (cont'd)

During the financial year under review, the Directors participated in various programmes to enhance their understanding of specific industry and market issues and trends to improve their effectiveness in the boardroom. These sessions have also been attended by invited members of the senior leadership team, with the objective to improve board management dynamics.

The training programmes, seminars and/or conferences attended by the Directors during the financial year are as follows:

DIRECTOR	TOPIC	DATE
Tan Sri Dato' Nathan A/L Elumalay	-	-
Mohammad Nizar Bin Idris	Cybersecurity Awareness	2021
	SC FIDE FORUM Dialogue on Capital Market Masterplan 3	2021
	The 2050 Net Zero Carbon Emissions Target: Finance's Role	2021
	Bursa – FIDE FORUM Dialogue on Sustainability	2021
	The Board's Role and Responsibilities in Crisis Communication	2021
	BNM-FIDE FORUM Dialogue on Risk Management in Technology (RMiT): Insight 1 year on	2021
	BNM-FIDE FORUM Dialogue: The Role of Independent Director in Embracing Present and Future Challenges	2021
	Annual Dialogue with Governor of Bank Negara Malaysia	2021
	FIDE FORUM's Board Effectiveness Evaluation Industry Briefing (Session 1)	2021
	FIDE FORUM's Board Effectiveness Evaluation Industry Briefing (Session 2)	
	Risk Management Conference – Malaysian Institute Accountant	2021
	Joint Committee on Climate Change (JC 3)	2021
Datuk Iskandar Bin Sarudin	ERM Awareness	2021
Nazariah Binti Ibrahim	Board Audit Committee Conference 2021	2021
	Virtual MIA Conference 2021	2021
	Implementing Amendments In the Malaysian Code on Corporate Governance	2021
Narishnath A/L Nathan	-	-
Narla Srinivasa Rao	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

2. BOARD COMMITTEES

The Board delegates certain responsibilities to the respective Committees of the Board which operate within clearly defined the respective terms of reference. These Committees have the authority to examine issues and report to the Board with their proceedings and deliberations. On Board reserved matters, Committees shall deliberate and thereafter state their recommendations to the Board for its approval.

During Board meetings, the Chairman of the various Committees provide summary reports of the decisions and recommendations made at the respective Committee meetings and highlight to the Board any further deliberation that is required at Board level. These Committee reports and deliberations are incorporated into the minutes of the Committees and Board meetings.

The Company has four (4) principal Board Committees:

2.1 Nomination Committee

The Nomination Committee of the Board consists of the following Independent Non-Executive Directors:

- Tuan Mohammad Nizar Bin Idris (Senior Independent Non-Executive Director and Chairman of the Nomination Committee);
- Puan Nazariah Binti Ibrahim (Independent Non-Executive Director); and
- Datuk Iskandar bin Sarudin (Independent Non-Executive Director).

The Nomination Committee has been entrusted with the responsibility of proposing and recommending new nominees to the Board and the Board Committees as well as assessing Directors via Board Assessment and Evaluation, on an on-going basis.

The functions of the Nomination Committee include:

- formulating the nomination, selection and succession policies for members of the Board and Board Committees; and
- reviewing and recommending to the Board:
 - i. the optimum size of the Board;
 - ii. the required mix of skills, knowledge, expertise, experience and other qualities, including core competencies of Non-Executive Directors; and
 - iii. appointment to, and membership of, other Board committees.

In addition, the Nomination Committee has the function of assessing:

- the transparency of procedures for proposing new nominees i.e. individual Director and Senior Management, to the Board and Committees of the Board;
- the effectiveness of the Board as a whole and the contribution of each individual Director and Board Committee member; and
- whether the investments of the minority shareholders are fairly reflected through Board representation.

The Nomination Committee meets as and when necessary and can also make decisions by way of circular resolutions. The Nomination Committee had, for the financial year, reviewed and deliberated on the proposed re-nomination of the directors who are retiring at the Nineteenth Annual General Meeting of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

1. BOARD COMMITTEES (cont'd)

2.2 Remuneration Committee

The Remuneration Committee of the Board consists of the following Directors:

- Datuk Iskandar bin Sarudin (Independent Non-Executive Director and Chairman of the Remuneration Committee); and
- Tuan Mohammad Nizar Bin Idris (Senior Independent Non-Executive Director).

The Remuneration Committee is entrusted with the following responsibilities:

- Recommending to the Board the policy and framework for Directors' remuneration as well as the remuneration and terms of service of the Executive Directors and Senior Management personnel considering the scope of work, responsibility, experience, qualification, market situation, performance of the company and individual performance;
- Evaluating the performance and reward of the Executive Directors and Senior Management personnel, including ensuring performance targets are established to achieve alignment with the interests of shareholders of the Company, with an appropriate balance between long and short-term goals;
- Designing and implementing an evaluation procedure for Executive Directors and Senior Management personnel; and
- Reviewing, on a yearly basis, the individual remuneration packages of Executive Directors and Senior Management personnel and making appropriate recommendations to the Board.

The Remuneration Committee meets as and when necessary and can also make decisions by way of circular resolutions. The Remuneration Committee had, for the financial year, reviewed the remuneration packages of the Executive Directors of the Company.

2.3 Audit Committee

The composition, terms of reference and a summary of the activities of the Audit Committee are set out separately in the Audit Committee Report.

2.4 Risk Management Committee

The Risk Management Committee of the Board consists of the following Independent Non-Executive Directors:

- Tuan Mohammad Nizar Bin Idris (Senior Independent Non-Executive Director and Chairman of the Risk Management Committee);
- Puan Nazariah Binti Ibrahim (Independent Non-Executive Director); and
- Datuk Iskandar bin Sarudin (Independent Non-Executive Director).

The functions of the Risk Management Committee include:

- Evaluating the effectiveness of the internal control system and risk management framework adopted within Eversendai and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow Eversendai to mitigate losses and maximise opportunities;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

2. BOARD COMMITTEES (cont'd)

2.4 Risk Management Committee (cont'd)

- Recommending to the Board steps to improve the system of internal control derived from proposed internal control through the identified potential risk by the Risk Management Sub-Committee;
- Undertaking reviews of the consolidated risk register of major subsidiaries and associates within Eversendai to identify significant risks and whether these are adequately managed;
- Ensuring that the Board receives adequate and appropriate information including the annual risk report for decision making and review respectively;
- Commissioning where required, special projects to investigate, develop or report on specific aspects of the risk management processes of the Company; and
- Reviewing and proposing the Company's risk appetite and its acceptable tolerance level annually.

3. ACCOUNTABILITY AND AUDIT

3.1 Promoting Sustainability

The Board is devoted to promoting a sustainable business by recognising the importance of environmental, social and governance aspects on Eversendai Group's businesses. These include working within the law and community to be innovative and demonstrate efforts to meet the requirements of various stakeholders.

Details on Eversendai Group's sustainability activities are set out on pages 30 to 37 of this Annual Report.

3.2 Code of Conduct

The Board has an official Code of Conduct which works as an ethical framework to guide actions and behaviours of all Directors and employees while at work. The Code of Conduct is made available to all employees in their respective country's local shared drive. The Code of Conduct lines up the fundamental policies of Health, Safety and Environmental Protection, Sexual Harassment, Accounting Standards and Records, Whistle Blower Policy, and Employee Conduct Expectation, Managing Conflicts of Interest and Preventing the Abuse of Power, Corruption, Insider Trading and Money Laundering and Terrorist Funding.

3.3 Conflict of Interest Situations

The Board is mindful on the probability of potential conflict of interest situations involving the Directors and the Company and guarantees its responsibility to making sure that such aspects of conflicts are avoided. It has been the practice of the Company to require that members of the Board make a declaration at the Board meeting if they have interests in proposals being considered by the Board, including where such interest arises through close family members, in line with various statutory requirements on the disclosure of Director's interest. In all situations where the Directors could be deemed as interested, they would abstain from deliberation and discussion or decisions on matters in which they have a conflicting interest. The minutes of meeting would also reflect as such.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. ACCOUNTABILITY AND AUDIT (cont'd)

3.4 Anti-Bribery And Corruption Policy

Eversendai Group prohibits bribery and corruption at all levels of employment and engagement of relevant stakeholders.

Eversendai Group complies strictly with all anti-bribery and anti-corruption laws and regulations applicable to the organisation in whichever country it conducts business irrespective of the local work environment, culture, customs and traditions.

All relevant stakeholders of Eversendai Group shall not accept and/or give bribes such as but not limited to products and services; gifts and hampers; food and drinks; entertainment and sponsorships for education; sponsorships for local and overseas travel; cash, credit facilities, discounts and monetary benefits of any kind for their personal, organisational and/or friends, family gains, and use or force anyone to accept or give bribes on their behalf.

All relevant stakeholders of Eversendai Group shall not encourage, engage in or promote corrupt practices such as but not limited to, cheating and stealing, collusion, extortion, breach of trust, conflict of interest, abuse of authority, embezzlement, trading under influence, falsifying documents, non-compliance with regulations, absconding during outstation / overseas work, submission of false claims, hiring illegal staff and workers, terrorist funding, fraud and money laundering for their personal, organisational and/or friends, family gains, and use or force anyone to encourage, engage in or promote corrupt practices on their behalf.

Any relevant stakeholder of Eversendai Group accused of accepting and/or giving bribes and/or encouraging, engaging in and promoting corrupt practices shall be subjected to a domestic inquiry and if found guilty shall be terminated from his/her employment.

Any relevant stakeholder of Eversendai Group who is a whistle blower and/or witness for reporting any acceptance and/or giving bribes and/or engaging in corrupt practices; shall be duly protected by Eversendai Group's whistleblower policy.

This documented Eversendai Group's Anti-Bribery and Corruption policy shall be reviewed periodically for control effectiveness and continual improvement, in meeting objectives and targets, displayed appropriately and made available to all relevant stakeholders, communicated in the appropriate language and trained for their understanding, acceptance and compliance.

3.5 Whistleblowing Policy

Eversendai Group calls for the highest standards of integrity from all its employees and stakeholders. Eversendai Group views seriously any wrongdoing on the part of any of its Employees, Management, Directors and Vendors, especially with regards to their obligations to Eversendai Group's interests.

The Whistleblowing channel is made available to help all stakeholders raise concerns, without fear of retaliation, of any wrongdoing that they may observe within the Eversendai Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. ACCOUNTABILITY AND AUDIT (cont'd)

3.5 Whistleblowing Policy (cont'd)

Parties can report a Whistleblowing complaint if they are aware of any wrongdoings, including, but not limited to the following:

- fraud;
- misappropriation of assets;
- sexual harassment;
- criminal breach of trust;
- illicit and corrupt practices;
- questionable or improper accounting;
- misuse of confidential information;
- acts or omissions which are deemed to be against the interest of the Company, laws, regulations or public policies;
- giving false or misleading information (including suppression of any material facts or information);
- breaches of Group Policies and Code of Conduct; or
- the deliberate concealment of any of the above matter or other acts of wrongdoings.

Procedures

All Protected Disclosures are to be disclosed in writing to the Group Managing Director or the Chairman of the Audit Committee of the Company. Disclosures can be made through an email whistleblower@eversendai.com which is directly accessible to the Group Managing Director or via a letter addressed to Group Managing Director's office.

Action

All reports will be investigated promptly by the investigator appointed by the Group Managing Director or Audit Committee. The appointed investigator for the duration of the enquiry will be reporting all matters directly to the Group Managing Director's office. To ensure proper investigation, all departments are obliged to furnish any documentation asked for by the appointed investigator during the enquiry, provided they may be relevant to the investigation.

The progress of investigation will be reported to the Audit Committee no later than at the next scheduled meeting. Upon completion of investigation, appropriate course of action will be recommended to the Committee for their deliberation. Decision made by the Committee will be implemented immediately.

Protection

The Company recognises that the decision to report a concern can be a difficult one to make. The identity of the Whistle Blowers shall be kept confidential to the extent possible and permitted under law. However, if the need arises for the matter to be taken up in court, the Whistle Blower should be willing to present himself/herself to court and furnish details of the malpractices highlighted by him/her.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. ACCOUNTABILITY AND AUDIT (cont'd)

3.6 Financial Reporting & Compliance

The Board is committed to providing a clear, balanced, and comprehensive account on the financial performance and position of Eversendai Group through quarterly and yearly announcements of its results as well as through its comprehensive annual report.

Company law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of Eversendai Group and of the results and cash flows of Eversendai Group for that period.

In preparing the financial statements, the Directors have applied suitable accounting policies and applied them consistently. The Directors have also ensured that all applicable accounting standards have been followed in the preparation of the financial statements.

3.7 Internal Control

The Board is responsible in establishing and maintaining a sound internal control system to mitigate any significant risk to the Group. The system of internal control is set to ensure the reliability and integrity of financial and operational systems, efficiency and effectiveness in achieving the Group's objective, safeguarding of assets and compliance with the policies, regulations, procedures and laws.

The Board through Audit Committee will assess the effectiveness of internal control systems by reviewing the issues, recommendations and management responses presented by the Group Internal Audit Function.

3.8 Risk Management

The Board recognises the importance of Enterprise Risk Management ("ERM") in supporting Eversendai Group's objectives in enhancing shareholders' value and business success by minimising unforeseen risks. Eversendai Group has in place a clear on-going process for identifying, evaluating and managing significant risks facing Eversendai. The Board through the Risk Management Committee monitors the risks and internal control.

The Statement on Risk Management and Internal Control which provides an overview of Eversendai Group's state of internal control has been set out on pages 65 to 69 of this Annual Report.

3.9 Internal Audit

Eversendai Group has an established internal audit function performed by the in-house group internal audit department ("GIAD") which is in charge of the overall internal audit activities of Eversendai Group. Its principal objective is to undertake regular reviews of key processes, monitor compliance with policies and procedures, evaluate the adequacy and effectiveness of the internal control and risk management system, highlight significant findings, as well as proposed enhancement and corrective measures in respect of any non-compliance on a timely basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. ACCOUNTABILITY AND AUDIT (cont'd)

3.10 Relationship with Independent Auditors

The Board, through the Audit Committee, maintains a transparent and professional relationship with the internal and independent auditors. The Audit Committee has been explicitly accorded the authority to communicate directly with both the internal and independent auditors. From time to time, the auditors would highlight to the Audit Committee and the Board on matters that require the Board's attention.

3.11 Corporate Disclosure Policy

Eversendai Group also has in place a Corporate Disclosure Policy, which emphasises on comprehensive, accurate, balanced, clear and timely disclosure of material information to enable informed and orderly decisions by the shareholders and investors.

4. SHAREHOLDERS COMMUNICATION

4.1 Shareholders Communication

Eversendai Group strives to maintain an open and transparent channel with its stakeholders, institutional investors and the investing public at large with the objective of providing clear and complete information of Eversendai Group's performance and financial standing.

Announcements on all significant developments and matters of Eversendai Group are made to Bursa Securities. Shareholders and stakeholders are provided with a regular overview of Eversendai Group's performance via the financial results which are released on a quarterly basis within the mandatory period. The Investor Relations section of Eversendai's website holds all the announcements made by the Company to Bursa Securities.

As part of the Company's active investor relations programme, discussions and dialogues are held with fund managers, financial analyst, shareholders, potential investors and members of the media to convey information about the Company's performance, strategy and other matters affecting shareholders' interest.

4.2 Dialogue between the Company and Investors

The Board believes that Eversendai Group should be transparent and accountable to its shareholders and investors.

In ensuring this, the Company has been actively communicating with its shareholders and stakeholders through the following medium:

- Release of financial results on a quarterly basis;
- Press releases and announcements to Bursa Securities and subsequently to the media; and
- Meetings with institutional investors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

4. SHAREHOLDERS COMMUNICATION (cont'd)

4.2 Dialogue between the Company and Investors (cont'd)

Eversendai Group's website at www.eversendai.com is a significant communication network to reach shareholders and general public which offers detailed information on Eversendai Group's businesses and latest developments. It is upgraded and updated from time to time to provide current and comprehensive information about Eversendai Group.

The website also incorporates a dedicated section for investor relations and corporate governance which enhances the investor relation function by including all relevant up-to-date information of Eversendai Group such as announcements to Bursa Securities, quarterly results and audited financial statements, annual report, Board Charter, investor presentations, share price and financial information.

The Company acknowledges the need for a specific medium for shareholders and investors to direct their queries or requests for additional information.

To obtain all relevant information about Eversendai Group, investors and shareholders are encouraged to direct their queries to

Contact details:

Tel no. +603-6091 2575

Email: ir@eversendai.com

4.3 Annual General Meeting

The Annual General meeting ("AGM") is the principal forum for dialogue with all shareholders who are encouraged and are given sufficient opportunity to enquire about Eversendai Group's activities and prospects as well as to communicate their expectations and concerns.

Twenty-one (21) days prior to the meeting, all shareholders of Eversendai Group will receive a copy of the annual report and notice of AGM, the notice is also advertised in the press and released on Bursa Securities. This leaves the shareholders with sufficient time to review the Annual Report as well as to make necessary arrangements to attend the meeting. Shareholders are also encouraged to participate in the Question-and-Answer session on the resolutions being proposed or about Eversendai Group's operations in general. Shareholders who are unable to attend are allowed to appoint proxies in accordance with the Company's Constitution to attend and vote on their behalf.

The Chairman and the Board members are in attendance to provide clarification on shareholders' queries. Where appropriate, the Chairman of the Board will endeavour to provide the shareholders with written answers to any significant questions that cannot be readily answered during the AGM. Shareholders are welcome to raise queries by contacting the Company at any time throughout the year and not only at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

4. SHAREHOLDERS COMMUNICATION (cont'd)

4.3 Annual General Meeting (cont'd)

Each notice of a general meeting, which includes any item of special business, will be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business. Separate resolutions are proposed for substantially separate issues at the AGM.

To strengthen transparency and efficiency in the voting process and in line with the recent amendments to the MMLR, Eversendai Group implements poll voting for all the resolutions set out in the Notice of AGM. Eversendai Group has appointed an independent external scrutineer to validate all the votes in the coming meeting. The outcome of the AGM is released to Bursa Malaysia Securities Berhad on the same meeting day.

This Corporate Governance Overview Statement was approved by the Board on 27 April 2022.

The Corporate Governance Report ("CG Report") which discloses Eversendai Group's application of each recommended practice in the MCCG 2021 is available on the Bursa Securities Malaysia website at www.bursamalaysia.com.

AUDIT COMMITTEE REPORT

The Audit Committee (“AC”) was established on 21 April 2011. Eversendai Corporation Berhad (“Eversendai”) was listed on the Main Market of Bursa Malaysia Securities Berhad on 1 July 2011.

TERMS OF REFERENCE

The terms of reference are set out on pages 57 to 61.

MEMBERSHIP AND MEETINGS

The AC comprises of three Independent Non-Executive Directors. The Chairman of the Audit Committee, Puan Nazariah Binti Ibrahim is a qualified Chartered Accountant and a member of the Malaysia Institute of Accountants.

During the year, the AC held four (4) meetings without the presence of the Executive Directors, except when their attendance was at the invitation of the AC. The Finance Controller and Group Internal Audit Department (“GIAD”) attended the AC meetings upon invitation by the AC. The representatives of the Independent Auditors also attended two AC meetings upon invitation by the Committee.

The members of the AC and details of their attendance at meetings during the year are as follows:

NAME	STATUS OF DIRECTORSHIP	NO. OF MEETINGS ATTENDED
Puan Nazariah Binti Ibrahim (Chairwoman)	Independent Non-Executive Director	4 of 4
Tuan Mohammad Nizar Bin Idris	Senior Independent Non-Executive Director	4 of 4
Datuk Iskandar Bin Sarudin	Independent Non-Executive Director	4 of 4

All the members of the AC are financially literate and are able to analyse and interpret financial statements to effectively honour their duties and responsibilities as members of the AC. The AC members’ profiles are available in the “Board of Directors” section set out on pages 8 to 11.

SUMMARY OF ACTIVITIES

The activities of the AC during the year encompassed the following:

1. Financial Results and Announcements

- (a) Reviewed the quarterly financial results of Eversendai Group and the related announcements, prior to recommending to the Board for their approval and the release of the results to Bursa Malaysia Securities Berhad, focusing on the following matters:

AUDIT COMMITTEE REPORT (Cont'd)

SUMMARY OF ACTIVITIES (cont'd)

- i. Changes in or implementation of major accounting policy changes;
- ii. Significant and unusual events;
- iii. Compliance with accounting standards and other legal requirements; and
- iv. The going concern assumption.

2. Independent Audit

- (a) Reviewed with the independent auditors, their terms of engagement, proposed auditors' remuneration and the audit plan for the financial year ended 31 December 2021 to ensure that their scope of work adequately covers the activities of Eversendai Group;
- (b) Reviewed the results and issues arising from the independent auditors' audit of the year-end financial statements and the resolution of issues highlighted in their report to the AC;
- (c) Reviewed the independence, objectivity, and cost-effectiveness of the independent auditors before recommending to the Board their re-appointment and remuneration; and
- (d) Reviewed compliance of the independent auditors with Eversendai Group's external audit independence policy.

3. Internal Audit

- (a) Reviewed the proposed 2022 annual risk-based internal audit plan to ensure adequacy of the scope and coverage of works which includes risk areas and key processes which includes project management, project costing, subcontractor's claims, procurement process, financial statements, human resources and production monitoring by entities;
- (b) Reviewed the effectiveness of the audit process, resource requirements for the year and assessed the performance of the Internal Audit function, including adequacy of the terms of reference; and
- (c) Reviewed the internal audit reports and updates, presented by the GIAD.

4. Related Party Transactions

- (a) Reviewed related party transactions for compliance with the Main Market Listing Requirements of Bursa Securities ("MMLR") and Eversendai Group's policies and procedures as well as the appropriateness of such transactions before recommending them to the Board for its approval; and
- (b) Reviewed the procedures for securing the shareholders' mandate for Recurrent Related Party Transactions.

5. Others

- (a) Reviewed with management, the reports on material litigation; and
- (b) Reviewed the Report of the AC, the Statement on Risk Management and Internal Control and the Statement of Corporate Governance prior to their inclusion in the Company's Annual Report.

AUDIT COMMITTEE REPORT (Cont'd)

GROUP INTERNAL AUDIT FUNCTION

Eversendai Group has an established Internal Audit Department which reports to the AC of the Board. The primary responsibility of this independent GIAD function is to undertake regular and systematic reviews of the system of internal controls and to provide reasonable assurance that the system operates satisfactorily and effectively within Eversendai Group. The GIAD function adopts a risk-based audit methodology, which is aligned with the risks of Eversendai Group to ensure that the relevant controls addressing those risks are reviewed on a rotational basis.

The activities carried out by the GIAD include amongst others, the review of the adequacy and effectiveness of risk management and the system of internal controls, compliance with established rules, guidelines, laws and regulations, reliability and integrity of information and the means of safeguarding assets.

TERMS OF REFERENCE OF THE AC

The AC is governed by the following terms of reference which have been applied by Eversendai Group from 31 May 2018.

1. Composition

The members of Audit Committee shall be appointed by the Board amongst its directors and shall comprise of at least three (3) members, all of whom must be Non-Executive Directors, with all of them being independent and financially literate. The Board shall at all times ensure that at least one (1) member of the Audit Committee:

- i) must be a member of the Malaysian Institute of Accountants (“MIA”); or
- ii) if he/she is not a member of the MIA, he/she must have at least three (3) years' working experience and:
 - a) have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - b) must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.

The AC shall elect a Chairman from among its members and the elected Chairman shall be an Independent Director and not the Chairman of the Board.

No alternate director shall be appointed as a member of the AC. The term of office and performance of the AC and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their terms of reference.

In the event of any vacancy in the AC resulting in the non-compliance of the above paragraph, the Board must fill the vacancy within 3 months.

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF THE AC (cont'd)

2. Authority

- (a) The AC is authorised by the Board to investigate any matter within the AC's terms of reference. It shall have full and unrestricted access to any information pertaining to Eversendai Group and shall have the resources it requires to perform its duties. All employees of Eversendai Group are required to comply with the requests made by the AC.
- (b) The AC is authorised by the Board to obtain external legal or independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary, the expenses of which will be borne by the Company.
- (c) The AC shall have direct communication channels with the Independent Auditors and person(s) carrying out the internal audit function or activity.
- (d) The AC shall be able to convene meetings with the Independent Auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary, in order to enable the AC and the Independent Auditors or the internal auditors or both, to discuss problems and reservations and any other matter the Independent Auditors or Internal Auditors may wish to bring up to the attention of the AC.
- (e) The Internal Auditors report directly to the AC and shall have direct access to the Chairman of the AC on all matters of control and audit. All proposals by management regarding the appointment, transfer and removal of any officers of the Internal Audit of Eversendai Group shall require prior approval of the AC.

3. Duties and Responsibilities

In fulfilling its primary objectives, the AC shall undertake, amongst others, the following duties and responsibilities:

(a) Financial Reporting

To review the quarterly and annual financial statements of Eversendai Group prepared by the management, where necessary, together with the Independent Auditor, focusing particularly on:

- i. Any significant changes to the accounting policies and practices;
- ii. Significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed;
- iii. Significant adjustments arising from the audit;
- iv. Compliance with accounting standards and other legal requirements; and
- v. Any other going concern assumption.

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF THE AC (cont'd)

(b) Internal Audit Function

- i. To review and approve the Group Internal Audit Charter of Internal Audit Function in Eversendai.
- ii. To review the effectiveness of internal audit function, including the ability, competency and qualification of the internal audit team and/or outsourced internal auditors (if any) to perform its duties.
- iii. To review the adequacy of the scope, functions competency and resources, and that it has the necessary authority to carry out its work.
- iv. To review and approve the internal audit plan, the processes, the results of the internal audit assessments, investigation undertaken and the internal audit report and, where necessary, ensure that appropriate actions are taken on the recommendations made by the internal audit function.
- v. To receive and review on a regular basis the reports, findings and recommendations of the internal audit team and/or outsourced internal auditors and to ensure that appropriate actions have been taken to implement the audit recommendations.
- vi. To ensure the internal audit team and/or outsourced internal auditors has full, free and unrestricted access to all activities, records, property and personnel necessary to perform its duties.
- vii. To review the Group's internal control system, which includes amongst others, financial operation, compliance and information technology security, adequacy of resources for internal control and dealing with problems encountered during the audit process.
- viii. To review any matters concerning the employment or appointment (and re-appointment) of the in-house and/or the outsourced internal auditors (as the case may be) and the reasons for resignation or termination of either party.
- ix. To request and review any special audit which the AC deems necessary.
- x. Determine the remit of and decide on the budget for the internal audit function which reports directly to the AC, to ensure that the internal audit function is effective and is able to function independently. The internal audit personnel should be independent of the activities they audit and free from any relationship or conflicts of interest which could impair their objectivity and independence; and should perform audit with impartiality, proficiency and due professional care. Exercise its powers and carry out its responsibilities as may be required from time to time under the Whistleblower Policy and Procedures for the Group.
- xi. Report to the Board of Directors any suspected frauds or irregularities, serious internal control deficiencies or suspected infringement of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board.

(c) Independent Audit

- i. To review the Independent Auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and co-ordination of the Independent Auditors.
- ii. To review the annual performance assessment, including the suitability and independence of the Independent Auditors and make recommendations to the Board, the appointment or reappointment of the Independent Auditors, after taking into consideration of the following:

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF THE AC (cont'd)

- the adequacy of the experience, audit quality and resources of the Independent Auditors;
 - the Independent Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the Independent Auditors' plan;
 - the nature of the non-audit services provided by the Independent Auditors and fees paid for such services relative to the audit fee; and
 - whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the Independent Auditors.
- iii. To recommend appointment, re-appointment or removal of Independent Auditors, and to review the appropriateness of audit fees to support a quality audit.
 - iv. To review the Independent Auditors' audit report, and management letter and management's response to the management letter.
 - v. To advise the significant use of the Independent Auditors in performing non-audit services within Eversendai Group, considering both the types of services rendered and the fees, such that their position as auditors are not deemed to be compromised.
 - vi. To review the Independent Auditors' findings arising from audits, particularly any comments and responses in audit recommendations as well as the assistance given by the employees of Eversendai Group in order to be satisfied that appropriate action is being taken.
 - vii. To review with the Independent Auditors' for the Statement on Risk Management and Internal Control of Eversendai Group for inclusion in the Annual Report.
- (d) Related Party Transactions/Conflict of Interest Situations
- i. To review any related party transactions and conflict of interest situations that may arise within Eversendai Group including any transaction, procedure or course of conduct that raises questions of management integrity.
- (e) Audit Reports
- i. To prepare the annual AC report to the Board which includes the composition of the AC, its terms of reference, number of meetings held, a summary of its activities and the existence of internal audit services and summary of the activities for inclusion in the Annual Report and to review the Board's statements on compliance with the Malaysian Code of Corporate Governance for inclusion in the Annual Report.
- (f) Other Matters
- i. To exercise its powers and carry out its responsibilities as may be required from time to time under the Whistleblower Policy of the Group.
 - ii. Verify the allocation of options pursuant to the Employees' Share Option Scheme (ESOS) or the allocation of shares pursuant to any incentive plan for employees of the Group at the end of each financial year as being in compliance with the criteria which is disclosed to the employees.
 - iii. Assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF THE AC (cont'd)

- iv. To carry out any other function that may be mutually agreed upon by the AC and the Board.

4. Meeting of The Committee

- (a) The AC shall convene meetings as and when required, and at least four times during the financial year of Eversendai.
- (b) The meetings and proceedings of the AC are governed by the provisions of the policies and procedures of the Company regulating the meetings and proceedings of the Board so far as the same are applicable.
- (c) The number of AC meetings held a year and the details of attendance of each individual member in respect of meetings held should be disclosed in the Annual Report.
- (d) The Chairman, or the Secretary of the AC on the request of any member, the Head of Internal Audit or the Independent Auditors, shall at any time summon a meeting of the AC by giving reasonable notice. It shall not be necessary to give notice of an AC meeting to any member who at the time is overseas.
- (e) The Chairman of the AC shall chair the AC meetings, and, in his absence, the members present shall elect one amongst themselves to be the Chairman of the meeting.
- (f) Officers of Eversendai Group or others as necessary may be invited to attend meetings where the AC considers their presence necessary.
- (g) All recommendations of the AC shall be submitted to the Board for approval.
- (h) An AC member shall excuse himself/herself from the meeting during discussions or deliberations of any matter which gives rise to an actual or perceived conflict of interest situation for the member. Where this causes insufficient Directors to make up a quorum, the AC has the right to appoint another one or more Director(s), who meet the membership criteria.

5. Quorum

The quorum for a meeting of the AC shall consist of not less than two (2) members, majority of members present must be Independent Non-Executive Directors.

6. Notice of Meetings

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the AC, any other person required to attend and all other non-executive directors, no later than five (5) days before the date of the meeting. Supporting papers shall be sent to AC members and to other attendees as appropriate, at the same time.

7. Secretary and Minutes

The Company Secretary or his nominee or such other persons authorised by the Board shall act as the Secretary of the AC. The Company Secretary shall record, prepare and circulate the minutes of the meetings of the AC and ensure that the minutes are properly kept and produced for inspection if required.

ADDITIONAL CORPORATE DISCLOSURE

The following disclosures in respect of the financial year ended 31 December 2021 are provided for shareholders' information and in accordance with the requirements of Bursa Malaysia Securities Berhad:

1. Utilisation of proceeds from corporate proposals

There were no proceeds raised from any corporate proposal during the financial year ended 31 December 2021.

2. Warrants

A total 390,499,496 free warrants were issued by the Company on 19 October 2020 on the basis of one (1) warrant for every two (2) existing ordinary shares held. The warrants will expire on 18 October 2025.

3. Audit and non-audit fees

The audit and non-audit fees paid or payable for services rendered by the Company's independent auditors and their affiliated company or firm to the Group and the Company for the financial year ended 31 December 2021 are as follows:

	Group RM'000	Company RM'000
Audit fees	911	143
Non-audit fees	17	17

4. Material contracts involving directors and major shareholders' interest

Save for the recurrent related party transactions disclosed in item 5 below, there were no material contracts including those of a borrowing nature entered into by Eversendai involving the directors' and major shareholders' interests, which subsisted at the end of the financial year ended 31 December 2021 or, if not then subsisting, entered into since the end of the previous financial year.

5. Recurrent related party transactions

All recurrent related party transactions entered into by Eversendai were made in the ordinary course of business at arm's length and are based on normal commercial terms that are not more favourable to the transacting related party than those generally available to non-related party and will not be detrimental to the interests of minority shareholders of the Company.

Details of the recurrent related party transactions entered into by Eversendai during the financial year ended 31 December 2021 are disclosed in Note 36 to the Financial Statements on pages 104 to 105 of the Audited Financial Statement.

ADDITIONAL CORPORATE DISCLOSURE

(Cont'd)

At the Eighteenth Annual General Meeting of the Company held on 29 June 2021, the Company had obtained approval from the shareholders for the renewal of the shareholders' mandate to enter into recurrent related party transactions of a revenue or trading nature with certain related parties. The said shareholders' mandate took effect from 29 June 2021 until the conclusion of the forthcoming Nineteenth Annual General Meeting of the Company, in which the Company intends to seek for a renewal of the shareholders' mandate for existing recurrent party transactions and the proposed new shareholder's mandate for additional recurrent related party transactions, proposed by the Board of Directors. Details of the mandates to be sought are furnished in the Circular to Shareholders which will be available for download from the Company's website at <http://www.eversendai.com/web/19th-annual-general-meeting/>.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Eversendai Corporation Berhad is pleased to share the key aspects of Eversendai's internal control system in respect of the financial year ended 31 December 2021. Eversendai in honouring its responsibilities has established procedures of internal control that are in accordance with the guidance as set out in the "Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers". These procedures, which are subject to regular review by the Board, provide an on-going process for identifying, evaluating and managing significant risks faced by Eversendai that may affect the achievement of its business objectives.

BOARD'S RESPONSIBILITY

The Board is fully committed to the maintenance of a sound internal control environment to safeguard shareholders' investments and Eversendai's assets. The Board has an overall responsibility for Eversendai's system of internal control and performs a continuous review on the adequacy, integrity, and effectiveness of the risk management and internal control system. The system of internal control is designed to manage, mitigate or eliminate, if practical, risks that may impede the achievement of Eversendai's business objectives. Internal control systems can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

The Board recognises the importance of Enterprise Risk Management ("ERM") in supporting Eversendai's objectives in enhancing shareholders' value and business success by minimising unforeseen risks. Eversendai has a clear on-going process for identifying, evaluating and managing significant risks facing Eversendai. Such process has been in place for the year under review and up to the date of approval of this statement for inclusion in the annual report. Eversendai has further enhanced its risk management practices by conducting risk awareness workshop to raise awareness to staff and formalising the risk management process through the implementation of the ERM software.

The ERM framework is managed and documented in a risk register to assist Eversendai's operational managers to continuously conduct discussions to identify, analyse, monitor and evaluate the progress of the identified risks and reports the results to the Risk Management Committee ("RMC"). The RMC comprises members of Independent Directors and Risk Management Sub Committee ("RMSC") comprises management team. RMSC will update the RMC on quarterly basis (except during circumstances unforeseen and/or beyond our control due to resignations or operational exigencies) on the consolidated risk register and risk management activities. This will ensure that adequate attention and focus is placed on risk management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

RISK MANAGEMENT FRAMEWORK AND PROCESSES

The framework describes policy and procedures of the risk management process and encompasses the following key elements:

1. Corporate Risk Management Policy

The policy explains the objectives of risk management functions and agreed risk appetite and acceptable level of risk by the Board of Directors and Management.

2. Roles Of Board Of Directors, Management And RMC

This section encompasses roles and responsibilities of Board of Directors and the Management towards the risk management functions in the company. RMC members act as primary champions who are responsible to review consolidated risk register of major subsidiaries within Eversendai Group and to ensure the significant risks are identified and managed adequately. Head of Company at each subsidiary level plays a role in managing the agreed action plan for significant risks with the assistance of appointed Risk Coordinators ("RC").

3. Risk Management Process

The Company has adopted ISO 31000:2009 Risk Management as a guideline for managing risk throughout Eversendai Group. Risk owners are responsible to identify, mitigate, prevent or reduce significant risks that would affect Eversendai Group in achieving its objectives. Each key business unit has nominated an RC who will be responsible to guide risk owners to identify, monitor and develop action plans to mitigate the risks. The RCs are supported by Risk Management Unit ("RMU") who monitor and guide the RCs on risk areas. RMU reviews every new risk identified and authenticate the viability of action plan provided by each RC.

The RMSC will present quarterly reports (except during circumstances unforeseen and/or beyond our control due to resignations or operational exigencies) on the enterprise risk map and analysis of the ERM register, status of progress and propose changes for improvements to RMC and the Board for review.

CONTROL ENVIRONMENT STRUCTURE

The Board and Management have established numerous processes to identify, evaluate and manage significant risks faced by Eversendai Group. These processes include updating the system of internal control when there are changes to the business environment or regulatory guidelines. The key elements of Eversendai Group's control environment include the following:

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

CONTROL ENVIRONMENT STRUCTURE (cont'd)

1. Organisation Structure

The Board is supported by a number of established Board committees, namely the Audit, Nomination, Remuneration and Risk Management Committees, in honouring its responsibilities toward risk management and internal control. Each Committee has a set of clearly defined terms of reference. Responsibility for the implementation of Eversendai Group's strategies and day-to-day businesses are delegated to management. The organisation structure sets out clear segregation of roles and responsibilities, lines of accountability and levels of authority to ensure effective and independent stewardship.

2. Audit Committee

The Audit Committee is instituted by the Board to undertake the review of the systems of internal control and risk management framework in Eversendai Group. The Audit Committee comprises 3 Independent Non-Executive Directors. The Audit Committee evaluates the adequacy and effectiveness of Eversendai Group's internal control systems and reviews internal control issues identified by Internal Auditors, Independent Auditors and the Management. Throughout the financial year, the Audit Committee members are briefed by the Management during the presentation of the quarterly financial performance and results on corporate governance practices, updates of Malaysian Financial Reporting Standards, as well as legal and regulatory requirements in addition to key matters affecting the financial statements of Eversendai Group.

The Audit Committee also reviews and reports to the Board the engagement and independence of the Independent Auditors and their audit plan, nature, approach, scope, and other examinations of the independent audit matters. It also reviews the effectiveness of the internal audit function which is further described in the following section on Internal Audit.

The current composition of the Audit Committee members brings with them a wide variety of knowledge, expertise, and experience from different industries and backgrounds. They continue to meet regularly and have full and unimpeded access to the Internal and Independent Auditors and all employees of Eversendai Group.

3. Internal Audit

The Group Internal Audit Department ("GIAD") continues to independently review key processes, monitor compliance with policies and procedures, evaluate the adequacy and effectiveness of internal control and risk management systems and highlight significant findings, enhancements and corrective measures in respect of any non-compliance on a timely basis. Its work practices are governed by the Internal Audit Charter, which is subject to revision on an annual basis. The annual audit plan, established primarily on a risk-based approach, is reviewed and approved by the Audit Committee annually before the commencement of the following financial year and an update is given to the Audit Committee every quarter. The Audit Committee oversees the Internal Audit department's function, its independence, the scope of work and resources.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

CONTROL ENVIRONMENT STRUCTURE (cont'd)

The Head of GIAD presents to the Audit Committee the audit results and significant matters raised in the audit reports for the audits undertaken in the respective area of operations on a quarterly basis (except during circumstances unforeseen and/or beyond our control due to resignations or operational exigencies). Follow-up audits were also carried out to determine the status of implementation of agreed corrective actions based on the previous audit issues reported.

During the year, some areas for improvement in the internal control system were reported by the GIAD to the Audit Committee. However, no weakness in internal control has resulted in material losses, contingencies or uncertainties which would require disclosure in this Annual Report. Management has been responsive to the issues raised and has taken appropriate measures to address the areas for improvement that have been highlighted. The effectiveness of the system of internal control is constantly reviewed and enhanced in response to changes in the operating environment. The cost of the Group Internal Audit function for 2021 is RM192,451.20. Further activities of the Internal Audit function are set out in the Audit Committee Report on pages 55 to 61.

4. Legal

The Legal department plays a pivotal role in ensuring that the interests of Eversendai Group are preserved and safeguarded from a legal perspective. It also plays a key role in advising the Board and the Management on legal and strategic matters.

5. Limits Of Authority

The Group's Discretionary Authority Limits ("DAL") policy sets the authorisation limits at the various levels of management and staff, and also matters requiring Board approval; to ensure accountability, segregation of duties and control over Eversendai Group's financial commitments. The DAL policy is reviewed and updated periodically to reflect business, operational and structural changes.

6. Policies And Procedures

There is extensive documentation of policies and procedures in manuals including those relating to Financial, Contract Management, Procurement, Project Management, Human Resources, Legal & Secretarial and Information Systems. These policies and procedures are continuously being enhanced.

7. Financial And Operational Information

A detailed budgeting and reporting process have been established. Comprehensive budgets are prepared by the operating units and presented to the Board. Upon approval of the budget, Eversendai Group's performance is then tracked and measured against the approved budget on a monthly basis. Reporting systems which highlight significant variances against the plan are in place to track and monitor performance. These variances in financial as well as operational performance indices are incorporated in detail in the monthly management reports. On a quarterly basis, the results are reviewed by the Board to enable them to measure Eversendai Group's overall performance compared to the approved budgets and prior periods.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

MONITORING AND REVIEW

The processes adopted to monitor and review the effectiveness of the system of internal control include:

1. Management Representation to the Board by the Group Managing Director on the control environment of Eversendai Group, based on representations made to him by management on the control environment in their respective areas. Any exceptions identified are highlighted to the Board.
2. Re-establishment of the Group Managing Director's Office ("GMD's Office") since 1 October 2021 and headed by the Deputy Group Managing Director. To date, the GMD's Office includes the functions of Finance & Treasury, Legal & Secretarial, Commercial & Contracts, Human Resources & Administration, Information & Communications Technology, Integrated Management System ("IMS") and Internal Audit.
3. Internal Audit in their quarterly report (except during circumstances unforeseen and/or beyond our control due to resignations or operational exigencies) to the Audit Committee continues to highlight significant issues and exceptions identified during their review on processes and controls compliance. The Chairman of the Audit Committee updates the Board on the significant matters deliberated upon and the decisions made during the Audit Committee meetings.

REVIEW OF STATEMENT BY INDEPENDENT AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the independent auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with ISAE 3000, Assurance Engagements other than Audit or Reviews of Historical Financial Information and Recommended Practice Guide 5 (Revised) issued by the Malaysian Institute of Accountants does not require the independent auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of Eversendai Group.

Based on their procedures performed, the independent auditors have reported to the Board that nothing has come to their attention that caused them to believe that the Statement is not prepared, in all material aspects, in accordance with the disclosures required by Paragraph 41 and 42 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to be set out, nor is it factually inaccurate.

CONCLUSION

For the financial year under review and up to the date of issuance of the financial statements, Eversendai Group's Group Managing Director to the best of his ability and knowledge confirm that Eversendai Group's risk management and internal control systems are adequate and effective to safeguard shareholders' investments and Eversendai Group's assets. The Board is satisfied that the system of risk management and internal control is satisfactory and has not resulted in any material loss, contingency or uncertainty that would require separate disclosure in Eversendai's Annual Report.

STATEMENT OF DIRECTORS' RESPONSIBILITY

IN RESPECT OF AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("Companies Act") and the Main Market Listing Requirements of Bursa Securities to prepare financial statements for each financial year in accordance with the applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2021 and of their financial performance and cash flows for the financial year.

In preparing the financial statements, the Directors have:

- Considered the requirements of the Companies Act in Malaysia;
- Considered the requirements in accordance to MFRSs and IFRSs;
- Adopted and consistently applied appropriate accounting policies;
- Made prudent and reasonable judgements and estimates; and
- Ensured that the financial statements are prepared on a going concern basis as the Directors have a reasonable expectation, having made enquires, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have the responsibility to ensure that the Group and the Company retain the accounting and other records and the registers of the Group and of the Company and are in accordance with the requirements of the Companies Act in Malaysia.

The Directors have the general responsibility for undertaking reasonable steps to safeguard the assets of the Group and of the Company and are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

LIST OF GROUP PROPERTIES

AS AT 31 DECEMBER 2021

	Location & Address	Description of property/ existing use	Built-up/ land area (sq.ft.)	Tenure/ date of expiry of lease	Approx. age of building	Year of acquisition	Net book value (RM'000)
Eversendai Corporation Berhad							
1	Lot 19191, 19956 and 19957, Seksyen 20, Bandar Rawang, District of Gombak Lot 19956, Jalan Industri 3/6, Rawang Integrated Industrial Park, 48000 Rawang, Selangor Darul Ehsan, Malaysia	2-storey office building and 1-storey factory/ head office and fabrication factory/ 3 pieces of land under the category of land use for industrial purpose/ fabrication factory	94,722/ 471,771	Freehold/-	< 12 years	2007	^27,671
2	Lot 19072, 19073 and 19074, Seksyen 20, Bandar Rawang, District of Gombak	3 pieces of land under the category of land use for industrial purpose/ fabrication factory	-/204,719	Freehold/-	-	2010	4,610
ECB Properties Sdn. Bhd.							
3	Geran 111868, Lot No. 67331 and Geran 111869, Lot No. 67332, Mukim of Sungai Buloh, Daerah Petaling, Negeri Selangor in Mutiara Damansara, Malaysia	2 parcels of commercial land	-/87,759	Freehold/-	-	2013	61,290
4	Geran 93135, Lot No. 22510, Bandar Kundang, Daerah Gombak, Negeri Selangor, Malaysia	1 piece of land under the category of land use for agriculture	-/2,080,661	Freehold/-	-	2013	50,131
Eversendai Engineering LLC, Dubai							
5	Plot no. 242-337, Al-Qusais Industrial Area 1, Dubai, UAE	2 blocks of 2-storey office buildings and a 3-bays shop/ head office and fabrication factory	85,315/ 80,000	Leasehold 30 years expiring 10 May 2029	< 17 years	2004	381
6	Plot no. 264-972, Community 264, Street 32a/29b, Muhaisanah Second, Dubai, UAE	3 blocks of 2-storey steel buildings with 96 rooms/ worker accommodation	29,572/ 36,400	Leasehold 30 years expiring 13 July 2038	< 14 years	2008	11,326
7	Plot no. 264-573, Community 264, Street 32a/29b, Muhaisanah Second, Dubai, UAE	1 block of 3-storey concrete building with 263 rooms/ worker accommodation	93,570/ 39,811	Leasehold 99 years expiring 4 August 2109	< 12 years	2010	6,347
8	Plot no. 264-488, Community 264, Street 32a/29b, Muhaisanah Second, Dubai, UAE	Plot for worker accommodation	121,092/ 60,000	Leasehold 99 years / 29 January 2107	< 5 years	2017	30,878

LIST OF GROUP PROPERTIES (Cont'd)

AS AT 31 DECEMBER 2021

	Location & Address	Description of property/ existing use	Built-up/ land area (sq.ft.)	Tenure/ date of expiry of lease	Approx. age of building	Year of acquisition	Net book value (RM'000)
Eversendai Engineering Qatar WLL							
9	Plot no. 6089/6090, Qatar Medium and Small Industrial Area, Street No.41, New Industrial Area, P.O. Box 35283, Doha, Qatar	2-storey office building with a 3-bays factory/ head office and fabrication factory	285,665/ 296,427	Leasehold 25 years expiring 15 August 2031	< 14 years	2007	10,571
Eversendai Construction Private Limited, India							
10	Plot no. 2/12, Poonthottam 1st Street, Nanganallur, Chennai 600 114, No. 134, Nanganallur Village, Tambaram Taluk, Kancheepuram District, Chennai South Registration District, Alandur Sub Registration District, Alandur Municipality Limits, Tamil Nadu, India	3-storey office building/ engineering office	5,500/ 3,750	Freehold/-	< 47 years	2010	516.67
11	No.199/4, 8, 472/1A,1B, 2, 3, 4, 5, 6 & 7A Siruganur Village, Manachanallur Talu, Trichy District, Tamil Nadu, India & No.266/3A, 3B, 3C & 3D, 267/2A, 2B, 2C, 3 & 4, 268/1, 2, 269/6.7A, 7B, 8, 9 & 10, Reddimangudi Village, Lalgudi Taluk, Trichy District, Tamil Nadu, India	Land/ Workshop (U-shaped industrial sheds) with office buildings, paint shop, canteen buildings, open yard storage/steel fabrication, painting, storage of temporary support steel structure and scaffolding, lifting tools and tackles, and industrial	676,166 & 1,004,427	Freehold/-	< 11 years	2011	24,725.75
12	Plot no.1 & 2 (Np), The Lords. Block-1, 5th & 6th Floor, Northern Extension Area, Thiru-vika Industrial Estate Ekkatuthangal, Chennai 600032, Tamil Nadu	Office Building	35,296	Freehold/-	< 16 years	2013	14,536.58
13	Plot No.A-10, Redimankuddi Village,Lalgudi Taluk, Trichy District, TamilNadu	Hostel land & Building	36,178	Freehold land	<11 years	2017	1,783.31

LIST OF GROUP PROPERTIES (Cont'd)

AS AT 31 DECEMBER 2021

	Location & Address	Description of property/ existing use	Built-up/ land area (sq.ft.)	Tenure/ date of expiry of lease	Approx. age of building	Year of acquisition	Net book value (RM'000)
Eversendai Engineering FZE, Sharjah							
14	Plot no. 1F-18, 1G-15, 31 and 32, 2C-02 and 13, 2D-03, 04, 14, 15 and 18, 2E-01, 02, 04, 05, 06, 07, 09 and 10, 2J-7A, 2M 13A, 13B, 14 and 15, 3E-03 and IZ-8-19 and 27-38	Workshop (U-shaped Industrial sheds) with Office buildings, paint shop, canteen buildings, open yard storage/steel fabrication, painting storage of temporary support steel structure and scaffolding lifting tools and tackles, and industrial	1,957,578/ 2,874,922	Leasehold 5 to 15 years expiring between 4 July 2030 and 6 September 2042	< 17 years	2005	53,138 & 59,843
Eversendai Offshore RMC FZE, Ras Al Khaimah							
15	Plot#12,13,14,15,16, 17, part of Plot#8 and Plot#39A, Hulayla, RAK Maritime City, Ras-Al-Khaimah UAE, 65159	1 block of 3-storey office building/ a 3-bays Shop Fabrication Factory	586,574/ 2,000,010	Leasehold 25 years Expiring 31 May 2038	< 5 years	2017	69,097 & 95,498

Notes:

^ Comprised of 3 pieces of freehold industrial land with total net book value of RM6,971,976 owned by the Company, and a 2-storey office building and a 1-storey factory building with total net book value of RM20,698,619 owned by Eversendai Engineering Sdn Bhd.

ANALYSIS OF SHAREHOLDINGS SUMMARY

AS AT 30 MARCH 2022

Total number of Issued Shares	780,999,000* Ordinary Shares
Class of Shares	Ordinary Shares
Voting Rights	1 Vote per Ordinary Share

* Excluding Share Buy Back

DISTRIBUTION OF SHAREHOLDINGS AS PER THE RECORD OF DEPOSITORS

Size of Shareholdings	Number of shareholders	%	Number of shares held	%
Less than 100	28	0.57	555	0.00
100 to 1,000	547	11.19	385,200	0.05
1,001 to 10,000	2,296	46.95	13,650,845	1.74
10,001 to 100,000	1,716	35.09	59,578,840	7.63
100,001 to less than 5% of the issued shares	301	6.16	122,234,600	15.65
5% and above of the issued shares	2	0.04	585,148,960	74.93
Total*	4,890	100.00	780,999,000	100.00

* Excluding Share Buy Back

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No		Number of shares held	%*
1	Vahana Holdings Sdn Bhd <i>Shares held in the name of:</i>	544,863,360	69.77
	a) UOBM Nominees (Tempatan) Sdn. Bhd.	124,616,000	
	b) Kenanga Capital Sdn. Bhd.	96,670,000	
	c) MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd.	287,500,000	
	d) Own Account	36,077,360	
2	Urusharta Jamaah Sdn Bhd	40,285,600	5.16

* Excluding Share Buy Back

ANALYSIS OF SHAREHOLDINGS SUMMARY

(Cont'd)

AS AT 30 MARCH 2022

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN SHARES IN THE COMPANY AND IN THE SUBSIDIARY AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares Held	%*	No. of Shares Held	%*
Tan Sri Dato' Nathan A/L Elumalay**	0	0.00	544,863,360	69.77
Narla Srinivasa Rao	500,000	0.06	0	0.00

* Excluding Share Buy Back

** Tan Sri Dato' Nathan A/L Elumalay, by virtue of his interest in shares in the holding company of the Company, Vahana Holdings Sdn. Bhd. is also deemed interested in shares of all the Company's subsidiaries to the extent of the Company has interest.

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS

(without aggregate the securities from different securities accounts to the same Depositors)

	Name	No. of Shares Held	%*
1	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	287,500,000	36.81
2	UOBM NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	124,616,000	15.96
3	KENANGA CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	96,670,000	12.38
4	CITIGROUP NOMINEES (TEMPATAN) SDN. BHD. URUSHARTA JAMAAH SDN. BHD.	40,285,600	5.16
5	VAHANA HOLDINGS SDN. BHD.	36,077,360	4.62
6	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR RAJENDRAN A/L RAMASAMY	10,654,000	1.36
7	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VM TEAM ENGINEERING SDN BHD	5,501,200	0.70
8	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VELOO A/L KARUPAYAH	5,500,000	0.70
9	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH CHING MUN	3,415,700	0.44
10	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ER SOON PUAY	2,869,000	0.37
11	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LAU HOCK LEE	2,808,000	0.36
12	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. FOR BALACHANDRAN A/L GOVINDASAMY	2,265,300	0.29

ANALYSIS OF SHAREHOLDINGS SUMMARY

(Cont'd)

AS AT 30 MARCH 2022

THIRTY LARGEST SECURITIES ACCOUNT HOLDERS AS PER THE RECORD OF DEPOSITORS (without aggregate the securities from different securities accounts to the same Depositors) (cont'd)

Name	No. of Shares Held	%*
13 KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MASNAWI BIN ATON	1,640,000	0.21
14 TEO CHIN SIONG	1,545,000	0.20
15 PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SIOW CHUN PAU	1,506,000	0.19
16 PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHANG TIANG POW	1,500,000	0.19
17 PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SIOW CHUN PAU	1,310,700	0.17
18 LOOI KUM PAK @ LOOI KAM PHAK	1,300,000	0.17
19 PARMJIT SINGH A/L MEVA SINGH	1,169,000	0.15
20 LIM OOI WAH	1,080,000	0.14
21 KHOR KENG SAW @ KHAW AH SOAY	1,060,000	0.14
22 MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN MUI LING	1,058,400	0.14
23 AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEH POO SENG	1,000,000	0.13
24 HSBC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR BANK JULIUS BAER & CO LTD (SINGAPORE BCH)	1,000,000	0.13
25 K.R SOMASUNDRAM	1,000,000	0.13
26 LOW CHU MOOI	1,000,000	0.13
27 P. MAGENDRAN A/L PERUMAL	1,000,000	0.13
28 TAN BOON SENG @ KRISHNAN	1,000,000	0.13
29 TEE YOKE SENG	1,000,000	0.13
30 CHAN SIEW KUEN	994,100	0.13
	639,325,360	81.89

ANALYSIS OF WARRANT HOLDINGS SUMMARY AS AT 30 MARCH 2022

Total number of Warrant Issued	390,499,496
Issued date	19 October 2020
Expiry date	18 October 2025

DISTRIBUTION OF WARRANT HOLDERS AS PER THE RECORD OF DEPOSITORS

Size of Warrant Holdings	Number of Warrant Holders	%	Number of Warrant	%
Less than 100	213	5.37	9,487	0.00
100 to 1,000	755	19.03	495,959	0.13
1,001 to 10,000	1,896	47.78	8,762,160	2.24
10,001 to 100,000	893	22.50	31,630,560	8.10
100,001 to less than 5% of the issued warrants	210	5.29	71,919,650	18.42
5% and above of the issued warrants	1	0.03	277,681,680	71.11
Total	3,968	100.00	390,499,496	100.00

DIRECTORS' DIRECT AND INDIRECT INTERESTS IN WARRANTS IN THE COMPANY AND IN THE SUBSIDIARY AS PER THE REGISTER OF DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct Interest No. of Warrant	%	Indirect Interest No. of Warrant	%
Tan Sri Dato' Nathan A/L Elumalay*	0	0.00	277,681,680	71.11
Warrant held in the names of:				
a) UOBM Nominees (Tempatan) Sdn. Bhd.	62,308,000			
b) Kenanga Capital Sdn. Bhd.	39,335,000			
c) MIDF Amanah Investment Nominees (Tempatan) Sdn. Bhd.	143,750,000			
d) Own Account	32,288,680			
Narla Srinivasa Rao	250,000	0.06	0	0.00

* Deemed interest in Vahana Holdings Sdn. Bhd.

ANALYSIS OF WARRANT HOLDINGS SUMMARY

(Cont'd)

AS AT 30 MARCH 2022

THIRTY LARGEST WARRANT HOLDERS AS PER THE RECORD OF DEPOSITORS

	Name	No. of Warrant	%
1	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	143,750,000	36.81
2	UOBM NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	62,308,000	15.96
3	KENANGA CAPITAL SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR VAHANA HOLDINGS SDN. BHD.	39,335,000	10.07
4	VAHANA HOLDINGS SDN. BHD.	32,288,680	8.27
5	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KOO CHEE THAK	2,866,700	0.73
6	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KUM KUOK CHUNG	2,809,900	0.72
7	DING NYOK CHOO	2,200,000	0.56
8	TAN BOON TONG	1,946,300	0.50
9	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ER SOON PUAY	1,434,500	0.37
10	KHOO CHEE WAH	1,100,000	0.28
11	LEW SEAU LU	1,022,700	0.26
12	ELIZABERT CHAI FUI LING	1,000,000	0.26
13	KENANGA NOMINEES (TEMPATAN) SDN. BHD RAKUTEN TRADE SDN. BHD. FOR LEE KIM SING	965,450	0.25
14	WONG LUP MUN @ WONG CHENG HOH	929,000	0.24
15	NGOI LEONG EE	900,000	0.23
16	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. FOR MOHD MANSOR BIN ISMAIL	827,600	0.21
17	KOO CHEE THAK	815,000	0.21
18	CGS-CIMB MONINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KAY SIN (SECT 52-CL)	812,900	0.21
19	LIM CHENG TEN	800,000	0.20
20	LU ZEN CHAI	800,000	0.20
21	CHAN SIEW KUEN	797,050	0.20
22	KENANGA NOMINEES (TEMPATAN) SDN BHD CHIA LAI JOO	700,000	0.18
23	KENG LI YEE	700,000	0.18
24	PALAN A/L RAMASAMY	700,000	0.18
25	WONG WENG ONN	700,000	0.18
26	CHUA ENG KUI	699,800	0.18
27	INDAR KAUR A/P DAN SINGH	651,200	0.17

ANALYSIS OF WARRANT HOLDINGS SUMMARY

(Cont'd)

AS AT 30 MARCH 2022

THIRTY LARGEST WARRANT HOLDERS AS PER THE RECORD OF DEPOSITORS (cont'd)

Name	No. of Warrant	%
28 LOOI KUM PAK @ LOOI KAM PHAK	650,000	0.17
29 YAP KIN THAI	633,700	0.16
30 NA SEE HOON	630,000	0.16
	305,773,480	78.30

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Nineteenth (19th) Annual General Meeting of Eversendai Corporation Berhad (the “Company”) will be conducted fully virtual through live streaming from the Broadcast Venue at Lot 9-11 Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur on Wednesday, 1 June 2022 at 2.00 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

- | | | |
|---|---|--|
| 1 | To receive the Audited Financial Statements of the Company for the year ended 31 December 2021 and the Reports of the Directors and Auditors thereon. | Note 11 |
| 2 | To approve payment of Directors’ fees. | Resolution 1 |
| 3 | To approve the payment of Directors’ benefits to the Non-Executive Directors up to an amount of RM50,000 for the period from 1 June 2022 until the next Annual General Meeting of the Company. | Resolution 2 |
| 4 | To re-elect the following Directors who retire by rotation in accordance with Article 98 of the Company’s Constitution and being eligible, offers themselves for re-election:

Tan Sri Dato’ Nathan A/L Elumalay
Narishnath A/L Nathan | Resolution 3
Resolution 4 |
| 5 | To re-appoint Baker Tilly Monteiro Heng PLT as the Company’s Auditors and to authorize the Directors to fix their remuneration. | Resolution 5 |

AS SPECIAL BUSINESS

- | | | |
|---|---|---------------------|
| 6 | Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

“THAT, subject always to the Constitution of the Company and the approvals of the relevant Regulatory Authorities, pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors of the Company be and are hereby authorized to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes and to such person(s) as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued and allotted pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued from Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.” | Resolution 6 |
|---|---|---------------------|

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (Cont'd)

7 Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature

Resolution 7

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to Eversendai Corporation Berhad ("ECB") and its subsidiaries ("ECB Group") to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Part A, Section 2.4 of the Circular to Shareholders dated 29 April 2022, provided such transactions are necessary for the day-to-day operations of ECB Group and are carried out in the ordinary course of business of ECB Group, made on an arm's length and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:

- a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the said authority shall lapse, unless renewed by a resolution passed at the AGM; or
- b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to section 340(2) of the Companies Act 2016 (but must not extend to such extensions as may be allowed pursuant to section 340(4) of the Companies Act 2016); or
- c) revoked or varied by a resolution passed by the shareholders in a general meeting of the Company;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of ECB Group to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the transactions contemplated and/or authorized by this resolution."

8 Proposed Authority to the Company to Purchase its Own Shares

Resolution 8

"THAT subject to the Companies Act 2016, the Company's Constitution, the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant authorities, the Company be and is hereby authorized to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time on the market of the Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company PROVIDED THAT:

- (a) the aggregate number of ordinary shares in the Company (the "Company's Shares") which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the total issued and paid-up share capital of the Company at any point of time;

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (Cont'd)

8 Proposed Authority to the Company to Purchase its Own Shares (cont'd)

- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Company's Shares shall not exceed the Company's audited retained profits at any point of time;
- (c) the authority conferred by this resolution of the Company shall commence immediately upon passing of this resolution until:
 - (i) the conclusion of the next Annual General Meeting of the Company following this Annual General Meeting at which such mandate is passed at which time it will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed; or
 - (ii) the expiration of the period within which the next Annual General Meeting of the Company after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
 - (iii) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND FURTHER THAT authority be and is hereby given to the Directors of ECB Group to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give full effect to the transactions contemplated and/or authorized by this resolution."

- 9 To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

CHEOK KIM CHEE
MACS 00139
SSM PC No. 201908001023
Company Secretary

Rawang

29 April 2022

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (Cont'd)

Notes to the Notice of Nineteenth Annual General Meeting:

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia which require the Chairman of the meeting to be present at the main venue of meeting.
2. Members/proxies/corporate representatives **WILL NOT BE ALLOWED** to attend the Nineteenth AGM in person at the Broadcast Venue on the day of the meeting.
3. Members are to attend and speak (including posing questions to the Board via real time submission of typed text(s) and vote (collectively, “participate”) remotely at the Nineteenth AGM via the Remote Participation and Voting Facilities (“RPV”) provided by Dvote Services Sdn. Bhd. via its Online website at <https://www.DigitizeVote.my> . Please follow the procedures for RPV provided in the Administrative Details for the Nineteenth AGM.
4. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be deposited not less than forty-eight (48) hours before the time stipulated for holding the meeting at which the person named in the appointment proposes to vote:
 - (i) In hardcopy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at DVOTE SERVICES SDN. BHD. Lot 9-7, Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur.
 - (ii) By electronic means

The proxy form shall be electronically lodged by email to dvoteservice@gmail.com .
5. A member of the Company entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy may but need not be a member of the Company. There shall be no restriction as the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, under the corporation’s common seal or under the hand of an officer or attorney duly authorized.
7. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
8. A member who has appointed a proxy or attorney or corporate representative to attend and vote at this AGM must request his/her proxy or attorney or corporate representative to register himself/herself for RPV at Dvote Online website at <https://Dvote.my> Please follow procedures for RPV in the administrative details of this AGM.
9. Last date and time for lodging proxy form is 30 May 2022 at 2.00 p.m.

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (Cont'd)

Notes to the Notice of Nineteenth Annual General Meeting (cont'd):

10. Voting at the forthcoming Annual General Meeting (AGM) of the Company will be conducted by poll. Poll Administrator and Independent Scrutineer will be appointed respectively to conduct polling-voting process and to verify the results of the poll.

11. Item 1 of the Agenda

This Agenda item is to table the Audited Financial Statements of the Company pursuant to the provision of Section 340(1)(a) of the Companies Act 2016 for discussion only. The Audited Financial Statements do not require a formal approval and/or adoption by the shareholders of the Company and hence, is not put forward for voting.

12. Ordinary Resolution 1 - To approve payment of Directors' fees

Proposed Ordinary Resolution 1 is to approve the Directors' fees for the period from this AGM to the next AGM of the Company, to be payable on a quarterly basis. Section 230(1) of the Companies Act 2016 provides that the fees payable to the directors of a public company; or of a listed company and its subsidiaries shall be approved at a general meeting. Total proposed Directors' fees are RM216,000.

13. Ordinary Resolution 2 - To approve payment of Directors' benefits

The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled Board and Board Committee Meetings from the last AGM until the next AGM.

14. Ordinary Resolution 3 and 4 - To re-elect the Directors

Article 98 of the Company's Constitution provides that at every annual general meeting one-third of the directors shall retire by rotation. A director who retires from office shall be eligible for re-election. The Nominating Committee of the Company has assessed the performance and contribution of Tan Sri Dato' Nathan A/L Elumalay and Narishnath A/L Nathan and recommended for their re-election. The Board has endorsed the Nominating Committee's recommendation.

Explanatory notes on Special Business:

15. Ordinary Resolution 6 - Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The existing general mandate for the authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 was approved by the shareholders of the Company at the last AGM.

The Mandate granted by the shareholders at the last AGM had not been utilized and hence no proceed was raised therefrom.

The proposed Ordinary Resolution 6 is a renewal of the general mandate for the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. The proposed Ordinary Resolution 6, if passed, will empower the Directors to issue and allot shares up to an amount not exceeding ten percent (10%) of the Company's total issued share capital for the time being upon such terms and conditions and for such purposes and to such person(s) as the Directors of the Company in their absolute discretion consider to be in the interest of the Company, without having to convene a general meeting. This authority will expire at the next AGM of the Company or at the expiration of the period within which the next AGM is required by law to be held or revoked or varied by the Company at a general meeting, whichever is earlier.

NOTICE OF NINETEENTH ANNUAL GENERAL MEETING (Cont'd)

Explanatory notes on Special Business (cont'd):

If there should be a decision to issue new shares after the general mandate is approved by the shareholders at the forthcoming Nineteenth AGM, the Company will make an announcement in respect of the purpose and utilization of proceeds arising from such issue.

In case of any strategic opportunities involving equity deals, which may require the Company to allot and issue new shares speedily, the Company may capitalize on its advantageous position if the Board considers it to be in the best interest of the Company. Any delay arising from and the cost involved in convening a general meeting to approve such issuance of shares would be eliminated.

16. Ordinary Resolution 7 - Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party of a Revenue or Trading Nature

Please refer to Part A of the Circular to Shareholders dated 29 April 2022.

17. Ordinary Resolution 8 - Proposed Authority to the Company to Purchase its Own Shares

Please refer to Part B of the Circular to Shareholders dated 29 April 2022.

Members Entitled to Attend Nineteenth Annual General Meeting

For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at 24 May 2022. Only a member whose name appears on the Record of Depositors as at 24 May 2022 shall be entitled to attend this meeting or appoint a proxy to attend and vote on his/her behalf.

Annual Report 2021

The Notice of the Company's Nineteenth Annual General Meeting and Annual Report is available on the Company's website at <http://www.eversendai.com/web/19th-annual-general-meeting/>.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the forthcoming Nineteenth Annual General Meeting (AGM) and/or any adjournment thereof, a member of the Company:

- consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");
- Warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents) the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- Agrees that the member will indemnify the Company and its officers in respect of any penalties, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) and information as set out in Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).

There is no individual seeking for election as a Director at the forthcoming Nineteenth Annual General Meeting of the Company.

(Statement relating to general mandate for issue of shares in accordance to Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad).

The Mandate granted by the shareholders at the last AGM had not been utilized and hence no proceed was raised therefrom.

EVERSENDAI

EVERSENDAI CORPORATION BERHAD
(Registration No. 200301011640 (614060-A))
(Incorporated in Malaysia)

PROXY FORM

Nineteenth Annual General Meeting
(Before completing the form, please refer to the notes overleaf)

Number of ordinary share(s) held	CDS Account No.													

*I/We _____
(Full Name in Block Letters)

*NRIC/Passport/Company No. _____ of _____
(Full Address)

_____ (Full Address)

being a *member/members of EVERSENDAI CORPORATION BERHAD, (the "Company") hereby appoint:

_____ *NRIC/Passport No. _____
(Full Name in Block Letters)

of _____
(Full Address)

and/or failing *him/her _____ *NRIC/Passport No. _____
(Full Name in Block Letters)

of _____
(Full Address)

or failing *him/her the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the **Nineteenth Annual General Meeting** of the Company, to be held on **Wednesday, 1 June 2022 at 2.00 p.m.** and at any adjournment thereof.

Please indicate your vote with an "X" in the respective box of each resolution. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolutions at his/her discretion.

No	Resolution	For	Against
1	To approve payment of Director's fees.	1	
2	To approve payment of Director's benefits.	2	
3	To re-elect Tan Sri Dato' Nathan A/L Elumalay as Director.	3	
4	To re-elect Narishnath A/L Nathan as Director.	4	
5	To re-appoint Baker Tilly Monteiro Heng PLT as auditors.	5	
6	Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.	6	
7	Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature.	7	
8	Proposed Authority to the Company to Purchase its Own Shares	8	

* Strike out whichever is not applicable

Dated this _____ day of _____, 2022

Signature(s) of Shareholder(s) or Common Seal

NOTES

1. The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 and Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia which require the Chairman of the meeting to be present at the main venue of meeting.
2. Members/proxies/corporate representatives WILL NOT BE ALLOWED to attend the Nineteenth AGM in person at the Broadcast Venue on the day of the meeting.
3. Members are to attend and speak (including posing questions to the Board via real time submission of typed text(s) and vote (collectively, "participate") remotely at the Nineteenth AGM via the Remote Participation and Voting Facilities ("RPV") provided by Dvote Services Sdn. Bhd. via its Online website at <https://www.DigitizeVote.my>. Please follow the procedures for RPV provided in the Administrative Details for the Nineteenth AGM.
4. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be deposited not less than forty-eight (48) hours before the time stipulated for holding the meeting at which the person named in the appointment proposes to vote:
 - (i) In hardcopy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at DVOTE SERVICES SDN. BHD. Lot 9-7, Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur.
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5. A member of the Company entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him. A proxy may but need not be a member of the Company. There shall be no restriction as the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, under the corporation's common seal or under the hand of an officer or attorney duly authorized.
7. Where a member appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
8. A member who has appointed a proxy or attorney or corporate representative to attend and vote at this AGM must request his/her proxy or attorney or corporate representative to register himself/herself for RPV at Dvote Online website at <https://www.DigitizeVote.my>. Please follow procedures for RPV in the administrative details of this AGM.
9. Last date and time for lodging proxy form is 30 May 2022 at 2.00 p.m.
10. Voting at the forthcoming Annual General Meeting (AGM) of the Company will be conducted by poll. Poll Administrator and Independent Scrutineer will be appointed respectively to conduct polling-voting process and to verify the results of the poll.

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Eversendai Corporation Berhad
c/o DVOTE SERVICES SDN. BHD.
Lot 9-7, Menara Sentral Vista
No. 150, Jalan Sultan Abdul Samad
Brickfields, 50470 Kuala Lumpur

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Request Form For Printed Copy
of Annual Report 2021 of Eversendai Corporation Berhad

Address : Eversendai Corporation Berhad
Lot 19956, Jalan Industri 3/6
Rawang Integrated Industrial Park
48000 Rawang, Selangor Darul Ehsan, Malaysia

Tel : +603 6091 2575
Fax : +603 6091 2577
Email : ir@eversendai.com
Contact person : Ms. Toong Jo-Ann

Please send me/us a printed copy of the Annual Report 2021.

PARTICULARS OF SHAREHOLDERS	
NAME:	*NRIC NO./PASSPORT NO.:
CDS ACCOUNT NO.:	TEL:
MAILING ADDRESS:	

Dated this _____ day of _____, 2022

Signature(s) of Shareholder(s) or Common Seal