

ANNUAL REPORT 2025



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz
Bin Dato Haji Husain
(Chairman, Non-Independent Non-Executive
Director)

Mr. Tay Hua Sin
(Executive Deputy Chairman)

Dato' Philip Chan Hon Keong
(Group Managing Director)

Mr. Sui Uh Hing
(Executive Director)

Encik Nik A.Majid Bin Mohd. Kamil
(Independent Non-Executive Director)

Ms. Hew Mei Ying
(Independent Non-Executive Director)

AUDIT COMMITTEE

Ms. Hew Mei Ying (Chairperson)
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain
Encik Nik A. Majid Bin Mohd. Kamil

NOMINATION COMMITTEE

Encik Nik A. Majid Bin Mohd. Kamil (Chairman)
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain
Ms. Hew Mei Ying

REMUNERATION COMMITTEE

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain (Chairman)
Mr. Tay Hua Sin
Encik Nik A. Majid Bin Mohd. Kamil
Ms. Hew Mei Ying

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

Stock code: 9016
Stock name: Eksons

REGISTERED OFFICE

TB 4327, Block 31, 2nd Floor,
Fajar Complex, Jalan Haji Karim,
91000 Tawau, Sabah.
Tel: 089 - 757 911
Fax: 089 - 757 008
Website: www.eksons.com.my
E-mail: enquiry@eksons.com.my

COMPANY SECRETARY

Chua Siew Chuan (MAICSA 0777689)
(SSM PC NO. 201908002648)
Lim Lih Chau (LS 0010105)
(SSM PC NO. 201908001454)

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara, Damansara Heights,
50490 Kuala Lumpur, Wilayah Persekutuan.
Tel: 03-2084 9000 Fax: 03-2094 9940
E-mail: info@sshsb.com.my

CORPORATE OFFICE

Wisma Eksons
Lot 1 to 3, Jalan Prima Tropika Barat 2,
Taman Prima Tropika,
43300 Seri Kembangan, Selangor.
Tel: 03 - 8949 3199 Fax: 03 - 8949 3198

SHARE REGISTRAR

Metra Management Sdn. Bhd.
35th Floor, Menara Multi-Purpose,
Capital Square, 8, Jalan Munshi Abdullah,
50100 Kuala Lumpur.
Tel: 03 - 2698 3232 Fax: 03 - 2698 0313
Email: metrasrd@mweh.com.my

AUDITORS

Crowe Malaysia PLT (AF 1018)
Chartered Accountants
Level 16, Tower C Megan Avenue 2,
12 Jalan Yap Kwan Seng,
50450 Kuala Lumpur, Wilayah Persekutuan.
Tel: 03-2788 9999 Fax: 03-2788 9998

PRINCIPAL BANKERS

AmBank (M) Berhad
AmFunds Management Berhad
Bank Islam Malaysia Berhad
EFG Bank AG, Singapore
Hong Leong Bank Berhad
Malayan Banking Berhad
UBS AG Singapore Branch

DIRECTORS' PROFILE

TAN SRI DATUK AMAR (DR) HAJI ABDUL AZIZ BIN DATO HAJI HUSAIN

Chairman,

Non-Independent Non-Executive Director

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain, aged 75, male, is a Malaysian. He was appointed as a Director of the Company and Chairman of the Board of Directors on 31 May 2007. He is a Non-Independent, Non-Executive Director of the Company. He is a member of the Nomination Committee and the Audit Committee, and the Chairman of the Remuneration Committee.

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz holds a Bachelor in Economics majoring in Business Administration from the University of Malaya (1973) and a Masters in Business Administration majoring in Finance in 1978 from Syracuse University, New York. He also attended various training programmes during his public service career including the Project Planning and Management Course in INTAN (1973), the Financial Management Course in Banff School of Management, Alberta (1981), the Wolfson Course in Cambridge University, England (1991), the Human Resource and Personnel Management, University of Pittsburgh (1993) and the Management Development Program in Harvard University Business School, Boston (1994). He has served in the Sarawak State Government in various capacities since 1973, the last appointment being that of the Sarawak's State Secretary in August 2000 until his retirement in December 2006.

He also holds directorships in Borneo Housing Mortgage Finance Berhad, Permodalan Satok Berhad, Yayasan Ilmu Sarawak and several statutory bodies and private limited companies. He is also the Chairman of the Sarawak Skills Development Centres, Sarawak Economic Development Corporation and the President of the Sarawak Badminton Association. He was a director in Cahya Mata Sarawak Bhd from November 2020 to April 2023.

He does not have any family relationship with any Director and/or major shareholder of the company except for Dato' Sri Faizal Bin Abdul Aziz and Khairul Arifin Bin Abdul Aziz. He is the father of Dato' Sri Faizal Bin Abdul Aziz and Khairul Arifin Bin Abdul Aziz. He does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

He has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He attended all five (5) Board meetings during the financial year.

MR. TAY HUA SIN

Executive Deputy Chairman

Mr. Tay Hua Sin, aged 72, male, is a Singaporean. He was appointed as a Director on 31 March 2000 and was the Group Managing Director of the Company until 30 September 2019. He is now the Executive Deputy Chairman and a member of the Remuneration Committee of the Company.

He holds an Honours degree in Business Studies from the United Kingdom and has more than 20 years of experience in the regional timber industry. He is currently a substantial shareholder of the Company. There are no other business transactions with the Group in which he has a personal interest except as disclosed in the financial statements herein.

He does not have any family relationship with any Director and/or major shareholder of the company. He does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

He has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He attended all five (5) Board meetings held during the financial year.

DIRECTORS' PROFILE

DATO' PHILIP CHAN HON KEONG

Group Managing Director

Dato' Philip Chan Hon Keong, aged 60, male, is a Malaysian. He was appointed as an Independent Director of the Company on 31 May 2007. He was a member of the Audit Committee, Remuneration Committee and Nominations Committee. He was an Independent Director of the Company until 30 September 2019. He is now the Group Managing Director of the Company.

He graduated with a Bachelor of Economics and a Bachelor of Laws from the University of Sydney, Australia. He was formerly a Partner in Skrine, a firm of advocates and solicitors.

He does not have any family relationship with any Director and/or major shareholder of the company. He does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

He has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He attended all five (5) Board meetings held during the financial year.

MR. SUI UH HING

Executive Director

Mr. Sui Uh Hing, aged 69, male, is a Malaysian. He has more than 35 years of operational experience in the timber industry in Sarawak. He joined Rajang Plywood Sawmill Sdn. Bhd. ("RPS") a wholly owned subsidiary of the company as a Director and then Executive Director from 1990 to 1999, whereafter he resigned to concentrate on his other companies but was then reappointed to the Boards of Rajang Plywood Sawmill Sdn. Bhd. and Rajang Plywood (Sabah) Sdn. Bhd. on 1 January 2004.

He served as a Director of the company from 27 February 2004 to 13 November 2017 and was reappointed on 7 June 2024.

He does not have any family relationship with any Director and/or major shareholder of the company. He does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

He has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He attended four (4) Board meetings held during the financial year.

DIRECTORS' PROFILE

ENCIK NIK A. MAJID BIN MOHD. KAMIL

Independent Non- Executive Director

Encik Nik A. Majid Bin Mohd. Kamil, aged 69, male, is a Malaysian. He was appointed as an Independent Director on 1 October 2019. He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

He joined HSBC Bank Malaysia in 1978 as an officer and began his management career in HSBC Bank, Hong Kong as a Management Trainee in 1983. He was posted to various positions in West and East Malaysia and completed his tenor of service in the bank in late 2013. He was the Director of Strategic Business Development (Managing large GLCs, Federal and State Governments and its Agencies) and he also held several other senior positions. Since January 2012, he was appointed to be on the Board of the Selangor State Investment Fund and in 2016 on the Board of the Selangor State Disaster Fund, both are investment arms for the state.

He is also an advisor to GRC Consulting Services, an Audit Risk and Financial Consulting firm established since 2014.

He does not have any family relationship with any Director and/or major shareholder of the company. He does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

He has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

He attended all five (5) Board meetings held during the financial year.

MS. HEW MEI YING

Independent Non- Executive Director

Ms. Hew Mei Ying, aged 66, female, is a Malaysian. She was appointed as an Independent and Non-Executive Director on 1 November 2021. She is the Chairperson of the Audit Committee and a member of the Nomination Committee and Remuneration Committee.

She holds a Masters in Business Administration (Finance) from University of Southern Queensland, Australia. She is a fellow member of Chartered Institute of Management Accounts (CIMA), a fellow member of the Australia Certified Practicing Accountant (CPA Australia), Chartered Accountant (CA) of the Malaysian Institute of Accountants (MIA).

Ms. Hew is currently the Chief Financial Officer of HeveaBoard Berhad which is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities"). She has over 30 years of experience in manufacturing environment with Public Listed / Multinational companies. She was with Samsung SDI (M) Berhad for 13 years from 1991 to 2003 as Senior Finance Manager.

She does not have any family relationship with any Director and/or major shareholder of the company. She does not have any conflict of interest or potential conflict of interest with the Company, including interest in any business competing with the Company or its subsidiaries.

She has no conviction for any offences within the past five (5) years other than traffic offences if any, nor any public sanction or penalty imposed by regulatory bodies during the financial year.

She attended all five (5) Board meetings held during the financial year.

KEY SENIOR MANAGEMENT'S PROFILE

MR. SUI UH HING

Executive Director of Plywood Operations

Mr. Sui Uh Hing, aged 69, male, is a Malaysian. He has more than 35 years of operational experience in the timber industry in Sarawak. He joined Rajang Plywood Sawmill Sdn. Bhd. ("RPS") a wholly owned subsidiary of the company as a Director and then Executive Director from 1990 to 1999, whereafter he resigned to concentrate on his other companies but was then reappointed to the Boards of Rajang Plywood Sawmill Sdn. Bhd. and Rajang Plywood (Sabah) Sdn. Bhd. on 1 January 2004.

He served as a Director of the company from 27 February 2004 to 13 November 2017 and was reappointed on 7 June 2024.

Mr Sui's profile is set out in page 4 of this Annual Report.

CHAIRMAN'S STATEMENT

LADIES AND GENTLEMEN,

The Malaysian economy registered a Gross Domestic Product (GDP) growth of 5.1% in 2024. The economic growth is projected to grow between 4.5% to 5.5% in 2025, underpinned by sustained strength in domestic demand and steady private sector expenditure. The growth outlook will be challenged however by heightened uncertainties due to protectionist actions, continuing geopolitical conflicts and financial market volatility.

The Group's investment strategy has continued to deliver growth increasing the value of the investment portfolio in USD terms by 5.2%. The property development division continues to contribute positively to the Group's performance, largely from the sale of the inventories and car park operations. In respect of the plywood division, the sale of the inventories helps to mitigate the losses arising from impairments, amortisation and administrative costs.

The Group remains focused on exploring strategic business opportunities and further strengthening its financial position. The Group recorded a total revenue of RM10.4 million (FY2024: RM24.5 million) and a loss after taxation of RM15.1 million (FY2024: profit after taxation of RM14.3 million). The plywood division generated a revenue of RM3.1 million (FY2024: RM13.2 million) whilst the property development division generated a revenue of RM7.2 million (FY2024: RM11.2 million).

The Group remains on firm financial standing as at 31 March 2025, with its cash and liquid investments totalling RM265.6 million (FY2024 : RM283.7 million) with no loans or borrowings undertaken during the financial year.

The detailed review of the Group's activities will be elaborated on at the Management Discussion and Analysis of the Group in the pages that follow.

ACKNOWLEDGMENTS

On behalf of the Board of Directors, I wish to convey our deep appreciation and gratitude to our shareholders, business associates, regulatory bodies, financial institutions, suppliers and contractors for their assistance and continued support throughout the financial year 2025.

My sincere thanks to the management and staff for their continued contribution and loyalty to the Group.

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain
Chairman

REVENUE (FY2025)
RM10.4 MILLION

(FY2024 : RM24.5 MILLION)

**CASH & LIQUID
INVESTMENTS**
RM265.6 MILLION

(FY2024 : RM283.7 MILLION)

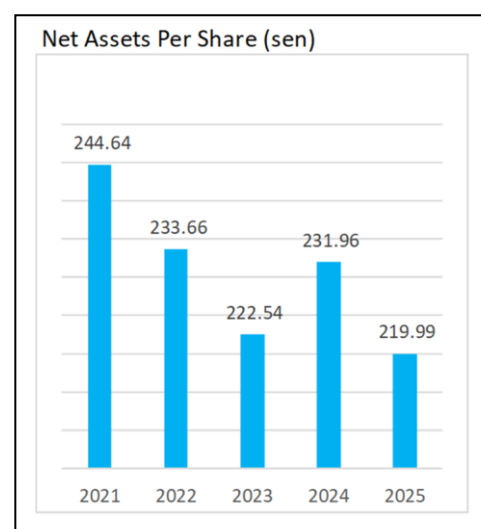
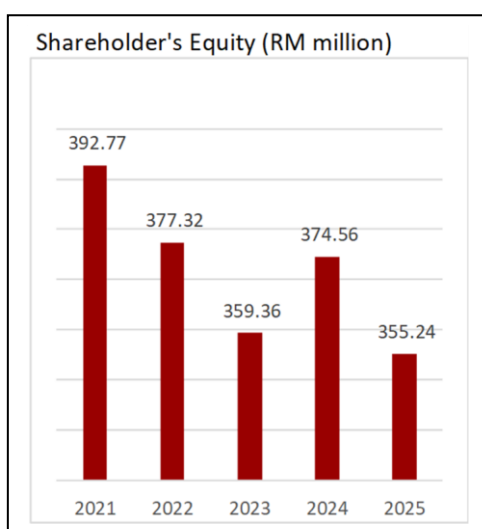
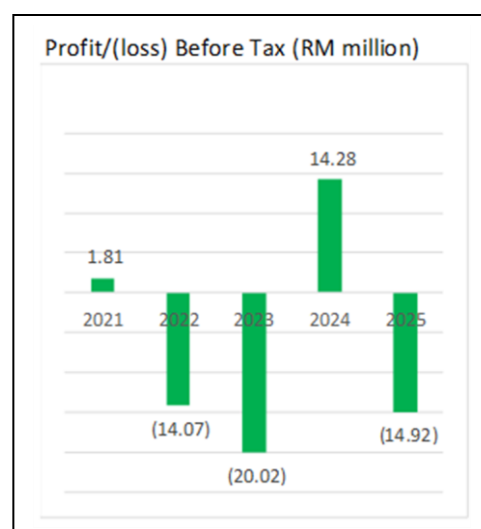
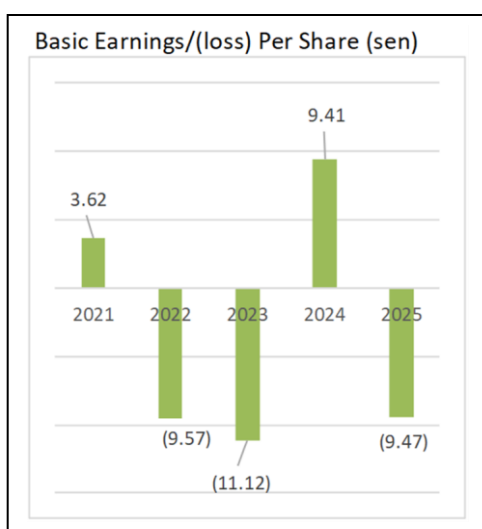
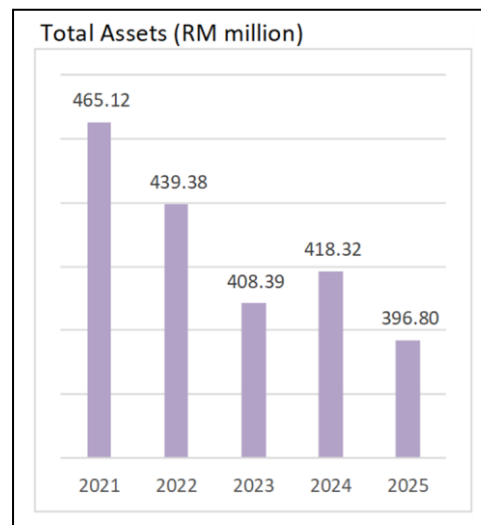
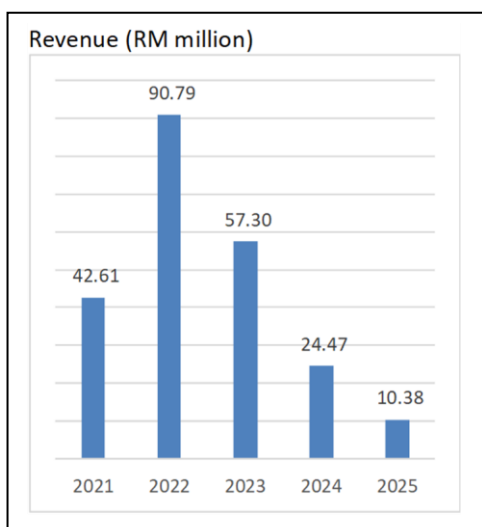
MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP (FY 2025)

FINANCIAL REVIEW

YEAR ENDED 31 MARCH	2025	2024	2023	2022	2021
Operating Results (RM' million)					
Revenue	10.38	24.47	57.30	90.79	42.61
EBITDA	(20.22)	8.77	(16.36)	(6.09)	8.25
(Loss)/profit before tax	(14.92)	14.28	(20.02)	(14.07)	1.81
(Loss)/profit after tax	(15.05)	14.30	(19.35)	(14.62)	4.77
Net (loss)/profit attributable to owners of the Company	(15.29)	15.20	(17.95)	(15.45)	5.81
Key Financial Position Data (RM' million)					
Total assets	396.80	418.32	408.39	439.38	465.12
Total borrowings	-	-	2.68	8.93	18.31
Shareholder's equity	355.24	374.56	359.36	377.32	392.77
Share Information : Per Share					
Basic (loss)/earnings (sen)	(9.47)	9.41	(11.12)	(9.57)	3.62
Net assets (RM)	2.20	2.32	2.23	2.34	2.45
Gross Dividend Paid (sen)	2.50	-	-	-	1.20
Share price as at 31 March (RM)	0.530	0.520	0.540	0.700	0.675
Financial Ratios					
Return on total assets (%)	(3.79)	3.42	(4.74)	(3.33)	1.03
Return on equity (%)	(4.13)	3.90	(5.25)	(3.80)	1.22
Gearing ratio (times)	-	-	0.01	0.02	0.05
Price earning ratio (times)	(5.60)	5.53	(4.86)	(7.32)	18.65
Interest cover (times)	(4,951.84)	63.87	(96.62)	(15.62)	0.33
Gross dividend yield (at par) (%)	4.72	-	-	-	1.81

MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

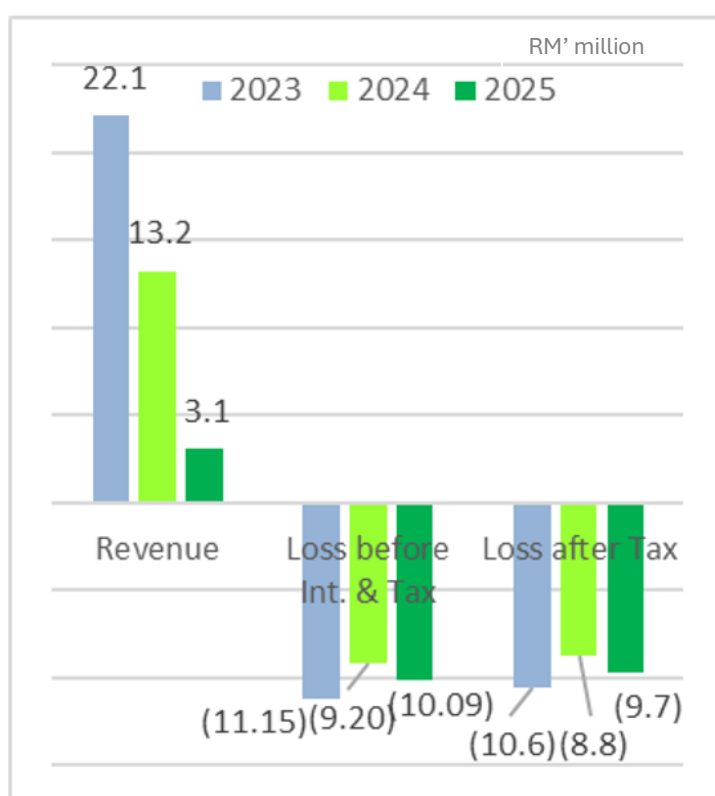
KEY PERFORMANCE INDICATORS



OVERVIEW

The Group had for the financial year 2025 registered a loss after tax of RM 15.05 million. The loss after tax was largely attributable to the weak demand of plywood from the export market and the strengthening of the reporting currency for the investment portfolio by 5.7% against the other major currencies.

PLYWOOD BUSINESS



Plywood division's revenue decreased by 76% in the current financial year, from RM13.2 million to RM3.1 million. The plywood products experienced a decrease in demand due to weak sales from the export market while average pricing decreased by 32%. Loss after taxation was at RM9.7 million as compared to the loss of RM8.8 million in the previous financial year.

The division's revenue have been impacted by the weak global demand due to the sanctions and tariffs imposed by the United States of America, continuing Russia-Ukraine conflict and economic uncertainty in China.

The division has in its inventory, RM12.8 million of plywood as at 31 March 2025 and these inventories will continue to be sold into the foreseeable future, with expectation of beyond a one (1) year period. The prices of plywood is currently trading within a range of USD450 to USD480 per cubic meter.

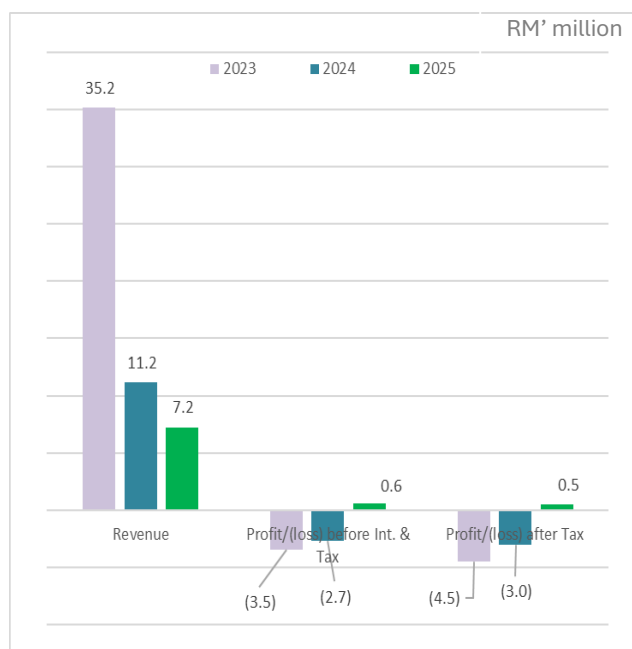
MANAGEMENT DISCUSSION AND ANALYSIS (cont'd)

PROPERTY DEVELOPMENT

The property development division's revenue decreased by 35% in the current financial year from RM11.2 million to RM7.2 million. The lower revenue was generated from the sales of the remaining units in Viva Paradise Sdn Bhd's Affiniti Residence project, which obtained vacant possession in January 2023.

The division recorded a profit after taxation of RM0.5 million as compared to a loss after taxation of RM3.0 million for the previous financial year. The profit after taxation for the current financial year is largely due to the completion of sale of all units in Affiniti Residence and lower provisions of expected costs to be incurred.

The division will continue with its marketing efforts to improve the positioning of **The Atmosphere Commercial Park** as a hub for education, health and wellness, catering to the needs of the community living in the vicinity of the development. The Atmosphere Commercial Park has experienced an increase in footfall following the commencement of the **Putra Permai MRT** station and the completion and handover of keys for the residential development adjacent to it. The uptick, observed through increased car park usage and traffic inflow, is expected to support ongoing sales activities.



OUTLOOK & PROSPECTS

The Malaysian economy registered a positive growth of 4.4% in the first quarter of 2025, primarily driven by the continued expansion of domestic demand. Household spending remained resilient, supported by favourable labour market conditions and income-related policy measures (Reference : BNM Economic and Financial Developments report dated 16 May 2025).

Looking ahead, the economic outlook will depend on the impact of subsidies removal, the expansion of the Sales and Service Tax (SST), coupled with the developments in global commodity prices, tariff negotiations with **United States of America** and advancements in the digital financial landscape.

The Group will continue to implement a range of corporate strategies across its businesses and investments to improve financial performance, while navigating cautiously through the currency fluctuations influenced by external developments.

With the Group's continued efforts in strengthening its financial position and focus on key business opportunities, its financial performance is expected to improve in the year ahead.

Dato' Philip Chan Hon Keong
Group Managing Director

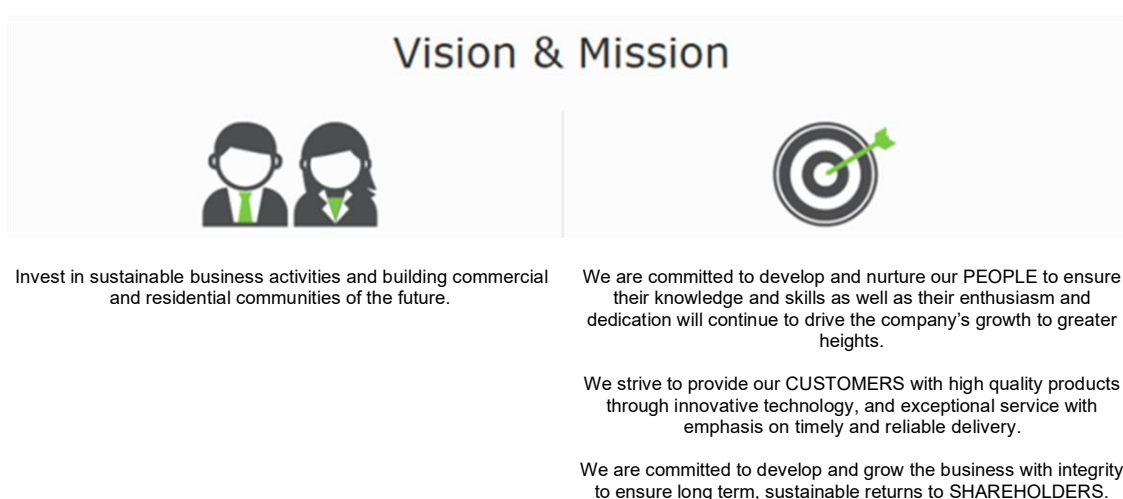
SUSTAINABILITY STATEMENT

INTRODUCTION

This Sustainability Statement provides a narrative on the management of material economic, environmental and social risk by Eksons Corporation Berhad (Eksons Corporation Berhad is hereinafter referred to as “**Eksons**” or the “**Company**”) and its subsidiaries (hereinafter referred to as the “**the Group**”) during the financial year 2025.

Sustainability is an integral part of Eksons’ vision and mission. Eksons has always adhered to the 3 pillars of sustainable development, namely, economic, environmental and social considerations while being committed to maintaining high standards of corporate governance in its efforts to build a socially responsible and profitable business over the long term.

The Group’s Vision and Mission



SCOPE AND REPORTING BOUNDARIES

The reporting period of this statement is from 1 April 2024 to 31 March 2025, and covers the 3 main divisions in the company namely, the plywood division, property and investment holdings, together with property development division. Eksons’ physical operations are in Malaysia, which contributes 100% of our revenue. The Group generated a total revenue of RM 10 million in the reporting period with RM 3 million of revenue generated from our plywood division and another RM 7 million of revenue from our property development division.

Our property development projects in Selangor include the Affiniti Residences, which comprises 129 residential units and The Atmosphere Commercial Park, which comprises 600 units of commercial lots for offices and retail space.

This Sustainability Statement is prepared in accordance with and adheres to the Bursa Malaysia Sustainability Reporting Guide and Bursa Malaysia Listing Requirements : Practice Note 9.

This sustainability statement contains forward-looking statements that reflect our current expectations, projections, and assumptions about future events and trends. These statements are subject to risks, uncertainties, and factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied in the forward-looking statements.

SUSTAINABILITY STATEMENT *(cont'd)*

SCOPE AND REPORTING BOUNDARIES *(cont'd)*

While we believe these forward-looking statements are based on reasonable assumptions, there can be no assurance that the anticipated outcomes will be achieved. We caution stakeholders not to place undue reliance on these forward-looking statements as they are subject to change and inherent uncertainties. We undertake no obligation to update or revise any forward-looking statements, whether as a result new information, future events, or otherwise.

Actual results may differ materially from the forward-looking statements due to various factors, including but not limited to changes in market conditions, regulatory requirements, technological advancements, and unforeseen challenges.

GOVERNANCE STRUCTURE

The operations of Eksons Group as a whole are under the supervision of the Chairman and Board of Directors. The Board of Directors is responsible for overseeing and strategically managing the company's material sustainability matters such as setting the Group's policies, long term strategies aligning with the Group's vision and mission, communication and disclosure of sustainability-related information in corporate reports and filings.

Eksons Group's daily operation is overseen by the Executive Deputy Chairman and the Group Managing Director, who is assisted by the respective divisions' management teams. Aside from the management teams, the Group Audit Committee conducts assurance assignments to ensure the adequacy and effectiveness of the Group's governance, risk management and internal control system while monitoring compliance with policies and procedures.

The Management team led by the Executive Deputy Chairman and the Group Managing Director promotes a sustainability-conscious culture within the Group and ensure alignment of operations with sustainability goals, and implements sustainability-related tasks and initiatives when necessary.

Through a systematic governance structure, Eksons is driven to enforce its sustainability strategy across the top management to the operational level from the economic, environmental and social perspectives. The sustainability goals are closely monitored, data being gathered and analysed to measure sustainability performance and progress.

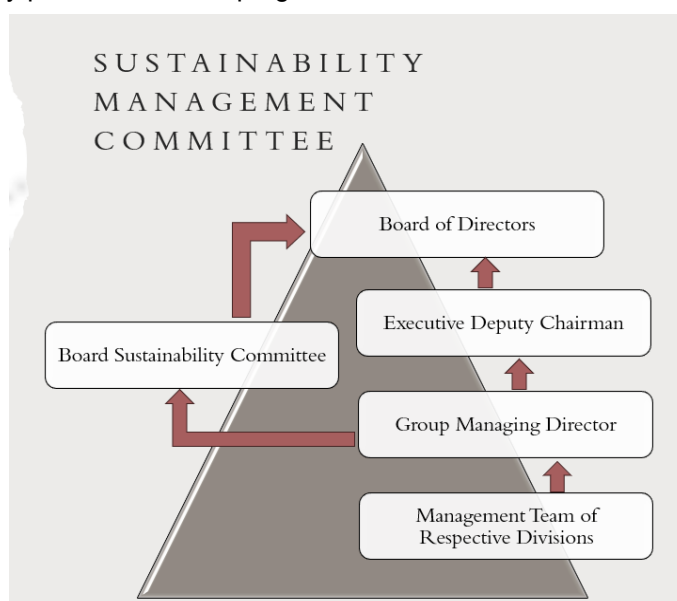


Diagram 1: Overall Sustainability Governance in Eksons

SUSTAINABILITY STATEMENT (cont'd)

STAKEHOLDER ENGAGEMENT

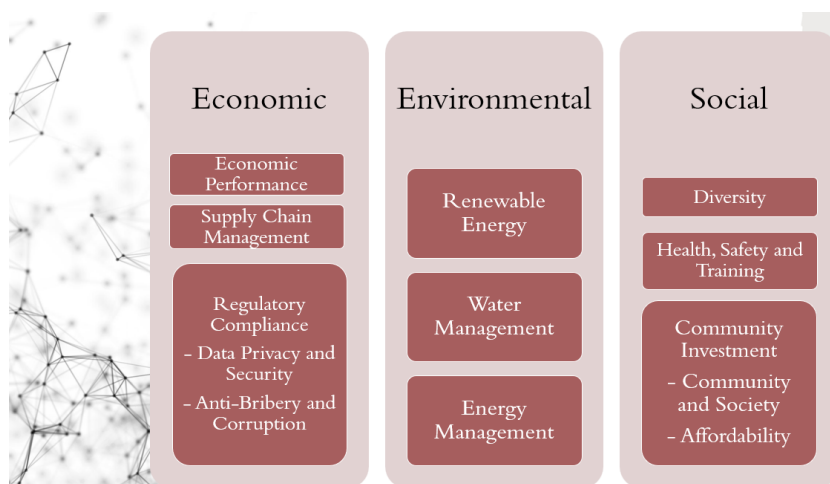
Eksons believes stakeholder engagement is an integral part of developing its sustainability strategy. Stakeholders' opinions help management formulate the direction of our sustainability strategy in critical areas and are conducted continuously. The key stakeholders and engagement platforms are listed below:

STAKEHOLDER GROUP	AREAS OF INTEREST	ENGAGEMENT PLATFORM
Shareholders and investors	<ul style="list-style-type: none"> * Economic performance * Key corporate developments * Regulatory compliance 	<ul style="list-style-type: none"> * Annual / quarterly reports * Announcements on Bursa * Annual general meeting * Corporate website
Customers	<ul style="list-style-type: none"> * Product quality * Pricing * Customer engagement 	<ul style="list-style-type: none"> * Social media * Sales phone line * Corporate and project websites
Government and regulatory authorities	<ul style="list-style-type: none"> * Regulatory compliance * Security and safety issues 	<ul style="list-style-type: none"> * Inspections * Periodic meetings * Emails / letters
Employees	<ul style="list-style-type: none"> * Employee well-being, safety * Career development * Training 	<ul style="list-style-type: none"> * Employee engagement sessions * Emails / letters * Training and briefing sessions
Suppliers	<ul style="list-style-type: none"> * Fair procurement * Product quality * Pricing and supplies * Support local suppliers 	<ul style="list-style-type: none"> * Periodic meetings * Discussion sessions * Site visits
Local communities and public	<ul style="list-style-type: none"> * Product quality * Outreach to community * Ease of access 	<ul style="list-style-type: none"> * Events organised * Corporate and project websites * Local sourcing

Table 1: List of Key Issues for Each Stakeholder Group and How We Interact with Them

MATERIAL ASSESSMENT

Identification and prioritisation of material sustainability matters assist Eksons in focusing its efforts on charting the direction of improving its sustainability endeavours. The materiality identification was conducted by engaging with internal stakeholders, relevant authorities and several external stakeholders (as per Table 1 above) through multiple channels, resulting in the identification of the following material economic, environmental and social matters as below:



SUSTAINABILITY STATEMENT *(cont'd)*

MATERIAL ASSESSMENT *(cont'd)*

Materiality Matrix

The management, with the input of the relevant stakeholders, has categorised and prioritised the sustainability matters as per the matrix as set out below :-

1) Economic

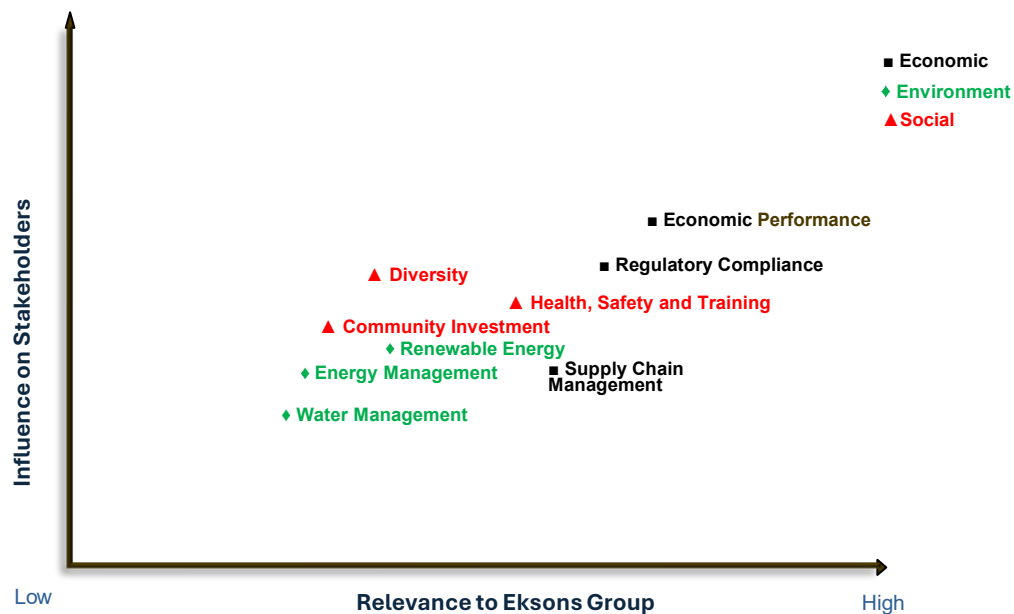
- Economic Performance (1)
- Supply Chain Management (3)
- Regulatory Compliance – (Data Privacy and Security, Anti-Bribery and Corruption) (2)

2) Environmental

- Renewable Energy (5)
- Water Management (9)
- Energy Management (8)

3) Social

- Health, Safety and Training (4)
- Diversity (6)
- Community Investment – (Community and Society, Affordability) (7)



MANAGEMENT OF SUSTAINABILITY MATTERS

ECONOMIC SUSTAINABILITY

Economic Performance

Operating in a volatile global economy due to tariffs imposition and increasing interest rates to curb inflation, coupled with slower global growth due to the geopolitical tensions, the Group holds economic performance as its prime sustainability matter. In order to navigate through these uncertain times, the Group is mindful of the need to ensure that it manages its resources prudently and that it has sufficient liquidity to be deployed in the event opportunities present themselves. In this regard, the Group has as at 31 March 2025, RM 266 million in cash and liquid investments.



The Group is debt free and has for the financial year 2025 registered a loss after tax of RM 15 million.

The Group, being involved in property development, holds eight (8) parcels of converted land in Seremban with a total land size of 67 acres ready for development, with plans being reviewed for development in the near future. This will ensure continuous generation of economic value to the Group.

Supply Chain Management



The Group accepts the need to practice fair procurement in obtaining acceptable product quality for its consumption. Before procurements are made, comparative and competitive quotations are received and a review of the suppliers' reliability in delivery, track record of product quality via previous customer references/reviews and pricing comparison against product or service specifications are made.

The Group's suppliers are mainly local suppliers of raw materials and services, with less than 2% from non-local suppliers of the total operation cost for the Group of RM 42 million. The Group prioritises local suppliers who meet the required standards as the support of local trade and companies will help to enhance the community's economy and promote employment rates.

The Group is unaware of any significant negative impacts that any key supplier may have on labour practices, environmental protection or business ethics.

SUSTAINABILITY STATEMENT *(cont'd)*

MANAGEMENT OF SUSTAINABILITY MATTERS *(cont'd)*

ECONOMIC SUSTAINABILITY *(cont'd)*

Data Privacy and Security

The Group is aware that during the conduct of its businesses, it is expected to limit the collection of personal data and ensure the collection of the data adheres to the laws applicable. The Group's Personal Data Protection Notice is available on its website www.eksons.com.my.



The Group safeguards the data collected via encryption, utilising BitLocker and adopts Advanced Encryption Standard (AES) with 256-bit keys, which is Federal Information Processing Standard (FIPS) 140-2 compliant. The credentials for these data are stored in separate location from the data and content keys.

As at financial year 2025, there has been no substantiated complaints received with regards to breaches of customer privacy and losses of customer data based on the Group's data privacy and security conduct.

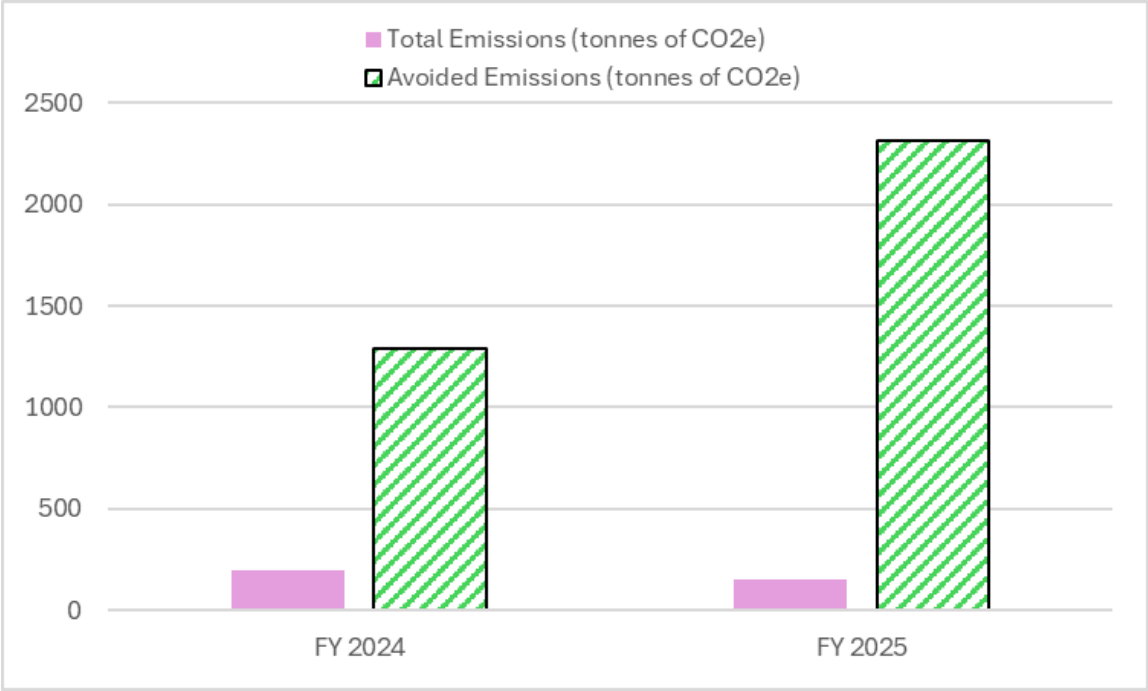
Anti-Bribery and Anti-Corruption



The Group adopts the Anti-Bribery and Anti-Corruption ("ABAC") Policy and the policy is available on the Group's website www.eksons.com.my. This policy is crucial for us to protect the interests of both the business and stakeholders which will lead to trust being built in our business transactions. All employees of the Group have signed and acknowledged the policy and its contents so as to create awareness and application of the policy. This policy is further enforced with the Whistleblowing Policy which is also available on its website.

SUSTAINABILITY STATEMENT (cont'd)

ENVIRONMENTAL SUSTAINABILITY AND RESOURCE EFFICIENCY



Eksons recognises that several of its activities may have an impact on the environment. Consequently, at all plants and development projects, Eksons ensure strict compliance with the environmental laws governing plant and development operations, maintenance in areas relating to environmental standards, emission standards, noise level management and treatment of plant effluents and wastewater.

Based on the Group's environmental footprint data collation, the Group's avoided emissions has surpassed the combined emissions from its assets, energy consumption and its employee's commute and business travel in financial year 2025.

Renewable Energy



Eksons uses its three-megawatt biomass co-generation power plant at our Tawau plywood mill, which uses waste wood chip as feedstock to replace the diesel-powered generators.

To this effect, the power plant generated a total of 2,432,240 kilowatt-hour (FY 2024: 1,357,640 kilowatt-hour) of electrical energy in the financial year, which translates to an equivalent avoided carbon emissions of 2,310 tonnes (FY 2024: 1,290 tonnes).

SUSTAINABILITY STATEMENT *(cont'd)*

ENVIRONMENTAL SUSTAINABILITY AND RESOURCE EFFICIENCY *(cont'd)*

Water Management

Eksons operates with the environment, and we emphasise incorporating green building elements in our development projects. We will continue to incorporate green building elements in future phases to reduce the carbon footprint of our businesses. This will benefit the owners, tenants and patrons as well as future generations.

In this regard, our Affiniti Residence project comes equipped with rainwater harvesting systems, with a total capacity of 42,927 litres of water for recycled use.

Our plywood mill provides for a reverse osmosis water system for purposes of cooling of machineries.



Energy Management



The Group's property developments use energy to power its street lights and lights in the common areas. We have adopted energy-efficient technologies such as Light-Emitting Diode ("LED") lighting, which provides similar amounts of lumens with an average of four times less energy consumed.

Our internal staff are inculcated with the mindset to conserve energy as much as possible by switching off the lights whenever not required and using natural light as much as possible.

SOCIAL SUSTAINABILITY

Employees

People are our core at Eksons. From our investors, employees, customers and business associates, we endeavour to positively impact every person we deal with, via business or otherwise. We would not succeed as a company without the support of these people who are our stakeholders.

SOCIAL SUSTAINABILITY *(cont'd)*

Diversity

Eksons is an equal-opportunity employer that practices non-discrimination and encourages diversity in its work culture and policies. There is no preference for gender or ethnicity and the prime consideration for employment is solely the staff's ability to add value and contribute to the Group.



The diversity of our board of directors as at 31 March 2025 is as follows:

By age :

Indicator	FY 2024	FY 2025
51 to 60	20%	17%
61 to 70	40%	50%
71 to 80	40%	33%

By gender :

Indicator	FY 2024	FY 2025
Male	80%	83%
Female	20%	17%

The overall diversity of our workforce as at 31 March 2025 is as follows:

Indicator	FY 2024	FY 2025
Age Group by Employee Category		
i) Management		
Age above 30 below 40	4%	4%
Age above 40 below 50	5%	4%
Age above 50	10%	11%
ii) Employees		
Age below 30	14%	14%
Age above 30 below 40	22%	16%
Age above 40 below 50	17%	24%
Age above 50	28%	27%
Gender by Employee Category		
i) Management		
Male	19%	20%
Female	0%	0%
ii) Employees		
Male	56%	43%
Female	25%	37%

SUSTAINABILITY STATEMENT *(cont'd)*

SOCIAL SUSTAINABILITY *(cont'd)*

Health, Safety and Training



Safety is our priority, at our mills and our development sites. In the financial year 2025, no workplace accident was reported and no fatality occurred in the financial year 2025.

At the Headquarters, staff are encouraged to participate in fitness activities at mid-week to rejuvenate and improve their health and well-being, while promoting bonding among the staff.

The Group believes in upskilling and reskilling its employees to foster an agile workforce that is able to adapt quickly and thrive in an ever-changing market landscape. Eksons continues to invest in training and development programs for the benefit of its employees.

Indicator	FY 2024	FY 2025
Total hours of training attended by		
i) Top Management	15	50
ii) Senior Management	72	16
iii) Employees	128	211
Total amount incurred in training courses, seminar	RM15,448	RM48,978

Community and Society

While pursuing the financial goals of Eksons, the Group engages in voluntary contributions to enhance the socio-economic benefits to the community. For our Affiniti Residence project, the Group has undertaken, together with a neighbouring developer, to build an access road, which is not strictly mandated in the approved development order. The cost of the access road is approximately RM 1.5 million. This access road will improve access for the residential projects in the vicinity, and not just for our Affiniti Residence. The anticipated completion of this road by 2025/2026 will also alleviate traffic congestion in the area.



Eksons believes sporting and communities activities help promote the health and well-being of the community. In that respect, the Group provides the training and events venue at its commercial development, The Atmosphere Commercial Park, without any charge for pushbike activities, body building events, freeskates training and pound fitness classes, which benefit the local community and the growth of young talents. The venues provided at The Atmosphere Commercial Park are safe, airy and a conducive environment for the conduct of these activities.

SUSTAINABILITY STATEMENT *(cont'd)*

SOCIAL SUSTAINABILITY *(cont'd)*



Affordability

Eksons has also participated in the Selangor state government's Rumah Selangorku scheme, whereby approximately 30% of our residential development units are built according to the scheme to provide affordable housing to the community.

OUR COMMITMENT

As a socially responsible citizen of the business community, Eksons continues to adopt and apply practical economic approaches, environmentally responsible practices, sound social policies and good corporate governance framework to enhance transparency in its corporate disclosure, strengthen its risk management framework and achieve long-term sustainable growth.

OUR SUSTAINABILITY PERFORMANCE REPORT

Indicator	Measurement Unit	FY 2024	FY 2025
Cyber Security and Customer Privacy			
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number of complaints received	0	0
Environmental Footprint			
Total energy consumption	Megawatt	178.12	121.90
Emissions from assets owned/controlled by company	Tonnes of CO2e	-	-
Emissions from electricity/steam/heat/cooling	Tonnes of CO2e	169.21	115.81
Emissions from employee commuting, business travel	Tonnes of CO2e	30.19	37.53
Avoided emissions from biomass plant	Tonnes of CO2e	1,289.59	2,310.32
Anti-Fraud, Bribery and Corruption			
Percentage of employees who have received training on anti-corruption by employee category	Percentage of total staff		
i) Top Management (Directors)		100%	100%
ii) Senior Management		100%	100%
iii) Employees		100%	100%
Diversity			
Age Group by Employee Category	Percentage of total staff		
i) Management			
Age below 30		4%	1%
Age above 30 below 40		5%	2%
Age above 40 below 50		10%	6%
Age above 50			
ii) Employees	Percentage of total staff		
Age below 30		14%	17%
Age above 30 below 40		22%	22%
Age above 40 below 50		17%	35%
Age above 50		28%	17%
Gender by Employee Category			
i) Management	Percentage of total staff		
Male		19%	10%
Female		0%	0%
ii) Employees	Percentage of total staff		
Male		56%	54%
Female		25%	36%

OUR SUSTAINABILITY PERFORMANCE REPORT

(cont'd)

Indicator	Measurement Unit	FY 2024	FY 2025
Workplace Environment			
Number of work-related fatalities	Number of incidents	0	0
Lost time incident rate	Rate	0	0
Number of staff trained on health and safety standards	Percentage of total staff	17%	4%
Number of employee turnover (resignation)	Number of employee(s)		
Male			
Female			
Age below 30			
Age above 30 to 40			
Age above 40 to 50			
Age above 50			
Number of substantiated complaints concerning human right violations	Number of complaints	0	0
Learning and Development			
Total hours of training attended by employee	Number of hours		
i) Top Management (Directors)			
ii) Senior Management			
iii) Employees			
Total amount incurred in training courses, seminars	Amount spent	RM15,448	RM48,978
Community investment			
Total amount invested in the community where beneficiaries are external	Amount incurred	RM4,284	RM1,000
Total number of recipients from the amount invested	Number of recipients	315	105
Supply Chain Management			
Proportion of spending on local suppliers/vendors	Percentage of total expenses	100%	98%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

As the protection and enhancement of shareholder value and the financial performance of Eksons Corporation Berhad and its subsidiary companies (“**the Group**”) forms a fundamental part of the responsibility of the Board of Directors, the Board of Directors (“**Board**”) of Eksons Corporation Berhad (“**Eksons**” or “**Company**”) is committed to ensure that corporate governance is practiced throughout the Group.

The Board is pleased to present the following Corporate Governance Overview Statement (“**CG Statement**”) that describes the extent of how the Group has applied and complied the three (3) principles which are set out in the MCCG during the financial year ended 31 March 2025 (“**FYE 2025**”):-

Principle A: Board leadership and effectiveness;

Principle B: Effective audit and risk management; and

Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

The CG Statement also serves to comply with Paragraph 15.25 of the Main Market Listing Requirements (“**Main LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and is to be read with the Corporate Governance Report (“**CG Report**”) which is available and can be downloaded from the Company’s website at www.eksons.com.my.

In FY 2025, the Group complied with thirty-seven (37) out of the total forty-two (42) recommended practices applicable for non-large Companies under Malaysian Code on Corporate Governance 2021 (“**MCCG**”). The remaining five (5) practices that the Group departed from together with the reasons as well as the alternative practices are summarised below.

Practice	Description
Practice 1.4	The Chairman of the board should not be a member of the Audit Committee (“AC”), Nominating Committee (“NC”) or Remuneration Committee (“RC”)
Practice 5.2	At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.
Practice 5.9	The board comprises at least 30% women directors.
Practice 8.2	The board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.
Practice 13.3	Listed companies should leverage technology to facilitate– <ul style="list-style-type: none"> voting including voting in absentia; and remote shareholders’ participation at general meetings.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

Practice 1.4

Presently, Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain, who is the Non-Independent Non-Executive Chairman of the Company is also the Chairman of RC and a member of the NC and AC of the Company.

The Board acknowledged the Company has departed from the Practice 1.4 of the MCCG 2021. The NC and the Board (save for Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain) assessed that Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain has vast experience, in-depth knowledge and exemplary leadership which adds tremendous value to the effectiveness of the NC, RC and AC and therefore he should remain as the Chairman of RC and member of the NC and AC. In addition, all matters within the NC, RC and AC's purview require the unanimous decision of the Board at the Board level and the NC, RC, AC and the Board were satisfied that there was adequate check and balance during the financial year under review despite the Board Chairman having membership in the NC, RC and AC.

Practice 5.2

The Board currently consists of six (6) members comprising one (1) Non-Independent Non-Executive Chairman, one (1) Executive Deputy Chairman, one (1) Group Managing Director, one (1) Executive director and two (2) Independent Non-Executive Directors. The Board is mindful of the recommendation of MCCG 2021 that at least half of the board should comprise independent directors. The Board will continuously look for additional directors who are independent to fulfil the recommendation of MCCG 2021. during the next Nominating Committee meeting.

Practice 5.9

Currently, the Board has one (1) female Director. The Board does not have a specific policy on setting quotas for female participation on Board. Nevertheless, the Board is committed to provide fair and equal opportunities, through its Nominating Committee, in considering gender diversity to achieve optimum composition of the Board.

Practice 8.2

The Board is of the opinion that the disclosure of the names of Senior Management personnel and the various remuneration components (salaries, bonus, benefit-in-kind, other emoluments) would not be in the best interest of the Group, due to confidentiality and security concerns.

Practice 13.3

The Board recognises the significance of leveraging technology to facilitate remote shareholders' participation and electronic voting for conducting polls on resolutions. The management will explore options to enable remote shareholders' participation at the Annual General Meeting (AGM) when necessary. The 34th AGM was held physically. Hence, the concern of cyber threats was not substantial.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

- 1.1 Every company is headed by a Board, which assumes responsibility for the Company's leadership and is collectively responsible for meeting the objectives and goals of the Company.

The Board is responsible for the proper stewardship of the Group to provide reasonable assurance for the success of the Group in a sustainable manner. The Board is tasked with realization of long term and sustainable shareholders' value and safeguarding the interests of stakeholders through the discharge of the following duties and responsibilities:-

- (a) reviewing and adopting strategic plans for the Group that enhances long-term value;
- (b) overseeing the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- (c) reviewing principal risks and ensuring the implementation of appropriate systems of internal control to manage risks and adoption of relevant mitigation measures;
- (d) reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- (e) reviewing and approving succession planning, including appointing, training, compensating and where appropriate replacing key principal officers;
- (f) ensuring management develop and implement investor's relations programme and shareholder's communication policy for the Group;
- (g) reviewing the adequacy and competency of the Company's Finance Function.

In order to ensure orderly and effective discharge of the above functions and responsibilities of the Board, the Board has established a Board Charter for the Group. The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities. The Board Charter is available on the corporate website at www.eksons.com.my.

- 1.2 The Chairman

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain ("Tan Sri Datuk Amar") is the Non-Independent Non-Executive Chairman of the Board who is able to provide strong leadership, leading the Board objectively and instilling good corporate governance practices. The Chairman is primarily responsible for running the Board and leading discussions thus enhancing effectiveness at the Board level.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Board Responsibilities *(cont'd)*

1.3 Separation of the position of the Chairman and Group Managing Director

The positions of Chairman of the Board and the Group Managing Director are held by two (2) different individuals, each with clearly defined scope of duties and responsibilities. Tan Sri Datuk Amar is the Non-Independent Non-Executive Chairman of the Company while Dato' Philip Chan Hon Keong ("Dato' Philip Chan") is the Group Managing Director. The distinct and separate roles of the Chairman and Group Managing Director promote accountability and facilitate the division of responsibilities between them.

The Non-Independent and Non-Executive Chairman leads the Board in the oversight of management whereas the Managing Director focuses on the day-to-day operations and management of the Group.

The Group Managing Director, with the assistance and support from Key Senior Management, is responsible for the day-to-day management of the Company and the Group, implementing the Board's policies and decisions to achieve the short-term and long-term objectives as well as coordinating the development and implementation of business and corporate strategies.

1.4 Qualified and competent Company Secretary

The key role of the Company Secretary is to provide advice and services for the Directors as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

The Board is supported by suitably qualified and competent Company Secretaries in discharging their roles and responsibilities, and every Board member has unrestricted access to the advice and services of the Company Secretaries in ensuring the effective functioning of the Board. The Company Secretaries ensure compliance of Main LR and related statutory obligations and procedures are followed and any deviation minimised.

The Company Secretaries also ensure that all meetings of the Board and Board Committees are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company.

The Company Secretaries have attended training and seminars conducted by Companies Commission of Malaysia, MAICSA and Bursa Securities to keep abreast with the relevant updates and development of the Main LR, to comply with Capital Markets and Services Act 2007 (Amendment 2012), Companies Act 2016 and to ensure the Company's compliance to the Code.

The Company Secretaries also ensure that there is good information flow within the and between the Board, Board Committees and Key Senior Management. The Company Secretaries are also entrusted to record the Board's deliberations, in terms of issues discussed, and the conclusions and the minutes of the previous Board and Committees meetings are distributed to the Directors before the meetings for their perusal before confirmation of the minutes at the commencement of the next Board and Committees meetings.

The Board has full and unlimited access to the Company Secretaries who are available at all times to provide the Directors with the appropriate advice and services.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

1. Board Responsibilities *(cont'd)*

1.5 Access to information and advice

All members of the Board have full and unrestricted access to any information pertaining to the Company, the advice and services of the Company Secretaries, Key Senior Management and external independent professional advisers may be engaged, where necessary, with approval from the Board or the Board Committees, at the Company's expense to enable the Board to discharge their duties. The agenda and Board papers for consideration are circulated to all Directors prior to the Board meetings to enable the Directors to obtain and access further information and clarification in order to be well informed of the matters before the meetings.

The Board is updated with the new amendments and updates on the regulations from the authorities from time to time as and when occurring by circulation through emails, briefing and hard copy, whichever deemed appropriate and applicable.

Besides, the Board are notified of any corporate announcements released to Bursa Securities and is also kept informed of the requirements and updates issued by the various regulatory authorities through the Company Secretaries.

2. Demarcation of Responsibilities

2.1 Board Charter

In compliance with Practice 2.1 of the MCCG, the Board has established and adopted a Board Charter, which sets out the Board's composition, roles, responsibilities and processes of the Board and ensure all Board members acting on behalf of the Group are aware of their duties and responsibilities as Board members.

The Board Charter has been formalised and will be reviewed and updated periodically in accordance with the needs of the Group and any regulations to ensure that it remains current and relevant. The Board Charter is available on Eksons's corporate website at www.eksons.com.my.

3. Good Business Conduct and Corporate Culture

3.1 Code of Conduct and Ethics

The Code of Conduct and Ethics ("Code") is applied to all employees, customers and vendors. It establishes ethical standards to ensure that the working environment and conditions are safe and healthy, workers are treated with respect and dignity, and business operations are conducted ethically.

The rationale for adopting the Code is to ensure that all business activities are in full compliance with the laws, rules and regulations. If a law of the country conflicts with a rule or policy set out in this Code, affected personnel should comply with the law. Besides, the Code encourages affected personnel to go beyond legal compliance and adopt internationally recognized standards in order to advance business ethics and control.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

3. Good Business Conduct and Corporate Culture *(cont'd)*

3.1 Code of Conduct and Ethics *(cont'd)*

The Group is open to receive input from stakeholders in the continuous development and implementation of the Code to adopt the best practice where possible.

This Code has been adopted and reviewed periodically by the Board. It is made available on the Company's website at www.eksons.com.my.

3.2 Whistleblowing Policy

The Whistleblowing Policy provides an avenue for any Director, officer, employees and members of the public to report concerns about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse and to protect the Whistleblower from detrimental action, to provide for the matters disclosed to be investigated and dealt with as outlined in the Whistleblowing Policy ("WP").

This WP has been adopted and reviewed periodically by the Board. It is made available on the Company's website at www.eksons.com.my.

3.3 Anti-Bribery and Anti-Corruption Policy

In support of ethical business practices, the Board has also adopted a zero-tolerance approach against all forms of bribery and corruption and takes a strong stance against such acts through the adoption of the Group's Anti-Bribery and Anti-Corruption Policy on 1 June 2020 as additional measures to comply fully with the applicable laws and regulatory requirements on anti-bribery and anti-corruption.

Eksons has put in place adequate procedures to prevent corrupt practices, thereby providing the Group with a measure of assurance and defence against liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

The Policy applies to all individuals working for the Group with any of its subsidiaries and affiliates (anywhere in the world) and at all levels and grades. This includes senior managers, officers, directors, employees (whether regular, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home-workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (collectively referred to as "employees" in the Policy).

The Chief Financial Officer in charge of Finance and the Human Resource Departments of the Group of the Company are authorised and directed to issue on behalf of the Company all documents necessary or desirable to further the intent of this Anti-Bribery and Anti-Corruption Policy ("Policy") and do such further things or perform such acts as may be necessary to implement the provisions of this Policy, including but not limited to communicating to the employees its expectation on them to comply with the Policy and that any employees who breach any of the terms of the Policy will face disciplinary action, which could result in dismissal for gross misconduct. The Group reserves its right to terminate a contractual relationship with other employees and other associated persons, as the case may be, if they breach any of the terms and conditions of the Policy.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

3. Good Business Conduct and Corporate Culture *(cont'd)*

3.3 Anti-Bribery and Anti-Corruption Policy *(cont'd)*

The Board will monitor the effectiveness and review the implementation of the Policy, regularly considering its suitability, adequacy and effectiveness. Any improvement identified will be made and incorporated as soon as possible. Internal control systems and procedures will be subject to regular audits to assure that they are effective in countering bribery and corruption.

All employees are responsible for the success of the Policy and should ensure they use it to disclose any suspected danger or wrongdoing. The Policy is made available on the Company's website at www.eksons.com.my as well as being shared via all Group electronic media and the hard copy has been placed at all notice boards and General Office of the Company.

4. Sustainability Risks and Opportunities

4.1 Strategic Management of Material Sustainability Matters

The Board of Directors adopts a sustainability framework, premised upon the evaluation of the economic, environmental and social risk and opportunities coexistent with the Company's corporate governance framework and corporate social responsibilities.

The Board of Directors believes sustainable corporate success requires the highest standard of corporate behaviour including measuring up to the public expectations on economic, environmental and social responsibilities. By applying a good corporate governance framework, environmentally responsible practices and sound social policies, it would enable Eksons Group to achieve sustainable growth and enhance long-term value for its shareholders.

4.2 Sustainability Strategies, Priorities and Targets

The Company recognises that sustainability is pertinent for creating long term value for its business as well as its commitment as a responsible corporate citizen. As such, the Group engages with internal and external stakeholders through various channels to develop a better understanding of their needs and expectations.

In June 2023, the company established a Sustainability Committee to oversee the operations of various business units and support units. The committee comprises members with expertise in financial management, project management, engineering, energy, contracting, and occupational health and safety. The primary focus of the committee is to ensure that sustainability considerations are integrated into the company's activities and decision-making processes.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION

5. Board's Objectivity

5.1 Composition of the Board

The Board currently consists of six (6) members comprising one (1) Non-Independent Non-Executive Chairman, one (1) Executive Deputy Chairman, one (1) Group Managing Director, one (1) Executive Director and two (2) Independent Non-Executive Directors. The Board is led by Tan Sri Datuk Amar, a Non-Independent Non-Executive Chairman, while the executives are led by Dato' Philip Chan, the Group Managing Director. With the Board's composition, the requirement under Paragraph 15.02 of the MMLR of Bursa Securities that at least two (2) Directors or 1/3 of the Board, whichever is higher, must be Independent Directors, is fulfilled. The composition of the Board fairly reflects the interest of major as well as minority shareholders in Eksons. The profile of each Director is set out in the Profile of Directors of this Annual Report.

The Board is supported by various sub-committees (namely Nomination Committee, Remuneration Committee, and Audit Committee) as well as unhindered advice and services, when need arises. The respective Terms of Reference of the said Committees are published on the Company website at www.eksons.com.my

5.2 Tenure of Independent Director

In line with the Code's recommendation and the Constitution of the Company, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years and upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain the Independent Director beyond nine (9) years, the Board will seek annual shareholders' approval through a two-tier voting process in accordance with Practice 5.3 of MCCG.

The Board recognizes the importance of independence and objectivity in its decision-making process.

In order to ensure independent and objective judgment is brought to the Board's deliberation by genuine independence of the independent directors and to ensure conflict of interest or undue influence from interested parties is well taken care of, the Board is committed to ensure the independence of the independent directors are assessed by the NC prior to their appointment based on formal nomination and selection process with the results of the review reported to the Board for consideration and decision.

None of the Independent Directors of Eksons has served more than nine (9) years on the Board as at the date of this CG Statement.

5.3 Policy of Independent Director's Tenure

The Company does not have a policy that limits the tenure of its independent directors to nine (9) years.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

5. Board's Objectivity *(cont'd)*

5.4 Diverse Board and Senior Management

Appointment of Board and Senior Management are based on objective criteria, merit and with due regard for diversity in skills and experience. The Board has in place a set of directors' selection criteria for use in the selection and recruitment process. This set of criteria will be used as a reference by the management for the selection and recruitment of Senior Management of the Group.

5.5 Gender Diversity Policy

The Board does not have a specific policy on setting a quota for female participation on Board. Nevertheless, the Board is committed to providing fair and equal opportunities, through its NC, in considering gender diversity to achieve an optimum composition of the Board. Ms. Hew Mei Ying was appointed to the Board on 1 November 2021 as an Independent Non-Executive Director.

The diversity in the race/ethnicity of the existing Directors is as follows:-

Diversity	Race/Ethnicity				Gender		
	Malay	Chinese	Indian	Total	Male	Female	Total
Number of Directors	2	4	0	6	5	1	6

The existing Directors' age distribution falling within the respective age group is as follows:-

Age Group (Years)	51 - 60	61-70	71 - 80	Total
Number of Directors	1	3	2	6

5.6 New Candidates for Board Appointment

The NC is responsible for identifying, assessing and recommending to the Board suitably qualified candidates for directorship on the Board as well as members of the Board Committees.

The selection criteria of members of the Board are primarily based on the merits of competency, knowledge, experience, expertise, skills, character, integrity and time commitment of the candidates, and taking into consideration the diversity in gender, ethnicity and age guided by the Fit and Proper Policy adopted by the Group.

In identifying suitable candidates, the Board does not solely rely on recommendations from existing Board members, management and major shareholders. It is also open to referrals from external independent sources available, such as industry and professional associations and also independent search firms to identify suitably qualified candidates, when necessary.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

5. Board's Objectivity *(cont'd)*

5.7 Nomination Committee

The NC is tasked by the Board to, amongst others, identify, assess and recommend to the Board suitably qualified candidates for appointment to the Board and Board Committees, re-election and re-appointment of Directors, and review the independence of Independent Directors, considering the Board's succession planning and training programmes as well as performing a formal assessment of the effectiveness of individual Directors and the annual appraisal of the Executive Directors' performance based on the selected performance criteria. In addition, the NC is also tasked to review the required mix of skills, experience and other qualities, including core competencies of the members of the Board.

The NC comprises a majority of Independent Directors and the members of NC are:

Name of Directors	Directorate	Designation
Nik A. Majid Bin Mohd. Kamil	Independent and Non-Executive Director	Chairman
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	Non-Independent and Non-Executive Director	Member
Hew Mei Ying	Independent and Non-Executive Director	Member

The Terms of Reference of the NC will be reviewed and updated by the Board periodically to ensure it remains current and relevant. It is made available on the Company's website at www.eksons.com.my.

The main activities carried out by the NC during the financial year under review include the following:-

- Reviewed and confirmed the Minutes of the NC meeting held in financial year 31 March 2025;
- Evaluated the effectiveness of the Board and the Committees of the Board as a whole;
- Evaluated the contribution and performance of each Director;
- Reviewed the independence of the Independent Directors;
- Reviewed and recommended to the Board on the re-election of the Directors on rotation at the forthcoming annual general meeting of the Company; and
- Reviewed the training programmes attended by the Directors for the FYE 2025 and identified the training needs of the Directors for financial year 2025/2026.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

6 Overall Board Effectiveness

6.1 Annual Evaluation

The Board had on 30 June 2022 adopted the Directors' Fit and Proper Policy Policy") in line with the amendments to the MAIN LR. The Board believes that it is in the best interest of the Company and its stakeholders that its Directors are of the required character, experience, integrity, competence and time to effectively and diligently discharge their responsibilities and duties and contribute to the proper governance of the Company and its subsidiaries. This Policy forms part of the established and approved policy and procedures on nomination and appointment of Director and re-appointment of Director.

The NC upon its recent annual review carried out, is satisfied that the size of the Board is sufficient for the Board to effectively discharge its roles and responsibilities for the benefit of the Company and its business and that there is an appropriate mix of skills and core competencies in the composition of the Board. The NC is satisfied that all the Members of the Board are suitably qualified to hold their positions as Directors of the Company given their respective academic and professional qualifications, experience and qualities. The Directors were evaluated among others on contribution at meetings, objectivity during discussions and decisions.

The NC has also upon its recent annual review carried out, concluded that all the Directors have received relevant updates and training during the FYE 2025 that would serve to enhance their skills to effectively discharge their duties and responsibilities and to participate actively in the Board deliberations.

The Constitution provides that one-third (1/3) of the Board is required to retire at every annual general meeting and be subject to re-election by shareholders and all directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

The NC and the Board had been guided by the said Policy in evaluating and considering the re-election of Mr Tay Hua Sin and Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain as the Directors of the Company ("Retiring Directors") at the forthcoming 35th Annual General Meeting of the Company.

The Retiring Directors had executed the Directors' Fit and Proper Declaration Form.

Upon evaluation, the NC and the Board are satisfied with the declaration made by the Retiring Directors and recommended the re-election of the Retiring Directors to the shareholders for approval at the forthcoming 35th AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

6 Overall Board Effectiveness *(cont'd)*

6.2 Time Commitment of the Board

The Board is satisfied with the time commitment given by the respective Directors in fulfilling their roles and responsibilities. The Board meets quarterly to review its quarterly performance and discuss new strategies. Additional meetings will be called when necessary.

In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, Board approvals are obtained via circular resolutions which are supported with information necessary for an informed decision. To facilitate Directors' planning and time management, an annual meeting calendar is discussed during the Board of Directors Meeting before the beginning of each new financial year.

During the FYE 2025, the Board held five (5) meetings to deliberate and decide on various issues and among others are as follows:

- 1) The Group's financial results and audit plans.
- 2) Vision and strategic decisions.
- 3) Investment and disinvestments.
- 4) Approve significant changes to accounting policies.
- 5) Approve terms of reference of membership of board committee.
- 6) Approve policies developed by the management, establish a framework for effective controls on risks.
- 7) Approve remuneration of the Non-Executive Directors.
- 8) Recommendation for re-election/re-appointment of Directors at annual general meeting and the direction of the Group.
- 9) Approve Corporate Governance Disclosure in Annual Report.
- 10) Review Strategic Plan of the Group.
- 11) Review the adequacy and competency of the Company's Finance Function in respect of Financial Reporting.

The details of the attendance of each member of the Board at the Board Meetings are as follows:

Name of Directors	Attendance of Meetings	Percentage (%)
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	5/5	100
Dato' Philip Chan Hon Keong	5/5	100
Tay Hua Sin	5/5	100
Nik A. Majid Bin Mohd. Kamil	5/5	100
Hew Mei Ying	5/5	100
Sui Uh Hing	4/4	100

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART II - BOARD COMPOSITION (cont'd)

6 Overall Board Effectiveness (cont'd)

6.2 Time Commitment of the Board (cont'd)

The following are the details of the attendance of Board Committees at the Committee Meeting held during the FYE 2025:

(i) Audit Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Hew Mei Ying	Chairperson	5/5	100
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	Member	5/5	100
Nik A.Majid Bin Mohd. Kamil	Member	5/5	100

(ii) Remuneration Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	Chairman	1/1	100
Nik A. Majid Bin Mohd. Kamil	Member	1/1	100
Hew Mei Ying	Member	1/1	100
Tay Hua Sin	Member	1/1	100

(iii) Nomination Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Nik A. Majid Bin Mohd. Kamil	Chairman	1/1	100
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz bin Dato Haji Husain	Member	1/1	100
Hew Mei Ying	Member	1/1	100

Based on the attendance record of the Board and Board Committee meetings above, the Board is satisfied with the time commitment given by the Directors. The Directors' directorship in other listed issuers is disclosed in their respective profiles of this Annual Report. The Directors must notify the Board promptly before accepting an invitation to serve on the board of another public listed company taking into consideration any actual or apparent conflicts of interest and impairments to independence as well as time and energy necessary to satisfy the requirements of Board and Committees memberships in the other public listed company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

6 Overall Board Effectiveness *(cont'd)*

6.3 Assessment of Independent Directors

The Board of Directors assesses the independence of the Independent Directors annually and when new interests or relationships surface between the Independent Directors and the Group. The role of the Independent Directors is important in ensuring that independence of judgement and objectivity is exercised during Board deliberations taking into account the interests of all stakeholders.

The Board is satisfied with the level of independence demonstrated by the Independent Directors and with their different backgrounds and specializations they collectively bring considerable knowledge, judgment and experience which will continue to bring independent and objective judgment to Board deliberations. A brief biography of each Director is presented in their respective profiles of this Annual Report.

6.4 Directors' Training

At the date of this report, all Directors have successfully attended the Mandatory Accreditation Programme ("MAP") as prescribed by Bursa Securities. The Board, through the NC, has undertaken an assessment of the training needs of each director and the Directors will continue to undergo relevant training programmes, seminars, workshops, talks and conferences to keep abreast with new regulatory developments and relevant changes in business environment continuously in compliance with Paragraph 15.08 of the MMLR of Bursa Securities.

Currently, the Directors have attended seminars and training as follows:

Name of Directors	Seminar and Training Programmes	Date
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	18 - 19 June 2025
Tay Hua Sin	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • DBS Wealth Planning Symposium – Navigating the VUCA World • UBS : The Power and Influence of Legacy Planning Seminar • Generative AI – A Crucial Enabler for Robotech Investment Seminar 	9 – 10 April 2025 19 April 2024 19 April 2024 9 May 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART II - BOARD COMPOSITION *(cont'd)*

6 Overall Board Effectiveness *(cont'd)*

6.4 Directors' Training *(cont'd)*

Name of Directors	Seminar and Training Programmes	Date
Dato' Philip Chan Hon Keong	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	18 – 19 November 2024
Sui Uh Hing	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	18 – 19 June 2025
Nik A.Majid Bin Mohd. Kamil	<ul style="list-style-type: none"> Renewable Energy Conference organised by Malayan Banking Berhad Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	25 April 2024 2 – 3 October 2024
Hew Mei Ying	<ul style="list-style-type: none"> Implementation of e-invoicing in Malaysia in Avics Risk Management Workshop by PKF 2025 Economic Outlook by Maybank Mandatory Accreditation Programme E-invoicing for Directors by ICDM 	10 June 2024 18 August 2024 24 October 2024 15-17 February 2025 26 June 2025

The Directors are encouraged to attend other relevant training programmes to enhance the insight of their business, improve their technical knowledge and professionalism in discharging their duties as Directors of the Company. The relevant training, briefing, seminars and conferences, covering topics on governance, risk management, accounting, general management and investor relations were circulated by the management and/or Company Secretaries to the Board members for consideration to keep themselves updated on changes to the legislation and regulation affecting the Group.

Besides, the Directors are updated by the Company Secretaries on any changes to the statutory, corporate and regulatory requirements relating to Directors' duties and responsibilities or the discharge of their duties as Directors as and when they occur. The external auditors also have briefed the Board on the changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

PART III - REMUNERATION

7 Level and Composition of Remuneration

7.1 Remuneration Policy and Procedure ("RPP")

The Group's RPP sets out the procedure of determining the remunerations of directors and senior management which takes into account the competitiveness, adequacy of the remuneration and are in line with current market practices to attract, retain, motivate and reward the Directors and senior management, thereby having sufficient experienced and competent manpower on board to achieve the Company's corporate goals and objectives.

The objectives of this RPP are to ensure that the directors and senior management are offered an appropriate level and composition of remuneration and other benefits by taking into account the Group's desire to attract and retain the right talent and expertise to motivate the directors and senior management to achieve the Group's short-term and long-term business objectives.

The Group's RPP is adopted and will be periodically reviewed by the Board to ensure it remains effective, consistent with the Board's objectives and responsibilities and in line with the relevant laws and legislations. This RPP is made available on the Company's website at www.eksons.com.my.

7.2 Remuneration Committee

The Board as a whole determines the remuneration of the Non-Executive Directors, and each Director abstains from the Board deliberations on his remuneration. The Non-Executive Directors are paid annual fees and attendance allowance for each Board and Board Committee meeting that they attend.

The Remuneration Committee will perform a regular review of the competitiveness of the Directors' remuneration structure and policy to keep itself fully informed of the developments and best practices concerning remuneration, to attract and retain directors of high calibre.

The Remuneration Committee met one (1) time during the financial year ended 31 March 2025 to assess the performance and efficiency of Directors and the remuneration packages of Executive Directors and Senior Management of the Group.

The remuneration package of Non-Executive Directors will be a matter to be decided by the Board as a whole with the Directors concerned abstaining from deliberations and voting on decisions in respect of their remuneration. Fees payable to the Directors are determined by the Board with the approval from shareholders at the annual general meeting.

The members of the current Remuneration Committee are as follows:

Name of Directors	Directorate	Designation
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	Non-Independent and Non-Executive Director	Chairman
Tay Hua Sin	Executive Deputy Chairman	Member
Nik A. Majid Bin Mohd. Kamil	Independent Non-Executive Director	Member
Hew Mei Ying	Independent Non-Executive Director	Member

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART III - REMUNERATION

7 Level and Composition of Remuneration *(cont'd)*

7.2 Remuneration Committee *(cont'd)*

The Terms of Reference of the Remuneration Committee is being reviewed, updated and adopted by the Board during the Board of Directors meeting held during the financial year. It is made available on the Company's website at www.eksons.com.my.

8 Remuneration of Directors and Senior Management

8.1 Directors' remuneration

The Directors' fees paid or payable to each Director of the Company are categorised into appropriate components in respect of the financial year ended 31 March 2025 including the remuneration breakdown of fees, salary, bonus, benefits-in-kind and other emoluments, which are subject to the shareholders' approval at the forthcoming Annual General Meeting and are as follows:

Name of Directors and Directorate	Salaries RM	Fees RM	Audit Committee Fees RM	Sitting Allowance RM	Total RM
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain <i>-Non-Independent and Non-Executive Chairman</i>	-	209,160	9,240	6,000	224,400
Tay Hua Sin <i>-Executive Deputy Chairman</i>	870,000	-	-	-	870,000
Dato' Philip Chan Hon Keong <i>-Group Managing Director</i>	608,130	-	-	-	608,130
Sui Uh Hing <i>-Executive Director</i>	338,000	-	-	-	338,000
Hew Mei Ying <i>-Independent and Non-Executive Director</i>	-	39,600	18,480	6,000	64,080
Nik A.Majid Bin Mohd. Kamil <i>-Independent and Non-Executive Director</i>	-	39,600	9,240	6,000	54,840
	1,816,130	288,360	36,960	18,000	2,159,450

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS *(cont'd)*

PART III - REMUNERATION

8 Remuneration of Directors and Senior Management *(cont'd)*

8.2 Remuneration of Top Five Senior Management *(cont'd)*

The remuneration of the top five Senior Management including salaries, benefit-in-kind and other emoluments for the FYE 2025 disclosed in bands of RM50,000 is as follows:-

Range of Remuneration (RM)	Top Five Senior Management
50,001 - 100,000	2
100,001 – 150,000	2
250,001 - 300,000	1
Total	5

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT COMMITTEE

9 Effective and Independent Audit Committee

9.1 Chairman of Audit Committee

The Chairperson of the Audit Committee is Ms. Hew Mei Ying, an Independent and Non-Executive Director, who is not the Chairman of the Board. The profile of the Chairperson of the Audit Committee is set out in the Profile of Directors of this Annual Report.

9.2 Assessment of suitability and independence of external auditors

The Company maintains a transparent relationship with the external auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

The key features underlying the relationship between the Audit Committee and the external auditors are outlined in the Audit Committee's Terms of Reference made available on the Company's website at www.eksons.com.my whereas a summary of the works of the Audit Committee during the financial year is set out in the Audit Committee Report of this Annual Report.

The external auditors of the Company fulfil an essential role on behalf of the Company in giving an assurance to the shareholders and others, of the reliability of the financial statements of the Company. The external auditors should bring to the attention of the Board, the Audit Committee and the Company's Management any significant deficiency in the Company's systems of reporting, internal control and compliance with approved accounting standards as well as legal and regulatory requirements. The external auditors of the Company are invited to attend at least one meeting of the Audit Committee a year in the absence of the Executive Directors and Management.

During the FYE 2025, there were two (2) sessions during the Audit Committee meeting between the Audit Committee members and the external auditors conducted in the absence of the Executive Directors and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *(cont'd)*

PART I – AUDIT COMMITTEE *(cont'd)*

9 Effective and Independent Audit Committee *(cont'd)*

9.2 Assessment of suitability and independence of external auditors *(cont'd)*

The Audit Committee discusses the nature and scope of the audit, reporting obligations and audit schedule with the external auditors prior to commencement of the audit engagement. It is also the practice of the Audit Committee to respond to auditors' enquiries and recommendations, if any, to ensure compliance with the various approved accounting standards in the preparation of the Group's financial statements.

The Audit Committee is empowered by the Board to review all issues concerning the re-appointment of external auditors. The existing external auditors have expressed their willingness to continue in office and the Audit Committee had undertaken an assessment of the suitability and independence of the external auditors. Having been satisfied with the performance of the external auditors during the assessment, the Audit Committee recommended the re-appointment of the external auditors to the Board, upon which the shareholders' approval will be sought at the forthcoming 35th AGM.

The external auditors have confirmed to the Board that they are, and have been, independent throughout the conduct of audit engagement in accordance with the terms of relevant professional and regulatory requirements. The Board has received a written declaration from the external auditors of their independence throughout the term of their engagement in accordance with the terms of the relevant professional and regulatory requirements including the by-laws of the Malaysian Institute of Accountants.

The Audit Committee and the Board will consider a policy governing the circumstances under which contracts for the provision of non-audit services could be entered into by the external auditors.

To further enhance the process of external auditors' assessment, the Audit Committee is looking into formalising an External Auditors Assessment Policy to be reviewed, deliberated and recommended to the Board for approval.

9.3 Composition of Audit Committee

The Audit Committee comprises majority Independent Directors and the composition and activities carried out by the Audit Committee during the financial year under review are set out in the Audit Committee Report of this Annual Report.

The members of the Audit Committee are as follows:

Name of Director	Designation	Directorship
Hew Mei Ying	Chairperson	Independent Non-Executive Director
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	Member	Non-Independent Non-Executive Chairman
Nik A.Majid Bin Mohd. Kamil	Member	Independent Non-Executive Director

The members of the Audit Committee possess a variety of industry-specific knowledge and technical as well as commercial experiences and bring to bear objective and independent judgment in discharging their duties. All members of the Committee are financially literate and can understand matters under the purview of the Audit Committee including the financial reporting processes of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT *(cont'd)*

PART I – AUDIT COMMITTEE *(cont'd)*

9 Effective and Independent Audit Committee *(cont'd)*

9.3 Composition of Audit Committee *(cont'd)*

During the FYE 2025, the members of the Audit Committee have undergone various training programs, seminars, workshops and conferences to keep themselves updated with new regulatory developments and changes affecting the Group of which are detailed in Item 6.4 – Directors' Training of this statement.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10 Effective Risk Management and Internal Control Framework

The Board of Directors acknowledges its responsibility for the Group's system of internal controls, which is designed to identify and manage the risks facing the business in pursuit of its objectives. The system of internal control covers risk management and financial, organizational and compliance controls to safeguard shareholders' investments and the Group's assets. This system can only provide reasonable but not absolute assurance against misstatement or loss.

The Board undertakes ongoing reviews of the key commercial and financial risks facing the Group's businesses together with more general risks such as those relating to compliance with laws and regulations. The monitoring arrangements in place give reasonable assurance that the structure of controls and operations are appropriate to the Company's and the Group's situation and that there is an acceptable level of risk throughout the Group's businesses.

The Company's Statement on Risk Management and Internal Control is presented in this Annual Report.

11 Effective Governance, Risk Management and Internal Control Framework

The Board acknowledged that the overall responsibility in maintaining a sound risk management framework and system of internal control that provides reasonable assurance of effective and efficient operations and compliance with the internal procedures and guidelines lies with the Board.

The outsourced internal audit function provides the Audit Committee with periodic internal audit reports outlining the observations and recommendations to accomplish its goals by bringing an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

Axcelasia Sdn. Bhd. (Formerly Known As Tricor Axcelasia Sdn. Bhd.) was appointed to conduct the outsourced internal audit function. The Audit Committee assessed the scope of work to be conducted and reviewed their area of competency, resources and independence in discharging their duties of internal audit function of the Group. A review was carried out by the Audit Committee on the performance of the outsourced internal audit function of the Group and was assessed to be satisfactory. The Board takes comfort that the outsourced internal auditors have the necessary competency, experience and resources to function effectively and that the outsourced internal audit function is independent of the management of the Group.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT *(cont'd)*

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK *(cont'd)*

11 Effective Governance, Risk Management and Internal Control Framework *(cont'd)*

Further details of the Group's risk management and internal control framework is provided in the Statement on Risk Management and Internal Control and Audit Committee Report set out in this Annual Report.

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

PART I – COMMUNICATION WITH STAKEHOLDERS

12 Continuous Communication between the Company and Stakeholders

The Board recognises the importance to promote and maintain market integrity and investor confidence, and to build good investor relations, the Group has taken the initiative in setting up a framework that is in line with the Corporate Disclosure Policy to ensure proper dissemination and disclosure of information to the investing public. This framework will ensure that the Group provide access to material information in an accurate, clear, timely and complete manner and to avoid selective disclosure.

The Group maintains its corporate website at www.eksons.com.my for shareholders the public to access information relating to its businesses, financial performance, operations and corporate development through annual reports, quarterly reports, circulars and various announcements in a timely manner. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email or by phone. Primary contact details are set out on the Company's website.

Written communications are attended to within a reasonable time from the day of receipt.

PART II – CONDUCT OF GENERAL MEETINGS

13 Encourage Shareholders' Participation at General Meetings

The Board of Directors acknowledges the need for shareholders to be informed of all material business matters affecting the Company. This is achieved through the various announcements made during the year to Bursa Securities, the timely release of financial results on a quarterly basis and the Company's Annual General Meeting. The notice of the AGM had been given to the shareholders at least 28 days before the meeting to provide sufficient time for shareholders to consider the resolutions that will be discussed and decided at the meeting.

The Annual General Meeting and the Extraordinary General Meeting(s) are the main forum by which the Company provides the opportunity for dialogue between itself, its auditors and the shareholders. Ample time is given for question and answer sessions and for suggestions and comments by shareholders to be noted by management for consideration at the Company's general meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT *(cont'd)*

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS *(cont'd)*

PART II – CONDUCT OF GENERAL MEETINGS *(cont'd)*

13 Encourage Shareholders' Participation at General Meetings *(cont'd)*

All Directors with the exception of Mr Tay Hua Sin, attended the Thirty-Fourth ("34th") AGM held on 19 September 2024 to engage with shareholders and proxies proactively. The 34th AGM included an avenue for questions by and answers to shareholders and proxies. The Chairman of the AGM had invited shareholders and proxies to raise their questions on the Company's financial statements and other items for approval at the said AGM.

The Chairman of the AGM ensured that sufficient opportunities were given to shareholders and proxies to raise questions relating to the affairs of the Company and that adequate responses were given.

The Company had conducted its 34th AGM with voting on all resolutions at the 34th AGM held on 19 September 2024. The results of the votes were scrutinised by an independent scrutineer and announced by the Company to the Bursa Securities on the same day.

The Board is satisfied with the current Annual General Meeting programme and there have been no major controversial issues noted with shareholders/investors during the Annual General Meeting.

KEY FOCUS AREAS AND FUTURE PRIORITIES

Looking ahead to financial year ending 2026, the Board and its respective Board Committees will:-

- o Deepen the integration of sustainability into the Company's strategy, operations, and decision-making processes, with a focus on environmental stewardship, social responsibility, and ethical governance.
- o Drive better utilisation of assets by enhancing operational efficiency, maximising the value of existing resources, reducing waste, and exploring innovative ways to repurpose underutilised assets to support long-term business growth and resilience.
- o Explore opportunities in businesses and projects that align with the Company's long-term strategic goals, focusing on ventures that drive growth, enhance operational efficiency, and deliver value to stakeholders.

CONCLUSION

The Board is satisfied that for the FYE 2025, it complies substantially with recommendations of the Practices of the MCCG 2021. This CG Overview Statement and the CG Report are made in accordance with the Resolution of the Board of Directors passed on 17 July 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Paragraph 15.26(b) of the Main Market Listing Requirements (“Main LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) requires the Board of Directors (“the Board”) of public listed companies to include in the Annual Report a “statement about the state of risk management and internal control of the listed corporation as a group”. The Board is committed to maintaining a sound system of risk management and internal control in the Group and is pleased to provide the following statement, which outlines the nature and scope of risk management and internal control of the Group during the year.

BOARD RESPONSIBILITY

The Board is responsible for Eksons Group’s risk management and system of internal control including the establishment of an appropriate governance framework and control environment as well as reviewing its adequacy and effectiveness. The Board has established key policies on the Group’s risk management practices and internal control system, which not only cover financial controls but organisational, operational, and compliance controls. Because of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate, the risk of failure to achieve corporate objectives. Thus, it can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is an on-going process for identifying, evaluating, and managing significant risks faced by the Group. The Board through its Audit Committee regularly reviews the results of this process. The Board confirms that this process is in place for the year under review and up to the date of approval of this statement for inclusion in the annual report and that it accords with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (the “Internal Control Guidelines”).

The Management assists the Board in the implementation of the Board’s policies and procedures on risk and control by identifying and assessing the significant risks faced and applying and monitoring appropriate internal controls to mitigate and manage these risks.

The Board has received assurance from the Group Managing Director and Chief Financial Officer that, to the best of their knowledge, the Group’s risk management and internal control system operate adequately and effectively, in all material aspects, based on risk management and system of internal control of the Group.

This Statement of Risk Management and Internal Control is made in accordance with the resolution given by the Board of Directors on 17 July 2025.

RISK MANAGEMENT FRAMEWORK

The Board fully supports the contents of the Internal Control Guidelines. During the financial year, the Board reviewed and updated the financial position and turnaround plan reporting to identify the nature and extent of business and execution risks faced by the Group. The reporting involves due and careful inquiry by the Board with staff at both management and operational levels, to identify significant opportunities and risks, the potential risks of the plans are being identified, evaluated, and proposed to be managed at each level of the Company.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

RISK MANAGEMENT FRAMEWORK *(cont'd)*

Through the reporting exercise, the Board has identified and evaluated the plans that may affect the achievement of the Group's business objectives. In tandem, the measures to identify and monitor business opportunities and risks were also identified. Following these turnaround plans, the Board has taken the necessary steps to review, monitor progress and if required, implement controls over these plan risks.

The Audit Committee monitors and reviews the adequacy and integrity of the system of internal control. Emphasis is placed on reviewing and updating the significant risks affecting the business and business continuity and policies and procedures by which these risks are managed, and to determine whether these risks are within the Group's risk appetite.

The Board undertakes a review of key commercial and financial risks in the Group's businesses as well as general risks such as those relating to compliance with laws and regulations and considers the recommendations made by the Audit Committee and the auditors. The monitoring arrangements in place give reasonable assurance that the structure of controls and operations is appropriate to the Group.

INTERNAL AUDIT FUNCTIONS

The Group has in place an internal audit function, which provides the Board with much of the assurance it requires regarding the adequacy and effectiveness of risk management, internal control, and governance systems. This function was outsourced to Axcelasia Sdn. Bhd. (Formerly Known As Tricor Axcelasia Sdn. Bhd.), an independent professional firm.

The internal auditors independently review the internal controls on the key activities of the Group's businesses and present an annual internal audit plan to the Audit Committee for prior approval before carrying out the review and audit. The internal audit function adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of the major business units of the Group.

The Audit Committee reviews the results of the risk monitoring and compliance procedure and ensures that an appropriate mix of techniques is used to obtain the level of assurance required by the Board. The Audit Committee considers reports from internal auditors and the Management, before reporting and making recommendations to the Board in strengthening risk management, internal control, and governance systems. The Committee presents its findings to the Board on a quarterly basis or earlier as appropriate.

INTERNAL CONTROL SYSTEM

The Board recognises the need for continuous improvement to its system of internal control and has taken steps to formalise and enhance the Group's procedures and processes. This includes analysis reporting, identification of authorisation limits with clear lines of accountability and responsibility, steps to formalise Group policies and guidelines and enhance management information systems.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

INTERNAL CONTROL SYSTEM *(cont'd)*

Broadly, the Group's internal control system includes the following key elements:-

- a) organisational structures with authority limits and responsibilities;
- b) defined functions and responsibilities of committees of the Board;
- c) establishment of a system of governance through Whistle Blowing Policy, Anti-Bribery and Anti-Corruption Policy, Remuneration Policy for Directors and Management and Board Charter;
- d) documented internal policies and procedures which are the subject to regular review and improvement;
- e) review of material contracts and related party transactions, if any;
- f) regular and comprehensive information provided to the Management, covering both financial and non-financial performance and key business indicators; and
- g) regular visits to operating units by Board members and senior management.

As part of a continuing process, the Group will be reviewing and updating the methodologies and documentation of procedures through internal discussions as well as recommendations from Internal and External Auditors where applicable.

OTHER RISK AND CONTROL PROCESSES

Scheduled meetings are held at operational and management levels to identify, discuss and resolve business and operational issues. These include management meetings at the individual company level and departmental meetings. The Executive Directors are aware of and involved when necessary in resolving any significant issues identified at these meetings. The Group is structured such that the heads of each operating unit have clear reporting lines. The Board has established and formalised clear authorisation limits to management's authority for key aspects of the businesses.

The Group Managing Director also reports to the Board on significant changes in the business and the external environment. The Chief Financial Officer in charge of finance provides the Board with financial information on a quarterly basis. This also includes, among others, information on performance, outlook, and management action to address changes in the operating environment and other operating issues that may arise, where necessary. Where areas for improvement in the system are identified, the Board considers the recommendations made by the Audit Committee and the Management before approving the same for implementation.

THE BOARD'S COMMITMENT

The Board remains committed towards maintaining a sound system of risk management and internal control and believes that a balanced achievement of the Group's business objectives and operational efficiency can be attained.

The Board is not aware of any material losses incurred during the current financial year as a result of weaknesses in internal control.

The process of identifying, evaluating, and managing the significant risks faced by the Group is on-going as part of a continuous improvement programme.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL *(cont'd)*

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Main LR, the external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report ("AAPG 3") issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 March 2025, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects: has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

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

THE AUDIT COMMITTEE REPORT

The Board of Directors for Eksons Corporation Berhad (“Eksons” or “Company”) is pleased to present the Audit Committee (“AC”) Report for the financial year ended 31 March 2025 pursuant to Paragraph 15.15(1) of the Main LR of Bursa Securities and the MCCG 2021.

MEMBERS

The AC consists of three (3) members, majority of whom are Independent-Non Executive Directors. The current composition of the AC is as follows:-

Chairperson	- Hew Mei Ying (Independent Non-Executive Director)
Members	- Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain (Non-Independent Non-Executive Director) - Nik A. Majid Bin Mohd. Kamil (Independent Non-Executive Director)

The AC is chaired by Ms. Hew Mei Ying, a Chartered Accountant of the Malaysia Institution of Accountants (“MIA”) which fulfils the requirement under Paragraph 15.09(c)(i) of the Main LR of Bursa Securities, who is independent and possesses the necessary skills, capabilities and attributes to ensure that all Audit Committee meetings are efficiently conducted by fostering open discussions with all members of the AC on the agenda items during meetings so as to facilitate thorough consideration of all subject matters presented to the AC.

The Nomination Committee had on 20 February 2025, reviewed the term of office and performance of the AC as well as whether its members have carried out their duties in accordance with the Terms of Reference of AC for the FYE 2025. Upon review, the NC was satisfied with the overall performance of the AC and the members of the AC satisfied the test of independence under the Main LR and also met the requirements of the MCCG.

No alternate Director of the Board was appointed as member of the AC. Neither any of the AC members was previously a partner in the incumbent External Auditors, Messrs. Crowe Malaysia PLT in the previous three (3) years. Also, none of the AC members hold any financial interest in Messrs. Crowe Malaysia PLT.

ATTENDANCE OF MEETINGS

During the financial year ended 31 March 2025, the AC held a total of five (5) meetings. The details of attendance of the AC members are as follows:-

Members	Attendance
Hew Mei Ying	5/5
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	5/5
Nik A. Majid Bin Mohd. Kamil	5/5

The External Auditors had attended five (5) AC meetings held in FY2025. The External Auditors were encouraged to raise with the AC any matters they considered important to bring to the AC’s attention. For FY2025, two (2) private sessions were held between the AC and External Auditors without the presence of the Executive Board Members and Management staff.

THE AUDIT COMMITTEE REPORT

TERMS OF REFERENCE

The Term of Reference for the AC is available at the company's website, www.eksons.com.my.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The AC carried out the following activities during the financial year ended 31 March 2025:-

1. FINANCIAL REPORTING

The Audit Committee reviewed the unaudited quarterly financial results at its quarterly meeting and made recommendations to the Board of Directors for approval of the same as follows:-

DATE OF MEETING	REVIEW OF FINANCIAL STATEMENT
24 May 2024	Fourth-quarter results for the financial year ended 31 March 2024.
18 July 2024	Audited Financial Statements for the financial year ended 31 March 2024.
22 August 2024	First-quarter results for the financial year ended 31 March 2025.
21 November 2024	Second-quarter results for the financial year 31 March 2025.
20 February 2025	Third-quarter results for the financial year ended 31 March 2025.

The above review was focused particularly on significant changes in or implementation of accounting policies and practices, significant adjustments arising from the audit, if any, the going concern assumptions, significant and unusual events, compliance with the financial reporting standards and other statutory requirements to ensure that the financial statements presented a true and fair view of the company's financial performance.

2. INTERNAL AUDIT

- (a) Reviewed the internal audit reports presented by the internal auditors at the quarterly AC meetings to ensure that appropriate actions had been taken to implement the audit recommendations;
- (b) Reviewed and approved the risk-based audit plan to ensure adequate scope and comprehensive coverage over the activities of the Group and adequate resources within the internal audit team to carry out audit works;
- (c) Reviewed and monitored the scope functions and competency of internal audit functions, considered various internal audit findings and recommendations to improve internal controls and operational efficiencies; and
- (d) Monitored management's implementation of recommended mitigating action plans the Internal Auditors to ensure key risks are being addressed.

THE AUDIT COMMITTEE REPORT *(cont'd)*

3. EXTERNAL AUDIT

The Audit Committee reviewed the following, together with the External Auditor, prior to recommending the same to the Board of the Group for approval:-

- a) Reviewed the Audit Planning Memorandum on the audit strategy, approach, and audit scope presented by the External Auditors prior to the commencement of the annual audit and other audit issues and recommendations raised by them from the audit;
- b) Reviewed the Audited Financial Statements presented by the External Auditors, audit findings, disclosures, critical areas relating to the audit, the representation letter issued, and management responses arising from the audit before recommending to the Board for adoption;
- c) Reviewed the proposed audit fees for FY 2025 before recommending them to the Board for approval after considering the audit process and approach, the engagement team's credentials and experience, and their ability to provide valuable advice and perform the audit work within the Group's timeline
- d) Discussions were held on 18 July 2024 and 20 February 2025, with the External Auditors in the absence of the Executive Directors and Management to discuss on areas of audit emphasis, issues that may have arisen from the audit and co-operation received from Management during the course of the audit.

The AC is satisfied with Messrs. Crowe Malaysia PLT's suitability, objectivity and independence, in relation to their competency, audit quality and resource capacity in performing the audit of the Group and recommended their re-appointment to the Board and will table the re-appointment of the External Auditors at the upcoming Annual General Meeting. The annual assessment was performed by the AC and the External Auditors have reconfirmed to the AC their independence in carrying out the audit for the financial statements of the Group for the FYE2025.

The AC is satisfied that the FY2025 audit fees amounting to RM146,700 (FY2024:RM163,000 and non audit fees of RM5,000 (FY2024:RM5,000) paid or payable by the Group to Messrs. Crowe Malaysia PLT are appropriate to support a quality audit.

4. RISK MANAGEMENT

- (a) Reviewed the Group's financial position and turnaround plan and made recommendations to the Board of Directors; and
- (b) Reviewed the Group's accounting system needs, readiness of e-invoice system implementation and presented it to the Board of Directors.
- (c) The Group has in place a Whistleblower Policy providing a mechanism to report concerns on any suspected misconduct, wrongdoing, corruption, or fraud.
- (d) The Group adopted a zero-tolerance policy against all forms of bribery and corruption via its Anti-Bribery and Anti-Corruption Policy.

5. RELATED PARTY TRANSACTIONS

Reviewed and monitored the Group's Related Parties Transactions and Recurrent Related Parties Transaction of a Revenue or Trading Nature for the financial year on a quarterly basis to ensure compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;

6. OVERSIGHT OF POTENTIAL CONFLICT OF INTEREST SITUATION

Reviewed and assessed the potential conflict of interest situations that arose within the Group, and the measure has been taken to mitigate conflict of interest situation. There was no potential conflict of interest situation reported during the financial year.

7. ANNUAL REPORTING

Reviewed and recommended to the Board of Directors for approval the Audit Committee Report, Statement on Risk Management and Internal Control for inclusion in the Annual Report.

THE INTERNAL AUDIT FUNCTION AND SUMMARY OF ITS ACTIVITIES

The internal audit function of the Group is outsourced to an independent professional firm, Axcelasia Sdn. Bhd. (Formerly Known As Tricor Axcelasia Sdn. Bhd.). The Group Internal Auditors' scope of work includes the review and evaluation of the adequacy and effectiveness of the internal control systems and to recommend improvements if any. The Internal Auditors also assess:-

- (a) The Group's compliance with its established policies, procedures, and guidelines;
- (b) Reliability and integrity of financial and operational information;
- (c) Safeguarding of assets;
- (d) Operational effectiveness and efficiency;
- (e) Recommending improvements to the existing systems of internal control; and
- (f) Recommending improvements to operational effectiveness and efficiencies.

The internal audit reports are discussed with management and relevant plans of action are agreed upon and implemented. Significant internal audit findings are presented to the AC for consideration and reporting to the Board of Directors.

The key audit areas covered by the internal audit for the FY 2025 are :

- i) Car Park Operation Management
- ii) Billing and Credit Control Function
- iii) Information Technology General Controls
- iv) Human Resource Management

In addition, the internal auditors also provide the necessary assistance and manpower for any special assignments or investigations, which the management may request from time to time, with the approval of the AC.

The fee incurred for FY 2025 in relation to the outsourced internal audit functions was RM 52,000 exclusive of service tax and out-of-pocket expenses.

This AC Report was approved by the Board of Directors on 17 July 2025.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Main Market Listing Requirements of Bursa Malaysia Securities Berhad, paragraph 15.26 (a), requires the Directors to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Board is responsible to ensure that the financial statements are properly drawn up in accordance with the Approved Accounting Standards and the provisions of the Companies Act 2016 in Malaysia, so as to give a true and fair view of the state of affairs of the Group and of the Company as at the financial year end, and of the results and cash flows of the Group and of the Company for the financial year then ended.

The Directors are satisfied that in preparing the financial statements of the Group and of the Company, they have adopted and consistently applied the appropriate accounting policies, made reasonable and prudent judgments and estimates, and that all applicable Approved Accounting Standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Company maintains adequate accounting records and sufficient internal controls to safeguard the assets of the Group and the Company.

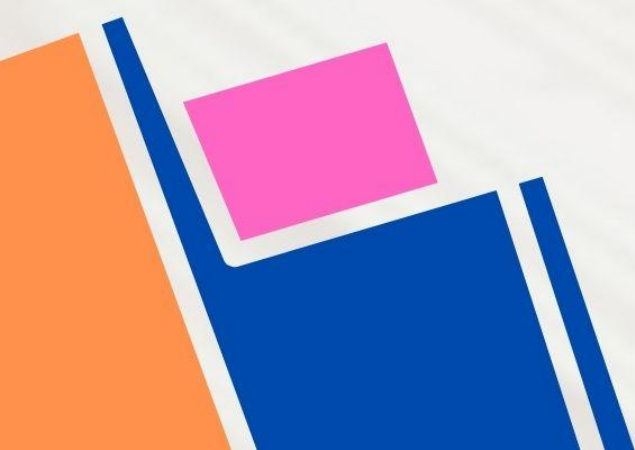
This Statement of Directors' Responsibility was approved by the Board of Directors on 17 July 2025.



FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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DIRECTORS' REPORT

for financial year ended 31 March 2025

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding. The principal activities of the subsidiaries are set out in Note 17 to the financial statements.

RESULTS

	The Group RM	The Company RM
Loss after taxation for the financial year	(15,054,136)	(15,327,490)
Attributable to:-		
Owners of the Company	(15,287,386)	(15,327,490)
Non-controlling interests	233,250	-
	(15,054,136)	(15,327,490)

DIVIDEND

A single-tier interim dividend of 2.5 sen per ordinary share was announced by the Company on 7 June 2024 in respect of the financial year 31 March 2025, amounting to RM4,036,991 was paid on 9 July 2024.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

TREASURY SHARES

There were no purchase or sale of treasury shares during the financial year. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

As at 31 March 2025, the Company held a total of 2,733,334 treasury shares out of the total of 164,213,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM 3,355,903.

The details on the treasury shares are disclosed in Note 25 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain
Tay Hua Sin
Dato' Philip Chan Hon Keong
Nik A. Majid Bin Mohd. Kamil
Hew Mei Ying
Sui Uh Hing (Appointed on 7 June 2024)

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Dato' Sri Faizal Bin Abdul Aziz
Choong Soo Onn
Tan Meng Seng
Sui Uh Hing

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	< ----- Number of Ordinary Shares ----- >			
	At 1.4.2024	Bought	Sold	At 31.3.2025
The Company				
<i>Direct Interests</i>				
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	1,102,314	-	-	1,102,314
Tay Hua Sin	11,241,119	1,071,055	-	12,312,174
Dato' Philip Chan Hon Keong	351,200	-	-	351,200
Sui Uh Hing	103,727	-	-	103,727
<i>Indirect Interest</i>				
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain*	20,467,383	-	-	20,467,383
Tay Hua Sin^	66,251,960	-	-	66,251,960

* Deemed interest by virtue of Section 8 and 197 of the Companies Act 2016 through Serira Sdn. Bhd. and through his children.

^ Deemed interest by virtue of Section 8 of the Companies Act 2016 through Darujasa Sdn. Bhd. and Kesturi Suria Sdn. Bhd.

By virtue of their shareholdings in the Company, Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain and Tay Hua Sin are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 32(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
Fees	324,360	145,200
Salaries and other emoluments	1,908,653	664,366
Contributions to defined contribution plan	118,119	72,978
	<u>2,351,132</u>	<u>882,544</u>

INDEMNITY AND INSURANCE COST

During the financial year, the total amounts of indemnity coverage and insurance premium paid for the directors and certain officers of the Company were RM5,000,000 and RM19,965 respectively.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 17 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

DIRECTORS' REPORT

for financial year ended 31 March 2025 (cont'd)

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	146,700	55,000
Non-audit fees	5,000	5,000
	<hr/> 151,700	<hr/> 60,000

Signed in accordance with a resolution of the directors dated 17 July 2025.

Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain

Dato' Philip Chan Hon Keong

STATEMENT BY DIRECTORS and STATUTORY DECLARATION

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain and Dato' Philip Chan Hon Keong, being two of the directors of Eksons Corporation Berhad, state that, in the opinion of the directors, the financial statements set out on pages 69 to 155 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 17 July 2025.

**Tan Sri Datuk Amar (Dr) Haji Abdul Aziz
Bin Dato Haji Husain**

Dato' Philip Chan Hon Keong

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Lim Fung Sern, MIA Membership Number: 21288, being the officer primarily responsible for the financial management of Eksons Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 69 to 155 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lim Fung Sern
at Kuala Lumpur
in the Federal Territory
on this

Lim Fung Sern

Before me

**Shaiful Hilmi Bin Halim (No. W-804)
Commissioner of Oaths
Kuala Lumpur**

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EKSONS CORPORATION BERHAD

(Incorporated in Malaysia)

Registration No: 199001014145 (205814 - V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Eksons Corporation Berhad, which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, comprising material accounting policy information and other explanatory information, as set out on pages 69 to 155.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

INDEPENDENT AUDITORS' REPORT *(cont'd)*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EKSONS CORPORATION BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 199001014145 (205814 - V)

Key Audit Matters

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

We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT *(cont'd)*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EKSONS CORPORATION BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 199001014145 (205814 - V)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT *(cont'd)*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EKSONS CORPORATION BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 199001014145 (205814 - V)

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Kuala Lumpur
17 July 2025

Gerald Lau Beng Tong
03523/08/2026 J
Chartered Accountant

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for financial year ended 31 March 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	5	10,379,412	24,469,131	-	14,900,000
COST OF SALES	6	(9,362,821)	(24,114,576)	-	-
GROSS PROFIT		1,016,591	354,555	-	14,900,000
INTEREST INCOME		8,037,873	8,421,914	7,192,321	8,135,508
OTHER INCOME	7	8,381,654	23,506,073	6,097,231	21,868,556
ADMINISTRATIVE EXPENSES		(12,606,124)	(12,529,006)	(4,317,876)	(3,974,399)
MARKETING AND DISTRIBUTION EXPENSES		(432,337)	(1,181,007)	-	-
OTHER EXPENSES		(19,311,569)	(2,606,457)	(24,656,007)	(12,687,380)
INTEREST EXPENSES		(4,635)	(93,117)	-	-
NET (IMPAIRMENT LOSSES)/ REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	8	-	(1,596,470)	373,582	12,903,521
(LOSS)/PROFIT BEFORE TAXATION	9	(14,918,547)	14,276,485	(15,310,749)	41,145,806
INCOME TAX (EXPENSE)/CREDIT	12	(135,589)	24,853	(16,741)	28,378
(LOSS)/PROFIT AFTER TAXATION/TOTAL COMPREHENSIVE (EXPENSES)/INCOME FOR THE FINANCIAL YEAR		(15,054,136)	14,301,338	(15,327,490)	41,174,184

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for financial year ended 31 March 2025 (cont'd)

	Note	The Group 2025 RM	2024 RM	The Company 2025 RM	2024 RM
(LOSS)/PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		(15,287,386)	15,196,749	(15,327,490)	41,174,184
Non-controlling interests		233,250	(895,411)	-	-
		<u>(15,054,136)</u>	<u>14,301,338</u>	<u>(15,327,490)</u>	<u>41,174,184</u>
TOTAL COMPREHENSIVE (EXPENSES)/INCOME ATTRIBUTABLE TO:-					
Owners of the Company		(15,287,386)	15,196,749	(15,327,490)	41,174,184
Non-controlling interests		233,250	(895,411)	-	-
		<u>(15,054,136)</u>	<u>14,301,338</u>	<u>(15,327,490)</u>	<u>41,174,184</u>
(LOSS)/EARNINGS PER SHARE (SEN)					
- Basic	13	(9)	9		
- Diluted	13	(9)	9		

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	14	18,127,387	20,394,791	2,489,492	2,580,939
Land held for property development	15	17,296,968	17,296,968	-	-
Investment properties	16	11,585,187	11,964,586	-	-
Investments in subsidiaries	17	-	-	107,454,145	117,385,327
Investment securities	19	15,483,024		15,483,024	
Goodwill	20	-	-	-	-
Trade and other receivables	21	400,284	824,492	-	-
		<u>62,892,850</u>	<u>50,480,837</u>	<u>125,426,661</u>	<u>119,966,266</u>
CURRENT ASSETS					
Inventories	22	60,321,101	73,956,109	-	-
Trade and other receivables	21	6,849,916	9,038,978	4,830,740	4,620,290
Other current assets	23	179,445	245,225	29,820	31,161
Current tax assets		933,380	857,835	140,836	35,904
Investment securities	19	246,435,216	260,404,313	228,564,312	252,683,522
Fixed deposits with licensed banks	24	11,843,350	13,063,554	544,057	2,056,968
Cash and bank balances	24	7,342,141	10,276,275	593,575	98,502
		<u>333,904,549</u>	<u>367,842,289</u>	<u>234,703,340</u>	<u>259,526,347</u>
TOTAL ASSETS		<u>396,797,399</u>	<u>418,323,126</u>	<u>360,130,001</u>	<u>379,492,613</u>

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2025 (cont'd)

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	25	131,370,400	131,370,400	131,370,400	131,370,400
Treasury shares	25	(3,355,903)	(3,355,903)	(3,355,903)	(3,355,903)
Retained profits		227,225,908	246,550,285	203,072,359	222,436,840
Equity attributable to owners of the Company		355,240,405	374,564,782	331,086,856	350,451,337
Non-controlling interests	17	18,121,961	17,888,711	-	-
TOTAL EQUITY		373,362,366	392,453,493	331,086,856	350,451,337
NON-CURRENT LIABILITIES					
Lease liabilities	26	35,038	-	-	-
Deferred tax liabilities	27	5,920,974	5,920,974	-	-
		5,956,012	5,920,974	-	-
CURRENT LIABILITIES					
Trade and other payables	28	1,507,373	2,645,088	28,747,949	28,754,630
Other current liabilities	29	15,635,350	17,071,971	295,196	286,646
Lease liabilities	26	24,573	1,677	-	-
Current tax liabilities		311,725	229,923	-	-
		17,479,021	19,948,659	29,043,145	29,041,276
TOTAL LIABILITIES		23,435,033	25,869,633	29,043,145	29,041,276
TOTAL EQUITY AND LIABILITIES		396,797,399	418,323,126	360,130,001	379,492,613

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 March 2025

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Attributable to Owners of the Company RM	Non- Controlling Interests RM	Total Equity RM
The Group							
Balance at 1.4.2023		131,370,400	(3,355,903)	231,353,536	359,368,033	19,742,390	379,110,423
Profit after taxation/Total comprehensive income for the financial year		-	-	15,196,749	15,196,749	(895,411)	14,301,338
Redemption of non-cumulative redeemable preference shares by a subsidiary to non-controlling interests		-	-	-	-	(958,268)	(958,268)
Balance at 31.3.2024/1.4.2024		131,370,400	(3,355,903)	246,550,285	374,564,782	17,888,711	392,453,493
Loss after taxation/Total comprehensive expense for the financial year		-	-	(15,287,386)	(15,287,386)	233,250	(15,054,136)
Dividends paid	30	-	-	(4,036,991)	(4,036,991)	-	(4,036,991)
Balance at 31.3.2025		131,370,400	(3,355,903)	227,225,908	355,240,405	18,121,961	373,362,366

STATEMENTS OF CHANGES IN EQUITY

for the financial year ended 31 March 2025 (cont'd)

	Note	Share Capital RM	Treasury Shares RM	Retained Profits RM	Total Equity RM
The Company					
Balance at 1.4.2023		131,370,400	(3,355,903)	181,262,656	309,277,153
Profit after taxation/Total comprehensive income for the financial year		-	-	41,174,184	41,174,184
Balance at 31.3.2024/1.4.2024		131,370,400	(3,355,903)	222,436,840	350,451,337
Loss after taxation/Total comprehensive expenses for the financial year		-	-	(15,327,490)	(15,327,490)
Dividends paid	30	-	-	(4,036,991)	(4,036,991)
Balance at 31.3.2025		131,370,400	(3,355,903)	203,072,359	331,086,856

STATEMENTS OF CASH FLOWS

for the financial year ended 31 March 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES					
(Loss)/Profit before taxation		(14,918,547)	14,276,485	(15,310,749)	41,145,806
Adjustments for:-					
Bad debts written off		212	400	-	11,672
Depreciation on property, plant and equipment		2,351,152	2,442,363	96,744	95,744
Depreciation on investment properties		379,399	379,399	-	-
Dividend income from a subsidiary		-	-	-	(14,900,000)
Interest expenses		4,635	93,117	-	-
Dividend income from investment securities		(799,896)	(419,662)	(778,815)	(412,730)
Gain on disposal of property, plant and equipment		(110,230)	-	-	-
Interest income		(8,037,873)	(8,421,914)	(7,192,321)	(8,135,508)
Inventories written down		4,004,678	2,027,959	-	-
Inventories written off		39,856	50,979	-	-
Impairment loss on trade and other receivables		-	1,596,470	-	-
Impairment loss on investment in subsidiaries		-	-	9,931,182	12,675,708
Property, plant and equipment written off		1,087	-	-	-
Reversal of impairment loss on amount owing by subsidiaries		-	-	(373,582)	-
Reversal of impairment loss on property, plant and equipment		(2)	-	-	-
Fair value gain on investment securities		(2,642,922)	(7,687,007)	(2,549,166)	(8,082,849)
Unrealised loss/(gain) on foreign exchange		13,741,787	(13,717,130)	13,740,376	(13,276,719)
Operating (loss)/profit before working capital changes		(5,986,664)	(9,378,541)	(2,436,331)	9,121,124

STATEMENTS OF CASH FLOWS

for the financial year ended 31 March 2025 (cont'd)

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Operating (loss)/profit before working capital changes		(5,986,664)	(9,378,541)	(2,436,331)	9,121,124
Decrease in inventories		9,590,474	20,886,169	-	-
Decrease in trade and other receivables		2,613,058	5,833,625	163,132	10,835,022
Decrease/(Increase) in other current assets		65,780	(46,755)	1,341	(2,236)
Decrease in trade and other payables		(1,137,715)	(1,511,075)	(22,481)	(4,919,338)
(Decrease)/Increase in other current liabilities		(1,436,621)	1,078,788	24,350	210,914
CASH FROM/(FOR) OPERATIONS		3,708,312	16,862,211	(2,269,989)	15,245,486
Income tax (paid)/refund, net		(129,332)	269,027	(121,673)	(185,681)
Interest paid		(4,200)	(9,087)	-	-
Interest received		5,909	32,979	-	425,340
NET CASH FROM/(FOR) OPERATING ACTIVITIES		3,580,689	17,155,130	(2,391,662)	15,485,145
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Dividend received from a subsidiary		-	-	-	14,900,000
Dividend received from investment securities		799,896	419,662	778,815	412,730
Interest received		863,839	774,583	24,196	95,816
Proceed from disposal of property, plant and equipment		110,230	-	-	-
Acquisition of investment securities		(13,114,023)	(8,330,605)	(13,207,779)	(8,354,886)
Disposal of investment in subsidiaries		-	-	-	2,041,732
Acquisitions of property, plant and equipment	14(a)	(17,170)	(133,998)	(5,297)	(26,152)
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(11,357,228)	(7,270,358)	(12,410,065)	9,069,240

STATEMENTS OF CASH FLOWS

for the financial year ended 31 March 2025 (cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividend paid		(4,036,991)	-	(4,036,991)	-
Repayments of term loan	31	-	(2,152,822)	-	-
Repayment of lease liabilities	31	(9,729)	(9,610)	-	-
Redemption of non-cumulative preference shares by a subsidiary to non-controlling interests		-	(958,268)	-	-
Interest paid		(435)	(84,030)	-	-
NET CASH FOR FINANCING ACTIVITIES		(4,047,155)	(3,204,730)	(4,036,991)	-
NET (DEREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(11,823,694)	6,680,042	(18,838,718)	24,554,385
EFFECT OF EXCHANGE DIFFERENCES		(1,411)	20,288	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		54,248,159	47,547,829	25,723,009	1,168,624
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	24	42,423,054	54,248,159	6,884,291	25,723,009

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office	:	TB 4327, Block 31, 2 nd Floor, Fajar Complex, Jalan Haji Karim, 91000 Tawau, Sabah.
Principal place of business	:	Unit No. 1, 2, 3, Jalan Prima Tropika Barat 2, Taman Prima Tropika, 43300 Seri Kembangan, Selangor.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

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

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding. The principal activities of the subsidiaries are set out in Note 17 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instrument	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 1	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standards on the financial statement of the Company has yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 14 to the financial statements.

(b) Impairment of Property, Plant and Equipment and Investment Properties

The Group and the Company determine whether an item of its property, plant and equipment and investment properties are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amounts of property, plant and equipment and investment properties as at the reporting date are disclosed in Notes 14 and 16 to the financial statements respectively.

(c) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 21 to the financial statements.

(e) Impairment of Non-trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount due from subsidiaries as at the reporting date are disclosed in Note 21 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made. The carrying amounts of current tax assets and current tax liabilities as at the reporting date are as follows:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Current tax assets	933,380	857,835	140,836	35,904
Current tax liabilities	311,725	229,923	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(g) Discount Rate used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

4.2 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.3 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries, which are eliminated in consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

4.4 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment, are stated at cost less accumulated depreciation and any impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	20 to 50 years
Plant and machinery	5 to 20 years
Motor vehicles	5 years
Furniture, fittings and office equipment	3 to 10 years
Other assets	3 to 25 years

4.6 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are:-

Leasehold land	100 years
Buildings	20 years

4.7 LAND HELD FOR PROPERTY DEVELOPMENT

Land held for property development is stated at the lower of cost and net realisable value. Cost comprises cost associated with the purchase of land, conversion fees and other relevant levies.

Land held for property development is transferred to property development cost category when development activities have commenced and are expected to be completed within the normal operating cycle.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.8 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group applies the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

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

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

4.9 INVENTORIES

(a) Trading Goods

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all cost of purchase plus other costs incurred in bringing the inventories to their present location and condition.

(b) Completed Properties

Completed properties are stated at the lower of cost and net realisable value. Cost is determined on specific identification and comprises cost associated with the purchase of land (including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use), construction costs and other related development costs incurred in bringing the inventories to their present location and condition.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

5. REVENUE

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue from Contracts with Customers				
<u>Recognised at a point in time</u>				
Sale of goods	3,064,942	13,181,738	-	-
Sale of completed properties	6,304,310	10,421,830	-	-
Income from carpark operation	925,817	764,163	-	-
	10,295,069	24,367,731	-	-
<u>Recognised over time</u>				
Services	-	60,000	-	-
Money lending	4,543	-	-	-
	10,299,612	24,427,731	-	-
Revenue from Other Sources				
Rental income	79,800	41,400	-	-
Dividend from a subsidiary	-	-	-	14,900,000
	79,800	41,400	-	14,900,000
	10,379,412	24,469,131	-	14,900,000

- (a) The information on the disaggregation of revenue (including the discontinued operations) by geographical market is disclosed in Note 33.2 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

5. REVENUE (CONT'D)

- (b) The information about the performance obligations in contracts with customers is summarised below:-

<u>Nature of Goods or Services</u>	<u>Timing and Method of Revenue Recognition</u>	<u>Significant Payment Terms</u>	<u>Variable Considerations</u>	<u>Warranty and Obligation for Returns or Refunds</u>
Sale of Goods	When the goods are delivered and accepted by customers.	Credit period of 60 days from the invoice date.	Not applicable.	Not applicable.
Sale of Completed Properties	When the properties have been delivered to and accepted by the customers.	Credit period of 3 months from the date of sales and purchases agreement.	Not applicable.	Defect liability period of 24 months is given.
Income from Car Park Operation	When customers pay and exit the car park premise.	Cashless parking collections are due from the vendors after 2 to 3 days of the transaction.	Not applicable.	Not applicable.
Sale of Properties Under Construction	When services are rendered using the input method by reference to the property development cost incurred up to the end of the reporting period as a percentage of total estimated costs for complete satisfaction of the contract.	Based on agreed milestones certified by architects. The credit period is 60 days from the date of progress billings.	Not applicable.	Defect liability period of 24 months is given.
Rendering a Services	When services are rendered.	Credit period of 7 days from the invoice date.	A late penalty charge at 8%, calculated annually.	Not applicable.
Money lending	Accrual basis using effective interest method.	Repayment on monthly basis.	A late penalty charge at 8%, from date of default in repayment until sum of instalment paid.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

5. REVENUE (CONT'D)

(c) The information of the revenue from other sources is summarised below:-

Rental Income

Rental income is recognised on a straight-line basis over the lease term.

Dividend Income

Dividend income is recognised when the right to receive dividend payment is established.

6. COST OF SALES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cost of inventories sold:				
- plywood operations	4,219,169	14,962,423	-	-
- properties	5,137,548	9,144,613	-	-
Cost of letting properties	6,104	7,540	-	-
	<u>9,362,821</u>	<u>24,114,576</u>	<u>-</u>	<u>-</u>

7. OTHER INCOME

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Included are the following items:-				
Dividend income from investment securities	799,896	419,662	778,815	412,730
Gain on disposal of property, plant and equipment	110,230	-	-	-
Gain on foreign exchange:				
- realised	-	23,460	-	7,508
- unrealised	-	13,717,130	-	13,276,719
Rental income	2,094,144	1,596,703	121,200	58,750
Fair value gain on investment securities				
- realised	2,618,050	-	2,618,050	-
- unrealised	<u>2,642,922</u>	<u>7,687,007</u>	<u>2,549,166</u>	<u>8,082,849</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

8. NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Impairment losses:				
- other receivables (Note 21(c))	-	(22,808)	-	-
- amount owing to a related party (Note 21(c))	-	(1,573,662)	-	-
Reversal of impairment losses:				
- amount due from subsidiaries (Note 21(d))	-	-	373,582	12,903,521
	<u>-</u>	<u>(1,596,470)</u>	<u>373,582</u>	<u>12,903,521</u>

9. (LOSS)/PROFIT BEFORE TAXATION

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
(Loss)/Profit before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees:				
- statutory audit for the financial year	146,700	170,000	55,000	53,500
- underprovision in the previous financial year	24,300	11,000	-	1,000
- non-audit fees:				
- auditors of the Company	5,000	41,000	5,000	41,000
Bad debts written off	212	400	-	11,672
Depreciation:				
- property, plant and equipment (Note 14)	2,351,152	2,442,363	96,744	95,744
- investment properties	379,399	379,399	-	-
Impairment loss on:				
- investment in subsidiaries (Note 17)	-	-	9,931,182	12,675,708

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

9. (LOSS)/PROFIT BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
(Loss)/Profit before taxation is arrived at after charging/(crediting) (cont'd):-				
Interest expense on lease liabilities	435	554	-	-
Total interest expenses on financial liabilities that are not at fair value through profit or loss	4,200	92,563	-	-
Interest income on financial assets measured at amortised cost:				
- fixed deposits with licensed banks	(372,654)	(518,548)	(24,183)	(95,816)
- amount owing by a subsidiary	-	-	-	(425,340)
- others	(5,909)	(32,979)	(13)	-
Interest income on financial assets measured at fair value through profit or loss:				
- investment securities	(7,659,310)	(7,870,387)	(7,168,125)	(7,614,352)
Inventories written down	4,004,678	2,027,959	-	-
Inventories written off	39,856	50,979	-	-
Loss on foreign exchange:				
- realised	984,449	-	984,449	-
- unrealised	13,741,787	-	13,740,376	-
Property, plant and equipment written off	1,085	-	-	-
Expenses relating to short-term leases (Note 14(b))	13,800	13,800	42,000	42,000
Expenses relating to low value assets (Note 14(b))	3,600	3,600	3,600	3,600

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

10. EMPLOYEE BENEFITS EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, wages and allowances	3,940,437	3,792,263	1,435,333	1,422,359
Contributions to defined contribution plan	365,806	303,451	198,329	136,292
	<u>4,306,243</u>	<u>4,095,714</u>	<u>1,633,662</u>	<u>1,558,651</u>

Included in staff costs of the Group and of the Company are directors' remuneration amounting to RM2,351,132 (2024: RM2,105,582) and RM882,544 (2024: RM862,055) as disclosed in Note 11.

11. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Directors of the Company</u>				
Executive:-				
Salaries and other emoluments	1,479,788	1,370,209	609,406	590,209
Contributions to defined contribution plan	72,879	70,686	72,978	70,686
Total executive directors' remuneration	<u>1,552,667</u>	<u>1,440,895</u>	<u>682,384</u>	<u>660,895</u>
Non-executive:-				
Fees	288,360	288,360	145,200	182,160
Salaries and other emoluments	71,900	72,271	54,960	19,000
Total non-executive directors' remuneration	<u>360,260</u>	<u>360,631</u>	<u>200,160</u>	<u>201,160</u>
Total directors' remuneration	<u>1,912,927</u>	<u>1,801,526</u>	<u>882,544</u>	<u>862,055</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

11. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows (Cont'd):-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
<u>Directors of the Subsidiaries</u>				
Executive:-				
Salaries and other emoluments	356,226	236,897	-	-
Contributions to defined contribution plan	40,560	25,740	-	-
Total executive directors' remuneration	396,786	262,637	-	-
Non-executive:-				
Fees	36,000	36,000	-	-
Salaries and other emoluments	739	739	-	-
Contributions to defined contribution plan	4,680	4,680	-	-
Total non-executive directors' remuneration	41,419	41,419	-	-
Total directors' remuneration	438,205	304,056	-	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

12. INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense:				
- for the financial year	134,548	141,210	16,741	139,591
- under/(over)provision in the previous financial year	1,041	(166,063)	-	(167,969)
	<u>135,589</u>	<u>(24,853)</u>	<u>16,741</u>	<u>(28,378)</u>

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rates to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
(Loss)/Profit before taxation	<u>(14,918,547)</u>	<u>14,276,485</u>	<u>(15,310,749)</u>	<u>41,145,806</u>
Tax at the statutory tax rate of 24% (2024: 24%)	(3,580,451)	3,426,356	(3,674,580)	9,874,993
Tax effects of:-				
Non-deductible expenses	3,894,717	1,050,106	6,137,827	3,971,179
Non-taxable gains	(2,494,553)	(6,039,831)	(2,446,506)	(13,706,581)
Deferred tax assets not recognised during the financial year	2,314,835	1,704,579	-	-
Underprovision/(Over) of current tax in the previous financial year	1,041	(166,063)	-	(167,969)
	<u>135,589</u>	<u>(24,853)</u>	<u>16,741</u>	<u>(28,378)</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

12. INCOME TAX EXPENSE/(CREDIT) (CONT'D)

The temporary differences attributable to the deferred tax assets which are not in the financial statements are as follows:-

	The Group	
	2025	2024
	RM	RM
Deferred tax assets:		
- unutilised tax losses	146,647,321	139,303,622
- unabsorbed capital allowances	29,976,741	27,844,685
- unabsorbed reinvestment allowances	13,946,316	13,946,316
- unabsorbed investment tax allowances	47,277,302	47,277,302
- depreciation in excess of capital allowance	887,886	745,428
- property development cost	120,716	968,049
- others	4,717,780	3,843,515
	243,574,062	233,928,917

Pursuant to Section 44(5F) of the Act, the tax losses can only be carried forward until the following years of assessment:-

	The Group	
	2025	2024
	RM	RM
Unutilised tax losses to be carried forward until:		
- Year of assessment 2028	96,882,348	96,896,313
- Year of assessment 2029	3,530,961	3,530,961
- Year of assessment 2030	13,792,214	13,792,214
- Year of assessment 2031	4,321,239	4,321,239
- Year of assessment 2032	2,003,826	2,003,826
- Year of assessment 2033	11,142,781	11,159,212
- Year of assessment 2034	7,622,468	7,599,857
- Year of assessment 2035	7,351,484	-
	146,647,321	139,303,622

For reinvestment allowances accumulated prior to and up to YA 2019, such reinvestment allowances can only be carried forward until YA 2025, pursuant to the transitional provision provided in the Act. Other allowances may be carried forward indefinitely subject to the conditions imposed by law including the retention of majority shareholders as defined.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

13. (LOSS)/EARNINGS PER SHARE

The basic (loss)/earnings per share is calculated by dividing the consolidated (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares.

	The Group	
	2025	2024
Basic (loss)/earnings per share		
(Loss)/Profit attributable to owners of the Company (RM)	(15,287,386)	15,196,749
Number of shares in issue as of 31 March	164,213,000	164,213,000
Effects through:		
- treasury shares	(2,733,334)	(2,733,334)
Weighted average number of ordinary shares in issue for basic earnings per share	161,479,666	161,479,666
Basic (loss)/earnings per ordinary share attributable to owners of the Company (sen)	(9)	9

The Company has not issued any dilutive potential ordinary shares and hence, the diluted (loss)/earnings per shares is equal to the basic (loss)/earnings per share.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT

The Group	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Other assets RM	Right-of-use assets RM	Total RM
Cost							
At 1 April 2024	47,052,564	174,723,903	1,355,000	6,915,170	7,720,034	8,790,771	246,557,442
Additions	-	-	-	17,170	-	67,663	84,833
Disposals	-	(290,697)	-	-	-	-	(290,697)
Written off	-	(4,800)	-	(352,637)	(75,572)	-	(433,009)
At 31 March 2025	47,052,564	174,428,406	1,355,000	6,579,703	7,644,462	8,858,434	245,918,569
Accumulated depreciation and impairment							
At 1 April 2024	41,162,830	166,327,839	1,355,000	5,603,180	7,719,912	3,993,890	226,162,651
Charge for the year (Note 9)	397,917	1,641,505	-	182,349	-	129,381	2,351,152
Disposals	-	(290,697)	-	-	-	-	(290,697)
Written off	-	(4,798)	-	(351,674)	(75,450)	-	(431,922)
Reversal of impairment	-	(2)	-	-	-	-	(2)
At 31 March 2025	41,560,747	167,673,847	1,355,000	5,433,855	7,644,462	4,123,271	227,791,182

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Other assets RM	Right-of-use assets RM	Total RM
Analysed as:							
Accumulated depreciation	39,150,675	156,301,861	1,339,996	5,399,550	7,366,214	4,123,271	213,681,567
Accumulated impairment losses	2,410,072	11,371,986	15,004	34,305	278,248	-	14,109,615
At 31 March 2025	41,560,747	167,673,847	1,355,000	5,433,855	7,644,462	4,123,271	227,791,182
Net carrying amount							
At 31 March 2025	5,491,817	6,754,559	-	1,145,848	-	4,735,163	18,127,387

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Other assets RM	Right-of-use assets RM	Total RM
Cost							
At 1 April 2023	47,052,564	174,709,103	1,355,000	6,801,737	7,720,034	8,790,771	246,429,209
Additions	-	14,800	-	119,198	-	-	133,998
Written off	-	-	-	(5,765)	-	-	(5,765)
At 31 March 2024	47,052,564	174,723,903	1,355,000	6,915,170	7,720,034	8,790,771	246,557,442
Accumulated depreciation and impairment							
At 1 April 2023	40,689,699	164,658,027	1,354,890	5,442,317	7,717,784	3,863,336	223,726,053
Charge for the year (Note 9)	473,131	1,669,812	110	166,628	2,128	130,554	2,442,363
Written off	-	-	-	(5,765)	-	-	(5,765)
At 31 March 2024	41,162,830	166,327,839	1,355,000	5,603,180	7,719,912	3,993,890	226,162,651

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Buildings RM	Plant and machinery RM	Motor vehicles RM	Furniture, fittings and office equipment RM	Other assets RM	Right-of-use assets RM	Total RM
Analysed as:							
Accumulated depreciation	38,752,758	154,955,851	1,339,996	5,568,875	7,441,664	3,993,890	212,053,034
Accumulated impairment losses	2,410,072	11,371,988	15,004	34,305	278,248	-	14,109,617
At 31 March 2024	41,162,830	166,327,839	1,355,000	5,603,180	7,719,912	3,993,890	226,162,651
Net carrying amount							
At 31 March 2024	5,889,734	8,396,064	-	1,311,990	122	4,796,881	20,394,791

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Buildings RM	Furniture, fittings and office equipment RM	Total RM
The Company			
Cost			
At 1 April 2023	2,372,000	1,328,024	3,700,024
Addition	-	26,152	26,152
At 31 March 2024/1 April 2024	2,372,000	1,354,176	3,726,176
Addition	-	5,297	5,297
At 31 March 2025	2,372,000	1,359,473	3,731,473
Accumulated depreciation			
At 1 April 2023	154,180	895,313	1,049,493
Charge for the year (Note 9)	47,440	48,304	95,744
At 31 March 2024/1 April 2024	201,620	943,617	1,145,237
Charge for the year (Note 9)	47,440	49,304	96,744
At 31 March 2025	249,060	992,921	1,241,981
Net carrying amount			
At 31 March 2024	2,170,380	410,559	2,580,939
At 31 March 2025	2,122,940	366,552	2,489,492

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Acquisitions of property, plant and equipment

Acquisitions of property, plant and equipment during the financial year were by the following means:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash	17,170	133,998	5,297	322,733
Lease arrangements	67,663	-	-	-
	<u>84,833</u>	<u>133,998</u>	<u>5,297</u>	<u>322,733</u>

(b) Right-of-use assets

Included in the leasehold land and buildings are right-of-use assets as below:-

	Leasehold land RM	Building RM	Total RM
The Group			
At 1 April 2023	4,916,508	10,927	4,927,435
Depreciation charge for the year	(121,187)	(9,367)	(130,554)
At 31 March 2024/1 April 2024	4,795,321	1,560	4,796,881
Additions	-	67,663	67,663
Depreciation charge for the year	(121,187)	(8,194)	(129,381)
At 31 March 2025	<u>4,674,134</u>	<u>61,029</u>	<u>4,735,163</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) Right-of-use assets (Cont'd)

The Group leases certain pieces of leasehold land and buildings which the leasing activities are summarised below:-

- (i) Leasehold land The Group has entered into 7 non-cancellable operating lease agreement for the use of land. The leases are for a period of 60 and 99 (2024 - 60 and 99) years with no renewal or purchase option included in the agreements.
- (ii) Buildings The Group leases 3 (2024 - 2) buildings for a period of 2 (2024 - 2) years, with an option to renew the lease after that date.

The expenses relating to payments not included in the measurement of right-of-use assets are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Expenses relating to short-term leases (Note 9)	13,800	13,800	42,000	42,000
Expenses relating to leases of low value assets (Note 9)	3,600	3,600	3,600	3,600

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

15. LAND HELD FOR PROPERTY DEVELOPMENT

	The Group	
	2025 RM	2024 RM
Freehold land		
At 1 April 2024/2023 and 31 March	17,296,968	17,296,968

Land held for property development represents land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

16. INVESTMENT PROPERTIES

	The Group	
	2025 RM	2024 RM
Cost:-		
At 1 April 2024/2023 and 31 March	25,653,795	25,653,795
Accumulated depreciation and impairment:-		
At 1 April 2024	(13,689,209)	(13,309,810)
Depreciation during the financial year	(379,399)	(379,399)
At 31 March	(14,068,608)	(13,689,209)
	11,585,187	11,964,586
Represented by:-		
Leasehold land	2,119,234	2,149,617
Building	9,465,953	9,814,969
At 31 March	11,585,187	11,964,586
Fair value	28,730,000	27,800,000

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

16. INVESTMENT PROPERTIES (CONT'D)

- (a) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods of 2.5 (2024: 2.5) years and an option that is exercisable by the customers to extend their leases for an average of 3 (2024: 3) years.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	The Group	
	2025	2024
	RM	RM
Within 1 year	300,000	300,000
Between 1 and 2 years	525,000	75,000
	<hr/>	<hr/>
	825,000	375,000
	<hr/>	<hr/>

- (b) The fair values of the investment properties are within level 2 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

17. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025 RM	2024 RM
Unquoted shares, at cost:		
- Ordinary shares	153,748,516	163,233,547
- Non-cumulative redeemable preference shares ("NCRPS")	33,832,672	33,832,672
- Redeemable preference shares ("RPS")	40,935,900	40,935,900
	<hr/>	<hr/>
	228,517,088	238,002,119
Accumulated impairment losses	(121,062,943)	(120,616,792)
	<hr/>	<hr/>
	107,454,145	117,385,327
	<hr/>	<hr/>

The movements in the accumulated impairment losses in respect of investment in subsidiaries during the year are shown below:

	The Company	
	2025 RM	2024 RM
At 1 April 2024/2023	120,616,792	107,941,084
Addition during the financial year (Note 9)	9,931,182	12,675,708
Write off	(9,485,031)	-
	<hr/>	<hr/>
At 31 March	121,062,943	120,616,792
	<hr/>	<hr/>

In respect of the NCRPS and RPS, the salient terms and conditions are disclosed in Note 18.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

17. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
Subsidiaries of the Company				
Rajang Plywood Sawmill Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of sawn timber, veneer and plywood
Rajang Plywood (Sabah) Sdn. Bhd.	Malaysia	100	100	Manufacture and trading of sawn timber, veneer and plywood
Eksons Biomass Energy Sdn. Bhd.	Malaysia	100	100	Generation and provision of electricity and steam
Chongai Properties Sdn. Bhd.	Malaysia	100	100	Trading and rental of properties
Vibrant Hub Sdn. Bhd. (“Vibrant Hub”)	Malaysia	68	68	Investment holding and money lending
Uomo Donna (Malaysia) Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Subsidiaries of Vibrant Hub				
The Atmosphere Sdn. Bhd. (“The Atmosphere”)	Malaysia	100	100	Property development
Viva Paradise Sdn. Bhd.	Malaysia	100	100	Property development and investment holding
Subsidiary of The Atmosphere				
Russella Teguh Sdn. Bhd.	Malaysia	100	100	Property development and investment holding

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

17. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) The Company has redeemed Nil (2024: 769,507) NCRPS in Vibrant Hub.
- (b) The Company has carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A total impairment losses of RM9,931,182 (2024 - RM12,675,708), representing the write-down of the investments to their recoverable amounts, was recognised in "Other Expenses" line item of the statement of profit or loss and other comprehensive income. The recoverable amounts were determined based on fair value less costs of disposal.

These investments in subsidiaries are belonged to the plywood operations and property development.

- (c) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2025 %	2024 %	2025 RM	2024 RM
Vibrant Hub Group	32	32	18,121,961	17,888,711

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

18. INVESTMENT IN NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES (“NCRPS”) AND REDEEMABLE PREFERENCE SHARES (“RPS”)

(a) Investment in NCRPS of Vibrant Hub

The salient features of the NCRPS acquired by the Company are as follows:

- (i) The holders of the NCRPS shall be entitled to a non-cumulative preferential dividend at a rate to be determined by the directors of Vibrant Hub from the net profit after tax of Vibrant Hub for the year and in the event a loss is incurred for a particular year or years, then the holder of such NCRPS shall not be entitled to receive any dividend. The net profit after tax of Vibrant Hub is based on current year and not on an accumulated loss or profit basis. The payment of preferential dividend shall rank in priority to any payment of dividend on any other shares or classes of shares. The payment and amount of such dividend shall be non-cumulative and payable at such time, place and in such manner as the directors may determine.
- (ii) If there is a surplus of profits of Vibrant Hub in respect of any year after paying the non-cumulative preferential dividend as aforesaid to the close of that year and such dividends as may be declared for such year on the ordinary shares, the holders of the NCRPS shall not be entitled to share in the surplus.
- (iii) In the event of a winding up or on a reduction of capital involving a return of capital of Vibrant Hub, the holders of the NCRPS shall rank in priority to all the others shares or classes of shares in Vibrant Hub for the payment of capital on the NCRPS and any preferential dividend declared yet remain unpaid and thereafter the holders of the NCRPS shall not be entitled to any further or other participation in the profits or assets of Vibrant Hub.
- (iv) Vibrant Hub may create and issue further preference shares ranking in all respects pari passu with, but not in priority to the NCRPS.
- (v) Holders of the NCRPS shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of Vibrant Hub provided always that holders of the NCRPS shall not have the right to vote or to move or second any resolution at any general meeting of Vibrant Hub except on each of the following circumstances:
 - when the dividend or part of the dividend on the share is in arrears for more than six months;
 - on a proposal to reduce Vibrant Hub's share capital;
 - on a proposal for the disposal of the whole of Vibrant Hub's property, business and undertaking;
 - on a proposal that directly or indirectly varies or affects rights, privileges or conditions attached to the NCRPS, or the exercise of any of those rights, privileges or conditions;
 - on a proposal to wind up Vibrant Hub; and
 - during the winding up of Vibrant Hub.

In any such case a holder shall have one (1) vote for each NCRPS held.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

18. INVESTMENT IN NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES ("NCRPS") AND REDEEMABLE PREFERENCE SHARES ("RPS") (CONT'D)

(a) Investment in NCRPS of Vibrant Hub (Cont'd)

The salient features of the NCRPS acquired by the Company are as follows (Cont'd):

(vi) The NCRPS shall be redeemed in the following manner and terms:

- Vibrant Hub may at any time from the date of issue of the NCRPS, apply any profits or monies which may be lawfully applied or out of the proceeds of a fresh issue of shares made for the purpose of the redemption of NCRPS at par. For this purpose, Vibrant Hub shall give not less than seven (7) days' notice in writing to the holders of NCRPS of its intention to redeem such shares.
- In the event of Vibrant Hub determining to redeem a part only of the NCRPS, the same shall be redeemed in proportion to the shareholdings held by the existing holders of the NCRPS.
- Each such holder shall be bound to surrender to Vibrant Hub the certificate for his NCRPS to be redeemed and Vibrant Hub shall pay him the amount payable in respect of such redemption and where such certificate comprises any NCRPS which have not been drawn for redemption, Vibrant Hub shall issue to the holder thereof a fresh certificate thereof.

(b) Investment in RPS of Uomo Donna (Malaysia) Sdn. Bhd. ("Uomo Donna")

The salient features of the RPS acquired by the Company are as follows:

- (i) In the event of the winding up/liquidation or on a reduction of capital involving a return of capital of Uomo Donna, the holders of RPS shall rank in priority to all the others shares or classes of shares of Uomo Donna for the payment of capital on the RPS.
- (ii) Uomo Donna may create and issue further preference shares ranking in all respects pari passu with, but not in priority to the RPS.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

18. INVESTMENT IN NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES ("NCRPS") AND REDEEMABLE PREFERENCE SHARES ("RPS") (CONT'D)

(b) Investment in RPS of Uomo Donna (Malaysia) Sdn. Bhd. ("Uomo Donna") (Cont'd)

The salient features of the RPS acquired by the Company are as follows (Cont'd):

(iii) Holders of the RPS shall have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings of Uomo Donna provided always that the registered holders of the RPS shall not be entitled to vote at any general meeting of Uomo Donna except on each of the following circumstances:

- on a proposal to reduce the capital of Uomo Donna;
- on a proposal to dispose of the whole of Uomo Donna's property, business and undertaking;
- on a proposal to wind up Uomo Donna;
- during the winding up of Uomo Donna; and
- when the dividend or part of the dividend on the RPS is in arrears for more than six months after it has been declared, if applicable.

The registered holder of the RPS shall be entitled to vote at any class of meeting of the registered holders of the RPS concerning any proposal by Uomo Donna to vary or abrogate the rights of the registered holder of the RPS.

Every registered holder of the RPS who is present in person at such class meeting will have one vote on a show of hands and on a poll, every registered holder of the RPS who is present in person or by proxy will have one vote for every RPS of which it/he/she is the registered holder.

(iv) The RPS shall be redeemed in the following manner and terms:

- Uomo Donna may at any time from the date of issue of the RPS, apply any profits or monies which may be lawfully applied (subject to solvency statement) or out of the proceeds of a fresh issue of shares made for the purpose of the redemption of RPS at price to be determined by the Board. For this purpose, Uomo Donna shall give not less than seven (7) days' notice in writing to the holders of NCRPS of its intention to redeem such shares.
- In the event of Uomo Donna determining to redeem a part only of the RPS, the same shall be redeemed in proportion to the shareholdings held by the existing holders of the RPS.
- Each such holder shall sign a letter of redemption for his RPS to be redeemed and Uomo Donna shall pay him the amount payable in respect of such redemption and where such letter of redemption comprises any RPS which have not been drawn for redemption, Uomo Donna shall issue to the holder thereof an extract of his register of member thereof.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

19. INVESTMENT SECURITIES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<i>Financial assets at fair value through profit or loss</i>				
Non-current:-				
Other funds, at fair value	15,483,024	-	15,483,024	-
Current:-				
Other funds, at fair value	222,817,653	229,115,983	222,817,653	229,115,983
Unit trust funds, at fair value	23,617,563	31,288,330	5,746,659	23,567,539
	246,435,216	260,404,313	228,564,312	252,683,522
	261,918,240	260,404,313	244,047,336	252,683,522

The other funds represents the Group's and Company's investments in funds managed by international investment banks outside Malaysia.

The unit trust funds represents investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable ranging from 1 to 7 days notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

20. GOODWILL

	The Group	
	2025 RM	2024 RM
Cost	26,824,257	26,824,257
Accumulated impairment losses	(26,824,257)	(26,824,257)
	-	-

Property development division:-

The recoverable amount of goodwill of the property development division cash generating-unit was determined based on fair value less costs-to-sell.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

21. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:-				
Trade receivables:-				
Third parties	400,284	824,492	-	-
Current:-				
Trade receivables:-				
Third parties	6,005,613	8,483,129	-	-
Allowance for impairment losses	(12,455)	(12,455)	-	-
	5,993,158	8,470,674	-	-
Other receivables:-				
Amount due from subsidiaries	-	-	4,928,659	5,222,960
Third parties	2,107,355	2,379,751	65,695	23,796
Refundable deposits	345,873	142,207	112,118	22,848
	2,453,228	2,521,958	5,106,472	5,269,604
Allowance for impairment losses	(1,596,470)	(1,953,654)	(275,732)	(649,314)
	856,758	568,304	4,830,740	4,620,290
	6,849,916	9,038,978	4,830,740	4,620,290
Total trade and other receivables	7,250,200	9,863,470	4,830,740	4,620,290

(a) Credit risk

The Group's trading terms with its customers are mainly on credit. The credit period is generally between 14 to 60 days (2024: 14 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

21. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Trade receivables

In the previous financial year, included in trade receivables are retention sums withheld by lawyers upon delivery of vacant possession to the property buyers. These monies will be released by the lawyers in 2 stages, the first release will be at the expiry of 8 months and the second release will be at the expiry of 24 months from the date of vacant possession.

(c) Other receivables

The movements in the allowance for impairment losses in respect of other receivables during the year are shown below:

	The Group	
	2025	2024
	RM	RM
At 1 April 2024/2023	1,953,654	376,784
Charge for the year (Note 8)	-	1,596,470
Written off during the year	(357,184)	(19,600)
At 31 March	<u>1,596,470</u>	<u>1,953,654</u>

(d) Amount due from subsidiaries

The amounts due from subsidiaries are unsecured, interest free and are repayable upon demand.

The movements in the allowance for impairment losses in respect of amount due from subsidiaries during the year are shown below:

	The Company	
	2025	2024
	RM	RM
At 1 April 2024/2023	649,314	13,552,835
Reversal of allowance on amount due from subsidiaries (Note 8)	(373,582)	(12,903,521)
At 31 March	<u>275,732</u>	<u>649,314</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

22. INVENTORIES

	The Group	
	2025	2024
	RM	RM
Property division		
Unsold properties at cost	-	27,082,060
Unsold properties at net realisable value	47,474,132	25,513,442
	<u>47,474,132</u>	<u>52,595,502</u>
Plywood operations and trading division		
At cost:-		
Trading and finished goods	12,846,969	17,065,336
Raw materials	-	59,856
Consumable stores	-	4,235,415
	<u>12,846,969</u>	<u>21,360,607</u>
	<u>60,321,101</u>	<u>73,956,109</u>
Recognised in profit or loss:-		
Inventories recognised as cost of sales	9,339,737	24,656,451
Amount written down to net realisable value	4,004,678	2,027,959
Amount written off	39,856	50,979
	<u></u>	<u></u>

23. OTHER CURRENT ASSETS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Prepaid operating expenses	<u>179,445</u>	<u>245,225</u>	<u>29,820</u>	<u>31,161</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

24. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed deposits with licensed banks	11,843,350	13,063,554	544,057	2,056,968
Cash and bank balances	7,342,141	10,276,275	593,575	98,502
Unit trust funds, at fair value (Note 19)	23,617,563	31,288,330	5,746,659	23,567,539
	<u>42,803,054</u>	<u>54,628,159</u>	<u>6,884,291</u>	<u>25,723,009</u>
Less: Fixed deposit pledged for bank guarantees	(380,000)	(380,000)	-	-
	<u>42,423,054</u>	<u>54,248,159</u>	<u>6,884,291</u>	<u>25,723,009</u>

Cash at banks earn interest at floating rates based on daily bank deposit rates.

The average interest rates of fixed deposits of the Group and of the Company at reporting date range from 2% to 3.58% per annum (2024: 2.30% to 3.55% per annum) and 2.20% to 2.40% per annum (2024: 2.35% to 2.60% per annum), respectively.

The maturities of deposits of the Group and of the Company at reporting date range from 4 to 92 days (2024: 8 to 365 days) and 31 days (2024: 31 days), respectively.

Included in the cash and bank balances of the Group is an amount of RM4,598,565 (2024: RM5,937,905) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966, as amended by the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002. The amount is held at call with bank and is available only to the subsidiary involved in the property development activities.

Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM380,000 (2024: RM380,000) which has been pledged for security to a third party.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

25. SHARE CAPITAL

	The Group/The Company			
	Number of Shares		<-----Amount----->	
	Ordinary shares (Issued and fully paid)	Treasury shares	Ordinary shares (Issued and fully paid)	Treasury shares
At 1 April 2024/2023/ 31 March 2025/2024	164,213,000	(2,733,334)	131,370,400	(3,355,903)

Ordinary shares

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

Treasury shares

The Company held a total of 2,733,334 (2024: 2,733,334) ordinary shares as treasury shares out of its total issued and paid-up share capital of 164,213,000 ordinary shares. Such treasury shares are recorded at a carrying amount of RM3,355,903 (2024: RM3,355,903).

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

26. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 April 2024/1 April 2023	1,677	11,287
Additions	67,663	-
Interest expenses recognised in profit or loss	435	554
Repayment of principal	(9,729)	(9,610)
Repayment of interest expense	(435)	(554)
At 31 March	59,611	1,677
Analysed by:-		
Current liabilities	24,573	1,677
Non-current liabilities	35,038	-
	59,611	1,677

27. DEFERRED TAX LIABILITIES

	Property, plant and equipment RM	Inventories RM	Total RM
The Group			
At 1 April 2024/2023/31 March 2025/2024	2,923	5,918,051	5,920,974

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

28. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade payables:-				
Third parties	72,657	1,455,311	-	-
Other payables:-				
Sundry payables	481,372	384,029	-	-
Refundable deposits	941,709	796,842	42,200	26,400
Provision for accrued annual leave	11,635	8,906	-	-
Amount due to subsidiaries	-	-	28,705,749	28,728,230
	<u>1,434,716</u>	<u>1,189,777</u>	<u>28,747,949</u>	<u>28,754,630</u>
Total trade and other payables	<u>1,507,373</u>	<u>2,645,088</u>	<u>28,747,949</u>	<u>28,754,630</u>

(a) Trade payables

The normal credit terms granted to the Group range from 30 to 90 days (2024: 30 to 90 days). The amount owing is non-interest bearing.

In previous financial year, included in trade payables of the Group at the end of the reporting period is an amount of RM1,402,532 being project retention sums to be settled in accordance with the term of the respective contracts.

(b) Sundry payables

Sundry payables are normally settled on an average term of six months (2024: average term of six months). The amount owing is non-interest bearing.

(c) Amount due to subsidiaries

The amount due to subsidiaries is unsecured, interest-free payments made on behalf by subsidiaries. The amount owing is repayable on demand and is to be settled by cash.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

29. OTHER CURRENT LIABILITIES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Accrued operating expenses	15,635,350	17,071,971	295,196	286,646

30. DIVIDENDS

	The Group/The Company 2025 RM
Single-tier interim dividend of 2.5 sen per ordinary share in respect of the current financial year	4,036,991

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

31. CASH FLOW INFORMATION

The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Lease Liabilities RM	Total RM
2025		
At 1 April 2024	1,677	1,677
<u>Changes in Financing Cash Flows</u>		
Repayment of principal	(9,729)	(9,729)
Repayment of interests	(435)	(435)
	(10,164)	(10,164)
<u>Other Changes</u>		
Acquisition of new lease	67,663	67,663
Interest expenses recognised in profit or loss	435	435
	68,098	68,098
At 31 March 2025	59,611	59,611

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

31. CASH FLOW INFORMATION (CONT'D)

The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Term	Lease	Total
2024	Loan	Liabilities	RM
	RM	RM	
At 1 April 2023	2,152,822	11,287	2,164,109
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	(2,152,822)	(9,610)	(2,162,432)
Repayment of interests	(83,476)	(554)	(84,030)
	(2,236,298)	(10,164)	(2,246,462)
<u>Other Changes</u>			
Interest expense recognised in profit and loss	83,476	554	84,030
At 31 March 2024	-	1,677	1,677

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

32. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 17 to the financial statements.

(b) Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Subsidiaries:				
- interest income	-	-	-	425,340
- dividend income	-	-	-	14,900,000
Related parties:				
- management fee expense paid to: Tempo Properties Sdn. Bhd.*	-	142,817	-	-
- Management fee income from: Topaz Blue Sdn. Bhd.*	-	(3,300)	-	-

* The directors of Tempo Properties Sdn. Bhd. and Topaz Blue Sdn. Bhd., namely Choong Soo Onn and Tan Meng Seng are directors of Vibrant Hub Sdn. Bhd. and its subsidiaries.

The outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Managing Director as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 3 main reportable segments as follows:-

- (i) Plywood operations - manufacturing and sale of sawn timber, veneer and plywood and generation and supply of power and steam;
- (ii) Property and investment holdings - rental of properties, investment holding and provision of management services; and
- (iii) Property development - the development of commercial and residential properties.

The Group Managing Director (the chief operating decision maker) review internal management report at least on a quarterly basis. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Income taxes were managed on a group basis and were not allocated to operating segments.

Assets, liabilities, and expenses which were common and cannot be meaningfully allocated to the operating segments were presented under Notes 33.1(a) and 33.1(b). Unallocated items comprise mainly current tax assets, current tax liabilities, deferred tax assets and deferred tax liabilities.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS

	2025	Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Group RM
Revenue					
Total revenue		3,124,942	24,343	7,230,127	10,379,412

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

2025	Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Segments RM	Consolidation Adjustments RM	Note	The Group RM
Results							
Segment loss	(3,601,747)	(11,136,147)	221,671	(14,516,223)	9,438,600		(5,077,623)
Bad debt written off	(212)	-	-	(212)	-		(212)
Depreciation	(2,442,781)	(96,744)	(191,026)	(2,730,551)	-		(2,730,551)
Unrealised gain on foreign exchange	(1,411)	(13,740,376)	-	(13,741,787)	-		(13,741,787)
Fair value gain on investment securities	-	2,549,166	93,756	2,642,922	-		2,642,922
Inventory written down	(4,004,678)	-	-	(4,004,678)	-		(4,004,678)
Inventory written off	(39,856)	-	-	(39,856)	-		(39,856)
Interest income	353,725	7,193,966	490,182	8,037,873	-		8,037,873
Interest expense	(435)	(4,200)	-	(4,635)	-		(4,635)
Consolidated loss before taxation							(14,918,547)
Income tax credit							(135,589)
Consolidated loss after taxation							(15,054,136)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

2025	Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Segments RM	Consolidation Adjustments RM	Note	The Group RM
Assets							
Additions to non-current assets	71,963	5,297	7,573	84,833	-	(a)	84,833
Segment assets	77,342,464	375,051,648	143,179,977	595,574,089	(198,776,690)		396,797,399
Liability							
Segment liabilities	13,474,660	17,181,564	53,790,897	84,447,121	(61,012,088)	(b)	23,435,033

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

2024	Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Segments RM	Consolidation Adjustments RM	The Group RM
Revenue						
External sales	13,241,738	41,400	11,185,993	24,469,131	-	24,469,131
Inter-segment sales	-	17,900,000	-	17,900,000	(17,900,000)	-
Total revenue	13,241,738	17,941,400	11,185,993	42,369,131	(17,900,000)	24,469,131

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

	Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Segments RM	Consolidation Adjustments RM	Note	The Group RM
2024							
Results							
Segment loss	(4,568,700)	(28,443,702)	(950,347)	(33,962,749)	25,003,870		(8,958,879)
Bad debt written off	(400)	(11,672)	-	(12,072)	11,672		(400)
Depreciation	(2,556,858)	(95,744)	(169,160)	(2,821,762)	-		(2,821,762)
Unrealised gain on foreign exchange	19,134	13,696,842	1,154	13,717,130	-		13,717,130
Fair value gain on investment securities	-	7,662,726	24,281	7,687,007	-		7,687,007
Impairment loss on trade and other receivables	-	-	(1,596,470)	(1,596,470)	-		(1,596,470)
Inventory written down	(2,027,959)	-	-	(2,027,959)	-		(2,027,959)
Inventory written off	(50,979)	-	-	(50,979)	-		(50,979)
Interest income	431,928	8,227,114	279,032	8,938,074	(516,160)		8,421,914
Interest expense	(554)	(92,562)	(516,161)	(609,277)	516,160		(93,117)
Consolidated profit before taxation							14,276,485
Income tax credit-							24,853
Consolidated profit after taxation							14,301,338

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

		Plywood Operations RM	Property and Investment Holdings RM	Property Development RM	Total Segments RM	Consolidation Adjustments RM	Note	The Group RM
2024								
Assets								
Additions to non-current assets	23,060	26,152	84,786	133,998				133,998
Segment assets	87,168,023	394,288,439	146,024,408	627,460,870	(209,137,744)	(a)	(a)	418,323,126
Liability								
Segment liabilities	15,564,671	17,109,784	57,131,567	89,806,022	(63,936,389)	(b)	(b)	25,869,633

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.1 BUSINESS SEGMENTS (CONT'D)

- (a) The following items are deducted from segment assets to arrive at total assets reported in the consolidated statement of financial position:-

	The Group 2025 RM	2024 RM
Inter-segment balances	(199,710,070)	(209,995,570)
Current tax assets	933,380	857,826
	<u>(198,776,690)</u>	<u>(209,137,744)</u>

- (b) The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:-

	The Group 2025 RM	2024 RM
Inter-segment balances	(67,244,787)	(70,087,286)
Deferred tax liabilities	5,920,974	5,920,974
Current tax liabilities	311,725	229,923
	<u>(61,012,088)</u>	<u>(63,936,389)</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

33. OPERATING SEGMENTS (CONT'D)

33.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

	Revenue	
	2025 RM	2024 RM
The Group		
Malaysia	10,379,412	13,377,939
Middle East	-	11,091,192
	<u>10,379,412</u>	<u>24,469,131</u>

The information by geographical segment for non-current assets is not presented as the non-current assets relating to the countries other than Malaysia is immaterial to the Group.

33.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group total revenue:-

		Revenue	
		2025 RM	2024 RM
Customer A	Plywood operations	3,064,942	-
Customer B	Plywood operations	-	4,671,222
Customer C	Plywood operations	-	6,419,975
		<u></u>	<u></u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

34.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

	The Group	
	2025	2024
	RM	RM
USD		
<u>Financial Assets</u>		
Investment securities	238,300,677	229,115,983
Cash and bank balances	22,003	23,487
Net financial assets/current exposure	<u>238,322,680</u>	<u>229,139,470</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Exposure (Cont'd)

	The Company 2025 RM	2024 RM
USD		
<u>Financial Assets</u>		
Investment securities	238,300,677	229,115,983
Cash and bank balances	319	319
	<hr/>	<hr/>
Net financial assets/current exposure	238,300,996	229,116,302
	<hr/>	<hr/>

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group 2025 RM	2024 RM
Effects on Profit After Taxation		
USD/RM		
- strengthened by 10%	23,832,000	22,914,000
- weakened by 10%	(23,832,000)	(22,914,000)
	<hr/>	<hr/>

	The Company 2025 RM	2024 RM
Effects on Profit After Taxation		
USD/RM		
- strengthened by 10%	23,830,000	22,912,000
- weakened by 10%	(23,830,000)	(22,912,000)
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the previous financial year, the exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

The Company does not have any floating rate borrowings and hence, no sensitivity analysis is presented.

(iii) Equity Price Risk

The exposure to equity price risk arises mainly from changes in quoted investment prices of the Group and the Company. The Group and the Company manage their exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(iii) Equity Price Risk (Cont'd)

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investment at the end of the reporting period, with all other variables held constant:-

	The Group	
	2025	2024
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 10%	26,192,000	26,040,000
Decrease of 10%	(26,192,000)	(26,040,000)

	The Company	
	2025	2024
	RM	RM
Effects on Profit/(Loss) After Taxation		
Increase of 10%	24,405,000	25,268,000
Decrease of 10%	(24,405,000)	(25,268,000)

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investment and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loan on an individual basis.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group and the Company do not have any major concentration of credit risk related to any individual customer or counterparty.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 120 days past due.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables

The Group applies the simplified approach to measure expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 24 (2024: 24) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the inflation rate as the key macroeconomic factor of the forward-looking information.

For property development, purchasers are generally financed by loan facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties sold will revert to the Group in the event of default, and the products do not suffer from physical, technological and fashion obsolescence. Therefore, there is minimal exposure to credit risk.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2025				
Current (not past due)	1,048,849	-	-	1,048,849
1 to 30 days past due	4,645,016	-	-	4,645,016
31 to 60 days past due	538,068	-	-	538,068
61 to 90 days past due	233	-	-	233
More than 90 days past due	173,731	(12,455)	-	161,276
Trade receivables	6,405,897	(12,455)	-	6,393,442

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables are as follows (cont'd):-

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
2024				
Current (not past due)	225,141	-	-	225,141
1 to 30 days past due	4,650,427	-	-	4,650,427
31 to 60 days past due	10,870	-	-	10,870
61 to 90 days past due	1,700	-	-	1,700
More than 90 days past due	4,419,483	(12,455)	-	4,407,028
Trade receivables	9,307,621	(12,455)	-	9,295,166

The movements in the loss allowances in respect of trade receivables is disclosed in Note 21 to the financial statements.

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables and contract assets that impacted the allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 360 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

	Gross Amount RM	Lifetime Loss Allowance RM	Carrying Amount RM
The Group			
2025			
Low credit risk	510,885	-	510,885
Credit impaired	1,596,470	(1,596,470)	-
	<u>2,107,355</u>	<u>(1,596,470)</u>	<u>510,885</u>
2024			
Low credit risk	426,097	-	426,097
Credit impaired	1,953,654	(1,953,654)	-
	<u>2,379,751</u>	<u>(1,953,654)</u>	<u>426,097</u>

The movements in the loss allowances in respect of other receivables is disclosed in Note 21 to the financial statements.

The allowance for impairment losses (determined on an individual basis) relates to credit impaired other receivables who are in significant financial difficulties and have defaulted on payments. No impairment losses are provided for the remaining other receivables because there have been no significant changes in their credit quality and the amounts are considered recoverable but with slower repayment records.

There has not been any significant change in the gross amounts of other receivables that impacted the allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The Company

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade Balances)

The Company also applies the 3-stage general approach (see information in other receivables above) to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Amount Owing by Subsidiaries (Non-trade Balances) (Cont'd)

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

	Gross Amount RM	Lifetime Loss Allowance RM	Carrying Amount RM
The Company			
2025			
Low credit risk	533,171	-	533,171
Credit impaired	4,395,488	(275,732)	4,119,756
	<u>4,928,659</u>	<u>(275,732)</u>	<u>4,652,927</u>
2024			
Low credit risk	391,595	-	391,595
Credit impaired	4,831,365	(649,314)	4,182,051
	<u>5,222,960</u>	<u>(649,314)</u>	<u>4,573,646</u>

The movements in the loss allowances are disclosed in Note 21 to the financial statements.

The allowance for impairment losses (determined on an individual basis) relates to credit impaired subsidiaries who are in significant financial difficulties and have defaulted on payments.

There has not been any significant change in the gross amounts of amount owing by subsidiaries that impacted the allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	2 to 5 Years RM
The Group				
2025				
<u>Non-derivative Financial Liabilities</u>				
Lease liabilities	59,611	62,258	26,964	35,294
Trade and other payables	565,664	565,664	565,664	-
Other current liabilities	15,635,350	15,635,350	15,635,350	-
	16,260,625	16,263,272	16,227,978	35,294

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
The Group			
2024			
<u>Non-derivative Financial</u>			
<u>Liabilities</u>			
Lease liabilities	1,677	1,694	1,694
Trade and other payables	1,848,246	1,848,246	1,848,246
Other current liabilities	17,071,971	17,071,971	17,071,971
	18,921,894	18,921,911	18,921,911

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (cont'd):-

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
The Company			
2025			
<u>Non-derivative Financial Liabilities</u>			
Trade and other payables	28,705,749	28,705,749	28,705,749
Other current liabilities	295,196	295,196	295,196
	29,000,945	29,000,945	29,000,945
2024			
<u>Non-derivative Financial Liabilities</u>			
Trade and other payables	28,728,230	28,728,230	28,728,230
Other current liabilities	286,646	286,646	286,646
	29,014,876	29,014,876	29,014,876

The contractual undiscounted cash flows represent the outstanding credit facilities at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.2 CAPITAL RISK MANAGEMENT

The Group and the Company manages their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group and the Company at the end of the reporting period are not presented as there is no external borrowings.

There was no change in the approach to capital management during the financial year.

34.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2025 The Group RM	The Company RM
Financial Assets		
<u>Mandatorily at Fair Value Through Profit or Loss</u>		
Investment securities	261,918,240	244,047,336
<u>Amortised Cost</u>		
Trade and other receivables	6,904,327	4,718,622
Fixed deposits with licensed banks	11,843,350	544,057
Cash and bank balances	7,342,141	593,575
	<u>26,089,818</u>	<u>5,856,254</u>
Financial Liability		
<u>Amortised Cost</u>		
Trade and other payables	565,664	28,747,949
Other current liabilities	15,635,350	295,196
	<u>16,201,014</u>	<u>29,043,145</u>

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	2024 The Group RM	The Company RM
Financial Assets		
<u>Mandatorily at Fair Value Through Profit or Loss</u>		
Investment securities	260,404,313	252,683,522
<u>Amortised Cost</u>		
Trade and other receivables	9,721,263	4,597,442
Fixed deposits with licensed banks	13,063,554	2,056,968
Cash and bank balances	10,276,155	98,502
	33,060,972	6,752,912
Financial Liability		
<u>Amortised Cost</u>		
Trade and other payables	1,848,246	28,728,230
Other current liabilities	17,071,971	286,646
	18,920,217	29,014,876

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.4 GAINS OR (LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	2025	
	The Group RM	The Company RM
Financial Assets		
<u>Fair Value Through Profit or Loss</u>		
Net gains recognised in profit or loss by:		
- mandatorily required by MFRS 9	356,954	1,893,486
<u>Amortised Cost</u>		
Net loss recognised in profit or loss	(984,661)	(960,266)
Financial Liability		
<u>Amortised Cost</u>		
Net losses recognised in profit or loss	(4,635)	-
	2024	
	The Group RM	The Company RM
Financial Assets		
<u>Fair Value Through Profit or Loss</u>		
Net gain recognised in profit or loss by:		
- mandatorily required by MFRS 9	29,694,186	29,386,650
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	574,586	528,664
Financial Liability		
<u>Amortised Cost</u>		
Net losses recognised in profit or loss	(92,563)	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments Carried at			Fair Value of Financial Instruments not Carried at Fair Value		Total Fair Value	Carrying Amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM		
2025							
Financial Assets							
Other funds	-	238,300,677	-	-	-	238,300,677	238,300,677
Unit trust funds	-	23,617,563	-	-	-	23,617,563	23,617,563

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (cont'd):-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM	RM	RM	RM	RM	RM	RM	RM
2024								
<u>Financial Assets</u>								
Other funds	-	229,115,983	-	-	-	-	229,115,983	229,115,983
Unit trust funds	-	31,288,330	-	-	-	-	31,288,330	31,288,330

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (cont'd):-

The Company	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM	RM	RM
2025								
<u>Financial Asset</u>								
Other funds	-	238,300,677	-	-	-	-	238,300,677	238,300,677
Unit trust funds	-	5,746,659	-	-	-	-	5,746,659	5,746,659
2024								
<u>Financial Asset</u>								
Other funds	-	229,115,983	-	-	-	-	229,115,983	229,115,983
Unit trust funds	-	23,567,539	-	-	-	-	23,567,539	23,567,539

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2025 (cont'd)

34. FINANCIAL INSTRUMENTS (CONT'D)

34.5 FAIR VALUE INFORMATION (CONT'D)

The fair values which are for disclosure purpose, have been determined using the following basis:-

Fair Value of Financial Instruments Carried at Fair Value

The fair value of the other funds and unit trust funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

Fair Value of Financial Instruments Not Carried at Fair Value

In the previous financial year, the fair value of the Group's term loan that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting period.

PROPERTIES OF THE GROUP as at 31 March 2025

Location	Date	Description	Land area (build-up area) sq meters	Tenure	Age of building (years)	Net book value as at 31.3.2025 (RM)
Rajang Plywood Sawmill Sdn. Bhd.						
Engkilo Land Lot No. 1632, Block 11 Engkilo Land District Sungai Dasan, Sibul	Revalued on 31.3.2000	Hostel & canteen	14,364	Leasehold expiring year 2062	28 to 32	444,648
Engkilo Land Lot No. 1634, Block 11 Engkilo Land District Sungai Dasan, Sibul		Plywood processing mill, sawmill, workshop & main administrative office	157,131	Leasehold expiring year 2062	29 to 32	3,994,557
Rajang Plywood (Sabah) Sdn. Bhd.						
Merotai, District of Tawau, Sabah Title No. CL 105486762 Ref. No. LA94100174 LS 1001.1.1973 Geocode: 4889817517	Acquired on 30.3.2001	Factory office plywood processing mill, sawmill & workshop	101,094 (43,024)	Leasehold expiring year 2094	7.5 to 23	11,585,186
Merotai, District of Tawau, Sabah Title No. CL 105486771 Ref. No. LA94100175 LS 1001.1.1965 Geocode: 4889814589	Acquired on 30.3.2001	Sawmill, workshop, hostel & canteen	101,201 (2,493)	Leasehold expiring year 2094	15 to 23	
Eksons Biomass Energy Sdn. Bhd.						
Merotai, District of Tawau, Sabah Title No. CL 105486762 Ref. No. LA94100174 LS 1001.1.1973 Geocode: 4889817517	Acquired on 30.3.2001	Building for biomass power plant	101,094 (2,304)	Leasehold expiring year 2094	16 years 9-10 months	-
The Atmosphere Sdn. Bhd.						
No. 1 to 3 Jalan Prima Tropika Barat 2 Taman Prima Tropika 47100 Puchong Selangor	Acquired on 10.9.2008	Sales and project site office	436.42 (1,253.32)	Leasehold expiring year 2106	15	2,097,060
13 units, Block E Jalan Atmosphere 8 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 29.10.2014	Shop office for sale	2,286	Leasehold expiring year 2097	11	8,220,000
Russella Teguh Sdn. Bhd.						
10 units, Block B Jalan Atmosphere 5 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 10.1.2013	Shop office for sale	1,912	Leasehold expiring year 2097	12	2,898,701

PROPERTIES OF THE GROUP as at 31 March 2025 (cont'd)

Location	Date	Description	Land area (build-up area) sq meters	Tenure	Age of building (years)	Net book value as at 31.3.2025 (RM)
Russella Teguh Sdn. Bhd. (contd)						
21 units, Block C Jalan Atmosphere 6 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 10.1.2013	Shop office for sale	4,958	Leasehold expiring year 2097	12	6,523,678
18 units, Block D Jalan Atmosphere 7 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 8.5.2013	Shop office for sale	4,641	Leasehold expiring year 2097	12	5,300,752
28 units, Block E Jalan Atmosphere 8 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 29.10.2014	Shop office for sale	4,641	Leasehold expiring year 2097	11	16,328,242
Uomo Donna (Malaysia) Sdn. Bhd.						
8 parcels of land for Lot No. 12398, 12399, 12400, 12402, 12403, 12404, 12405 and 12407, Mukim of Rasah, District of Seremban, Negeri Sembilan	Acquired on 4.12.2012	Land for development	270,433	Freehold	-	17,296,968
Chongai Properties Sdn. Bhd.						
Lot No. G01 and G02 Jalan Arumugam Pillai 14000 Bukit Mertajam Pulau Pinang	Acquired on 8.8.1995	Shoplots for sale	140	Freehold	-	503,441
Eksons Corporation Berhad						
5 units, Block D Jalan Atmosphere 7 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 9.12.2019	Shop office for sale	844	Leasehold expiring year 2097	12	2,122,940
Vibrant Hub Sdn. Bhd.						
1 unit, Block D Jalan Atmosphere 7 Pusat Perniagaan The Atmosphere 43300 Seri Kembangan Selangor	Acquired on 8.3.2021	Shop office for sale	152	Leasehold expiring year 2097	12	146,994

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the following information is provided:

1. Utilisation of Proceeds

There were no proceeds raised from corporate proposals during the financial year ended 31 March 2025.

2. Audit and Non-Audit Fees

The amount of audit fees and non-audit fees incurred for services rendered to Eksons and its subsidiary companies ("the Group") and the Company by the external auditors for the financial year ended 31 March 2025 ("FY2025") are as follows:-

	Group MYR ('000)	Company MYR ('000)
Audit Fees	146,700	55,000
Non-Audit Fees	5,000	5,000
Total	151,700	60,000

3. Material Contracts

There is no material contract that the Group entered into during the financial year which involves the interest of the Director and major shareholders.

4. Contracts Relating to Loans

There is no contract relating to loan made by the Group involving interests of Directors and major shareholders during the financial year.

5. Recurrent Related Party Transactions ("RRPT")

The Company did not seek mandate from its shareholders on RRPT during the FY2025.

SHAREHOLDINGS STATISTICS

ANALYSIS OF SHAREHOLDINGS AS AT 30 JUNE 2025

Total number Issued Shares as at 30 June 2025	:	RM131,370,400.00 divided into 164,213,000 ordinary shares
Treasury Shares as at 30 June 2025	:	2,733,334 ordinary shares
Adjusted Capital (after netting treasury shares as at 30 June 2025)	:	161,479,666 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS AS PER RECORD OF DEPOSITORS AS AT 30 JUNE 2025

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF ISSUED CAPITAL
1 – 99	131	6.85	4,642	0.00
100 – 1,000	281	14.71	85,910	0.05
1,001 - 10,000	985	51.57	3,104,410	1.89
10,001 – 100,000	441	23.09	10,952,182	6.67
100,001 – 8,210,650*	68	3.57	41,352,886	25.18
8,210,650 and above**	4	0.21	108,712,970	66.21
TOTAL	1,910	100.00	164,213,000	100.00

SHAREHOLDINGS STATISTICS (cont'd)

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2025

The substantial shareholders based on the Register of Substantial Shareholders of the Company and their shareholdings are as follows:-

Name of Shareholders	No. of shares beneficially held			
	Direct	%	Indirect	%
Darujasa Sdn. Bhd.	39,282,067	24.33	-	-
Kesturi Suria Sdn. Bhd.	39,282,067	24.33	-	-
Serira Sdn. Bhd.	19,457,383	12.05	-	-
Tay Hua Sin	-	-	78,564,134 ⁽¹⁾	48.65
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	1,102,314	0.68	20,467,383 ⁽²⁾	12.67
Dato' Sri Faizal Bin Abdul Aziz	1,010,000	0.63	19,457,383 ⁽³⁾	12.05
Khairul Arifin Bin Abdul Aziz	-	-	19,457,383 ⁽³⁾	12.05

Notes:-

- (1) Indirect interest pursuant to Section 8 of the Act by virtue of his interest in Darujasa Sdn. Bhd. (39,282,067 shares) and Kesturi Suria Sdn. Bhd. (39,282,067 shares).
- (2) Indirect interest pursuant to Section 8 of the Act by virtue of his interest in Serira Sdn. Bhd. (19,457,383 shares) and his son, Dato' Sri Faizal Bin Abdul Aziz's shareholding (1,010,000 shares) in the Company.
- (3) Indirect interest pursuant to Section 8 of the Act by virtue of Dato' Sri Faizal Bin Abdul Aziz and Khairul Arifin Bin Abdul Aziz's interest in Serira Sdn. Bhd. (19,457,383 shares).

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2025

The Directors' shareholdings based on the Register of Directors' Shareholdings of the Company are as follows:-

Name of Directors	No. of shares beneficially held			
	Direct	%	Indirect	%
Tay Hua Sin	-	-	78,564,134 ⁽¹⁾	48.65
Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato Haji Husain	1,102,314	0.68	20,467,383 ⁽²⁾	12.67
Dato' Philip Chan Hon Keong	451,200	0.28	-	-
Sui Uh Hing	103,727	0.06	-	-

Notes:-

- (1) Indirect interest pursuant to Section 8 of the Act by virtue of his interest in Darujasa Sdn. Bhd. (39,282,067 shares) and Kesturi Suria Sdn. Bhd. (39,282,067 shares).
- (2) Indirect interest pursuant to Section 8 of the Act by virtue of his interest in Serira Sdn. Bhd. (19,457,383 shares) and his son, Dato' Sri Faizal Bin Abdul Aziz's shareholding (1,010,000 shares) in the Company.

SHAREHOLDINGS STATISTICS (cont'd)

LIST OF THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS AS AT 30 JUNE 2025 (ORDINARY SHARES)

NO.	NAME	NO. OF SHARES BENEFICIALLY HELD	%
1.	Darujasa Sdn. Bhd.	39,282,067	24.3263
2.	Kesturi Suria Sdn. Bhd.	39,282,067	24.3263
3.	Serira Sdn. Bhd.	19,457,383	12.0494
4.	UOB Kay Hian Nominees (Asing) Sdn. Bhd. Exempt An for UOB Kay Hian Pte Ltd (A/C Clients)	10,691,453	6.6209
5.	Lim Pei Tiam @ Liam Ahat Kiat	7,000,000	4.3349
6.	Addeen Printers Sdn. Bhd.	5,236,951	3.2431
7.	Rafazjaya Sdn. Bhd.	3,949,655	2.4459
8.	Lim Pay Kaon	2,200,000	1.3624
9.	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt An for DBS Bank Ltd (SFS)	1,375,281	0.8517
10.	Zulkifli Bin Hussain	1,281,286	0.7935
11.	Low Han Kee	1,159,278	0.7179
12.	CGS-CIMB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Abdul Aziz Bin Husain (Kuching)	1,102,314	0.6826
13.	Faizal Bin Abdul Aziz	1,010,000	0.6255
14.	Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ling Wenna	942,400	0.5836
15.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Private Wealth Management for Seow Voon Ping	827,100	0.5122
16.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Yap Heng Sang	733,500	0.4542
17.	Tay Wah Seng	707,000	0.4378
18.	Teh Seng Hock	585,000	0.3623
19.	Ngui Meu Chuong	504,541	0.3124
20.	Lee See Jin	498,536	0.3087
21.	Philip Chan Hon Keong	451,200	0.2794
22.	PM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chan Kuang (D)	425,900	0.2637
23.	Chen, Yi-Hsin	404,000	0.2502
24.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Leong Ah Kow @ Leang Lean Yow (MY2707)	377,000	0.2335
25.	Chieng Ngee Ong	374,912	0.2322
26.	Sow Tiap	363,000	0.2252
27.	Wong Kam Seng	354,000	0.2192
28.	Ang Hui Chan	283,951	0.1758
29.	Hong Weng Hwa	262,600	0.1626
30.	Khoo Yok Kee	262,057	0.1623
	TOTAL	141,385,032	87.5557

NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING



[Registration No. 199001014145 (205814-V)]
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the Thirty-Fifth (“**35th**”) Annual General Meeting (“**AGM**”) of the Company will be held at LA Hotel, Jalan St. Patrick (Off Jalan Belunu) 91033 Tawau, Sabah on Thursday, 25 September 2025 at 10:30 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Reports of the Directors and the Auditors thereon. *(Please refer to Note (b))*
2. To approve the payment of Directors’ fees payable to the Directors of the Company amounting to RM325,320.00 in respect of the financial year ended 31 March 2025. *(Resolution 1)*
3. To approve the payment of Directors’ benefits payable up to an amount of RM19,000.00 from the conclusion of the AGM until the next AGM of the Company. *(Resolution 2)*
4. To re-elect Mr. Tay Hua Sin who is retiring in accordance with Clause 23.3 of the Company’s Constitution and being eligible, has offered himself for re-election. *(Resolution 3)*
5. To re-elect Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato’ Haji Husain who is retiring in accordance with Clause 23.3 of the Company’s Constitution and being eligible, has offered himself for re-election. *(Resolution 4)*
6. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. *(Resolution 5)*

As Special Business

To consider and, if thought fit, with or without any modifications, to pass the following resolutions as Ordinary Resolutions:

7. **Ordinary Resolution** *(Resolution 6)*
Authority to Issue Shares Pursuant to the Companies Act 2016

THAT, subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit provided always that the aggregate number of shares issued pursuant to this Resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

AND THAT pursuant to Section 85 of the Act to be read together with Clause 8.1 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to this mandate;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

8. Ordinary Resolution

(Resolution 7)

Proposed Renewal of Authority for the Company to Purchase Its Own Shares (“Proposed Renewal of Share Buy-Back Authority”)

“**THAT**, subject to the Act, the Constitution of the Company, Main Market Listing Requirements of Bursa Securities and all other applicable laws, rules and regulations and guidelines for the time being in force and the approvals of all relevant governmental and/or regulatory authority, approval be and is hereby given to the Company, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- (i) the aggregate number of ordinary shares to be purchased and/or held by the Company pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at the point of purchase; and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest unaudited financial statements (where applicable) available at the time of the purchase.

THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

- (i) to cancel all the shares so purchased; and/or
- (ii) to retain the ordinary shares so purchased as treasury shares for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities and/or transfer under an employees’ share scheme and/or transfer as purchase consideration; and/or
- (iii) to retain part thereof as treasury shares and cancel the remainder; or
- (iv) in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force.

THAT such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until: -

- (a) the conclusion of the next AGM of the Company following this AGM at which such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
- (c) the authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever occurs first.

NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

AND THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may consider expedient or necessary in the best interest of the Company to give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps, and do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

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

By Order of the Board

CHUA SIEW CHUAN (MAICSA 0777689)/ SSM PC NO.: 201908002648

LIM LIH CHAU (LS 0010105)/ SSM PC NO.: 201908001454

Company Secretaries

Sabah

Dated: 29 July 2025

Notes:

(a) Appointment of Proxy

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on **18 September 2025** (“**General Meeting Record of Depositors**”) shall be eligible to participate, speak and vote at the Meeting.
2. A member entitled to participate and vote at the Meeting shall be entitled to appoint more than one (1) proxy to participate, speak and vote in his stead. Where a member appoints more than one (1) proxy, he shall specify the proportions of his shareholdings to be represented by each proxy, failing which the appointments shall be invalid.
3. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation. There shall be no restriction as to the qualification of the proxy. A proxy appointed to participate, speak and vote at the Meeting of the Company shall have the same rights as the member to speak at the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the member/ appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (“**SICDA**”) 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 authorised nominee may appoint in respect of each omnibus account it holds. Where a shareholder is an authorised nominee as defined under SICDA, it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
6. The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at TB4327, Block 31, 2nd Floor, Fajar Complex, Jalan Haji Karim, 91000 Tawau, Sabah not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. All resolutions set out in the Notice of Meeting are to be voted by poll.

(b) Audited Financial Statement for the financial year ended 31 March 2025

Agenda 1 is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the members/shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING (cont'd)

Explanatory Notes:-

(i) Resolutions 1 and 2 – Payment of Directors' fees and benefits

Section 230(1) of the Companies Act 2016 provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval at the 35th AGM on the two (2) separate resolutions as below: -

- **Resolution 1** on payment of Directors' fees in respect of the financial year ended 31 March 2025.
- **Resolution 2** on payment of Directors' benefits from the conclusion of the AGM until the next AGM of the Company.

(ii) Resolutions 3 and 4 - Re-election of Directors who are retiring in accordance with of the Company's Constitution

In determining the eligibility of the Directors to stand for re-election at the forthcoming 35th AGM, the Nomination Committee ("NC"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Securities recommended Mr. Tay Hua Sin and Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain, for re-election as Director pursuant to the Constitution of the Company. The Board of Directors ("Board") has conducted a separate assessment and being satisfied with the performance/contribution of the Retiring Directors. Therefore, the Board recommended the same be tabled to the shareholders for approval at the forthcoming 35th AGM of the Company under Ordinary Resolutions 3 and 4 respectively.

The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2025 of the Company. All the Retiring Directors have consented to their re-election, and abstained from deliberations and voting in relation to their individual re-election at the NC and Board Meetings, respectively.

(iii) Resolution 5 – Re-appointment of Auditors

The Audit Committee and the Board have assessed the suitability and independence of the External Auditors and recommended the re-appointment of Messrs. Crowe Malaysia PLT as External Auditors of the Company for the financial year ending 31 March 2026.

(iv) Resolution 6 – Authority to issue shares pursuant to Companies Act 2016

The proposed resolution is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to the Companies Act 2016, from the date of the 35th AGM, to issue and allot ordinary shares of not more than ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority will, unless revoked or varied at a General Meeting, expire at the conclusion of the next Annual General Meeting of the Company. This authority will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

The Board, having considered the current and prospective financial position, working capital requirements and capacity of the Group, is of the opinion that the General Mandate is in the best interests of the Company and its shareholders.

Pursuant to Section 85 of the Act read together with Clause 8.1 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING *(cont'd)*

As at the date of this Notice, no new shares in the Company were issued under the provision of the general mandate granted to the Directors at the Thirty-Fourth Annual General Meeting held on 19 September 2024, which will lapse at the conclusion of the 35th AGM.

(v) **Resolution 7- Proposed Renewal for Share Buy-Back Authority**

The proposed Resolution 7 is intended to allow the Company to purchase its own shares up to 10% of the total number of issued shares in the ordinary share capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Securities. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

Please refer to the Circular/Statement to Shareholders dated 29 July 2025 for further information.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at the 35th AGM and/or any adjournment thereof, a member of the Company (i) 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"), (ii) 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 (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

FORM OF PROXY



[Registration No. 199001014145 (205814-V)]
(Incorporated in Malaysia)

CDS ACCOUNT NUMBER

NUMBER OF SHARES HELD

*I / We _____ NRIC No./Company No. _____

of (full address) _____

being a member/members of EKSONS CORPORATION BERHAD, hereby appoint:

PROXY "A"

FULL NAME (IN BLOCK)	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
FULL ADDRESS			

And/or failing *him/her,

PROXY "B"

FULL NAME (IN BLOCK)	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
FULL ADDRESS			

#to put a separate sheet where there are more than two (2) proxies.

Or failing *him/her, the CHAIRMAN OF THE MEETING, as *my/our proxy to attend and vote for *me/us and on *my/our behalf at the Thirty Fifth ("35th") Annual General Meeting ("AGM") of the Company will be held at LA Hotel, Jalan St. Patrick (Off Jalan Belunu) 91033 Tawau, Sabah on Thursday, 25 September 2025 at 10:30 a.m. and at any adjournment thereof.

Resolution	Agenda	For	Against
1	To approve the payment of Directors' fees payable to the Directors of the company amounting to RM325,320.00 in respect of the financial year ended 31 March 2025.		
2	To approve the payment of Directors' benefits payable up to an amount of RM19,000.00 from the conclusion of the AGM until the next AGM of the Company.		
3	To re-elect Mr. Tay Hua Sin as a Director of the Company in accordance with Clause 23.3 of the Company's Constitution.		
4	To re-elect Tan Sri Datuk Amar (Dr) Haji Abdul Aziz Bin Dato' Haji Husain as a Director of the Company in accordance with Clause 23.3 of the Company's Constitution.		
5	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.		
SPECIAL BUSINESS			
6	Authority to Issue Shares pursuant to the Companies Act 2016.		
7	Proposed Renewal for Share Buy-Back Authority.		

* Strike out whichever is not applicable.

Please indicate with an "X" in the space provided above how you wish your votes to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/her discretion.

As witness my/our hand(s) this _____ day of _____ 2025.

Signature of Member/Common Seal

Notes:

(a) Appointment of Proxy

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- The instrument appointing a proxy shall be in writing under the hand of the member/ appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its officer or attorney duly authorised.
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- The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the Registered Office of the Company at TB4327, Block 31, 2nd Floor, Fajar Complex, Jalan Haji Karim, 91000 Tawau, Sabah not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. All resolutions set out in the Notice of Meeting are to be voted by poll.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and /or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 29 July 2025.

Fold this flap for sealing

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AFFIX
STAMP

EKSONS CORPORATION BERHAD
(Registration no. 199001014145 (205814-V))

Registered Office
TB 4327, Block 31, 2nd Floor,
Fajar Complex, Jalan Haji Karim,
91000 Tawau, Sabah

2nd fold here

Address : Lot 1 to 3, Jalan Prima Tropika Barat 2,
Taman Prima Tropika,
43300 Seri Kembangan,
Selangor, Malaysia.

Telephone : 603 8949 3199

Fax : 603 8949 3198

Website : www.eksons.com.my