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Form of Proxy



CORPORATE INFORMATION

Board of Directors

Tan Sri Dato' Ir. Ng Boon Thong
@ Ng Thian Hock

Executive Chairman

Dato' Milton Norman Ng Kwee Leong

Managing Director

Steven Junior Ng Kwee Leng

Executive Director

Malcolm Jeremy Ng Kwee Seng

Executive Director

Dato' Ir. Hashim Bin Osman

Independent Non-Executive Director

Ooi Hun Yong

Independent Non-Executive Director

Norazkha Binti Dahlan

Independent Non-Executive Director

Tong Sook Yee

Independent Non-Executive Director

COMPANY SECRETARY

Cheam Tau Chern (MIA 18593)

SSM PC No.: 201908000002

AUDITORS

HLB Ler Lum Chew PLT (201906002362 & AF0276), Chartered Accountant, A Member of HLB International

REGISTERED OFFICE

Lot 3, Jalan Lada Sulah 16/11, Section 16 40000 Shah Alam, Selangor Darul Ehsan

Tel : 03-5510 0501 Fax : 03-5510 0493

Email : pd_professional@yahoo.com

PRINCIPAL BANKERS

Hong Leong Bank Berhad Public Bank Berhad OCBC Bank (Malaysia) Berhad United Overseas Bank (M) Bhd. CIMB Bank Berhad

Maybank Islamic Berhad

SHARE REGISTRARS

Tricor Investor & Issuing House Services Sdn. Bhd. Unit 32-01, Level 32, Tower A Vertical Business Suite, Avenue 3, Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur

Tel : 03-2783 9299 Fax : 03-2783 9222

Email: is.enquiry@vistra.com Website: www.vistra.com

WEBSITE

https://www.hil.com.my

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad Transferred from Second Board to Main Board on 21st September 2006 Stock Name: HIL Stock Code: 8443



CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report of HIL Industries Berhad ("HIL" or "the Group") for the financial year ended 31st December 2024.

The Company & its Performance Highlights

During the financial year under review, the Group recorded revenue of RM219.898 million and profit before tax of RM57.982 million, representing an increase of approximately RM7.835 million or 3.69% in revenue and an increase of RM5.695 million or 10.89% in profit before tax, as compared to revenue of RM212.063 million and profit before tax of RM52.287 million in the preceding financial year. Our manufacturing segment continued to see strong growth in sales and results as a result of the continued good sales from our automotive customers. At our property division, due to a lack of new launches, most of our revenue and results were attributed to Amverton Hills Strata terrace as well as Amverton links Townhouse which have almost fully sold out. Our new launch of our Amverton Links Superlinks saw reasonably good response and we will continue to push hard to ensure the success of this project also.

For the year under review, the Group registered a basic earnings per share attributable to the shareholders of 12.45 sen, an increase of 0.80 sen from the corresponding year, whilst net assets per share for the Group was RM1.43 an increase of RM0.09 compared to the preceding financial year.

Our financial position remains strong with a net cash position of RM126.527 million. This will enable us to proceed with our expansion plans for not only our manufacturing division but also our property division, and to finance our ongoing projects as well as look for opportunites to add more land bank for development.

Dividends

The Board of Directors has approved a first and final single tier dividend of 3.0 sen per ordinary share in respect of the financial year ended 31st December 2024 .

2025, A year of opportunity

In the financial year ended 31st December 2024, the Group entered into several Sale and Purchase Agreements to acquire 68 acres of freehold land in Banting. Located 5 minutes away from Banting town and within the growth area of Southern Selangor, we foresee great development potential in this land. Our plans are for landed homes in a guarded and gated

environment where we are next to adjacent developments that have been fully taken up and sold. This acquisition together with our earlier acquisitions of our land in Mount Kiara and Kota Kemuning will enhance our reputation as a reputable developer and continue our journey to become one of the premier leading developers in Malaysia.

At the same time, we are moving ahead with our multigenerational expansion as well as our final phase of our Double-storey landed homes in Amverton links in 2025 and we believe that this will bode well for our Property Development side.

On the manufacturing side, with our main customers continuing to enjoy brisks sales coupled with the introduction of several new models, we anticipate that our manufacturing division will continue to perform well in 2025, and we indeed look forward to continue our strong growth in this segment.

At the same time, our new factory in Bukit Sentosa has already started operations in Quarter 4 2024 where we will expand our headlining production and move downstream to produce our own PU sheets. At the same time, we have added several new injection machines and automated paint lines to increase our capacity to cater for future expansion and to cater for additional demand due to the upcoming new model launch from our customers in end 2025.

Appreciation

On behalf of the Board, I would like to express my sincere appreciation to all our valued and loyal shareholders, customers, suppliers, business partners and bankers for their support and confidence in the Group.

My appreciation also goes to the Board of Directors of the Company and the management and staff of the Group for their dedication and continued commitment to improve the overall performance of the Group.

Thank you for your continued support and interest in the Group.

Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock April 2025



PROFILE OF DIRECTORS AND KEY SENIOR MANAGEMENT

TAN SRI DATO' IR. NG BOON THONG @ NG THIAN HOCK

Executive Chairman (Key Senior Management)

Age:77

Gender: Male

Nationality: Malaysian

Date Appointed: 7 February 2003

Tan Sri Dato'Ir. Ng Boon Thong @ Ng Thian Hock ("Tan Sri Dato'Ir. Ng") was appointed as an Executive Chairman since 4th July 2003. Tan Sri Dato' Ir. Ng graduated with an Honours Degree in Civil Engineering from the University of Malaya. He began his career in 1970 as an engineer in Perbadanan Urus Air Selangor Berhad before being appointed as a Municipal Councilor for the Selangor Government, State Assemblyman for the Barisan Nasional Party for the Selat Klang and Pandamaran constituencies and a Senator for the Government.

Tan Sri Dato' Ir. Ng is a substantial shareholder of HIL. He is also a Director of Amverton Berhad.

His children, Dato' Milton Norman Ng Kwee Leong, Steven Junior Ng Kwee Leng and Malcolm Jeremy Ng Kwee Seng, are also members of the Board.

DATO' MILTON NORMAN NG KWEE LEONG

Managing Director (Key Senior Management)

Age:54

Gender: Male

Nationality: Malaysian

Date Appointed: 3 July 1999

Dato' Milton Norman Ng Kwee Leong graduated with an Honours Degree in Law from the University of Western Australia in 1994. After graduating, he spent 9 months doing his pupilage in the legal office of Shearn Delamore and was admitted to the Malaysian Bar as an Advocate and Solicitor in May 1995. He spent a further 6 months in Shearn Delamore before joining HIL in December 1995 as general manager where he was responsible for the day-to-day operations of the Company.

Dato' Milton is a substantial shareholder of the Company by virtue of his parents' shareholdings. He is also a Director of Amverton Berhad and Bukit Kemuning Golf & Country Club Berhad.

His father, Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock, and siblings, Steven Junior Ng Kwee Leng and Malcolm Jeremy Ng Kwee Seng, are also members of the Board.

STEVEN JUNIOR NG KWEE LENG

Executive Director (Key Senior Management)

Age:44

Gender: Male

Nationality: Malaysian

Date Appointed: 1 June 2020

Mr. Steven Junior Ng Kwee Leng holds a Bachelor of Commerce Degree majoring in Finance and Marketing with a minor in Business Law, from University of Western Australia.

Mr. Steven is a substantial shareholder of the Company by virtue of his parents' shareholdings. He is also a Director of Amverton Berhad and Bukit Kemuning Golf & Country Club Berhad.

His father, Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock, and siblings, Dato' Milton Norman Ng Kwee Leong and Malcolm Jeremy Ng Kwee Seng, are also members of the Board.



PROFILE OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

MALCOLM JEREMY NG KWEE SENG

Executive Director (Key Senior Management)

Age:39

Gender: Male

Nationality: Malaysian

Date Appointed: 8 September 2008

Mr. Malcolm Jeremy Ng Kwee Seng graduated with double Degrees majoring in Accounting and Law from Murdoch University, Western Australia in 2008. After graduating he had spent a brief period in MIMB Investment Bank Bhd before joining HIL. He is currently in charge of the finance and accounting operations of the Group.

Mr. Malcolm is a substantial shareholder of the Company by virtue of his parents' shareholdings. He is also a Director of Amverton Berhad.

His father, Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock, and siblings, Dato' Milton Norman Ng Kwee Leong and Steven Junior Ng Kwee Leng, are also members of the Board.

DATO'IR HASHIM BIN OSMAN

Independent and Non Executive Director

Age:69

Gender: Male

Nationality: Malaysian

Date Appointed: 27 September 2022

Committees:

- 1. Audit Committee
- 2. Sustainability Committee
- 3. Remuneration Committee
- 4. Nomination Committee

Mr. Dato' Ir. Hashim Bin Osman graduated with a Bachelor of Science from the University Teknologi Mara (UiTM), Malaysia. He has over 36 years of working experience with the Department of Irrigation and Drainage Malaysia ("DID"). Since 1979, he worked at the headquarters of DID in Kuala Lumpur ("DID HQ") as a technical assistant. He later pursued a Bachelor of Science in civil engineering in 1982 and in 1985, he specialised in hydrology engineering at DID HQ. In 1989, he was transferred to the DID at Kuala Pilah, Negeri Sembilan and he occupied the position of District Engineer.

In 1994, he was the District Engineer for the DID at Seremban, Negeri Sembilan. He subsequently moved to Pulau Pinang in 1998 and worked as a senior engineer at the Integrated Agriculture Development Project. He then returned to Kuala Langat to be a District Engineer at Kuala Langat, Banting in Selangor in the year 2004 and in 2007, he returned to DID HQ to be a Senior Engineer at the Flood Mitigation Project division.

In 2009, he became the Director of the DID Wilayah Persekutuan and in 2010, he was transferred to Negeri Sembilan to be the Director of the DID Negeri Sembilan. In 2015, he was transferred back to Selangor to be the Director of the DID Selangor. He was conferred the honour of "Darjah Indera Mahkota Pahang" (D.I.M.P) from the state of Pahang in 2016 which carries the title Dato'. In 2017, he became the Director of the Selangor Management Water Authority. In 2018, he obtained his second honour which was "Darjah Kebesaran Dato' Paduka Mahkota Selangor" (D.P.M.S) from the state of Selangor which also carries the title Dato'. He retired from active service in 2021.

Dato' Ir. Hashim does not have any directorship in other public companies or listed issuers.

He does not have any interest in the securities of the Company and does not have any family relationship with any Director and/or major shareholder of the Company.



PROFILE OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

OOI HUN YONG

Independent and Non Executive Director

Age:45

Gender: Male

Nationality: Malaysian

Date Appointed: 1 June 2020

Committees:

- 1. Audit Committee
- 2. Nomination Committee
- 3. Remuneration Committee
- 4. Sustainability Committee

Mr. Ooi Hun Yong graduated with a Bachelor of Commerce (Accounting & Finance) from the University of Sydney, Australia. He is also a member of the Malaysian Institute of Accountants (MIA), the Institute of Internal Auditors Malaysia as well as CPA Australia. Mr Ooi has over 20 years of experience in the field of corporate planning and finance covering mergers and acquisitions, fund raising exercises and financial structuring. He was formerly an independent non-executive director of I-Berhad and the Chairman of the Audit, Nominating and Remuneration Committees of I-Berhad. He was formerly the Chief Financial Officer of Green Ocean Corporation Bhd., which he joined in 2012. In 2014, he was appointed as Head of Commercial & Economics of DNEX Petroleum Sdn. Bhd., a subsidiary of Dagang Nexchange Berhad and left the Group in 2016.

His notable achievements included structuring the acquisition and sale and leaseback of directional drilling tools with Baker Hughes as well as structuring the acquisition of Ping Petroleum during his tenure with DNEX Petroleum. He was also instrumental in completing the fund raising exercise for Green Ocean Corporation Bhd.

Mr. Ooi does not have any directorship in other public companies or listed issuers.

He does not have any interest in the securities of the Company and does not have any family relationship with any Director and/or major shareholder of the Company.

NORAZKHA BINTI DAHLAN

Independent and Non Executive Director

Age:54

Gender: Female

Nationality: Malaysian

Date Appointed: 12 April 2023

Committees:

- 1. Audit Committee
- 2. Nomination Committee
- 3. Remuneration Committee
- 4. Sustainability Committee

Puan Norazkha Binti Dahlan graduated with a Degree in Bachelor of Business Administration (BBA) majoring in Finance from Western Michigan University US, and a Diploma in Banking Studies from UiTM. She had her work experience in D&C bank as an operations officer from 1992 to 1994. She then ventured into hospitality and joined Value Inn Hospitality from 1997 to 1999. She had also served at Hong Leong Bank Berhad from 1999 to 2003 and then moved on to join CIMB Bank Berhad in 2003 to 2007. Since 2008 until now, she is the Director of several private companies.

Puan Norazkha does not have any directorship in other public companies or listed issuers.

She does not have any substantial interest in the securities of the Company and does not have any family relationship with any Director and/or major shareholder of the Company.



PROFILE OF DIRECTORS AND KEY SENIOR MANAGEMENT (CONTINUED)

TONG SOOK YEE

Independent and Non Executive Director

Age:53

Gender: Female

Nationality: Malaysian

Date Appointed: 12 April 2023

Ms. Tong Sook Yee is a qualified registered Real Estate Agent, which she obtained in 1997. She is currently a Director of PA International Real Estate (KL) Sdn. Bhd. She joined the company in March 2008 and heads the Agency Division at PA Kuala Lumpur.

Ms Tong started her real estate career in CH Williams Talhar & Wong in 1993 as a real estate negotiator in the Agency Department. She moved on to the Project Marketing Department as Senior Marketing Executive and then on to the Project Marketing & Investment Department (Corporate Section) as a Real Estate Agent. Her experience stems mainly from marketing of properties in the local, national and international arena including London, Shanghai, Sydney, Amsterdam, Singapore, Hong Kong, Beijing and Thailand. Throughout her real estate stint, she was involved in the marketing of various properties with duties ranging from planning, pricing and promotion of properties, securing tenants and purchasers, as well as negotiation of terms and contracts. She has also represented tenants in office relocation and expansion exercises. Additionally, she is experienced in the disposal of properties via private treaties as well as public tender exercises and sales via expression of interest. She has more than 30 years of experience in the property industry.

Ms. Tong does not have any directorship in other public companies or listed issuers.

She does not have any interest in the securities of the Company and does not have any family relationship with any Director and/or major shareholder of the Company.

OTHER INFORMATION ON DIRECTORS AND KEY SENIOR MANAGEMENT

None of the Directors and key senior management have any conflict of interest with the Company or its subsidiaries, and none have been convicted of any offences (other than traffic offences) within the past five years.



MANAGEMENT DISCUSSION AND ANALYSIS

Introduction

With over 40 years' experience in the plastic injection industries, HIL enjoys the reputation of being a leading one-stop custom injection moulder of engineering plastics in South East Asia.

HIL began operations in Malaysia in 1969 as Hagemeyer Industries (M) Sdn. Bhd., a Dutch company involved in the manufacturing and trading of 'BIC' ball pens. In 1989, following a management buyout, the name of the Company was changed to HIL Industries Sdn. Bhd.. It was subsequently converted to a public listed company on the 10th June 1991 and listed on the KLSE on the 28th January 1992.

HIL obtained the ISO 9002 accreditation in 1991 and was in actual fact, the first plastic injection moulder to attain it in Malaysia. Other quality management and environmental control system compliances certifications obtained by HIL are ISO 9001, IATF 16949 and ISO 14001. HIL also certified with ISO 13485 for medical devices. HIL has also been an approved manufacturer with Underwriters Laboratories USA since 1979.

HIL's main factory is located on a 7-acre site in Jalan Lada Sulah 16/11, Section 16, Shah Alam and houses the injection moulding, mould making, robotic spray painting divisions. In 1998, HIL's operations commenced at its second factory in Jalan Bukit Kemuning, Shah Alam. This factory has a built-up area of over 10,000 square metres and consists of a large assembly plant together with facilities for the headlining process as well as blow injection-molding facilities. In 2020, HIL converted its warehouse behind this factory into an additional production facility to house more injection machines as part of its expansion plans.

HIL set up its third factory in Malaysia in 2007 with a built-up area of 3,000 square metres at the Prai Industrial Estate Free Trade Zone in Penang. This factory offers injection moulding, robotic spray painting and sub-assemblies services to provide better support to OEMs in the northern area.

Our fourth factory in Bukit Sentosa, with a built-up area of over 2,000 square metres which started operations in Quarter 4 2024, will expand our headlining production and enable us to move downstream to produce our own PU sheets which we currently import from overseas. This will enable us to be more self-reliant and reduce logistic costs as well as interruptions to our production due to trans-shipment issues.

HIL's products can be found in various industries, ranging from the automotive, consumer electronics, IT related as well as industrial. Our customers consist of well recognized brand names Multi-Nationals where quality, cost and delivery are a must. As such, HIL continuously strives for total commitment and customer satisfaction, employing various manufacturing methods in our pursuit for manufacturing excellence. As a one-stop plastic solution provider, our dedicated team will ensure that all our customers' requirements are met and that our products are of the highest quality – right from product design, procurement of raw materials and child parts, mould design and manufacture right up to the final assembly and testing of the product.

In an effort to grow and diversify its earnings base, HIL, through its subsidiaries, ventured into property development in June 2000.

Amverton Prop Sdn Bhd, had on 4th November 2024 entered into four (4) conditional sale and purchase agreements (SPAs) with a vendor to acquire 14 parcels of freehold agriculture land in Banting measuring in area approximately 29 hectares (68 acres) for a total purchase consideration of RM40,264,011 to be satisfied in cash.

HIL will continue to expand its property business especially focusing in the affordable range of housing and more particularly in the Klang valley region. HIL will continue to source and look out for opportunities to obtain more development land within the Klang valley to ensure the continuous growth for this business segment. Whilst outright purchase of land is an option, our favored approach is still via Joint-Venture with land owners.

Business Operation Review

FY2024 proved to be a robust year for our manufacturing division with our manufacturing division performing extremely well due to the upsurge in the automotive industry.



Manufacturing Division

Our manufacturing division performed well due to continual strong demand and performance of the automotive industry with the launch of several new models as well as expanding our product range that we supply to our automotive customers. In order to streamline and control our production costs and efficiencies as well as to cater for the increased orders, we have invested in several new machines and automated our lines, whilst at the same time investing in more training for the development of our human capital. We also continue to upgrade our production systems and attempt to incorporate more advanced digitalisation (including A.I. into our manufacturing process) in order to improve our production efficiencies

NEW MACHINERIES TO EXPAND PRODUCTION CAPABILITY AND CATER TO STRONG DEMAND

SHAH ALAM FACTORY







INJECTION MACHINE

BUKIT KEMUNING FACTORY



YASKAWA ROBOTIC SPRAY BOOTH



INJECTION MACHINE



NEW MACHINERIES TO EXPAND PRODUCTION CAPABILITY AND CATER TO STRONG DEMAND

BUKIT SENTOSA FACTORY



PU POURING MACHINE



HEADLINING PRESS MACHINE



HEADLINING YASKAWA ROBOT ARM CUTTING PROCESS



HEADLINING GLUE COATING LINE



Property Division

The property division, notwithstanding the numerous global factors that included rising cost environment and ongoing conflict in Ukraine and in the Middle East, saw encouraging sales, and all available units of our Double-Storey houses in Amverton Hills had been fully taken up. For our townhouses in Amverton Links, these have also almost been fully taken up.

We launched our Amverton Links Phase 3 in the first quarter of 2024 and sales have been promising. These 3 projects would be our main revenue contributor whilst we wait to launch our other projects in Carey Island as well as our recent acquisitions in the near future.

COMPLETED PROJECTS



2-STOREY SEMI-D CLUSTER HOME KEMUNING GREENHILLS CLUSTER



2-STOREY LINK HOUSE KEMUNING GREENHILLS LINK



2-STOREY SEMI-D CLUSTER HOME QUADZ @ KEMUNING GREENHILLS



2-STOREY LINK HOME
108 TERRACES @ KEMUNING GREENHILLS



CONDOMINIUM AMVERTON GREENS



2-STOREY LINK HOME AMVERTON LINKS



ON-GOING PROJECTS



154 UNITS TERRACE HOUSE



100 UNITS GARDEN TOWNHOUSE



68 UNITS SUPER LINK TERRACE

FUTURE PROJECTS



RESIDENSI RIMBUN AMVERTON II (BROADWISE)



AMVERTON KIARA ~MONT KIARA~



FUTURE PROJECTS



SENIOR CO-LIVING CAREY CIRCLES (TYPE 1)



SENIOR CO-LIVING CAREY CIRCLES (TYPE 2)



SENIOR CO-LIVING CAREY CIRCLES (TYPE 3)



CAREY GARDEN VILLAS (TYPE 4)

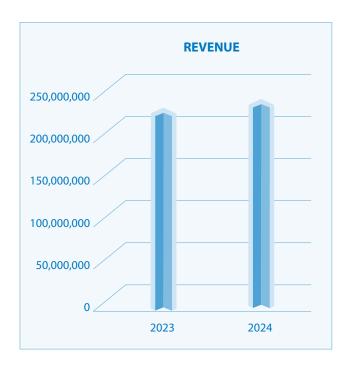


CAREY GARDEN VILLAS (TYPE 5)



CAREY GARDEN VILLAS (TYPE 6)





Financial Review

Revenue

For financial year ended 31st December 2024, the Group recorded revenue of RM219.898 million compared to revenue of RM212.063 million in the previous financial year.

This represented an increase in revenue of RM7.835 million or 3.69%.

For the manufacturing division, the increase in revenue was mainly due to the good demand for our products due to the strong performance of the automotive sector as well as the increase in production efficiency.

For the property division, it registered a decrease in revenue compared to previous financial year due to the completion of Amverton Links Phase 2 in 2023 and the absence of new project launches contributed to the lower revenue.

Profit Before Tax

The Group recorded a profit before tax of RM57.982 million for the financial year ended 31st December 2024. This represented an increase of RM5.695 million or 10.89% compared to the profit before tax of 2023.

The manufacturing division manage to improve its results due to the strong growth in sales and results.

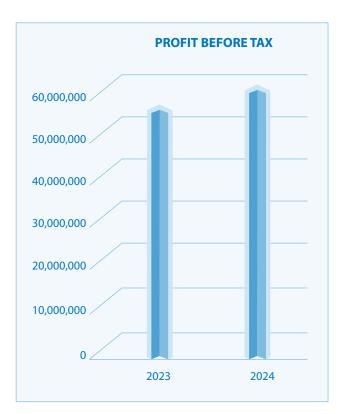
As for property division, the decrease is due to the absence of new project launches.

Profit attributable to owners of the Company

The profit after tax attributable to owners of the Company increased by 6.85% from RM38.677 million in the previous financial year to RM41.325 million in the current financial year.

Liquidity

The Group remains in a strong cash position of RM126.527 million as at 31st December 2024. This cash reserve provides the Group with the capacity and flexibility to invest in any potential business venture that yield greater returns and provide sustainable growth in the future.





Gearing

The Group's borrowings consist of finance leases and overdrafts. There were no borrowings as at 31st December 2023 but the borrowings as at 31st December 2024 was RM0.65 million.

Dividend

In respect of the financial year ended 31st December 2023 as reported in the Director's Report of that year, a first and final single tier dividend of 3.0 sen per ordinary share amounting to RM9,958,224 was paid on 28th June 2024.

The Board of Directors has declared and approved a first and final single tier dividend in respect of the financial year ended 31st December 2024 of 3.0 sen per ordinary share on 331,940,812 ordinary shares amounting to a dividend payable of RM9,958,224. The dividend entitlement and payment dates will be determined at a later date.

Outlook

Malaysia's economic outlook for 2025 is generally positive, with most forecasts projecting continued growth despite some external uncertainties. GDP growth is expected to be around 4.5% to 5.5% on uncertainty over global trade arising from US President Donald Trump's recently-announced tariffs that has affected all countries throughout the world. Malaysia was hit with a 24% US import tariff. However, the Malaysian economy is expected to be supported by reasonably strong domestic spending arising from the imposition of the tariffs as imports from US become more pricey.

In 2025, the Group will continue to maintain and improve product quality, reduce cost and strive to be proactive in aligning its market strategies to capture opportunities in both manufacturing and property divisions.

For the manufacturing division, the division is expected to continue to do well with the good response subsequent to the launch of several new models. With our experience in the automotive industry, we are also exploring venturing into supplying components to Electric Vehicle (EV) manufacturers and working with several new potential customers as well as our existing automotive customers. We are also continuously looking for new business opportunities and will intensify efforts to streamline our manufacturing process to achieve cost optimization through greater efficiency. We will continue to source and bid for new customers as well as try to obtain new sources of business from our existing customers to ensure the continual growth of our company.

As for the property division, revenue will be mainly from our on-going Amverton Links 154 units double-storey terraces houses in Sungai Buloh, 100 units of townhouses and our recently-launched Amverton Links Phase 3 – Superlink double-storey terraces houses. Our acquisitions of land and a company with land were approved in an EGM on 14th March 2024 and we have also acquired 68 acres of freehold land in Banting. These acquisitions will enable the Group to replenish its existing land banks. We will be launching several exciting projects in Carey Island and 2025 looks to be an exciting year for our property division.

As reported by The Edge on Mar 2025 - Malaysia's property market, which experienced positive growth across all sectors in 2024, is expected to maintain steady growth in 2025, the management is optimistic that the property division will contribute satisfactorily to the group's performance in 2025.

Barring any unforeseen circumstances, such as the ongoing conflict in Ukraine and Middle East global recession, the Group holds an optimistic outlook to perform well in the coming financial year 2025.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement sets out the principal features of the Group's corporate governance approach, summary of corporate governance practices during the financial year and future priorities in relation to corporate governance. The Corporate Governance Overview Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) and guidance was drawn from Practice Note 9 of the MMLR and the Corporate Governance Guide (4th edition) issued by Bursa Malaysia Securities Berhad (Bursa Malaysia).

This Corporate Governance Overview Statement should also be read in tandem with the other statements in the Annual Report, namely Statement of Risk Management and Internal Control, Audit Committee Report and Sustainability Statement.

The Board of Directors recognise the importance of good corporate governance and is committed to ensure that a high standard of corporate governance is practiced throughout the Group as a fundamental part of discharging its responsibilities to protect and enhance shareholder value and the financial performance of the Company and of the Group.

SUMMARY OF CORPORATE GOVERNANCE APPROACH

In manifesting the Group's commitment towards sound corporate governance, the Group has benchmarked its practices against the relevant promulgations as well as other better practices. The Group has complied with all material aspects of the principles set out in Malaysian Code on Corporate Governance 2021 ("MCCG") for the financial year ended 31 December 2024 except those that are not applicable to the Group. Further details on the application of each individual Practice of MCCG are available in the Corporate Governance Report.

The Board of Directors ("the Board") is pleased to set out below the manner in which the Group has applied the three (3) main principles in the MCCG known as Board Leadership and Effectiveness (**Principle A**), Effective Audit and Risk Management (**Principle B**) and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders (**Principle C**) throughout the financial year ended 31 December 2024.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I Board Roles and Responsibilities

a) Clear Functions of the Board and Management

The Group acknowledges the pivotal role played by the Board of Directors in the stewardship of its direction and operations. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for Management and monitoring the achievement of these goals.

The Board is responsible for oversight of the Company. Key matters reserved for the Board's approval include the following:-

- Approval of financial results
- Declaration of dividend and authorisation of distribution
- Annual business plan
- Acquisition or disposal of material fixed assets

To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to four (4) sub-committees (Audit, Nominating, Remuneration and Sustainability Committees). The details of the Audit Committee are set out on page 25 to 26 while the details of the Nominating, Remuneration and Sustainability Committees are set out below. These Committees have the authority to examine particular issues and report back to the Board with their recommendations. The ultimate responsibility for the final decision on all matters, however, lies with the entire Board.

The daily operations have been delegated to management. Management has been given the authority to decide on operation matters within certain set limits where quick decisions are important to the growth and success of the Group. Management is however accountable to the Board and must refer to the Board for decision where the matters are material and involves strategic decisions.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Roles and Responsibilities (continued)

a) Clear Functions of the Board and Management (continued)



b) Clear Roles and Responsibilities

The Board provides stewardship to the Group's strategic direction and operations, and ultimately the enhancement of long-term shareholders' value. The Board is primarily responsible for:

- Adopting and monitoring progress of the Company's strategies, budgets, plans and policies;
- Overseeing the conduct of the Company's business to evaluate whether the business is properly managed;
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- Developing and implementing investor relations programme or shareholders communication policy for the Group; and
- 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.

c) Separation of Position of the Chairman and Managing Director

The positions of Chairman and Managing Director have always been held by different individuals. There is a clear division of responsibilities between the two roles to ensure that there is an appropriate balance of power and authority to facilitate efficiency and expedite decision making.

The Company's Chairman, Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock, is an Executive Director and is not an Independent Director by virtue of his substantial interest in the Group while the position of Managing Director is held by Dato' Milton Norman Ng Kwee Leong. The Chairman is primarily responsible for ensuring the effective conduct of the Board whilst the Managing Director oversees the day-to-day management and running of the Group and the implementation of Board's decisions and policies.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Roles and Responsibilities (continued)

c) Separation of Position of the Chairman and Managing Director (continued)

As the Chairman has a significant relevant interest in the Company, he is well placed to act on behalf of shareholders and in their best interest. At least half of the Board comprises independent directors which is in line with Practice 5.2 of MCCG.

Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock does not sit on the Audit, Nominating or Remuneration Committees in line with Practice 1.4 of MCCG. As such there is no risk of self-review and it also ensures the objectivity of the aforementioned committees.

d) Qualified and Competent Company Secretary

The Company Secretary supports the Board and the relevant Board Committees to ensure their effective functioning in accordance with their terms of reference and best practices, and in managing the corporate governance framework of the Group. The Company Secretary also advises the Directors on their fiduciary and statutory duties, as well as compliances with company law, the MMLR, the Company's Constitution, MCCG, Board-adopted policies and other pertinent regulations governing the Company including guiding the Board towards the necessary compliances.

The Company Secretary has a direct functional reporting line to the Chairman and has been accorded with appropriate standing and authority to enable him to discharge his duties in an impartial and effective manner. The appointment or removal of the Company Secretary is the prerogative of the Board.

The Company Secretary has and will continue to constantly keep himself abreast on matters concerning company law, the capital market, corporate governance, and other pertinent matters and changes in the same regulatory environment through continuous training and industry updates. He has also attended many relevant training and professional development programmes.

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of its function and duties.

e) Formalised Ethical Standards through Code of Conduct and Ethics

The Directors continue to adhere to the Company's *Code of Conduct and Ethics* established which is based on principles in relation to integrity, compliance with legal and regulatory requirements and company policies and accountability in order to enhance the high standards of corporate governance and behavior.

The Code of Conduct and Ethics serves as a formal commitment by directors, management and employees to conduct themselves professionally at all times and to do business in a transparent, appropriate and fair manner. The Code of Conduct and Ethics is available on the Group's website, http://www.hil.com.my.

f) Directors' Fit and Proper Policy

In May 2022, the Board established the Directors' Fit and Proper Policy. The Policy sets the criteria in relation to a fit and proper requirement for Directors within the Group by exemplifying integrity and good character to promote and support an ethical culture.

g) Whistleblowing Policy

The Group is committed to achieving sustainable performance and delivering value to customers and shareholders without compromising ethical standards, behavioural expectation and trusted reputation. The Board recognises that any genuine commitment to detecting and preventing actual or suspected unethical, unlawful, illegal, wrongful or other improper conduct must include a mechanism whereby employees and other stakeholders can report their concerns freely without fear of reprisal or intimidation.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Roles and Responsibilities (continued)

g) Whistleblowing Policy (continued)

In line with this commitment, the Board has formalised a Whistleblowing Policy for the Group with the aims to promote a workplace conducive to open communication regarding the Group's business practices.

The Whistleblowing Policy is established to help employees and other stakeholders to enable the employee to raise any concerns of integrity and misconduct in timely and systematic manner, to protect the employees from reprisal or unfair treatment for disclosing concerns in good faith in accordance with the Policy and to develop a culture of accountability, integrity and good governance practices within the Group.

The whistleblowing report can be made to an employee's immediate superior or can be made via the Whistleblowing Channels by filling up the Whistleblowing Report. Any concern raised will be investigated by the appropriate official appointed by the Managing Director.

The outcome will be reported to the Audit Committee or the Board accordingly. The Group reserves the right not to inform the whistleblower of the precise action plan and/or the outcome of the investigation.

There was no incident of whistleblowing received in financial year 2024.

h) Anti-Bribery and Anti-Corruption Policy ("ABC" Policy)

The Group is committed to conduct business with honesty, integrity and ethics in all business dealings and jurisdictions in which the Group operates in. In respect to this, the Group has implemented an ABC Framework to regulate inappropriate behaviour such as acts of corruption and adopted an ABC Policy.

The implementation is in line with the amendment of the Malaysian Anti-Corruption Commission Act ("MACC Act"), which is the new Section 17A on corporate liability for corruption. The objective of the ABC Policy is to outline the principles and behaviours required to ensure that the Group and the employees comply with anti-bribery and anti-corruption laws and governmental guidance.

The ABC Policy sets out its expectations for internal and external parties working for and on behalf of the Group in preventing bribery or corrupt practices in relation to the Group's businesses.

An assessment was carried out across the Group based on the present and potential corruption risks which took into account of the potential impact and likelihood of occurrence, effectiveness of controls in place and action plans taken to mitigate the corruption risks.

In financial year 2024, no incident of bribery and corruption were reported to the Group. In addition, internal audit activities did not identify bribery or corruption problems or issues.

i) Conflict of Interest ("COI")

The COI Policy was approved by the Board and was adopted by the Company in 2024 to ensure that actual and potential COIs of certain key persons in the Company are identified, evaluated, reported, monitored, resolved, eliminated or mitigated effectively.

There was no incident of any actual or potential COI identified or reported in financial year 2024.

j) Strategies Promoting Sustainability

The Board is mindful of the importance of business sustainability and in conducting the Group's business, the impact on the environmental, social and governance aspects is taken into consideration. The Group established a Sustainability Committee ("SC") on 22nd November 2018 to assist the Board in fulfilling its oversight responsibilities in this area.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Roles and Responsibilities (continued)

j) Strategies Promoting Sustainability (continued)

The Sustainability Committee comprises the following members:

Ooi Hun Yong (Independent/Non-Executive Director) - Chairman

Dato' Ir. Hashim Bin Osman (Independent/Non-Executive Director)
Norazkha Binti Dahlan (Independent/Non-Executive Director)

This Committee reports to the Board of Directors and is responsible for the overall implementation and execution of sustainability matters such as to:

- Determine the materiality of various sustainability pillars
- Propose necessary action plans to mitigate issues of concern
- Formulate a strategy to improve key areas of sustainability

The Group also embraces sustainability in its operations. The Group's activities on corporate social responsibilities for the financial year under review are disclosed in the Sustainability Statement on pages 35 to 53.

II Board Composition

a) Board Charter

The Board Charter is accessible for reference at the Company's website (http://www.hil.com.my). In the course of establishing a board charter, the Board recognises the importance to set out the key values, principles and ethos of the Company, as policies and strategy development are based on these considerations. The Board Charter is expected to include the division of responsibilities and powers between the Board and management as well as the different committees established by the Board.

b) Nominating Committee

The Board established a Nominating Committee on 29th March 2002 as it recognises the importance of the roles the Committee plays not only in the selection and assessment of Directors but also in other aspects of corporate governance which the Committee can assist the Board to discharge its fiduciary and leadership functions.

The Nominating Committee comprises the following members:

Ooi Hun Yong (Independent/Non-Executive Director) - Chairman

Dato' Ir. Hashim Bin Osman (Independent/Non-Executive Director)
Norazkha Binti Dahlan (Independent/Non-Executive Director)

The terms of reference of the Nominating Committee include:

- Annually review the required mix of skills and experience and other qualities, including core competencies
 which Non-Executive and Executive Directors should have:
- Assess on an annual basis, the effectiveness of the Board as a whole, the committees of the Board and assessing
 the contribution of each individual Director, including Independent Non-Executive Directors, as well as the
 Managing Director;
- Assess on an annual basis, the tenure of an Independent Director which should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. To be retained as an Independent Director, the Board must justify and seek shareholder's approval for a person who has served in that capacity for more than nine (9) years through a two-tier voting process;
- Recommends candidates to the Board for all directorship to be filled including those proposed by the Managing Director or any senior executives of the Company;



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

b) Nominating Committee (continued)

The terms of reference of the Nominating Committee include: (continued)

- Recommends Directors to the Board to fill the seats on Board Committees; and
- Carry out its responsibilities with the assistance and services of a Company Secretary, who must ensure that all appointments are properly made and that all necessary information is obtained from Directors, both for the Company's own records and for the purposes of meeting statutory obligations, as well as obligations arising from the MMLR or other regulatory requirements.

In making its recommendations, the Nominating Committee considers the candidates':

- Skills, knowledge, expertise and experience;
- Professionalism;
- Integrity; and
- In the case of candidates for the position of Independent Non-Executive Directors, the Nominating Committee should also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

During the year under review, the Nominating Committee carried out its duties in accordance with its Terms of Reference. These include:

- Reviewed and assessed the effectiveness of the Board as a whole and the Audit Committee;
- Reviewed and assessed the mix of skills, experience and competencies of each individual Director;
- Reviewed and recommended to the Board guided by the Directors' Fit and Proper Policy regarding the reelection of Directors who will be retiring at the forthcoming AGM of the Company; and
- Reviewed the independence of Independent Directors.

c) Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

MCCG endorses as good practice, a formal procedure for appointments to the Board with a Nominating Committee making recommendation to the Board. MCCG, however, states that this procedure may be performed by the Board as a whole, although, as a matter of best practice, it recommends that this responsibility be delegated to a committee.

In previous years, the appointment of any additional Director was made as and when deemed necessary by the existing Board with due consideration given to the mix of expertise and experience required for an effective Board. Pursuant to its set up on 29th March 2002, the Nominating Committee has been responsible for making recommendations for any appointment to the Board. Any new nomination received is put to the full Board for assessment and endorsement.

In respect of the appointment of Directors, the Company practices a clear and transparent nomination process which involves the following five (5) stages:

Stage 1: Identification of candidates

Stage 2: Evaluation of suitability of candidates

Stage 3: Meeting up with candidates

Stage 4: Final deliberation by the Nominating Committee

Stage 5: Recommendation to the Board

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to election by shareholders at the next Annual General Meeting after the appointment. In addition, every Director shall be subject to retirement at least once in every three (3) years at each Annual General Meeting.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

d) Gender Diversity Policy

The Board recognises that gender and ethnic diversity is an essential element contributing to the sustainable development of the Group and the Board does not discriminate on the basis of ethnicity, age, gender, nationality, political affiliation, religious affiliation, marital status, education background or physical ability. The appointment of the Board and Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. The Board believes that diversity facilitates multi perspectives which result in productivity, sustainability and competencies to deliver the business performance of the Group for the benefit of the shareholders over the medium to long-term.

As at the date of this Annual Report, 2 out of 8 Directors on the Board are women, which demonstrates the Group's commitment on Board gender diversity. The Company has exceeded the prevailing requirement of Paragraph 15.02(1) (b) of the MMLR to have at least 1 woman Director on the Board.

e) Board Composition and Balance

The Board currently consists of four (4) Executive Directors and four (4) Independent Non-Executive Directors, which is in line with the Constitution of the Company as well as Practice 5.2 of MCCG 2021 where at least half of the Board comprises Independent Directors. The composition of the Board complies with paragraph 15.02 of the MMLR of Bursa Securities. A brief description of the background of each Director is disclosed in the Profile of Directors in the Annual Report.

There is balance in the Board because of the presence of four (4) Independent Non-Executive Directors who are of the caliber necessary to carry sufficient weight on Board decisions thus enabling adequate Board representation of the interest of minority shareholders. Although all the Directors have an equal responsibility for the Group's operation, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully discussed and examined, and take into account of the long term interests, not only of the shareholders, but also of employees, customers, suppliers and the many communities in which the Group conducts business.

Mr. Ooi Hun Yong acts as the Senior Independent Non-Executive Director. Any concerns concerning the Group may be conveyed to him.

f) Annual Assessment of Independence

The Nominating Committee is responsible for the Board Effectiveness Evaluation (BEE) process, covering the Board, Board Committees and individual Directors including Independent Directors.

The Nominating Committee, upon conclusion of the BEE exercise, was satisfied that the Board and Board Committee composition had fulfilled the criteria required, possess a right blend of knowledge, experience and the appropriate mix of skills. In addition, there was mutual respect amongst individual Directors which contributed to a healthy environment for constructive deliberation and robust decision-making process. The Independent Directors were assessed to be objective in exercising their judgement and they had also fulfilled their independent role in corporate accountability through their objective participation in Board deliberations during Board meetings.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

g) Details of Board Meetings and Attendance of Directors

A total of five (5) Board Meetings were held during the financial year ended 31 December 2024. The number of Board meetings attended by the respective Directors during the financial year is as follows:

| Name of Directors | No. of meetings attended/held | Percentage of attendance (%) |
|-------------------------------------------------|-------------------------------|------------------------------|
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 5/5 | 100% |
| Dato' Milton Norman Ng Kwee Leong | 5/5 | 100% |
| Steven Junior Ng Kwee Leng | 5/5 | 100% |
| Malcolm Jeremy Ng Kwee Seng | 5/5 | 100% |
| Dato' Ir. Hashim Bin Osman | 5/5 | 100% |
| Ooi Hun Yong | 5/5 | 100% |
| Norazkha Binti Dahlan | 5/5 | 100% |
| Tong Sook Yee | 5/5 | 100% |

h) Directors' Training

As an integral element of the process of appointing new Directors, the Nominating Committee ensures that new Board members are given every opportunity to familiarise themselves with the structure, operations and types of businesses of the Group.

All the Directors have attended the Mandatory Accreditation Programmes ("MAP") conducted by Institute of Corporate Directors Malaysia. Newly-appointed Directors who have yet to attend the MAP will attend within 4 months from the date of appointment. The Board is regularly updated by the Company Secretary on the latest update or amendments on the MMLR and other regulatory requirements relating to the discharge of the Directors' duties and responsibilities. The external auditors also brief the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the financial period under review. The Directors will also attend training endorsed by Bursa Securities to keep abreast with developments in the capital markets.

The training programme and seminars attended by Directors during the financial year ended 31 December 2024 include:

| Directors | Trainings | Date of Program |
|----------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------|
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 26 August 2024 & 27 August 2024 |
| Dato' Milton Norman Ng Kwee Leong | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 21 August 2024 & 22 August 2024 |
| Dato' Ir. Hashim Bin Osman | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 21 August 2024 & 22 August 2024 |
| Steven Junior Ng Kwee Leng | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 4 December 2024 & 5 December 2024 |
| Malcolm Jeremy Ng Kwee Seng | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 4 December 2024 & 5 December 2024 |
| Ooi Hun Yong | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 21 August 2024 & 22 August 2024 |
| | Incoterms 2020 – The Language of Domestic & International Trade | 14 October 2024 & 15 October 2024 |
| Norazkha Binti Dahlan | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 18 September 2024 & 19 September 2024 |
| Tong Sook Yee | Mandatory Accreditation Programme Part II: Leading for Impact (MAP II) | 9 September 2024 & 10 September 2024 |



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

III Remuneration

a) Directors' Remuneration

The Company set up the Remuneration Committee on 29 March 2002 to determine the remuneration for Directors so as to ensure that the Company attracts and retains the Directors needed to run the Group successfully. The component parts of remuneration are structured so as to link rewards to corporate and individual performance, in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the particular Non-Executive Director concerned.

The members of the Remuneration Committee, comprising all Independent Non-Executive Directors, are as follows:

Ooi Hun Yong (Independent/Non-Executive Director) - Chairman

Dato' Ir. Hashim Bin Osman (Independent/Non-Executive Director)
Norazkha Binti Dahlan (Independent/Non-Executive Director)

The Remuneration Committee recommends to the Board the framework of the Executive Directors' remuneration and the remuneration package for each Executive Director in all its forms, drawing from outside advice if necessary. Executive Directors should play no part in decisions on their own remuneration. It is nevertheless the responsibility of the entire Board to approve the remuneration of these Directors.

The determination of the remuneration of Non-Executive Directors is a matter for the Board as a whole. The individuals concerned should abstain from discussions of their own remuneration. The Company reimburses reasonable expenses incurred by these Directors in the course of their duties as Directors.

The appropriate Director's remuneration paid or payable or otherwise made available from the Company and its subsidiary companies for the financial year ended 31st December 2024 are presented in the table below:

(i) Aggregate remuneration of Directors categorised into appropriate components:

Received from the Group and Company

| | Executive Directors RM'000 | Non-Executive Directors RM'000 |
|-----------------------|----------------------------------|--------------------------------------|
| Fees | _ | 57 |
| Salary and allowances | 1,022 | _ |
| KWSP | 149 | _ |
| Bonus | 213 | _ |
| Perkeso + SIP | 6 | - |

(ii) The remuneration paid to Directors of the Company for the financial year ended 31 December 2024 in bands of RM50,000 is tabulated as follows:

| | Number of Directors | | |
|--------------------------|---------------------|---------------|--|
| Range of Remuneration | Executive | Non-Executive | |
| Below RM50,000 | _ | 4 | |
| RM150,001 to RM200,000 | 2 | _ | |
| RM900,001 to RM1,000,000 | 1 | _ | |

^{*} None of the Director's remuneration falls within the RM50,001 to RM150,000 and RM200,001 to RM900,000.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

III Remuneration (continued)

a) Directors' Remuneration (continued)

(iii) The details for the remuneration of Directors for the financial year ended 31 December 2024 for the Group and the Company are as follows:

| | Fees | Salaries | Bonuses | Allowances | KWSP (Employer) | SIP (Employer) | Perkeso (Employer) | Total |
|----------------------------------------------------|--------|-----------|---------|------------|--------------------|-------------------|-----------------------|-----------|
| | RM | RM | RM | RM | RM | RM | RM | RM |
| Executive Directors | | | | | | | | |
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | - | - | - | - | - | - | - | - |
| Dato' Milton Norman Ng Kwee Leong | - | 734,400 | 153,000 | - | 106,488 | 250 | 2,185 | 996,323 |
| Steven Junior Ng Kwee Leng | - | 144,000 | 30,000 | - | 20,880 | 124 | 1,092 | 196,096 |
| Malcolm Jeremy Ng Kwee Seng | - | 144,000 | 30,000 | - | 21,460 | 220 | 1,922 | 197,602 |
| Independent Non-Executive Directors | | | | | | | | |
| Dato' Ir Hashim bin Osman | 5,000 | - | - | - | - | - | - | 5,000 |
| Ooi Hun Yong | 42,000 | - | - | - | - | - | - | 42,000 |
| Norazkha Binti Dahlan | 5,000 | - | - | - | - | - | - | 5,000 |
| Tong Sook Yee | 5,000 | - | - | - | - | - | - | 5,000 |
| Total | 57,000 | 1,022,400 | 213,000 | - | 148,828 | 594 | 5,199 | 1,447,021 |

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I Audit Committee

a) Effective and Independent Audit Committee

The Audit Committee comprises three (3) members as follows:

- 1) Dato' Ir. Hashim Bin Osman (Chairman of the Audit Committee and Independent Non-Executive Director)
- 2) Ooi Hun Yong (Independent Non-Executive Director)
- 3) Norazkha Binti Dahlan (Independent Non-Executive Director)

Collectively, the Audit Committee possesses a wide range of necessary skills to discharge its duties. All members of the Audit Committee are financially literate, whilst one committee member is a member of the Malaysian Institute of Accountants ("MIA") and a member of the Institute of Internal Auditors Malaysia.

The members of the Audit Committee have undertaken continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

I Audit Committee (continued)

a) Effective and Independent Audit Committee (continued)

During the Audit Committee Meetings, the members were briefed by the external auditor, HLB Ler Lum Chew PLT on the following key areas:

- · Financial Reporting developments;
- Malaysian Financial Reporting Standards; and
- Other changes in regulatory environment.

The Audit Committee reviews and provides advice on whether the financial statements taken as whole provide a true and fair view of the Group's and the Company's financial position and performance.

Further information is found at the Audit Committee Report at pages 29 to 30.

b) Compliance with Applicable Malaysian Financial Reporting Standards (MFRS)

The Board is committed to presenting a fair, balanced and comprehensive financial performance and prospects in all disclosures made to the shareholders and the general public. In addition to providing financial statements and annual report on an annual basis to the shareholders, the Company also presents the Group's financial results on quarterly basis via public announcements. The Audit Committee assists the Board in scrutinising information for disclosure to ensure accuracy, adequacy and completeness.

Prior to the presentation of the Company's financial statements to the Board for approval and issuance to stakeholders, Audit Committee meetings were held to review the Company's financial statements in the presence of external auditors and the Group's Financial Controller. A Statement of Directors' Responsibilities for preparing the financial statements is set out on page 54 of this Annual Report.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records to enable the Group and the Company to disclose with reasonable accuracy and without any material misstatement, the financial position, performance and cash flows of the Group and the Company as at 31 December 2024. With the assistance of Audit Committee, the Board will ensure that the preparation of fair presentation and disclosure in the financial statements are in accordance with the applicable accounting standards and other regulatory requirements.

The Board, through the Audit Committee, maintains a close and formal as well as transparent arrangement and relationship with the Company's external auditors in seeking professional advice and ensuring compliance with the accounting standards in Malaysia. The Audit Committee meets the external auditors without the presence of the management at least once during a year to further discuss on the Group's audit plans, audit findings and to exchange independent views on the matters which require their attention. Annually, prior to the commencement of the audit engagement, the external auditors confirm to the Audit Committee on their independence.

In addition to the above, the Board has overall responsibility for maintaining a sound system of internal controls, which encompasses financial, operational, and compliance controls and risk management necessary for the Group to achieve its corporate objectives within an acceptable risk profile.

These controls can only provide reasonable but not absolute assurance against material misstatement, loss or fraud. The Board recognises that risk cannot be fully eliminated. As such, the systems, processes and procedures being put in place are aimed at minimizing and managing them. Ongoing reviews are continuously carried out to ensure the effectiveness, adequacy and integrity of the system of internal controls in safeguarding the Company's assets.

In assessing the adequacy and effectiveness of the system of internal control and accounting control procedures of the Group, the Audit Committee reports to the Board its activities, significant results, findings and the necessary recommendations or changes.



PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

II Risk Management and Internal Control Framework

a) Internal Control and Risk Management

The Board acknowledges their responsibilities for the internal control system of the Group, covering not only financial controls but also controls relating to operations, compliance and risk management. The Board, in fulfilling their responsibilities, had set-up the Audit Committee and outsourced the internal audit function of the Group to an independent consulting firm to assist the Board on these matters. Information of the Group's internal control and risk management is presented in the Statement on Risk Management and Internal Control set out on pages 31 to 33 of this Annual Report.

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

I Communication with Stakeholders

a) Corporate Disclosure Policies and Procedures

The Board acknowledges the need to inform shareholders of all material business matters affecting the Company. The Company is committed to providing shareholders with timely and equal dissemination of material information in order to enhance the transparency and accountability.

The Board has not formalized a corporate disclosure policy but has referred to the MMLR of Bursa Securities to ensure comprehensive, timely and accurate disclosure on the Group to the regulators, shareholders and other stakeholders.

b) Leverage on Information Technology for Effective Dissemination of Information

The Company has established a website, <u>www.hil.com.my</u>, for shareholders and the public to access for information, including the announcements made by the Company. The Company's website incorporate an Investor Relations section which provides all relevant information on the Company and is accessible by the public. This investor Relations section enhances the Investor Relations function by including all announcements made by the Company and annual reports as well as the financial information of the Company.

The Company's website has a "Contact Us" section where shareholders and potential investors may direct their enquiries on the Company. The Company's customer services team will endeavour to reply to these queries in the shortest possible time.

The announcement of the quarterly financial results is also made via Bursa Securities website at www.bursamalaysia.com immediately after the Board's approval. This is important in ensuring equal and fair access to information by the investing public.

c) Effective Communication and Proactive Engagements with Shareholders

In maintaining the commitment to effective communication with shareholders, the Group adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders as well as to the general investing public. The practice of disclosure of information is not just established to comply with requirements of the MMLR of Bursa Securities pertaining to continuing disclosures, it also adopts the best practices as recommended in MCCG with regard to strengthening engagement and communication with shareholders. Where possible and applicable, the Group also provides additional disclosure of information on a voluntary basis. The Group believes that consistently maintaining a high level of disclosure and extensive communication with its shareholders is vital to shareholders and investors to make informed investment decisions.



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

II Conduct of General Meetings

a) Encourage Shareholder Participation at General Meetings

The Annual General Meeting ("AGM") of the Company represents the main venue for communication between the shareholders and the Company. Shareholders are encourage to attend and participate at these meetings.

A notification to shareholders to view the Annual Report and the notice of the AGM from the Company's website is sent to all shareholders at least 28 days before the AGM to allow shareholders additional time to go through the Annual Report and make the necessary attendance and voting arrangements. The notice of AGM is also published in a nationally circulated daily newspaper. The notice of AGM provides information to shareholders with regard to details of the agenda to be presented at the AGM. Each item of special business included in the notice of AGM will be accompanied by a full explanation on the effects of a proposed resolution.

During the general meeting, shareholders are at liberty to raise questions or seek clarification on the agenda items of the general meeting from the Company's Directors. Where appropriate, the Board will undertake to provide written answer(s) to any question(s) that cannot be readily answered at the meeting.

b) Poll Voting

Pursuant to Paragraph 8.29A of the MMLR of Bursa Securities, all resolutions set out in the notice of any general meeting shall be voted by poll. An independent scrutineer will be appointed to validate the votes cast at general meeting. The outcome of the resolutions will be announced to Bursa Securities on the same day of the meeting.



AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprises the following members:

Dato' Ir. Hashim Bin OsmanChairman (Independent/Non-Executive Director)Ooi Hun YongMember (Independent/Non-Executive Director)Norazkha Binti DahlanMember (Independent/Non-Executive Director)

MEETINGS

During the financial year ended 31st December 2024, the Audit Committee convened five (5) meetings. Attendance at all meetings met the requisite quorum in which the majority of the members present were Independent Non-Executive Directors. The Company Secretary is responsible for ensuring the meetings are held accordingly and duly minuted. The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification.

The attendance of each member of the Audit Committee during the financial year ended 31st December 2024 is as follows:

| Name of Audit Committee | Number of Meetings Attended |
|---------------------------|-----------------------------|
| Dato'lr. Hashim Bin Osman | 5/5 |
| Ooi Hun Yong | 5/5 |
| Norazkha Binti Dahlan | 5/5 |

The Chairman of the Audit Committee verbally briefs the Board on the proceedings of the Audit Committee meeting at the Board meetings held subsequent to the Audit Committee meetings.

Other members of senior management are invited to attend Audit Committee meetings. The internal and external auditors are also invited to attend Audit Committee meetings to present their audit plan and audit findings.

ACTIVITIES

The Audit Committee had undertaken the following activities during the financial year ended 31st December 2024:

- 1. Ensured sufficient audit coverage for all the Group's business and activities;
- 2. Discussed and reviewed the scope of work and audit plan for the financial year ended 31st December 2024 including any significant issues and concerns arising from audit;
- 3. Reviewed the unaudited quarterly financial reports and year-end financial statements before they were presented to the Board for approval;
- 4. Discussed and reviewed with the external auditors the applicability and the impact of new accounting standards issued by the Malaysian Accounting Standards Board;
- 5. Held a private meeting with the external auditors without the presence of the Management for the purpose of obtaining feedback on sensitive audit issues;
- 6. Reviewed the Audited Financial Statements and recommended to the Board for approval before release to Bursa Securities and its shareholders:
- 7. Reviewed the internal audit plan to ensure adequate scope and coverage of the Group's activities based on identified and assessed key risk areas;



AUDIT COMMITTEE REPORT (CONTINUED)

ACTIVITIES (CONTINUED)

The Audit Committee had undertaken the following activities during the financial year ended 31st December 2024: (continued)

- 8. Reviewed audit reports issued by internal auditors and took note of their observations, recommendations and Management's responses thereto;
- 9. Reviewed any related party transaction(s) and any conflict of interest situation that arose, persist or may arise within the Group and the measures taken to resolve, eliminate, or mitigate such conflicts; and
- 10. Reviewed reports on whistleblowing cases.

INTERNAL AUDIT FUNCTION

The internal audit functions have been outsourced to a professional firm reporting directly to the Audit Committee. The professional firm is free from any relationships and has no conflict of interest with the Group which could impair its objectivity and independence.

The primary role of the internal auditors is to, inter-alia, assist the Audit Committee on an ongoing basis to:

- 1. Undertake the internal audit of the Group's operating units; ascertain the extent of the units compliance with the established internal control procedures, policies and statutory requirements; highlight the weaknesses and recommend improvements to the existing systems of control;
- 2. Assist in reviewing the adequacy and effectiveness of the Group's processes for controlling its activities;
- 3. Provide independent, systematic and objective evaluation on the state of internal control within the Group; and
- 4. Perform such other functions as requested by the Audit Committee.

The cost incurred for the internal audit function in respect of the financial year ended 31st December 2024 amounted to RM18,000.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors is pleased to present herewith the Statement on Risk Management and Internal Control which outlines the nature and scope of internal controls and risk management of the Group during the financial year ended 31st December 2024. This statement is prepared pursuant to paragraph 15.26(b) of the MMLR of Bursa Securities.

RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors recognises the importance of good risk management framework and sound internal control systems, in order to safeguard shareholders' investment and the Group's assets. The Board of Directors maintains full control over all internal controls within the Group, covering aspects of operational, compliance as well as financial in nature. In view of inherent risks, the Group's internal control system are designed to reduce rather than eliminate possible risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

RISK MANAGEMENT FRAMEWORK

The Board of Directors has established an organisational structure with clearly defined guidelines of authorities and job responsibilities to enhance accountability.

An informal risk management process is carried out throughout the year, for identifying, evaluating and managing significant risks faced by the Group. The Board of Directors has empowered the Managing Director, who formed various task forces/project committees comprising Executive Directors and key senior management personnel to assist him, in reviewing and managing the significant risks faced by the various operating units to achieve their respective business objectives of the Group. The Managing Director will inform the Board of Directors of any pertinent matters, which require decision-making at Board level.

The Managing Director and his senior management team, through their day-to-day involvement in the operations of the Group, ensure that ongoing maintenance, monitoring, reviewing and reporting arrangement have been put in place to provide reasonable assurance that the structure of controls and operations is appropriate to the Group.

KEY FEATURES OF INTERNAL CONTROL SYSTEM

The key features of the internal control systems are:

- Written policies and procedures for the Group are set out in accordance to Certified Quality Management System. The UK/ US National Quality Assurance Limited (NQA) has awarded the IATF16949:2016, ISO 9001:2015 for the Quality Management System and ISO 14001:2015 for the Environmental Management Systems certification and ISO 13485:2016 Medical Devices Quality Management System certified by SIRIM to the Group to mark the Group's quality achievement and accreditation.
- Established organisational structure.
- Clear lines of authorities and well defined responsibilities for all personnel of the Group. Strict authorisation and approval procedures have been established within top management.
- Procedure has been established for hiring and termination of employees and an annual performance appraisal are in place to
 ensure employees are competent to carry out their respective duty. Training and development programs is exist to enhance
 employee knowledge, skills and abilities required for effective job performance.
- Regular and open communication between management, internal auditor and the Board of Directors on matters relating to risk and control.
- The Board is supported by a qualified Company Secretary. The Company Secretary plays an advisory role to the Board, particularly on issues relating to compliance with the Main Market Listing Requirements ("MMLR"), the Companies Act 2016 and other relevant laws and regulations.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

KEY FEATURES OF INTERNAL CONTROL SYSTEM (CONTINUED)

The key features of the internal control systems are: (continued)

- Group quarterly financial reports are reviewed by Audit Committee to ensure the financial statements are properly drawn up in accordance with the applicable accounting standards and other regulatory requirements in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at the end of financial year. The Group financial statement is presented to Board and subsequently approved before release to Bursa Malaysia.
- Regular group management meetings are held as and when necessary to raise issues, discuss, review and monitor the business development and resolve operational and management issues and review financial performances against the business plans, the targets and the budgets, if any.
- Computerised financial system used to compile and consolidate data to generate monthly management reports, which assist management in identifying key changes and monitoring performance.
- Group assets are covered with sufficient insurance to ensure assets are protected against any mishap and other perils that could result in material loss. A yearly policy renewal exercise is undertaken in which Management reviews the coverage based on the current fixed assets inventory and the respective net book values and "replacement value".
- Management ensures that safety regulations within the Group are being considered, implemented and adhered to accordingly.

INTERNAL AUDIT FUNCTION

The Group's internal audit function, which is outsourced to a professional firm, assists the Board and the Audit Committee in providing independent assessment of adequacy, efficiency and effectiveness of the Group's internal control system. To ensure independence from Management, the internal auditor has direct reporting lines to the Audit Committee.

A high level assessment of the Group's business risk was carried out by the internal audit function to facilitate the preparation of the internal audit plan. The audit plan was approved by the Audit Committee and the status of the audit plan are presented to the Audit Committee. With the adoption of a risk-based approach, the internal audit function is able to focus its work on principal risk areas and processes of the business operation units. During the course of carrying out their reviews, full cooperation and unrestricted access to all information was given in order to discharge their duties.

During the financial year, the internal auditors carried out reviews on the following areas to assess the adequacy and effectiveness of internal controls:

- Procurement
- Human Resource Management and Payroll System

The internal auditors also carried out follow up audits to ensure that the necessary corrective actions have been undertaken to address the control gaps noted.

The internal auditors have identified some weaknesses in the internal control and these together with improvement recommendations have been reported to the Audit Committee. However, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report.

The system of internal control will continue to be reviewed, enhanced or updated in line with changes in the operating environment. The Board will seek regular assurance on the continuity and effectiveness of the internal control system through independent appraisals by the internal auditors. The Board is of the view that there is ongoing process for identifying, evaluating and managing significant risks faced by the Group and the internal control systems are in place and have not resulted on any material misstatement, loss, contingencies or uncertainties that would require disclosure on the Group's Annual Report.





STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of MMLR of Bursa Securities, the external auditors have reviewed this statement for inclusion in the Annual Report of the Company for the financial year ended 31st December 2024.

BOARD ASSESSMENT

The Board has received assurance from the Managing Director and the management that the Group's risk management and internal control system is operating adequately and effectively.

The Board is of the view that the system of risk management and internal controls in place are satisfactory to protect the Group's interest and that of its stakeholders, particularly on enhancing shareholder value.



ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds

No proceeds were raised by the Company for any corporate exercise during the financial year.

2. Audit and Non-audit fees

For the financial year ended 31st December 2024, the amounts of audit and non-audit fees paid or payable by the Company and the Group to external auditors are as follows:

| | Group (RM) | Company (RM) |
|----------------|---------------|-----------------|
| Audit fees | 139,013 | 27,000 |
| Non-audit fees | 7,500 | 3,000 |

3. Recurrent related party transaction of a revenue or trading nature

During the financial year ended 31 December 2024, there were no recurrent related party transactions of a revenue or trading nature involving the Directors and/or substantial shareholders of the Company.

4. Material contracts

Material contracts entered into by the Company and/or its subsidiaries involving directors' and major shareholders' interest either still subsisting at the end of the financial year ended 31st December 2024 or entered into since the end of the previous financial year are as follows:

(a) Proposed Acquisition by Amverton Prop Sdn. Bhd. ("Amverton Prop"), an indirect wholly-owned subsidiary of HIL Industries Berhad ("HIL"), of 100% equity interest in Broadwise Corporation Sdn. Bhd. from Puan Sri Datin Catherine Yeoh Eng Neo, Dato' Milton Norman Ng Kwee Leong and Konsep Kekal Sdn. Bhd. (collectively referred to "BCSB Vendors") for a cash consideration of RM46.0 million ("Proposed Share Acquisition")

On 12th October 2023, Amverton Prop entered into share sale agreement with BCSB Vendors for the Proposed Share Acquisition.

(b) Proposed Acquisition by Amverton Prop of a parcel of freehold land measuring approximately 3.0 acres located in Mukim Batu, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur from A & M Modern Homes Sdn. Bhd. ("AMMH") for a cash consideration of RM47.0 million ("Proposed Land Acquisition")

On 1st November 2023, Amverton Prop entered into a sale and purchase agreement with AMMH for the Proposed Land Acquisition.

 $Both\ acquisitions\ involved\ interested\ major\ shareholders\ and\ interested\ directors\ of\ HIL.$

At an Extraordinary General Meeting ("EGM") held on 14th March 2024 in relation to the Proposed Share Acquisition and Proposed Land Acquisition, both acquisitions were duly passed by the non-interested shareholders of HIL.



SUSTAINABILITY STATEMENT



INTRODUCTION

HIL Industries Berhad ("HIL" or "the Company") and its subsidiaries ("the Group" or "HIL Group") believe that sustainable business operations are vital in meeting the present needs of the Group while not compromising the ability of our future generations in meeting their future needs. It is our desire to fortify the presence of the latter in all initiatives carried out by HIL Group. HIL Group aspires to be a world-class quality one-stop plastic solution provider and a leading property developer supported by our sustainability pillars of Environmental, Social and Governance.

REPORTING SCOPE AND PERIOD

The Board of Directors ("**the Board**") of HIL is pleased to present the Sustainability Statement ("**Statement**") for the financial year ended 31 December 2024 ("**FYE 2024**") to illustrate our strategic approaches in addressing sustainability challenges and opportunities. This Statement covers the period from 1 January 2024 to 31 December 2024.

FRAMEWORK AND GUIDELINES

This Statement is prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad's ("Bursa Securities") relating to sustainability statement, the Sustainability Reporting Guide (3rd Edition) and the Toolkit Governance (3rd Edition).

Reference was made to the United Nations Sustainable Development Goals ("**UNSDG**") in mapping our material sustainability matters and developing the Group's sustainability strategies.

STAKEHOLDERS INPUT

As we progress in our sustainability journey, we value feedback in order for us to adopt continuous enhancement in our sustainability measures and reporting standards. All feedback, comments and enquiries are welcome to be directed to irene.koh@hil.com.my.

STATEMENT OF ASSURANCE

The contents of this Statement have been reviewed and approved by the Sustainability Committee and the Board of HIL.

It is not compulsory for this Statement to be reviewed by our internal auditor or independently assured by an external party. However, we acknowledge that independent assurance enhances data accuracy and transparency. We are preparing for future Statements to be reviewed.

OUR COMMITMENT TO SUSTAINABILITY

The Group embraces three major sustainability pillars as follows:

- Environment protection and safeguarding;
- Caring and responsible employer and its community; and
- Responsible business practices and conducts.

These three pillars are important in delivering high quality products and services of the Group to our customers.



SUSTAINABILITY FRAMEWORK

The Group's sustainability framework can be summarised as follows:



SUSTAINABILITY GOVERNANCE STRUCTURE

The Company has established a Sustainability Committee ("**SC**") and is headed by the Senior Independent Non-Executive Director. The SC is assisted by the Managing Director and selected Heads of Departments who are tasked or responsible for assessing and identifying sustainability factors and taking action necessary to address sustainability concerns.

The terms of reference of the SC are available on our website at http://www.hil.com.my.





STAKEHOLDERS' ENGAGEMENT

We understand that our stakeholders are imperative to the sustainability of the business and thus, it is essential to build and maintain our connections through better communication. Our engagement approaches with the key stakeholders during FYE 2024 are as follows:

| Stakeholder | Areas of Interest/ Objectives | Engagement Channels | Frequency | Our Response |
|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Regulators | Ensure compliance with laws and regulations | Consultations Participation in meetings Forums and Webinars | Ongoing | Conformance and compliance with regulatory expectations and requirements |
| Shareholders | Business performance and sustainable achievements Good governance and transparency | Annual General Meeting Quarterly and Annual Reports Announcement at Bursa Securities | Timely update on corporate website | Up-to-date business and financial performance |
| Employees | Fair wages Safe, secure and caring working environment | Internal communication Performance appraisal Development programs and feedback platforms | Annual review and as required | Health and safety policies, trainings and development Diversity, Equity and Inclusion |
| Customers | Products and service quality Competitive pricing and customer experience | Marketing and customer feedback surveys Online platforms Face-to-face interactions | Ongoing and as required | Quality products through our quality assurance control |
| Suppliers/ Vendors | Relationship management Pricing and business development | Relationship management Pricing and business development | Ongoing and as required | Fair and transparent procurement practices |
| Local Communities | Support and community initiatives that will benefit the local areas | Corporate Social Responsibility ("CSR") activities and sponsorship programs | Ongoing | Creating meaningful impact through CSR programs that benefit the communities and the environment |

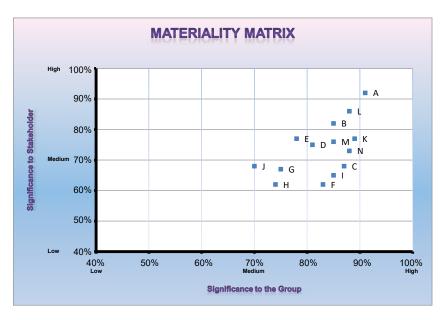


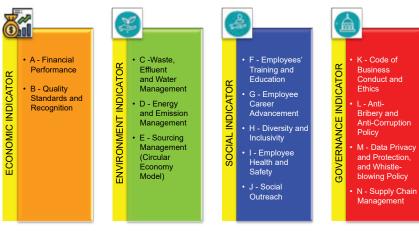
MATERIALITY MATRIX ASSESSMENT

For the Group, materiality assessments act as a crucial compass in driving sustainability efforts. They help identify the most significant Economic issues, and Environmental, Social and Governance ("**ESG**") issues relevant to both the organisation and its stakeholders. These assessments offer valuable insights into the Group's performance across all ESG dimensions thus allowing for the prioritisation of each issue according to its significance for different stakeholder groups.

Recognising the critical role of the UNSDG in shaping a sustainable future, the Group undertook a comprehensive materiality assessment to align its priorities with specific goals resonating with stakeholders and strategic objectives.

A materiality matrix has been developed with the objective to identify and assess all areas of sustainability and address their significance both to the Group's operation and to our external stakeholders. It provides a clear indication on the importance and priority given by the Group in addressing all its material sustainability areas.



















ECONOMIC PERFORMANCE AND BUSINESS SUSTAINABILITY

(a) Financial Performance

HIL Group is committed to economic sustainability, which is an integral part of our overall sustainability strategy. We recognise that economic sustainability is essential for our long-term success and for creating value for our stakeholders including our customers, employees, shareholders and the communities in which we operate.

Our approach to economic sustainability involves adopting sound business practices that ensuring the long-term viability of the Group. We are committed to generating sustainable revenue streams, maintaining a healthy balance sheet and managing our resources efficiently to optimise profitability and growth.

We believe that fostering innovation and investing in research and development are critical to our economic sustainability. We continuously seek to improve our products and services by investing in technology and innovation, and by collaborating with our customers and partners to develop sustainable solutions that not only meet their needs but surpasses their quality standards.

The Group is committed to being a responsible corporate citizen by contributing to the economic development of the communities in which we operate. We support local suppliers and service providers, create job opportunities, and invest in infrastructure and social programs that benefit the communities in which we operate.

The Group has a strong financial track record with consistent growth in revenue and assets. Group revenue increased 3.69% to register RM219.898 million in FYE 2024 while the total assets increased by 17.53% to register RM604.741 million as at 31 December 2024. For further information, kindly refer to the Audited Financial Statements of this Annual Report.

In order to ensure focus on sustainable economic and financial performance, our management begins with the setting of key performance indicators ("**KPIs**") during the beginning of the year. These KPIs are closely tracked and monitored to ensure that they are aligned with our sustainable business directions. The Group conducts benchmarking in terms of operational costs which provides an indicator of additional production efficiency and waste minimisation, which indirectly enhances the sustainable financial performance of the Group.

(b) Quality Standards and Recognition

The Group is committed to maintaining the highest standards of quality and excellence in all aspects of its operations. We recognise that our customers expect products and services that meet or exceed their expectations and we are dedicated to ensuring that our products and services meet the highest quality standards.

Our approach to quality management involves implementing robust quality control processes and procedures throughout the entire value chain, from raw materials sourcing to final product delivery. We adhere to internationally recognised quality management standards such as ISO 9001 to ensure consistency and reliability in our products and services.

We also recognise the importance of continuous improvement in quality management and we actively seek feedback from our customers to identify areas for improvement. We have in place our Research and Development, Quality Assurance and Control departments to conduct regular quality audits and assessments to monitor our performance and to identify opportunities for improvement.

The Group has received various recognitions and awards for its efforts. We believe that these recognitions are a testament to our dedication to excellence and our commitment to meeting the highest quality standards.

ENVIRONMENTAL IMPACT

The Group ensured strict ongoing compliance with environmental laws governing plant operations, maintenance in areas relating to environmental standards, emission standards and noise level management. This is in line with our factories being certified as an ISO 14001:2015 Environmental Management System organisation holder by an international body.



ENVIRONMENTAL IMPACT (CONTINUED)

On-going programmes initiated among our staff include awareness of recycling of waste materials and continuous improvements in our manufacturing process to create a greener environment. We have reviewed the Global Reporting Initiative ("GRI") list of environmental matters and will be prioritising the following three key environmental sustainability matters that are most pertinent to our businesses and stakeholders:

(a) Waste and Effluent Management









This is a top priority for all Divisions to prevent environmental pollution and to reduce the amount of hazardous and non-hazardous wastes. The Group handles waste and effluents in line with local regulations and in accordance with the Environmental Act 1974, and remains dedicated to sustainable waste management through partnerships with certified contractors specialising in the recovery and treatment of scheduled wastes, particularly:

- **SW409**–Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes
- **SW410**–Rags, plastics, papers or filters contaminated with scheduled wastes
- **SW416**–Sludges of inks, paints, pigments, lacquer, dye or varnish
- **SW418**–Discarded or off-specification inks, paints, pigments, lacquer, dye or varnish products containing organic solvent

Through these collaborations, scheduled wastes are transformed into alternative raw materials, reducing disposal and supporting circular economy practices.

In addition to the above, our on-going programmes which are in line with promoting waste management are as follows:

- (i) 3R (Reduce, Reuse, Recycle);
- (ii) waste segregation; and
- (iii) weekly gotong-royong.

We also utilise returnable polypropylene ("PP") corrugated boxes and trolleys in order to reduce our environmental footprint. Our Service Parts Centre uses returnable boxes and trolleys for outbound delivery. Each box/trolley is labelled with an outlet code to keep track of it and to ensure that each outlet returns the box to the Service Parts Centre. This initiative has enabled us to reduce the use of packaging materials.

These initiatives reinforce our commitment to environmental sustainability, resource efficiency, and regulatory compliance.

(b) Water Management

The issue of water scarcity is becoming increasingly alarming due to several factors, such as climate change, poor water management, and contamination. As water cuts and scarcity are becoming more frequent, the Group is committed to mitigating the risk of water shortages through efficient water management across our operations.

Sustainable water management is a priority given its significant role in supporting our manufacturing operations. We are committed to optimising water usage without compromising product quality or operational efficiency.

Our processes rely heavily on cooling towers for mould temperature regulation and machinery cooling. To minimise water consumption and loss, we have implemented water-efficient cooling tower systems equipped with automated controls and water treatment solutions to reduce evaporation, blowdown and scaling.



ENVIRONMENTAL IMPACT (CONTINUED)

(b) Water Management (continued)

In line with environmental sustainability goals, we have adopted the following practices:

- (i) Water recycling and reuse;
- (ii) Monitoring and maintenance with regular inspections, conductivity control, and chemical treatment programmes to ensure optimal cooling tower performance and to prevent water wastage.
- (iii) Technology upgrades to the cooling systems to make them more efficient so that they require less makeup water and to improve heat exchange efficiency.
- (iv) Employee awareness by providing training initiatives to promote best practices in water conservation across our operations.

By proactively managing our cooling tower operations and overall water use, we managed to significantly reduce our water usage in FYE 2024 and thus our environmental footprint, while ensuring operational excellence. Our efforts support our internal sustainability goals and also contribute to Malaysia's broader agenda for water conservation and responsible industry practices.

(c) Energy and Emission Management

The Group recognises the critical importance of sustainability in today's world and as a responsible corporate citizen, we strive to minimise our impact on the environment including managing and monitoring our emissions based on the Sustainability Reporting framework of Bursa Malaysia.

GREENHOUSE GAS ("GHG") PROTOCOL SCOPES AND EMISSIONS



Scope 1 emissions are GHG emissions that an organisation releases from sources it owns or controls such as the use of fuel in the organisation's machinery and vehicles.



Scope 2 emissions are indirect GHG emissions from the generation of purchased electricity or cooling that an organisation uses.



Scope 3 emissions refer to GHG emissions that come from sources outside of an organisation's direct control, but are still part of its value chain. These emissions are not directly owned or controlled by the organisation, but are indirectly attributed to its operations.

We believe that effective management of emissions is essential to achieving our sustainability goals and we strive to implement best practices and technologies to reduce our emissions and minimise our carbon footprint. We are committed to complying with all applicable environmental regulations and standards related to emissions.

In our manufacturing line, the Group has a range of initiatives to reduce its carbon emissions by minimsing wastage, ensuring machinery are operating at optimal efficiency and periodically upgrading our equipment to achieve higher energy efficiencies which include replacing lights with energy efficient LED lights, installing inverters for better energy efficiency and process improvements to minimise rework. We also ensure that all our machines are in compliance with regulations in respect of carbon emission to the environment by performing regular checks on the machines.



ENVIRONMENTAL IMPACT (CONTINUED)

(c) Energy and Emission Management (continued)

We also strive to cut our transportation processes by increasing the load efficiency in transporting our finished goods to our customers. By effectively managing energy efficiency, not only are we able to reduce our carbon footprint, we are also able to lower our operating costs.

Solar photovoltaic ("PV") is one of the technologies that allows the generation of clean energy and hence will reduce the usage of fossil fuel, reduce carbon dioxide emissions and reduce carbon footprint, and this in turn will mitigate climate change. Self-Consumption ("SELCO") is an option to generate electricity from renewable resources like solar PV systems to offset carbon emissions and reduce electricity bills. Through Net Energy Metering ("NEM") and SELCO, the green energy generated by solar PV systems will minimise the electricity consumption from the main grid.

As of 31 December 2024, our total installed solar capacity across our factories in Shah Alam and Bukit Kemuning has reached 804.64 kWp.

Looking ahead, we will continue to evaluate the feasibility of installing additional solar panels at our factories, prioritising this initiative to reduce our reliance on non-renewable energy sources. By doing so, we aim to significantly lower our Scope 2 GHG emissions and reinforce our commitment to environmental sustainability.

As part of our drive for environmental sustainability, new properties launched under our properties division include solar panels for the property owners. This initiative allows our home buyers to be more environmentally friendly while at the same time being able to reduce electricity consumption from the main grid.

Trees are preserved and form part of the natural landscape when we develop our properties. Our Amverton Cove joint venture development is a showcase of preserving swamp land ecosystem while integrating modern day amenities and convenience.

We are in the process of setting realistic cabon emission targets to align with our sustainability goal. In the meantime, we have compiled the data for our carbon emission.

| 2024 | | | | |
|------------------------------------|----------|---------|---------|--|
| Carbon (CO ²) Emission | Scope 1 | Scope 2 | Scope 3 | |
| (Metric tonnes) | 9,896.85 | 506.46 | 283.97 | |

(d) Sourcing Management

The Group recognises the importance of managing resources and materials in a responsible and sustainable manner and is dedicated to minimising its environmental footprint by adopting sustainable resource management practices throughout its operations.

The Group's approach to resource management involves adopting a circular economy model whenever possible in order to use resources more efficiently. The circular economy model is all about creating closed loops where both waste and new inputs are minimised. This approach helps us to conserve natural resources and minimise the environmental impact of our operations and reduce costs.

We continually evaluate our supply chain to ensure that we source materials from responsible and sustainable sources. We work closely with our suppliers to develop sustainable procurement practices and ensure that our products are manufactured using sustainable materials whenever commercially possible.

We aim to meet the environmental challenge by going beyond zero-impact towards making a net positive environmental impact. Some of the key criteria expected of suppliers and vendors include:

- (i) Creating and implementing environmental management systems and continuously improving their environmental conservation activities (For example, certified under ISO 14001:2015).
- (ii) Ensuring that their products and activities contribute to biodiversity and promote the concept of harmony with nature.
- (iii) Complying with all applicable laws in their management of chemical substances.



ENVIRONMENTAL IMPACT (CONTINUED)

(d) Sourcing Management (continued)

The Group adopts the *kanban* system (*also called just-in-time manufacturing*) to optimise manufacturing processes by measuring lead time and cycle time of the full process and process steps. One of the main benefits of the kanban system is to establish an upper limit to work-in-process inventory to avoid overcapacity and this will in turn minimise wastage.

HUMAN CAPITAL

(a) Employees' Development

Recognising that our employees are our greatest asset, we remain committed to continuous learning and professional development through a variety of structured training programmes. Throughout the year, we provided employees with access to both *in-house training* and *external courses* aimed at enhancing their skills, knowledge, and overall performance.

In-house training sessions were conducted to strengthen job-related competencies, ensure alignment with internal standards, and improve operational efficiency. These sessions allowed us to address operational priorities needs while fostering consistency across teams.

In addition, employees also participated in external training programmes, workshops, and industry seminars. These opportunities allowed our employees to gain new insights, stay updated with industry trends, and bring back valuable knowledge that could be applied within the Group.

These initiatives not only empower employees in their personal and professional growth but also directly contribute to the Group's success by improving productivity, driving innovation, and enhancing overall service quality. Investing in our people is an investment in our future.

Below are the list of trainings attended by our employees during the FYE 2024:

| No. | Trainings | Brief description of training |
|-----|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | SMI Success Centre PLT – Project Management and Implementation | To focus on equipping individuals with the skills and knowledge to effectively plan, execute and manage projects from initial concept to successful completion |
| 2. | Kelab Kebajikan dan Sukan JAS – Simposium Akta Kualiti Alam Sekitar | Managing today's environmental issues by having stronger industry engagement in both the preservation and restoration of our natural environment |
| 3. | Persatuan Bulan Sabit Merah Malaysia – Introduction to First Aid and CPR/AED | First aid training to equip individuals with the knowledge and skills to respond to medical emergencies until professional help arrives and focuses on providing immediate assistance to injured or ill individuals |
| 4. | UMW Industries (1985) Sdn Bhd – Forklift Operator and Safety Training | To ensure a safe and efficient handling of materials in a variety of workplaces and to equip operators with the necessary understanding of safe operating procedures, potential hazards and maintenance requirements |
| 5. | St John Ambulance Malaysia – First Aid Awareness | First aid training to equip individuals with the knowledge and skills to respond to medical emergencies until professional help arrives and focuses on providing immediate assistance to injured or ill individuals |
| 6. | Toyota ASSB – Toyota Production System Training | To maximise value by eliminating waste and achieving greater business results, and techniques to transform a "traditional" manufacturing organisation to a "Lean" organisation |
| 7. | St John Ambulance Malaysia – Fire Fighting | To prevent, manage and extinguish fires effectively, minimising potential damage and ensuring safety |



HUMAN CAPITAL (CONTINUED)

(a) Employees' Development (continued)

| No. | Trainings | Brief description of training |
|-----|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. | Kelab Kebajikan dan Sukan JAS – Seminar Pematuhan Akta Kualiti Alam Sekeliling 1974 | Managing today's environmental issues by having stronger industry engagement in both the preservation and restoration of our natural environment |
| 9. | Knowledge Tree PLT – E-invoicing Strategic Implementation | E-Invoicing Strategic Implementation Course to empower the company to transition seamlessly from paper-based invoicing to an electronic system |
| 10. | HR2000 Sdn Bhd – I-Payroll System Training | To understand and simplify the processes of e-Payroll, e-HR, e-Leave, e-Claim, e-TMS and e-Appraisal |
| 11. | Koperasi Kastam Diraja Malaysia – Technical Talk on Free Industrial Zone | Understanding the free industrial zone procedure and regulation |
| 12. | SMI Asia Australia (Malaysia) – Root Cause Analysis | Root Cause Analysis (RCA) training equips individuals and organisations with the skills to systematically identify the underlying causes of problems rather than just addressing symptoms. |
| 13. | I Globaltech Resources Sdn. Bhd. – Overall Equipment Effectiveness ("OEE") | OEE training programs focus on teaching how to measure and improve the efficiency of manufacturing equipment, ultimately leading to increased productivity and reduced waste. |







HUMAN CAPITAL (CONTINUED)

(a) Employees' Development (continued)

At the heart of our organisation is a belief that every employee's contribution matters. As part of our ongoing efforts to foster a positive and motivated workplace, we organised several initiatives throughout the year to recognise, appreciate and celebrate our people.

Among the key events held were Majlis Berbuka Puasa, monthly staff birthdays and Lunar New Year celebrations. These initiatives cultivate a sense of belonging and camaraderie, honour cultural diversity, strengthen bonds across our departments, enhance employee morale, and also reflect our commitment to building an inclusive, respectful and people-focused work culture.





HUMAN CAPITAL (CONTINUED)

(a) Employees' Development (continued)

The Group recognises the importance of inclusivity in promoting employee engagement and sustainability and is committed to fostering an inclusive culture that values diversity in all its forms and promotes equality and respect for all employees. We continuously strive to instill a feeling of belonging in HIL Group and encourage employee unity and a sense of working together to achieve our shared goals.

Our slogan "SATU" which stands for <u>Strive for excellence, Accountability, Trustworthy</u> and <u>Unity</u> and our own HIL song were created to improve staff morale, which has become one of the KPI elements, and to improve communication within the whole organisation and to enable employees to understand the goals, mission and vision of the Group.









Annual Townhall Sessions: Promoting Transparency and Team Alignment



HUMAN CAPITAL (CONTINUED)

(a) Employees' Development (continued)

Annual Townhall is organised to promote open communication and to align the entire organisation with our strategic direction. This is a key platform for transparency, reflection, and forward planning.

During this important yearly event, all employees come together to receive updates on the Group's performance, challenges, and future goals. Our Managing Director, Dato' Milton Ng, will deliver his keynote address and share his valuable insights on the Group's achievements, current position and long-term vision. His speech serves to inspire and unite the team under a shared purpose.

Departmental heads and key managers will also present their respective Key Performance Indicators ("**KPIs**"), offering clear insights into each unit's progress and future targets. This transparent sharing of performance metrics fosters a culture of accountability, continuous improvement and collective responsibility.

The Annual Townhall continues to play a vital role in engaging employees, strengthening organisational alignment and reinforcing our commitment to grow and succeed together.



Employee Engagement and Well-Being: Encouraging a Healthy and United Workplace



HUMAN CAPITAL (CONTINUED)

(a) Employees' Development (continued)

Beyond professional development and recognition, we continue to prioritise the overall well-being of our employees by fostering a healthy, active, and collaborative work environment.

One of our key initiatives is the implementation of daily **Taisho** exercises, a light and energising group workout conducted every morning. This Japanese-inspired routine helps staff to kickstart the day with improved focus, flexibility and team spirit, promoting both physical wellness and mental clarity in the workplace.

In addition, we introduced **weekly gotong-royong activities** where employees work together to clean and organise their respective work areas. This practice not only reinforces the values of teamwork and shared responsibility but also ensures a cleaner, safer and more pleasant work environment for all.

Together, these activities reflect our commitment to creating a balanced and supportive workplace – one where employees are encouraged to stay active, collaborate meaningfully, and take pride in their shared spaces.

(b) Talent Management, Diversity, Equity and Inclusion

We recognise the importance of talent management in achieving our sustainability goals and are committed to attracting, developing and retaining the best talent in the industry and providing them with opportunities for career growth and development.

Training programs, mentoring and career development opportunities are provided to help our employees to enhance their skills and capabilities and provide a platform for them to contribute to the Group's sustainability performance.

We recognise the importance of diversity and inclusivity in talent management and are committed to fostering a culture that values diversity in all its forms and promotes equality and respect for all employees. All employees are treated fairly regardless of age, gender, race, religion and background. Our workforce consists of approximately 14% women and 86% men. Our employment and diversity policies and measures to support working mothers ensure that our work environment is a place where women can thrive.

(c) Employee Health and Safety

The Group is committed to creating a safe and healthy work environment for all employees and stakeholders. We recognise that occupational health and safety is a critical aspect of our sustainability strategy and an essential part of our responsibility to our employees, customers and communities.

We are currently applying for the ISO 45001-OSHM certification, the world's international standard for occupational health and safety, issued to protect employees and visitors from work-related accidents and diseases.

Given the nature of industrial materials and processes that we use in the manufacture of our products, our workplace must adhere to the highest standards of health and safety and to this end, we constantly monitor and introduce improvement to our working environment. The concept of *Kaizen*, or continuous improvement, requires the on-going pursuit of excellence and the desire to push beyond boundaries. We integrate Kaizen throughout our entire value chain.

Our approach to occupational health and safety involves establishing robust policies, procedures, and practices that meet or exceed the relevant legal and regulatory requirements. The Group undertakes comprehensive training programs and awareness campaigns to educate employees and stakeholders on the importance of occupational health and safety, and encourage their active participation in creating a safe work environment. All factory workers are provided with safety shoes, helmets and ear mufflers and are required to wear them.

Representatives from all levels attend specific Occupational Safety and Health Administration ("**OSHA**") courses conducted by certified trainers to enhance their understanding and responsibility on employees' health and safety. These programmes focus on identifying common hazards and unsafe work practices and implementing corrective actions to improve the work environment. In compliance with the OSHA requirements, First Aid and CPR training sessions are also organised to help staff and workers understand their role as Emergency First Responders. In addition, all workers are covered by Personal Accident Insurance and Foreign Workers Compensation Scheme.



HUMAN CAPITAL (CONTINUED)

(c) Employee Health and Safety (continued)

The Group implements regular health and safety assessments to identify and manage any potential risks, and conduct periodic audits to ensure compliance with our health and safety policies and procedures. We also encourage employees to report any incidents or near-misses, and take prompt action to investigate and address any issues identified. On top of that, regular audits of safety systems for continuous improvement of OSHA systems and processes are being conducted.

In addition to the above, both employees and the contractors in our property development division must adhere to various standards set by the Group. Contractors must submit Safety, Health and Environmental Plans and Sanitation Plans before work on site can commence.

In FYE 2024, HIL Group is delighted to report that the manufacturing and property divisions had operated without accidents which reflect our commitment on safety and employees welfare.

(d) Social Outreach

In the spirit of Hari Raya Aidilfitri, we were honoured to host a heartwarming celebration with a group of orphans from *Pusat Jagaan Nur Sakinah*, bringing smiles, joy, and cherished memories during this season of giving and gratitude. The event, held as part of our annual community outreach initiative, reflected our continuous commitment to giving back and sharing meaningful moments with those in need.

The event was marked by a warm and cheerful lunch shared with the children, offering not just a hearty meal but also a moment of connection and care. It was a time to sit together, laugh and share stories, embodying the true spirit of Hari Raya – compassion, gratitude, and unity.

To make the day even more special, duit raya was presented to each child as a token of love and remembrance. Though simple, this gesture brought genuine smiles and heartfelt appreciation from the young faces who joined us.

As a gesture of continued support, we also made a donation of **RM5,000** to *Pusat Jagaan Nur Sakinah* to help sustain their efforts in providing care and shelter to the children.

This initiative not only brought happiness to the children but also strengthened our team's sense of purpose and community. We are deeply grateful for the opportunity to make a positive impact and look forward to continuing this tradition in the years to come.



Raya Celebration with Anak Yatim at Pusat Jagaan Nur Sakinah



COMPLIANCE AND INTEGRITY HIGHLIGHTS, AND SUPPLY CHAIN MANAGEMENT

(a) Regulatory Compliance

The Group is committed to conducting its business responsibly which requires thorough internal control, compliance with the Group's Code of Business Conduct and Ethics ("**the Code**"), and adhering to all legal and regulatory requirements. This ensures that we conduct our business with integrity and transparency whilst promoting sustainable business practices.

(i) Anti-Bribery and Anti-Corruption Policy ("ABC" Policy")

The Group is committed to conducting its business free from any and all forms of corruption and has conducted training courses on ABC in accordance with Section 17A of the Malaysian Anti Corruption ("MACC") Act 2009 to equip employees with the ABC policy. For further information, kindly refer to the Corporate Governance Overview Statement of this Annual Report.

In FYE 2024, there were no incidents of corruption.

(ii) Data Privacy and Protection



The Group is committed to protecting the privacy and confidentiality of the data of its customers and employees to ensure that the data is managed in accordance with high standards of data privacy.

In FYE 2024, there were zero recorded complaints concerning breaches of privacy.

(iii) Whistleblowing Policy



The Group has Whistleblowing policy which sets out the reporting channels and procedures that allows confidential avenue for anyone to raise concerns on suspected unethical and improper behavior. For further information, kindly refer to the Corporate Governance Overview Statement of this Annual Report.

There were no incidents of whistleblowing received in FYE 2024.

(b) Supply Chain Management

At HIL Group, we are committed to strengthening a more resilient supply chain by incorporating sustainability practices into our procurement processes. We firmly believe in supporting local businesses and driving economic growth within the communities where we operate. By prioritising local suppliers, we contribute to the vitality of the regional economy and promoting responsible and sustainable business practices.

At least 90% of our purchases are sourced locally and this reflects our continued dedication to local procurement. We remain committed to prioritising local sourcing whenever possible, understanding that we not only support local economy but also helps reduce our carbon footprint by minimising emission associated with long-distance transportation.



PERFORMANCE DATA TABLE FROM BURSA MALAYSIA SECURITIES BERHAD'S ESG REPORTING PLATFORM

| Indicator | Measurement Unit | 2023 | 2024 |
|---------------------------------------------------------------------------------------------------------------------|---------------------|-----------|-----------|
| Bursa (Anti-corruption) | | | |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category | | | |
| Management | Percentage | 100.00 | 100.00 |
| Executive | Percentage | 100.00 | 100.00 |
| Non-executive/Technical Staff | Percentage | 100.00 | 100.00 |
| General Workers | Percentage | 100.00 | 100.00 |
| Bursa C1(b) Percentage of operations assessed for corruption- related risks | Percentage | 0.00 | 0.00 |
| Bursa C1(c) Confirmed incidents of corruption and action taken | Number | 0 | 0 |
| Bursa (Community/Society) | | | |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR | 17,000.00 | 15,461.00 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities | Number | 44 | 41 |
| Bursa (Diversity) | | | |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category | | | |
| Age Group by Employee Category | | | |
| Management Under 30 | Percentage | 0.00 | 0.00 |
| Management Between 30-50 | Percentage | 48.00 | 47.00 |
| Management Above 50 | Percentage | 52.00 | 53.00 |
| Executive Under 30 | Percentage | 16.00 | 23.00 |
| Executive Between 30-50 | Percentage | 68.00 | 64.00 |
| Executive Above 50 | Percentage | 16.00 | 13.00 |
| Non-executive/Technical Staff Under 30 | Percentage | 22.00 | 18.00 |
| Non-executive/Technical Staff Between 30-50 | Percentage | 54.00 | 53.00 |
| Non-executive/Technical Staff Above 50 | Percentage | 24.00 | 29.00 |
| General Workers Under 30 | Percentage | 40.00 | 41.00 |
| General Workers Between 30-50 | Percentage | 53.00 | 53.00 |
| General Workers Above 50 | Percentage | 7.00 | 6.00 |
| Gender Group by Employee Category | | | |
| Management Male | Percentage | 70.00 | 70.00 |
| Management Female | Percentage | 30.00 | 30.00 |
| Executive Male | Percentage | 55.00 | 60.00 |
| Executive Female | Percentage | 45.00 | 40.00 |
| Non-executive/Technical Staff Male | Percentage | 61.00 | 63.00 |



PERFORMANCE DATA TABLE FROM BURSA MALAYSIA SECURITIES BERHAD'S ESG REPORTING PLATFORM (CONTINUED)

| Indicator | Measurement Unit | 2023 | 2024 |
|--------------------------------------------------------------------------------------------------------------------|---------------------|-------|-------|
| Non-executive/Technical Staff Female | Percentage | 39.00 | 37.00 |
| General Workers Male | Percentage | 92.00 | 93.00 |
| General Workers Female | Percentage | 8.00 | 7.00 |
| Bursa C3(b) Percentage of directors by gender and age group | | | |
| Male | Percentage | 75.00 | 75.00 |
| Female | Percentage | 25.00 | 25.00 |
| Between 31-50 | Percentage | 37.50 | 37.00 |
| Between 51-70 | Percentage | 50.00 | 50.00 |
| Above 70 | Percentage | 12.50 | 13.00 |
| Bursa (Health and safety) | | | |
| Bursa C5(a) Number of work-related fatalities | Number | 0 | 0 |
| Bursa C5(b) Lost time incident rate ("LTIR") | Rate | 0.00 | 0.00 |
| Bursa C5(c) Number of employees trained on health and safety standards | Number | 646 | 674 |
| Bursa (Labour practices and standards) | | | |
| Bursa C6(a) Total hours of training by employee category | | | |
| Management | Hours | 378 | 420 |
| Executive | Hours | 616 | 742 |
| Non-executive/Technical Staff | Hours | 1,260 | 1,106 |
| General Workers | Hours | 6,790 | 7,168 |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff | Percentage | 3.72 | 3.00 |
| Bursa C6(c) Total number of employee turnover by employee category | | | |
| Management | Number | 1 | 0 |
| Executive | Number | 7 | 1 |
| Non-executive/Technical Staff | Number | 12 | 9 |
| General Workers | Number | 25 | 11 |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations | Number | 0 | 0 |
| Bursa (Supply chain management) | | | |
| Bursa C7(a) Proportion of spending on local suppliers | Percentage | 90.00 | 90.00 |
| Bursa (Data privacy and security) | | | |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | Number | 0 | 0 |



PERFORMANCE DATA TABLE FROM BURSA MALAYSIA SECURITIES BERHAD'S ESG REPORTING PLATFORM (CONTINUED)

| Indicator | Measurement Unit | 2023 | 2024 |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------|-----------|-----------|
| Bursa (Energy management) | | | |
| Bursa C4(a) Total energy consumption | Megawatt | 13,965.91 | 13,363.00 |
| Bursa (Water) | | | |
| Bursa C9(a) Total volume of water used | Megalitres | 32.598780 | 21.334000 |
| Bursa (Waste management) | | | |
| Bursa C10(a) Total waste generated | Metric tonnes | - | 548.28 |
| Bursa C10(a)(i) Total waste diverted from disposal | Metric tonnes | - | 529.09 |
| Bursa C10(a)(ii) Total waste directed to disposal | Metric tonnes | - | 19.19 |
| Bursa (Emissions management) | | | |
| Bursa C11(a) Scope 1 emissions in tonnes of CO2e | Metric tonnes | - | 9,896.85 |
| Bursa C11(b) Scope 2 emissions in tonnes of CO2e | Metric tonnes | - | 506.46 |
| Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting) | Metric tonnes | - | 283.97 |

Internal assurance External assurance No assurance (*)Restated



STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE AUDITED FINANCIAL STATEMENT

Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company for the financial year then ended.

In preparing those financial statements, the Directors have:

- · Adopted applicable accounting policies and applied them consistently,
- Made judgements and estimates that are prudent and reasonable,
- Ensured applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to prevent and detect fraud and other irregularities.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their Report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the manufacture and sale of industrial and domestic moulded plastic products. The principal activities of the subsidiary companies are disclosed in Note 16 to the Financial Statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

| | Group RM | Company RM |
|-----------------------------------------------|-------------|---------------|
| Profit attributable to: Owners of the Company | 41,324,587 | 281,696 |
| Non-controlling interests | 1,718,873 | 201,090 |
| | 43,043,460 | 281,696 |

DIVIDENDS

On 1 April 2024, the Board of Directors declared a first and final single tier dividend of 3.00 sen per ordinary share amounting to RM9,958,224 in respect of the financial year ended 31 December 2023 which was paid on 28 June 2024.

On 8 April 2025, the Board of Directors declared a first and final single tier dividend of 3.00 sen per ordinary share for the financial year ended 31 December 2024. The dividend entitlement and payment dates will be determined at a later date.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

TREASURY SHARES

The shareholders of the Company granted a mandate to the Company to repurchase its own shares at the Annual General Meeting held on 20 June 2024. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

There were no repurchase of own shares during the financial year ended 31 December 2024.

Details of treasury shares are set out in Note 27(b) to the financial statements.





DIRECTORS' REPORT (CONTINUED)

OPTIONS GRANTED OVER UNISSUED SHARES

No options have been granted by the Company to any parties during the financial year to take up any unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any options to take up unissued shares of the Company. At the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORS

The Directors who served on the Board of the Company during the financial year until the date of this Report are:-

Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock Dato' Milton Norman Ng Kwee Leong Steven Junior Ng Kwee Leng Malcolm Jeremy Ng Kwee Seng Ooi Hun Yong Dato' Ir Hashim Bin Osman Norazkha Binti Dahlan Tong Sook Yee

DIRECTORS OF SUBSIDIARIES

The following is a list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this report:

Tan Sri Dato' Dr. Sak Cheng Lum Ho Swee Main Shan, Weidong Mohd Zubir Bin Idrus Chiam Hui Peng Raden Ronald Setjodiningrat Irawan Walujo Wibowo

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit, (other than benefits included in the aggregate amount of remunerations received or due and receivable by the Directors as shown below) 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 that certain Directors received remuneration from the Company's related corporations.



DIRECTORS' REPORT (CONTINUED)

DIRECTORS' BENEFITS (CONTINUED)

Directors' remuneration

| | Group RM | Company RM |
|---------------------------|-------------|---------------|
| Fees | 57,000 | 57,000 |
| Salaries | 1,022,400 | _ |
| Bonus | 213,000 | _ |
| Defined contribution plan | 148,828 | _ |
| Others* | 5,793 | _ |
| | 1,447,021 | 57,000 |

^{*} Others include SOCSO and EIS.

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, particulars of interests of Directors who held office at the end of the financial year in shares in the Company and its related corporations are as follows:

(a) Shares in the Company

| | Number of ordinary shares | | | |
|-------------------------------------------|---------------------------|-----------|-------------|-------------|
| | At | | | At |
| | 1.1.2024 | Additions | Disposals | 31.12.2024 |
| Shareholdings in the name of the Director | | | | |
| Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| @ Ng Thian Hock | 15,069,479 | _ | _ | 15,069,479 |
| Dato' Milton Norman Ng Kwee Leong | 13,262,559 | _ | _ | 13,262,559 |
| Steven Junior Ng Kwee Leng | 7,249,800 | _ | _ | 7,249,800 |
| Malcolm Jeremy Ng Kwee Seng | 6,290,720 | _ | _ | 6,290,720 |
| Norazkha Binti Dahlan | 97,920 | _ | _ | 97,920 |
| Shareholdings in which the Director | | | | |
| is deemed to have an interest | | | | |
| Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| @ Ng Thian Hock | 233,577,745 | _ | (7,625,000) | 225,952,745 |
| Dato' Milton Norman Ng Kwee Leong | 217,580,065 | _ | (7,625,000) | 209,955,065 |
| Steven Junior Ng Kwee Leng | 217,580,065 | _ | (7,625,000) | 209,955,065 |
| Malcolm Jeremy Ng Kwee Seng | 217,580,065 | _ | (7,625,000) | 209,955,065 |



(c)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

Malcolm Jeremy Ng Kwee Seng

(b) Warrants in the Company

| | | Number of Warrants 2017/2027 | | - | |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------|-------------------|-------------------|
| | | At 1.1.2024 | Additions | Disposals | At 31.12.2024 |
| | Shareholdings in the name of the Director | | | | |
| | Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| | @ Ng Thian Hock | 5,022,713 | _ | _ | 5,022,713 |
| | Dato' Milton Norman Ng Kwee Leong | 1,333,659 | _ | _ | 1,333,659 |
| | Steven Junior Ng Kwee Leng | 708,300 | _ | _ | 708,300 |
| | Malcolm Jeremy Ng Kwee Seng | 715,120 | _ | _ | 715,120 |
| | Norazkha Binti Dahlan | 16,320 | _ | _ | 16,320 |
| | Shareholdings in which the Director | | | | |
| | is deemed to have an interest | | | | |
| | Tan Sri Dato' Ir. Ng Boon Thong | 24742074 | | | 24742074 |
| | @ Ng Thian Hock | 34,743,071 | _ | _ | 34,743,071 |
| | Dato' Milton Norman Ng Kwee Leong | 36,298,025 | _ | _ | 36,298,025 |
| | Steven Junior Ng Kwee Leng | 36,298,025 | _ | _ | 36,298,025 |
| | Malcolm Jeremy Ng Kwee Seng | 36,298,025 | _ | _ | 36,298,025 |
|) | Shares in the holding company | | | | |
| | | Number of ordin | ary shares in Dal | ta Industries Sdr | n. Bhd. ("Dalta") |
| | | At | | | At |
| | | 1.1.2024 | Additions | Disposals | 31.12.2024 |
| | Shareholdings in the name of the Director | | | | |
| | Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| | @ Ng Thian Hock | 7,000,000 | _ | _ | 7,000,000 |
| | Dato' Milton Norman Ng Kwee Leong | 1,000,000 | _ | _ | 1,000,000 |
| | Steven Junior Ng Kwee Leng | 1,000,000 | _ | _ | 1,000,000 |
| | Malcolm Jeremy Ng Kwee Seng | 1,000,000 | _ | - | 1,000,000 |
| | Shareholdings in which the Director | | | | |
| | is deemed to have an interest | | | | |
| | Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| | @ Ng Thian Hock | 6,000,000 | _ | _ | 6,000,000 |
| | Dato' Milton Norman Ng Kwee Leong | 10,000,000 | _ | _ | 10,000,000 |
| | Steven Junior Ng Kwee Leng | 10,000,000 | _ | _ | 10,000,000 |
| | and the state of t | 10,000,000 | | | 10,000,000 |

10,000,000

10,000,000



DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

(d) Shares in related company

| | Number of ordinary shares in Amverton Berhad | | | n Berhad |
|-------------------------------------------|-----------------------------------------------------|-----------|-----------|-------------|
| | At | | | At |
| | 1.1.2024 | Additions | Disposals | 31.12.2024 |
| Shareholdings in the name of the Director | | | | |
| Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| @ Ng Thian Hock | 39,822,112 | _ | _ | 39,822,112 |
| Dato' Milton Norman Ng Kwee Leong | 1,400,000 | _ | _ | 1,400,000 |
| Steven Junior Ng Kwee Leng | 1,000,000 | _ | _ | 1,000,000 |
| Malcolm Jeremy Ng Kwee Seng | 3,507,900 | _ | _ | 3,507,900 |
| Shareholdings in which the Director | | | | |
| is deemed to have an interest | | | | |
| Tan Sri Dato' Ir. Ng Boon Thong | | | | |
| @ Ng Thian Hock | 320,259,022 | _ | _ | 320,259,022 |
| Dato' Milton Norman Ng Kwee Leong | 351,585,234 | _ | _ | 351,585,234 |
| Steven Junior Ng Kwee Leng | 351,585,234 | _ | _ | 351,585,234 |
| Malcolm Jeremy Ng Kwee Seng | 351,585,234 | - | _ | 351,585,234 |

By virtue of their interests in shares in the Company, Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock, Dato' Milton Norman Ng Kwee Leong, Steven Junior Ng Kwee Leng and Malcolm Jeremy Ng Kwee Seng are also deemed interested in shares in the subsidiary companies to the extent that the Company has an interest.

Other than as disclosed above, according to the register of Directors' shareholdings, the Directors in office at the end of the financial year did not hold any interest in shares in the Company or in shares in its related corporations during the financial year.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS, AND AUDITORS

During the financial year, there were no indemnity given to or insurance effected for, any director or officer of the Company.

The Company has agreed to indemnify the Auditors, HLB Ler Lum Chew PLT as permitted under Section 289 of the Companies Act, 2016 in Malaysia.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Group and of the Company had been written down to an amount which they might be expected so to realise.



DIRECTORS' REPORT (CONTINUED)

OTHER STATUTORY INFORMATION (CONTINUED)

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

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) 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.

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

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

In the opinion of the Directors:

- (a) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company during the financial year are RM139,013 and RM27,000 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 16 to the Financial Statements.

HOLDING COMPANY

The Directors regard Dalta Industries Sdn. Bhd., a company incorporated in Malaysia, as the holding company.



DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors, Dato' Milton Norman Ng Kwee Leong **Managing Director** Dated: 8 April 2025 Malcolm Jeremy Ng Kwee Seng Director

Shah Alam



STATEMENT BY DIRECTORS

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

We, DATO' MILTON NORMAN NG KWEE LEONG and MALCOLM JEREMY NG KWEE SENG, being two of the Directors of HIL INDUSTRIES BERHAD, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 at 31 December 2024 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

| | Signed on behalf of the Board in accordance with a resolution of the Directors, |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| | |
| | Dato' Milton Norman Ng Kwee Leong Managing Director |
| Dated: 8 April 2025 Shah Alam | Malcolm Jeremy Ng Kwee Seng Director |
| | STATUTORY DECLARATION |
| I, MALCOLM JEREMY NG KWEE SENG, being the Director primarily is BERHAD, do solemnly and sincerely declare that to the best of my kare correct, and I make this solemn declaration conscientiously belie Statutory Declarations Act 1960. | knowledge and belief the accompanying financial statements |
| | Malcalm Jaramy Na Kuna Cana |
| Subscribed and solemnly declared by the abovenamed MALCOLM JEREMY NG KWEE SENG at Klang on 8 April 2025 | Malcolm Jeremy Ng Kwee Seng <i>Director</i> |
| Before me: | |
| Commissioner for Oaths | |



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HIL INDUSTRIES BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of HIL Industries Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 136.

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 December 2024, 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.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report in the financial statements of the Company. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Revenue recognition from property development

The risk

We refer to Note 2.4(a), 3.1(ii) and 4 to the financial statements.

During the financial year, the Group's revenue contribution from its property development segment amounted to RM59,700,862.

We focused on this area because the revenue recognition for property development activities is inherently complex as it involves the use of significant estimates and judgements made by management which include the following:

- a) Estimation of the total budgeted project costs and the assessment of costs yet to be incurred to complete these projects;
- b) Determination of the progress towards satisfaction of the performance obligations and overall progress of the Group's projects; and
- c) Estimation of changes in transaction price arising from liquidated ascertained damages penalties.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

Key Audit Matters (Continued)

1. Revenue recognition from property development (continued)

Our response:

Our audit procedures focused on the following:

- We obtained an understanding and tested the Group's internal controls over property development project budget approvals and revenue recognition process;
- We evaluated the management's key judgements used in the estimation of budgeted property development costs by examining documentation such as letter of awards issued, variation orders, historical evidence or results and retrospective review of these estimates;
- We verified the budgeted revenue by examining the construction projects' approved letters of award and signed property development sales and purchase agreements;
- We inspected the costs incurred to date and compared against sub-contractor claim certificates and external architects' certifications of work performed to corroborate the projects' progress towards satisfaction of the performance obligations and reasonableness of the estimated project budgets;
- We observed the progress of the ongoing projects by performing site visits and discussions with the project team;
- We performed re-computations on the calculation of the stage of completion to ascertain there is no mathematical error in the profit recognition; and
- We reviewed the stage of completion of all on-going property development projects to determine if any adjustments to the transaction price is required arising from the estimation for liquidated and ascertained damages.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

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 (CONTINUED)

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 of 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law and regulation preclude 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.





INDEPENDENT AUDITORS' REPORT (CONTINUED)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 16 to the financial statements.

Other Matters

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

HLB LER LUM CHEW PLT 201906002362 & AF 0276 Chartered Accountants

CHEW LOONG JIN 03279/03/2027 J Chartered Accountant

Dated: 8 April 2025 Kuala Lumpur



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

| | | Group | | Company | |
|-----------------------------------------------------------------------------------------------------|------|-------------------------------------------|--------------------------------------------|----------------------------------------|----------------------------------------|
| | Note | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Revenue | 4 | 219,898,028 | 212,062,766 | 8,702,190 | 14,118,473 |
| Cost of sales | 5 | (145,489,613) | (141,504,517) | (6,546,249) | (9,178,031) |
| Gross profit | | 74,408,415 | 70,558,249 | 2,155,941 | 4,940,442 |
| Other items of income - Interest income - Other income | 6 | 3,415,216 828,523 | 3,479,851 4,721,576 | 1,593,069 2,126,023 | 1,792,640 4,976,228 |
| Other items of expenses - Selling and marketing expenses - Administrative expenses - Other expenses | | (6,272,238) (6,233,218) (8,157,768) | (6,465,212) (9,733,935) (10,271,729) | (40,542) (1,133,877) (2,113,106) | (57,808) (1,684,832) (2,782,676) |
| Profit from operations | | 57,988,930 | 52,288,800 | 2,587,508 | 7,183,994 |
| Finance costs | 7 | (7,404) | (2,151) | (1,852) | (2,151) |
| Profit before tax | 8 | 57,981,526 | 52,286,649 | 2,585,656 | 7,181,843 |
| Income tax expense | 11 | (14,938,066) | (12,334,492) | (2,303,960) | (1,520,176) |
| Profit for the year | | 43,043,460 | 39,952,157 | 281,696 | 5,661,667 |
| Other comprehensive income, net of tax | | | | | |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Foreign currency translation differences for foreign operations | | (1,002,555) | 441,108 | _ | |
| Total comprehensive income for the financial year | | 42,040,905 | 40,393,265 | 281,696 | 5,661,667 |



STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

| | | | Group | Company | |
|------------------------------------------------------------------------------------|------|-------------------------|-------------------------|---------------------|----------------|
| | Note | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Profit attributable to: | | | | | |
| Owners of the Company Non-controlling interests | | 41,324,587 1,718,873 | 38,676,611 1,275,546 | 281,696 - | 5,661,667 - |
| Profits for the financial year | | 43,043,460 | 39,952,157 | 281,696 | 5,661,667 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the Company Non-controlling interests | | 40,322,032 1,718,873 | 39,117,719 1,275,546 | 281,696 - | 5,661,667 |
| Total comprehensive income for the financial year | | 42,040,905 | 40,393,265 | 281,696 | 5,661,667 |
| Basic/Diluted earnings per share attributable to owners of the Company (sen) | 12 | 12.45 | 11.65 | | |



STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

| | | Group | | | Company | | |
|------------------------------------|------|-------------|-------------|-------------|-------------|--|--|
| | N | 2024 | 2023 | 2024 | 2023 | | |
| | Note | RM | RM | RM | RM | | |
| ASSETS | | | | | | | |
| Non-current assets | | | | | | | |
| Property, plant and equipment | 13 | 65,406,000 | 66,658,047 | 19,122,379 | 19,805,714 | | |
| Right-of-use assets | 14 | 3,252,101 | 2,612,054 | 587,359 | _ | | |
| Investment properties | 15 | 23,073,175 | 23,136,215 | _ | _ | | |
| Investment in subsidiary companies | 16 | _ | _ | 174,503,978 | 173,529,971 | | |
| Investment in associate company | 17 | 50 | _ | _ | _ | | |
| Investments | 18 | _ | 3,153,161 | _ | _ | | |
| Goodwill | 19 | 3,301,086 | 3,301,086 | _ | _ | | |
| Fixed deposits with licensed bank | 25 | 1,317,726 | 1,278,517 | _ | _ | | |
| | | 96,350,138 | 100,139,080 | 194,213,716 | 193,335,685 | | |
| <u>Current assets</u> | | | | | | | |
| Inventories | 20 | 308,508,736 | 180,961,270 | 338,568 | 418,282 | | |
| Contract assets | 21 | 35,854,189 | 26,799,157 | _ | 6,095,207 | | |
| Contract cost assets | 22 | 1,156,235 | 1,996,142 | _ | _ | | |
| Trade and other receivables | 23 | 26,520,772 | 41,295,097 | 1,132,606 | 5,043,698 | | |
| Amount due from subsidiaries | 24 | _ | _ | 31,895,583 | 2,300,835 | | |
| Income tax assets | | 11,141,821 | 8,273,721 | 1,039,909 | 663,108 | | |
| Investments | 18 | 15,590,781 | 4,720,582 | 6,375,784 | 3,674,390 | | |
| Fixed deposits with licensed bank | 25 | 28,976,331 | 60,803,578 | 6,370,239 | 41,498,760 | | |
| Cash and bank balances | 26 | 80,642,451 | 89,547,660 | 4,540,981 | 4,647,562 | | |
| | | 508,391,316 | 414,397,207 | 51,693,670 | 64,341,842 | | |
| TOTAL ASSETS | | 604,741,454 | 514,536,287 | 245,907,386 | 257,677,527 | | |
| | | | | | | | |



STATEMENTS OF FINANCIAL POSITION (CONTINUED)

| | | Group | | Company | | |
|----------------------------------------------------------------------------------------------|----------------|----------------------------------------|-------------------------------------|--------------------------------|-------------------------------|--|
| | Note | 2024 RM | 2023 RM | 2024 RM | 2023 RM | |
| EQUITY AND LIABILITIES | Note | | | | | |
| Equity attributable to owners of the Company | | | | | | |
| Share capital Treasury shares Capital reserve | 27 27(b) | 167,018,806 (947,224) 308,161 | 167,018,806 (947,224) 308,161 | 167,018,806 (947,224) – | 167,018,806 (947,224) – | |
| Currency translation reserve Retained profits | 28 | 4,522,035 305,538,994 | 5,524,590 274,183,334 | 76,216,737 | 85,893,265 | |
| Non-controlling interests | | 476,440,772 4,435,783 | 446,087,667 2,506,207 | 242,288,319 | 251,964,847 - | |
| Total equity | | 480,876,555 | 448,593,874 | 242,288,319 | 251,964,847 | |
| Non-current liabilities | | | | | | |
| Lease liabilities Deferred tax liabilities | 29 30 | 513,619 22,187,041 | - 21,703,833 | 401,099 1,278,460 | – 220,000 | |
| | | 22,700,660 | 21,703,833 | 1,679,559 | 220,000 | |
| <u>Current liabilities</u> | | | | | | |
| Trade and other payables Amount due to subsidiaries Lease liabilities Income tax liabilities | 31 24 29 | 100,843,231 - 140,502 180,506 | 44,081,203 - - 157,377 | 1,431,130 416,899 91,479 | 5,058,819 433,861 – | |
| income tax nabilities | | 101,164,239 | 44,238,580 | 1,939,508 | 5,492,680 | |
| Total liabilities | | 123,864,899 | 65,942,413 | 3,619,067 | 5,712,680 | |
| TOTAL EQUITY AND LIABILITIES | | 604,741,454 | 514,536,287 | 245,907,386 | 257,677,527 | |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

| | Note | Share capital | Treasury | Capital reserve | asury Capital translation lares reserve reserve part part | Retained profits | Total | Non- controlling interests | Total equity |
|-------------------------------------------------------------------------------------------------------------------|-------|------------------|-----------|-----------------|-----------------------------------------------------------|-------------------------|-------------|----------------------------------|-----------------|
| Group 2024 At 1 January 2024 | | 167,018,806 | (947,224) | 308,161 | | 274,183, | 446,087,0 | 2,506,207 | 448,593, |
| Profit for the year Other comprehensive income: - Foreign currency translation differences for foreign operations | | I I | 1 1 | I I | - (1,002,555) | 41,324,587 | 41,324,587 | 1,718,873 | 43,043,460 |
| Total comprehensive income for the year | | ı | 1 | ı | (1,002,555) | (1,002,555) 41,324,587 | 40,322,032 | 1,718,873 | 42,040,905 |
| Transactions with owners: Additional investment in a subsidiary by non-controlling interest | 16(d) | 1 | 1 | 1 | 1 | 1 | 1 | 200,000 | 200,000 |
| Changes in composition of the Group | | 1 | ı | 1 | 1 | (10,703) | (10,703) | 10,703 | 1 |
| Dividends | 32 | ı | ı | 1 | I | (9,958,224) | (9,958,224) | ı | (9,958,224) |
| At 31 December 2024 | • | 167,018,806 | (947,224) | 308,161 | 4,522,035 | 305,538,994 476,440,772 | 476,440,772 | 4,435,783 | 480,876,555 |



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

| | • | | ——Attributa | ble to owne | Attributable to owners of the Company | any | | | |
|----------------------------------------------------------------------------------------------------|-------|------------------------|--------------------------|--------------------------|------------------------------------------|---------------------------|-------------|----------------------------------------|-----------------------|
| | Note | Share capital RM | Treasury shares RM | Capital reserve RM | Currency translation reserve RM | Retained profits RM | Total RM | Non- controlling interests RM | Total equity RM |
| Group 2023 | | | | | | | | | |
| At 1 January 2023 | | 167,018,806 | (947,224) | 308,161 | 5,083,482 | 242,145,539 | 413,608,764 | 754,661 | 414,363,425 |
| Profit for the year Other comprehensive income: | | 1 | 1 | I | I | 38,676,611 | 38,676,611 | 1,275,546 | 39,952,157 |
| - Foreign currency translation differences for foreign operations | | 1 | 1 | 1 | 441,108 | 1 | 441,108 | I | 441,108 |
| Total comprehensive income for the financial year | 1 | ı | ı | I | 441,108 | 38,676,611 | 39,117,719 | 1,275,546 | 40,393,265 |
| <u>Transactions with owners:</u> Additional investment in a subsidiary by non-controlling interest | 16(d) | T. | T. | 1 | I | I | T. | 476,000 | 476,000 |
| Dividends | 32 | I | ı | 1 | T . | (6,638,816) | (6,638,816) | I | (6,638,816) |
| At 31 December 2023 | ı | 167,018,806 | (947,224) | 308,161 | 5,524,590 | 274,183,334 | 446,087,667 | 2,506,207 | 448,593,874 |

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



STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

| | Note | → Non-distril Share capital RM | butable — > Treasury shares RM | Distributable Retained profits RM | Total equity RM |
|---------------------------------------------------|------|-----------------------------------------|--------------------------------|--------------------------------------------|-----------------------|
| Company 2024 | | | | | |
| At 1 January 2024 | | 167,018,806 | (947,224) | 85,893,265 | 251,964,847 |
| Total comprehensive income for the financial year | | - | _ | 281,696 | 281,696 |
| <u>Transactions with owners:</u> | | | | | |
| Dividends | 32 | _ | _ | (9,958,224) | (9,958,224) |
| At 31 December 2024 | | 167,018,806 | (947,224) | 76,216,737 | 242,288,319 |
| Company 2023 | | | | | |
| At 1 January 2023 | | 167,018,806 | (947,224) | 86,870,414 | 252,941,996 |
| Total comprehensive income for the financial year | | _ | _ | 5,661,667 | 5,661,667 |
| <u>Transactions with owners:</u> | | | | | |
| Dividends | 32 | _ | _ | (6,638,816) | (6,638,816) |
| At 31 December 2023 | | 167,018,806 | (947,224) | 85,893,265 | 251,964,847 |



STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

| CASH FLOWS FROM OPERATING ACTIVITIES | | | Group | Co | mpany |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|---------------|
| Profit before tax | | | | | |
| Adjustment for: Amortisation of right-of-use assets | | RM | RM | RM | RM |
| Adjustment for: Amortisation of right-of-use assets Ad debts written-off Depreciation of property, plant and equipment Depreciation of investment properties 63,040 63,039 Fair value gain on other investment (405,038) (402,042) (146,394) (117,400) Loss/(Gain) on disposal of property, plant and equipment losses on financial assets – net: - Trade receivables - Other receivables - Contract assets - | CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Amortisation of right-of-use assets Amortisation of right-of-use assets Bad debts written-off Depreciation of property, plant and equipment Depreciation of investment properties 63,040 63,039 Capta (420,942) Capta (46,394) Capta (117,400) Loss/(Gain) on disposal of property, plant and equipment Desperiation of investment Capta (405,038) Capta (420,942) Capta (46,394) Capta (117,400) Loss/(Gain) on disposal of property, plant and equipment Desperiation of investment Capta (761,037) | Profit before tax | 57,981,526 | 52,286,649 | 2,585,656 | 7,181,843 |
| Bad debts written-off | Adjustment for: | | | | |
| Depreciation of property, plant and equipment 5,489,973 8,359,826 1,744,840 1,611,821 Depreciation of investment properties 63,040 63,039 - - - - - | Amortisation of right-of-use assets | 148,303 | 119,162 | _ | _ |
| Depreciation of investment properties 63,040 63,039 - - - | | _ | | _ | _ |
| Fair value gain on other investment Canal Control Coss/(Gain) on disposal of property, plant and equipment Canal Coss of C | | | | 1,744,840 | 1,611,821 |
| Loss/(Gain) on disposal of property, plant and equipment closses on financial assets – net: | | | | _ | _ |
| equipment losses on financial assets – net: - Trade receivables - Other receivables - Contract assets | | (405,038) | (420,942) | (146,394) | (117,400) |
| Impairment losses on financial assets - net: - Trade receivables | | | , | | ,, |
| - Trade receivables | | 217,777 | (216,945) | (84,000) | (50,864) |
| - Other receivables - Contract assets (14,920) (2,606,144) (14,920) (2,606,144) (Impairment losses on goodwill - 2,608,533 | | 0.000 | (7.61.027) | (22.402) | (2.44.24.5) |
| Contract assets (14,920) (2,606,144) (14,920) (2,606,144) Impairment losses on goodwill - 2,608,533 - | | The second secon | (/61,03/) | (22,103) | (341,315) |
| Impairment losses on goodwill | | | (2.606.144) | (1.4.020) | (2.606.144) |
| Impairment losses on property, plant and equipment 352,304 923,544 - - - | | (14,920) | | (14,920) | (2,606,144) |
| equipment 352,304 923,544 - - - Impairment losses on investment in subsidiaries - - 1,598,049 1,866,951 Inventories written-down 99,839 294,049 - - - Interest expense 7,404 2,151 1,852 2,151 Interest income (3,424,474) (3,487,577) (1,593,069) (1,792,640) Property, plant and equipment written-off 26,566 - - - - Net unrealised foreign exchange (gain)/loss (27,204) (483,149) 14,254 (14,905) Waiver of payable - (4,245) - - - Operating profit before working capital changes 60,700,152 56,938,279 4,084,165 5,739,498 Working capital changes: (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets (1,096,142) - - - Related party balances - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax refund - 555,341 - 506,212 | | _ | 2,000,555 | _ | _ |
| Impairment losses on investment in subsidiaries - - 1,598,049 1,866,951 Inventories written-down 99,839 294,049 - - - Interest expense 7,404 2,151 1,852 2,151 Interest income (3,44,474) (3,487,577) (1,593,069) (1,792,640) Property, plant and equipment written-off 26,566 - - - Net unrealised foreign exchange (gain)/loss (27,204) (483,149) 14,254 (14,905) Waiver of payable - (4,245) - - Operating profit before working capital changes (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - - Related party balances - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | 252 204 | 022 544 | | |
| Inventories written-down 99,839 294,049 - - - | | 332,304 | 923,344 | 1 509 0/0 | 1 966 051 |
| Interest expense 7,404 2,151 1,852 2,151 Interest income (3,424,474) (3,487,577) (1,593,069) (1,792,640) Property, plant and equipment written-off 26,566 — — — — — — — — Net unrealised foreign exchange (gain)/loss (27,204) (483,149) 14,254 (14,905) Waiver of payable — — — — — — — — — — — — — — — — — — | | 00 830 | 204 040 | 1,390,049 | 1,000,931 |
| Interest income (3,424,474) (3,487,577) (1,593,069) (1,792,640) Property, plant and equipment written-off 26,566 - | | | • | 1 852 | 2 151 |
| Property, plant and equipment written-off Net unrealised foreign exchange (gain)/loss Waiver of payable Coperating profit before working capital changes Working capital changes: Inventories (77,989,741) Contract assets (9,040,112) Related party balances Receivables Payables Cash generated from/(used in) operations Cash generated from/(used in) operations Contract tax paid Interest paid Interest received Income tax paid Income tax refund Poperating profit before working (gain)/loss (17,989,741) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (483,149) (49,04) (483,149) (49,04) (483,149) (49,04) (483,149) (49,04) (483,149) (49,04) (483,149) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04) (49,04 | | | | | |
| Net unrealised foreign exchange (gain)/loss Waiver of payable (27,204) (483,149) 14,254 (14,905) Operating profit before working capital changes 60,700,152 56,938,279 4,084,165 5,739,498 Working capital changes: Inventories (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund | | | (3, 107,377) | (1/555/005/ | (1,7 52,0 10) |
| Waiver of payable - (4,245) - - Operating profit before working capital changes 60,700,152 56,938,279 4,084,165 5,739,498 Working capital changes: Inventories (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - - - Related party balances - - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | | (483.149) | 14.254 | (14.905) |
| Working capital changes: (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) – – Related party balances – – (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund – 555,341 – 506,212 | | - | | - | - |
| Inventories (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - Related party balances - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets (1,996,142) - (1,996,142) Contract assets (1,99 | Operating profit before working capital changes | 60,700,152 | 56,938,279 | 4,084,165 | 5,739,498 |
| Inventories (77,989,741) (45,600) 79,714 180,163 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - Related party balances - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets (1,996,142) - (1,996,142) Contract assets (1,99 | Median control shares | | | | |
| Contract assets (9,040,112) 8,822,191 6,110,127 2,506,791 Contract cost assets 839,907 (1,996,142) - - - Related party balances - - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | (77 080 7/11) | (45,600) | 70 714 | 190 163 |
| Contract cost assets 839,907 (1,996,142) - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - | | | | | |
| Related party balances - - (31,834,191) (5,111,449) Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | | | 0,110,127 | 2,300,731 |
| Receivables 14,601,841 3,573,665 3,933,195 (678,116) Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | - | (1,550,142) | (31,834,191) | (5 111 449) |
| Payables 16,279,362 3,508,171 (3,627,689) (2,391,235) Cash generated from/(used in) operations 5,391,409 70,800,564 (21,254,679) 245,652 Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | | 14.601.841 | 3,573,665 | | |
| Interest paid (1,852) (2,151) (1,852) (2,151) Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund – 555,341 – 506,212 | | | | (| |
| Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | Cash generated from/(used in) operations | 5,391,409 | 70,800,564 | (21,254,679) | 245,652 |
| Interest received 3,424,474 3,473,546 1,593,069 1,789,510 Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund - 555,341 - 506,212 | Interest paid | (1.852) | (2 151) | (1.852) | (2 151) |
| Income tax paid (17,299,829) (20,195,329) (1,622,301) (1,948,334) Income tax refund – 555,341 – 506,212 | | | | | |
| Income tax refund – 555,341 – 506,212 | | | | | |
| | · | - | | - | |
| Net cash (used in)/from operating activities (8,485,798) 54,631,971 (21,285,763) 590,889 | Net cash (used in)/from operating activities | (8,485,798) | 54,631,971 | (21,285,763) | 590,889 |



STATEMENTS OF CASH FLOWS (CONTINUED)

| | | Group | Co | ompany |
|-------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------|---------------------------|------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of property, plant and equipment Purchase of right-of-use assets Proceeds from disposal of property, plant and | (5,370,807) - | (28,787,990) (28,483) | (1 ,148,864) – | (877,742) - |
| equipment Acquisition of additional shares in existing | 433,636 | 386,570 | 84,000 | 30,864 |
| subsidiaries (net) Acquisition of new subsidiary | - | - | (349,575) | (714,000) |
| (net of cash acquired) Acquisition of shares in associate company | (9,189,774) (50) | _ _ | - - | |
| Purchase of investments Proceeds from disposal of short term | (45,865,000) | (15,650,000) | (26,255,000) | (11,150,000) |
| investments | 38,553,000 | 28,103,948 | 23,700,000 | 13,300,000 |
| Net cash (used in)/from investing activities | (21,438,995) | (15,975,955) | (3,969,439) | 589,122 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Repayment of lease liabilities Placement of fixed deposits under lien Additional investment in a subsidiary by | (52,422) (39,209) | (67,954) (35,965) | (7,422) – | (67,954) – |
| non-controlling interest Dividend paid on ordinary shares | 200,000 (9,958,224) | 476,000 (6,638,816) | - (9,958,224) | - (6,638,816) |
| Net cash used in financing activities | (9,849,855) | (6,266,735) | (9,965,646) | (6,706,770) |
| | | | | |
| NET CHANGES IN CASH AND CASH EQUIVALENTS | (39,774,648) | 32,389,281 | (35,220,848) | (5,526,759) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR | 150,351,238 | 117,560,352 | 46,146,322 | 51,658,577 |
| EFFECTS OF FOREIGN EXCHANGE RATE CHANGES | (957,808) | 401,605 | (14,254) | 14,504 |
| CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (NOTE 33) | 109,618,782 | 150,351,238 | 10,911,220 | 46,146,322 |



STATEMENTS OF CASH FLOWS (CONTINUED)

NOTES TO THE STATEMENTS OF CASH FLOWS

(i) Proceeds from disposal of property, plant and equipment:

| | | roup | Con | npany |
|----------|---------|---------|---------------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Cash | 433,636 | 386,570 | 84,000 | 30,864 |
| Trade-in | | 20,000 | - | 20,000 |
| | 433,636 | 406,570 | 84,000 | 50,864 |

(ii) Purchase of property, plant and equipment:

| | Group | Cor | mpany |
|---------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| 5,370,807 500,000 - | 28,787,990 - 20,000 | 1,148,864 500,000 - | 877,742 - 20,000 |
| 5,870,807 | 28,807,990 | 1,648,864 | 897,742 |
| | 2024 RM 5,370,807 500,000 | RM RM 5,370,807 28,787,990 500,000 - - 20,000 | 2024 2023 2024 RM RM RM 5,370,807 28,787,990 1,148,864 500,000 - 500,000 - 20,000 - |

(iii) Reconciliation of liabilities arising from financing activities:-

| | Gr | oup | Con | npany |
|-------------------|----------|----------|---------|----------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Lease liabilities | | | | |
| At 1 January | _ | 67,954 | _ | 67,954 |
| Repayment | (52,422) | (67,954) | (7,422) | (67,954) |
| Non-cash changes | | | | |
| Additions | 700,991 | _ | 500,000 | _ |
| Interest accrued | 5,552 | _ | - | _ |
| At 31 December | 654,121 | _ | 492,578 | _ |



NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The principal activities of the Company are investment holding and the manufacture and sale of industrial and domestic moulded plastic products. The principal activities of the subsidiary companies are disclosed in Note 16 to the Financial Statements.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is as follows:-

Lot 3, Jalan Lada Sulah 16/11 Section 16 40000 Shah Alam Selangor Darul Ehsan

The address of the principal place of business of the Company is as follows: -

Lot 3, Jalan Lada Sulah 16/11 Section 16 40000 Shah Alam Selangor Darul Ehsan

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.4.

Amendments to accounting standards that are effective for the Group's and the Company's financial year beginning on or after 1 January 2024 are as follows:

- Amendments to MFRS 16, "Leases" (Lease Liability in a Sale and Leaseback)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Non-current Liabilities with Covenants)
- Amendments to MFRS 107, "Statement of Cash Flows" and MFRS 7, "Financial Instruments: Disclosures" (Supplier Finance Arrangements)

The above amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Group and of the Company.



2. BASIS OF PREPARATION (CONTINUED)

2.1 Statement of compliance (continued)

Accounting standards and amendments to accounting standards that are applicable for the Group and the Company in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2025

• Amendments to MFRS 121 "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability)

Annual periods beginning on/after 1 January 2026

- Annual Improvements to MFRS Accounting Standards Volume 11
 - * Amendments to MFRS 1, "First-time Adoption of Malaysian Financial Reporting Standards"
 - * Amendments to MFRS 7, "Financial Instruments: Disclosures"
 - * Amendments to MFRS 9, "Financial Instruments"
 - * Amendments to MFRS 10, "Consolidated Financial Statements"
 - * Amendments to MFRS 107, "Statement of Cash Flows"
- Amendments to MFRS 9, "Financial Instruments" and MFRS 7, "Financial Instruments: Disclosures" (Classification and Measurement of Financial Instruments)

Annual periods beginning on/after 1 January 2027

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

Effective date yet to be determined by the Malaysian Accounting Standards Board

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

The adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and of the Company.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional and presentation currency. The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operate ("the functional currency").

2.4 Use of judgements and estimates

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

The Directors are of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements.



2. BASIS OF PREPARATION (CONTINUED)

2.4 Use of judgements and estimates (continued)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Revenue recognition for property development activities

The Group recognised property development revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that development costs incurred for work performed to date bear to the estimated total development costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the development costs incurred, the estimated total property development revenue and expenses, as well as the recoverability of the property development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

(b) Impairment test for goodwill

Goodwill represents the excess of the cost of business combination over the Group's share in the net fair value of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires an estimation of the higher of value in use and fair value less costs of disposal of the cash-generating units to which goodwill is allocated.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

When fair value less cost to sell calculations are undertaken, management estimate the expected selling price of the cash-generating unit less its estimated costs of disposal. Further details of the carrying value, the key assumptions applied in the impairment assessment of goodwill and sensitivity analysis to changes in the assumptions are disclosed in Note 19 to the financial statements.

(c) Impairment of trade receivables

The Group and the Company uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's and the Company's trade receivables are disclosed in Note 23 to the financial statements.



3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Revenue recognition

Revenue from contracts with customers

(i) Sale of goods – Manufacturing

The Group and the Company sells moulded plastic products in the market. Sales are recognised when control of the products have transferred to its customers, being when the products are delivered to the customers. The customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. The risk of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provision have lapsed, or the Group and the Company have objective evidence that all criteria for acceptance have been satisfied. No element of financing is deemed present as the sales are made with a credit term of 120 days, which is consistent with market practice.

Revenue from sales of moulded plastic is recognised when the Group and the Company has delivered the products to the customers, the customers have accepted the products and the collectability of the related receivables is reasonably assured.

(ii) Revenue from property development

The Group develops and sells residential and commercial properties before completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Revenue recognition (continued)

Revenue from contracts with customers (continued)

(iii) Service rendered

Maintenance services is recognised over time, when the services have been performed and rendered.

Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group and the Company are as follows:

(i) Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements. Other rent related income is recognised in the accounting period in which the services have been rendered.

(ii) Interest income

Interest income is recognised on an accrual basis, using the effective interest method, unless collectability is in doubt, in which case it is recognised on a receipt basis.

(iii) Dividend income

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

3.2 Employee benefits

(a) Short term benefits

Salaries, wages, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees.

(b) <u>Defined contribution plans</u>

The Group and the Company participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employee Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

3.3 Leases

(a) When the Group and the Company is the lessee:

At the inception of the contract, the Group and the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Leases (continued)

(a) When the Group and the Company is the lessee: (continued)

Right-of-use assets

The Group and the Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group and the Company shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments),
- Payment of penalties for terminating the lease, if the lease term reflects the Group and the Company exercising that option.

For contract that contain both lease and non-lease components, the Group and the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group and the Company has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in the Group's or in the Company's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Operating leases - the Company as lessor

Leases where the Company retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantially enacted by the reporting date, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the Statement of Financial Position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.5 Foreign currency

(a) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated to RM at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the year.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the year except for the differences arising on the retranslation of non-monetary items, in respect of which gains and losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised directly in equity.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Foreign currency (continued)

(b) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of the consolidated financial statements are translated into the presentation currency as follows:

- assets and liabilities of foreign operations are translated at the closing rate prevailing at the reporting date;
- income and expenses for each statement of profit and loss and other comprehensive income presented are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- all resulting exchange differences are taken directly to other comprehensive income through the currency translation reserve.

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the group's ownership interest in associates or joint ventures that do not result in the group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income through the currency translation reserve.

3.6 Transactions with non-controlling interests

Non-controlling interests represent the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company owners' ownership interest in a subsidiary company that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary company. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial year in which they are incurred.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Property, plant and equipment (continued)

Freehold land is not depreciated as it has an infinite life.

Assets under construction are stated at cost and are not depreciated. Upon completion, assets under construction are transferred to categories of property, plant and equipment depending on nature of assets and depreciation commences when they are ready for their intended use.

All other property, plant and equipment are depreciated on the straight-line basis to write off the cost of the assets, or the revalued amount, to their residual values over their estimated useful lives as follows:

Leasehold land43 - 57 yearsBuildings33 - 50 yearsPlant and machinery3 - 13 yearsMotor vehicles, equipment and furniture2 - 5 years

The residual values, useful lives and depreciation methods are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

3.8 Investment properties

Investment properties are properties which are owned or held to earn rental income or for capital appreciation or for both. These include land held for a currently undetermined future use. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties. Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, consistent with the accounting policy for property, plant and equipment as stated in Note 3.7.

No depreciation is provided for freehold land.

Depreciation on other investment properties is calculated on the straight-line basis at rates required to write off the cost of the investment properties over their estimated useful lives.

The principal annual rate of amortisation used is as follows:-

Buildings 2% to 3%

3.9 Subsidiaries

Investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

3.10 Basis of consolidation

Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date control is transferred to the Group to the date control ceases.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.10 Basis of consolidation (continued)

Subsidiaries (continued)

The acquisition method is used to account for business combinations. Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Please refer to Note 3.12 for the Group's accounting policy on Goodwill.

All intra-group transactions and balances are eliminated on consolidation.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control, over the financial and operating policies. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of post-acquisition profit or loss is recognised in profit or loss and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

If the ownership interest in an associate is reduced but significant influence is retained, the proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Dilution gains or losses arising from investments in associates are recognised in profit or loss.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment if the carrying value exceeds the recoverable amount of the associate and recognises the difference as impairment losses in profit or loss.

3.11 Inventories

(i) Finished goods, raw materials, consumables and trading goods

Inventories are stated at the lower of cost and net realisable value. The cost of raw materials, consumables and trading goods includes the original cost of purchase and other incidental costs required to bring the inventories to their present location and condition.

The cost of finished goods and work in progress includes raw materials, direct labour, other direct costs and an appropriate proportion of production overheads.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Inventories (continued)

(ii) Property development cost

Property development costs are stated at the lower of costs and net realisable value. The cost of land, related developments costs common to whole projects and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statements of financial position as property development costs. The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer.

(iii) Completed development units

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

(iv) Land held for property development

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current. The carrying amount of such land classified as inventory under non-current assets is carried at the lower of cost and net realisable value.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is transferred to property development costs under current assets when development activities have commenced and are expected to be completed within the normal operating cycle.

Net realisable value is the estimate of the selling price in the ordinary course of business, less costs to completion and selling expenses.

3.12 Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

3.13 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.13 Impairment of non-financial assets (continued)

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis. Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

3.14 Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

(ii) Fair value through profit or loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.14 Financial assets (continued)

Subsequent measurement (continued)

(iii) Fair value through other comprehensive income (FVOCI)

Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income ("OCI") and accumulated in fair value reserve, except for the recognition of impairment gains of losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is recognised using the effective interest rate method in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the assets has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instrument is recognised in profit or loss.

3.15 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been significant losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculation of ECLs. Therefore, the Group and the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience adjusted for forward–looking factors specific to the debtors and the economic environment.

The Group and the Company consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.



3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.17 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.18 Treasury shares

Shares repurchased by the Company are held as treasury shares and are accounted for on the cost method. The amount of the consideration paid, including directly attributable costs, is recognised as cost and set off against equity. Should such shares be cancelled, reissued or disposed off, their nominal amounts will be eliminated, and the differences between their cost and nominal amounts will be taken to reserves, as appropriate. Where the treasury shares are subsequently distributed as dividends to equity holders, the cost of the treasury shares on the original purchase are applied in the reduction of the funds otherwise available for distribution as dividends.

3.19 Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group and the Company becomes a party to the contractual provisions of the financial instrument. The Group and the Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

3.20 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director of the Company, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.



4. REVENUE

| | | Group | C | ompany |
|--------------------------------------------------------------------------------------------------|-------------|-------------|------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Revenue from contracts with customers | | | | |
| - Sale of goods | 154,718,756 | 133,996,474 | 8,702,190 | 14,118,473 |
| - Services rendered | 116,554 | 574,153 | _ | _ |
| - Sale of completed properties | 3,517,010 | 9,826,961 | _ | _ |
| - Property development revenue | 59,700,862 | 65,905,467 | _ | _ |
| | 218,053,182 | 210,303,055 | 8,702,190 | 14,118,473 |
| Revenue from other sources - Rental income from investment | | | | |
| properties - Interest income from financial assets measured at fair value through profit or loss | 1,835,588 | 1,751,985 | - | _ |
| - Unit trust | 9,258 | 7,726 | - | _ |
| | 219,898,028 | 212,062,766 | 8,702,190 | 14,118,473 |
| | | | | |

Disaggregation of the Group's revenue from contracts with customers:

| 2024 | Manufacturing RM | Property development and management RM | Trading, services and others RM | Total RM |
|--------------------------------|---------------------|----------------------------------------------------|------------------------------------------|-------------|
| Major goods and services: | | | | |
| Sales of goods | 153,355,339 | - | 1,363,417 | 154,718,756 |
| Services rendered | - | 116,554 | _ | 116,554 |
| Sale of completed properties | _ | 3,517,010 | _ | 3,517,010 |
| Property development revenue | | 59,700,862 | _ | 59,700,862 |
| | 153,355,339 | 63,334,426 | 1,363,417 | 218,053,182 |
| Geographical market: | | | | |
| Malaysia | 148,415,037 | 63,334,426 | 1,363,417 | 213,112,880 |
| People's Republic of China | 4,866,671 | _ | _ | 4,866,671 |
| Thailand | 73,631 | - | _ | 73,631 |
| | 153,355,339 | 63,334,426 | 1,363,417 | 218,053,182 |
| Timing of revenue recognition: | | | | |
| - At a point in time | 153,355,339 | 3,517,010 | 1,363,417 | 158,235,766 |
| - Over time | | 59,817,416 | _ | 59,817,416 |
| | 153,355,339 | 63,334,426 | 1,363,417 | 218,053,182 |
| | | | | |



4. REVENUE (CONTINUED)

Disaggregation of the Group's revenue from contracts with customers: (continued)

| | | Property development and | Trading, services and | |
|--------------------------------|---------------------|--------------------------|--------------------------|-------------|
| | Manufacturing RM | management RM | others RM | Total RM |
| 2023 | •••• | | | |
| Major goods and services: | | | | |
| Sales of goods | 133,102,442 | _ | 894,032 | 133,996,474 |
| Services rendered | _ | 574,153 | _ | 574,153 |
| Sale of completed properties | _ | 9,826,961 | _ | 9,826,961 |
| Property development revenue | | 65,905,467 | _ | 65,905,467 |
| | 133,102,442 | 76,306,581 | 894,032 | 210,303,055 |
| Geographical market: | | | | |
| Malaysia | 128,801,072 | 76,306,581 | 894,032 | 206,001,685 |
| People's Republic of China | 4,168,647 | _ | _ | 4,168,647 |
| Thailand | 132,723 | _ | _ | 132,723 |
| | 133,102,442 | 76,306,581 | 894,032 | 210,303,055 |
| Timing of revenue recognition: | | | | |
| - At a point in time | 133,102,442 | 9,826,961 | 894,032 | 143,823,435 |
| - Over time | | 66,479,620 | | 66,479,620 |
| | 133,102,442 | 76,306,581 | 894,032 | 210,303,055 |

5. COST OF SALES

| | Group | Co | mpany |
|-------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2024 | 2023 | 2024 | 2023 |
| RM | RM | RM | RM |
| 36,621,732 | 39,443,185 | _ | _ |
| 104,903,900 | 93,462,777 | 6,546,249 | 9,178,031 |
| 159,532 | 355,769 | _ | _ |
| 1,127,625 | 856,673 | _ | _ |
| 2,676,824 | 7,386,113 | _ | _ |
| 145,489,613 | 141,504,517 | 6,546,249 | 9,178,031 |
| | 2024 RM 36,621,732 104,903,900 159,532 1,127,625 2,676,824 | RMRM36,621,73239,443,185104,903,90093,462,777159,532355,7691,127,625856,6732,676,8247,386,113 | 2024 2023 2024 RM RM RM 36,621,732 39,443,185 - 104,903,900 93,462,777 6,546,249 159,532 355,769 - 1,127,625 856,673 - 2,676,824 7,386,113 - |



6. INTEREST INCOME

| | | Group | Co | mpany |
|-------------------------------------------------------------------------------------------|-----------|-----------|-----------------|-----------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Interest income from financial assets | | | | |
| measured at amortised cost | | | | |
| - Bank deposit | 1,334,074 | 1,372,479 | 54,334 | 38,678 |
| - Fixed deposit | 2,070,886 | 1,982,739 | 1,365,974 | 1,750,832 |
| - Inter-company advances | _ | _ | 1 70,366 | _ |
| - Trade receivables | _ | 114,505 | _ | _ |
| - Late interest income | 2,211 | 3,823 | - | _ |
| Interest income from financial assets measured at fair value through profit or loss | | | | |
| - Unit trust | 8,045 | 6,305 | 2,395 | 3,130 |
| | 3,415,216 | 3,479,851 | 1,593,069 | 1,792,640 |

7. FINANCE COSTS

| | Gre | oup | Com | pany |
|----------------------------------------------------------|-------|-------|-------|-------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Interest expense on: - Finance lease - Lease liabilities | 1,852 | 2,151 | 1,852 | 2,151 |
| | 5,552 | - | - | - |
| | 7,404 | 2,151 | 1,852 | 2,151 |



8. PROFIT BEFORE TAX

| | | Group | Co | mpany |
|-------------------------------------------------------------|------------|-------------|-------------|-------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| | | | | |
| Profit before tax is arrived at after charging/(crediting): | | | | |
| Amortisation of right-of-use assets (Note 14) | 148,303 | 119,162 | _ | _ |
| Auditors' remuneration | | | | |
| - Statutory audit | 139,013 | 136,126 | 27,000 | 27,000 |
| - Under-provision in prior year | - | 8,500 | _ | _ |
| - Others | 7,500 | 7,500 | 3,000 | 3,000 |
| Bad debts written-off | - | 261,365 | - | _ |
| Depreciation of property, plant and | | | | |
| equipment (Note 13) | 5,489,973 | 8,359,826 | 1,744,840 | 1,611,821 |
| Depreciation of investment properties | 40.44 | 62.020 | | |
| (Note 15) | 63,040 | 63,039 | _ | _ |
| Direct operating expenses arising from | | | | |
| investment properties: | 447.202 | 172.027 | | |
| - Generate rental income | 117,382 | 172,837 | _ | _ |
| - Did not generate rental income | 8,849 | 8,738 | - | - |
| Employee benefits expenses (Note 9) | 26,135,297 | 24,679,019 | 1,498,352 | 2,298,113 |
| Fair value gain in investment | (405,038) | (420,942) | (146,394) | (117,400) |
| Loss/(Gain) on disposal of property, plant | 247.77 | (216.045) | (0.4.000) | (50.064) |
| and equipment | 217,777 | (216,945) | (84,000) | (50,864) |
| Impairment losses on (net): | 0.000 | (7.61.027) | (22.402) | (2.44.245) |
| - Trade receivables | 8,820 | (761,037) | (22,103) | (341,315) |
| - Other receivable | 176,236 | (2.606.144) | (4.4.020) | (2.606.144) |
| - Contract asset | (14,920) | (2,606,144) | (14,920) | (2,606,144) |
| - Goodwill | - | 2,608,533 | _ | _ |
| - Property, plant and equipment | 352,304 | 923,544 | 1 500 040 | 1 000 051 |
| - Investment in subsidiary | - | - | 1,598,049 | 1,866,951 |
| Inventories written down | 99,839 | 294,049 | _ | _ |
| Net foreign exchange (gain)/loss | (120 527) | 01 144 | | |
| - Realised | (130,527) | 81,144 | 44.254 | (1.4.005) |
| - Unrealised | (27,204) | (483,149) | 14,254 | (14,905) |
| Property, plant and equipment written off | 26,566 | _ | _ | _ |
| Lease expenses not capitalised in lease | | | | |
| liabilities | 150.720 | 640,000 | 762.000 | 760 700 |
| - Short term lease | 150,720 | 640,990 | 762,000 | 760,700 |
| Rental income from land and buildings | _ | (4.245) | (1,845,600) | (1,845,600) |
| Waiver of payable | | (4,245) | | _ |
| | | | | |



9. EMPLOYEE BENEFITS EXPENSES

| | | Group | Co | mpany |
|---------------------------------------------|------------|------------|-----------|-----------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Salaries, bonuses and allowances | 22,490,637 | 21,371,258 | 1,228,423 | 1,919,890 |
| Contributions to defined contribution plans | 1,361,835 | 1,346,829 | 77,109 | 141,903 |
| Social security contributions | 233,034 | 243,250 | 11,694 | 24,807 |
| Other employee benefits | 2,049,791 | 1,717,682 | 181,126 | 211,513 |
| | 26,135,297 | 24,679,019 | 1,498,352 | 2,298,113 |
| | 26,135,297 | 24,679,019 | 1,498,352 | 2,298,113 |

Included in employee benefits expense of the Group are executive directors' remuneration amounting to RM1,390,021 (2023: RM1,287,807) as further disclosed in Note 10 to the financial statements.

10. DIRECTORS' REMUNERATION

| | 0 | iroup | Com | npany |
|------------------------------------------------------------------|-----------|-----------|--------|--------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Executive directors' remuneration (Note 9): - Non-fee emoluments | 1,390,021 | 1,287,807 | - | _ |
| Non-executive directors' remuneration - Fees | 57,000 | 66,000 | 57,000 | 66,000 |
| Total directors' remuneration | 1,447,021 | 1,353,807 | 57,000 | 66,000 |

11. INCOME TAX EXPENSE

| | | Group | Co | mpany |
|----------------------------------------------------------------------------------------------------------|-----------------------|---------------------|----------------------|---------------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Current tax expenses: Malaysian income tax Under provision in previous financial year | 14,319,347 135,511 | 13,295,951 6,148 | 1,134,253 111,247 | 1,591,982 19,194 |
| Deferred tax (Note 30): | 14,454,858 | 13,302,099 | 1,245,500 | 1,611,176 |
| Relating to origination and reversal of temporary differences Under provision in previous financial year | (79,368) 562,576 | (967,607) | 342,405 716,055 | (91,000) - |
| | 483,208 | (967,607) | 1,058,460 | (91,000) |
| Income tax expense recognised in profit or loss | 14,938,066 | 12,334,492 | 2,303,960 | 1,520,176 |

Domestic current income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions is calculated at the prevailing tax rates in the respective jurisdictions.



11. INCOME TAX EXPENSE (CONTINUED)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

| | | Group | Co | mpany |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------|--------------|----------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Numerical reconciliation of effective income tax expense | | | | |
| Profit before tax | 57,981,526 | 52,286,649 | 2,585,656 | 7,181,843 |
| Income tax calculated at Malaysian statutory tax rate of 24% | 13,915,566 | 12,548,796 | 620,557 | 1,723,642 |
| Tax effects of: - Income not subject to tax - Expenses not deductible for tax | (136,729) | (131,455) | (73,166) | (40,383) |
| purposes - Utilisation of reinvestment allowance | 1,380,134 (485,811) | 1,529,295 (1,320,040) | 929,267 - | 598,309 - |
| - Tax impact of deferred tax asset not recognised - Double deduction expenses - Under provision in previous | (433,181) - | (268,838) (29,414) | - | (780,586) – |
| financial year | 698,087 | 6,148 | 827,302 | 19,194 |
| Income tax expense recognized in profit or loss | 14,938,066 | 12,334,492 | 2,303,960 | 1,520,176 |

12. EARNINGS PER SHARE

(i) Basic earnings per share

Basic earnings per share is calculated by dividing consolidated profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

| | | Group |
|--------------------------------------------------------------------------|-------------|-------------|
| | 2024 RM | 2023 RM |
| Profit for the financial year attributable to owners of the Company (RM) | 41,324,587 | 38,676,611 |
| Weighted average number of ordinary shares in issue | 331,940,812 | 331,940,812 |
| Basic earnings per share (sen) | 12.45 | 11.65 |



12. EARNINGS PER SHARE (CONTINUED)

(ii) Diluted earnings per share

For the purposes of calculating diluted earnings per share, consolidated profit attributable to owners of the Company is divided by weighted average number of ordinary shares in issue during the financial year, adjusted for the dilutive effects of all potential ordinary shares.

| | 2024 RM | Group 2023 RM |
|------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------|
| Profit for the financial year attributable to owners of the Company (RM) | 41,324,587 | 38,676,611 |
| Weighted average number of ordinary shares issued Adjusted for: Assumed exercise of Warrants at no consideration | 331,940,812 -* | 331,940,812 |
| | 331,940,812 | 331,940,812 |
| Diluted earnings per share (sen) | 12.45 | 11.65 |

^{*} No warrants are assumed to be exercised at no consideration as the average fair value of the Company's quoted share price during the financial year is below the exercise price of the warrants.



13. PROPERTY, PLANT AND EQUIPMENT

| 2024 – Group | | | | | | |
|---------------------------------|------------------------------|------------------------|-------------------------------|------------------------|----------------------------------------------------|--------------|
| | Assets under construction RM | Freehold land RM | Buildings RM | Plant and machinery RM | Motor Venicle, equipment and furniture RM | Total RM |
| Cost | | | | | | |
| At 1.1.2024 | 6,242,045 | 7,258,048 | 37,959,367 | 149,528,644 | 24,718,003 | 225,706,107 |
| Additions | 1 | 1 | 455,380 | 2,333,750 | 3,081,677 | 5,870,807 |
| Fransfer to plant and machinery | (6,242,045) | 1 | ı | 6,242,045 | ı | 1 |
| Fransfer to right-of-use assets | 1 | 1 | 1 | 1 | (640,749) | (640,749) |
| Disposal | 1 | 1 | 1 | (22,013,028) | (4,323,866) | (26,336,894) |
| Written-off | 1 | 1 | 1 | 1 | (174,226) | (174,226) |
| Currency translation difference | 1 | ı | 1 | (528,519) | (29,699) | (608,218) |
| At 31.12.2024 | 1 | 7,258,048 | 38,414,747 | 135,562,892 | 22,581,140 | 203,816,827 |
| Accumulated depreciation/ | | | | | | |
| Impairment loss | | | | | | |
| At 1.1.2024 | ı | 1 | 16,061,021 | 122,021,425 | 20,965,614 | 159,048,060 |
| Charges during the year | ı | ı | 829,926 | 2,793,064 | 1,866,983 | 5,489,973 |
| Disposal | 1 | 1 | 1 | (21,339,511) | (4,345,970) | (25,685,481) |
| Fransfer to right-of-use assets | ı | 1 | 1 | 1 | (53,390) | (53,390) |
| mpairment losses | l | 1 | 1 | 352,304 | 1 | 352,304 |
| Written-off | ı | 1 | 1 | 1 | (147,660) | (147,660) |
| Currency translation difference | 1 | ı | 1 | (512,755) | (80,224) | (592,979) |
| At 31.12.2024 | 1 | 1 | 16,890,947 | 103,314,527 | 18,205,353 | 138,410,827 |
| Net Book Value at 31.12.2024 | 1 | 7,258,048 | 21,523,800 | 32,248,365 | 4,375,787 | 65,406,000 |



13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2023 - Group

| | Assets under construction RM | Freehold land RM | Buildings | Plant and machinery RM | Motor vehicle, equipment and furniture RM | Total RM |
|-----------------------------------|------------------------------|------------------------|------------|------------------------------|----------------------------------------------------|-------------|
| Cost | | | | | | |
| At 1.1.2023 | I | 4,136,968 | 32,346,055 | 138,987,603 | 24,264,808 | 199,735,434 |
| Additions | 6,242,045 | 3,121,080 | 5,613,312 | 11,674,630 | 2,156,923 | 28,807,990 |
| Disposal | I | 1 | ı | (1,638,960) | (2,197,617) | (3,836,577) |
| Transfer from right-of-use assets | 1 | 1 | 1 | 1 | 424,493 | 424,493 |
| Currency translation difference | I | I | I | 505,371 | 968'69 | 574,767 |
| At 31.12.2023 | 6,242,045 | 7,258,048 | 37,959,367 | 149,528,644 | 24,718,003 | 225,706,107 |
| Accumulated depreciation/ | | | | | | |
| Impairment loss | | | | | | |
| At 1.1.2023 | I | 1 | 15,400,067 | 116,411,876 | 20,639,942 | 152,451,885 |
| Charges during the year | ı | 1 | 660,954 | 5,684,705 | 2,014,167 | 8,359,826 |
| Disposal | ı | 1 | ı | (1,468,345) | (2,178,607) | (3,646,952) |
| Transfer from right-of-use assets | I | 1 | 1 | 1 | 424,493 | 424,493 |
| Impairment losses | I | 1 | 1 | 923,544 | 1 | 923,544 |
| Currency translation difference | 1 | I | I | 469,645 | 62,619 | 535,264 |
| At 31.12.2023 | 1 | 1 | 16,061,021 | 122,021,425 | 20,965,614 | 159,048,060 |
| Net Book Value at 31.12.2023 | 6,242,045 | 7,258,048 | 21,898,346 | 27,507,219 | 3,752,389 | 66,658,047 |

An impairment charge of RM 352,304 (2023: RM923,544) is included within "Other expenses" in the profit or loss. The impairment charge arose from the manufacturing segment in Malaysia as a subsidiary is restructuring its business operations (2023: People's Republic of China following a decision to reduce the manufacturing output as a result of declining customer demand).



13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2024 - Company

| Buildings RM | Plant and machinery RM | Motor vehicle, equipment and furniture RM | Total RM |
|-----------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | |
| 32,346,055 | 47,365,191 | | 94,529,381 1,648,864 |
| _ | (35.500) | | (1,056,475) |
| - | - | (640,749) | (640,749) |
| 32,346,055 | 47,329,691 | 14,805,275 | 94,481,021 |
| | | | |
| 16,046,988 | 44,592,174 | 14,084,505 | 74,723,667 |
| 646,922 | | | 1,744,840 |
| | (33,300) | (53,390) | (1,056,475) (53,390) |
| 16,693,910 | 44,977,091 | 13,687,641 | 75,358,642 |
| 15,652,145 | 2,352,600 | 1,117,634 | 19,122,379 |
| | | | |
| | | | |
| 32,346,055 | 47,472,849 | 15,503,418 | 95,322,322 |
| - | (107.650) | | 897,742 |
| _ _ | (107,658) | (2,007,518) 424,493 | (2,115,176) 424,493 |
| 32,346,055 | 47,365,191 | 14,818,135 | 94,529,381 |
| | | | |
| 15,400,067 | 44,086,396 | 15,316,066 | 74,802,529 |
| 646,921 | 613,436 | 351,464 | 1,611,821 |
| _ | (107,658) | | (2,115,176) |
| | | 424,493 | 424,493 |
| 16,046,988 | 44,592,174 | 14,084,505 | 74,723,667 |
| 16,299,067 | 2,773,017 | 733,630 | 19,805,714 |
| | 32,346,055 16,046,988 646,922 16,693,910 15,652,145 32,346,055 32,346,055 15,400,067 646,921 - 16,046,988 | Buildings RM RM 32,346,055 47,365,191 - (35,500) (35,500) (35,500) (35,500) (35,500) (35,500) (35,500) (35,500) (35,500) (107,658) (107,658) (107,658) (107,658) | Buildings RM Plant and machinery RM equipment and furniture RM 32,346,055 47,365,191 14,818,135 - 1,648,864 - (35,500) (1,020,975) - (640,749) 32,346,055 47,329,691 14,805,275 16,046,988 44,592,174 677,501 - (35,500) (1,020,975) - - (53,390) 16,693,910 44,977,091 13,687,641 15,652,145 2,352,600 1,117,634 32,346,055 47,472,849 15,503,418 - - 897,742 - (107,658) (2,007,518) - 424,493 32,346,055 47,365,191 14,818,135 15,400,067 44,086,396 15,316,066 646,921 613,436 351,464 - (107,658) (2,007,518) - 424,493 16,046,988 44,592,174 14,084,505 |

The buildings of the Company are located on its subsidiary companies' land.



14. RIGHT-OF-USE ASSETS

| _ | | | |
|---|----|---|---|
| | ro | ш | n |
| • | ıv | ш | ы |

| 2024 | | | |
|------|---|--|--|
| | ~ | | |
| | | | |

| 2024 | | | | |
|------------------------------------------------|----------------|------------|----------------|-------------|
| | B 41 P | Leasehold | Motor | |
| | Building RM | Land RM | Vehicles RM | Total RM |
| Cost | | | | |
| As at 1 January 2024 | _ | 5,915,671 | _ | 5,915,671 |
| Additions | 200,991 | - | _ | 200,991 |
| Transferred from property, plant and equipment | _ | - | 640,749 | 640,749 |
| As at 31 December 2024 | 200,991 | 5,915,671 | 640,749 | 6,757,411 |
| Accumulated depreciation | | | | |
| As at 1 January 2024 | _ | 3,303,617 | _ | 3,303,617 |
| Depreciation charge | 41,873 | 106,430 | _ | 148,303 |
| Transferred from property, plant and equipment | _ | - | 53,390 | 53,390 |
| As at 31 December 2024 | 41,873 | 3,410,047 | 53,390 | 3,505,310 |
| Net Book Value | 159,118 | 2,505,624 | 587,359 | 3,252,101 |
| 2023 | | | | |
| | | Leasehold | Motor | |
| | | Land RM | Vehicles RM | Total RM |
| Cost | | KIVI | KIVI | RIVI |
| As at 1 January 2023 | | 5,887,188 | 424,493 | 6,311,681 |
| Additions | | 28,483 | _ | 28,483 |
| Transferred to property, plant and equipment | | _ | (424,493) | (424,493) |
| As at 31 December 2023 | | 5,915,671 | _ | 5,915,671 |
| Accumulated depreciation | | | | |
| As at 1 January 2023 | | 3,184,455 | 424,493 | 3,608,948 |
| Depreciation charge | | 119,162 | _ | 119,162 |
| Transferred to property, plant and equipment | | - | (424,493) | (424,493) |
| As at 31 December 2023 | | 3,303,617 | - | 3,303,617 |
| Net Book Value | | 2,612,054 | _ | 2,612,054 |



14. RIGHT-OF-USE ASSETS (CONTINUED)

| _ | | | | | |
|---------------|---|---|---|----|----|
| $\overline{}$ | m | m | 3 | 10 | ٠, |
| LU | m | v | а | •• | v |

2024

| | Motor Vehicles RM | Total RM |
|------------------------------------------------|-------------------------|-------------|
| Cost | | |
| As at 1 January 2024 | _ | _ |
| Transferred from property, plant and equipment | 640,749 | 640,749 |
| As at 31 December 2024 | 640,749 | 640,749 |
| Accumulated depreciation As at 1 January 2024 | - | _ |
| Transferred from property, plant and equipment | 53,390 | 53,390 |
| As at 31 December 2024 | 53,390 | 53,390 |
| Net Book Value | 587,359 | 587,359 |
| 2023 | | |
| | Motor | |
| | Vehicles RM | Total RM |
| Cont. | | |
| Cost As at 1 January 2023 | 424,493 | 424,493 |
| Transferred to property, plant and equipment | (424,493) | (424,493) |
| As at 31 December 2023 | | _ |
| Accumulated depreciation | | |
| As at 1 January 2023 | 424,493 | 424,493 |
| Transferred to property, plant and equipment | (424,493) | (424,493) |
| As at 31 December 2023 | | _ |
| Net Book Value | _ | - |
| | | |

Company



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. INVESTMENT PROPERTIES

| | Group | | |
|----------------------------------------------|------------|------------|--|
| | 2024 RM | 2023 RM | |
| Cost | | | |
| At 1 January/31 December | 23,955,722 | 23,955,722 | |
| Accumulated depreciation | | | |
| At 1 January | 819,507 | 756,468 | |
| Depreciation for the financial year (Note 8) | 63,040 | 63,039 | |
| At 31 December | 882,547 | 819,507 | |
| Net carrying amount | 23,073,175 | 23,136,215 | |

Investment properties of the Group comprises of 9 units of 1 1/2 storey semi-detached light industrial factory, 15 units of double-storey shop lot and 28 units of 1 1/2 storey light industrial terrace factory, all located at Klang, Selangor Darul Ehsan. Investment properties of the Group is renting to third parties to earn rental income. The total fair value of the investment properties of the Group as at 31 December 2024 is determined as RM52,440,000 (2023: RM52,440,000).

The fair value of Group's investment properties is valued based on sale comparison approach and unobservable inputs and classified in Level 2 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 37(e) to the Financial Statements.

During the current financial year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Valuation techniques used to derive Level 2 fair values are as follow:-

Level 2 fair values of the Group's properties have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is selling price per square feet.

16. INVESTMENT IN SUBSIDIARY COMPANIES

(a) Investment in subsidiary companies

| 2024 RM | 2023 RM |
|-------------|-------------|
| RM | RM |
| | |
| | |
| 29,638,433 | 24,656,812 |
| 148,321,000 | 148,189,000 |
| 9,545 | 2,551,110 |
| (3,465,000) | (1,866,951) |
| 174,503,978 | 173,529,971 |
| | (3,465,000) |



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(a) Investment in subsidiary companies (continued)

The movement in impairment of investment in subsidiaries are as follows:-

| | Company | |
|----------------------------------------|-----------|-----------|
| | 2024 | 2023 |
| | RM | RM |
| At 1 January | 1,866,951 | _ |
| Net addition during the financial year | 1,598,049 | 1,866,951 |
| At 31 December | 3,465,000 | 1,866,951 |

The subsidiary companies are as follows:

| Name | Group's inte | effective rest | Principal activities |
|--------------------------------------------|--------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| | 2024 | 2023 | |
| Gradefield Property Management Sdn. Bhd. * | 100% | 100% | Property management |
| Greens Property Management Sdn. Bhd. | 100% | 100% | Dormant |
| HIL-Edrola (M) Sdn. Bhd. * | 60% | 60% | Developing and manufacturing of headlining for automotive industry |
| HIL Assembly Services Sdn. Bhd. * | 51% | 51% | Investment holding, manufacture and sale of industrial and domestic moulded plastic products and sub-assembly of plastic-related products |
| HIL Automation Sdn. Bhd. * | 97% | 51% | Investment holding |
| HIL Huafeng (M) Sdn. Bhd. * | 60% | 60% | Dormant |
| HIL Woodlands Pharmacy Sdn. Bhd. | 51% | 51% | Operating and managing pharmacies |
| HIL Properties Sdn. Bhd. | 100% | 100% | Investment holding and property development |
| HIL Sales & Marketing Sdn. Bhd. * | 100% | 100% | General trading and provision of marketing support services |
| HIL Medic Sdn. Bhd. * | 100% | 100% | Sub-assembly of plastic-related products |
| Iziba Sdn. Bhd. * | 100% | 100% | Property holding |
| Nada Mestika Sdn. Bhd. | 100% | 100% | Investment holding and property holding |
| Proedge Property Management Sdn. Bhd. | 100% | 100% | Property management |



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(a) Investment in subsidiary companies (continued)

The subsidiary companies are as follows: (continued)

| Group's effective Name interest Principal activities | | Principal activities | |
|----------------------------------------------------------|------|----------------------|----------------------------------------------------------------------------------------------------------------|
| | 2024 | 2023 | |
| Sedar Makmur Sdn. Bhd. | 100% | 100% | Property management |
| HIL Industries Automotive (M) Sdn. Bhd. | 100% | 100% | Mould making and the manufacture and sale of industrial and domestic moulded plastic products |
| Supreme Logic Sdn. Bhd. * | 100% | 100% | Property holding |
| Subsidiary company of HIL Assembly Services Sdn. Bhd. | | | |
| Antaforce Engineering Sdn. Bhd. * | 51% | 51% | Investment holding |
| Subsidiary company of HIL Automation Sdn. Bhd. | | | |
| HIL Technology Sdn. Bhd. * | 41% | 41% | Designing and assembling industrial machinery and equipment for the purpose of factory automation |
| Subsidiary companies of HIL Properties Sdn. Bhd. | | | |
| Pembinaan Laksamana Sdn. Bhd. | 100% | 100% | Property development and property management |
| Satu Tunas Sdn. Bhd. | 100% | 100% | Property investment and investment holding |
| Tunas Pasti Sdn. Bhd. | 100% | 100% | Housing development and investment holding |
| Subsidiary company of HIL Sales & Marketing Sdn. Bhd. | | | |
| HIL Precision Plastic Technology (Suzhou) Co., Ltd. * | 100% | 100% | Inactive |
| Subsidiary company of Satu Tunas Sdn. Bhd. | | | |
| Amverton Prop Sdn. Bhd. | 100% | 100% | Property development, investment holding and property management including the provision of cleaning services. |



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(a) Investment in subsidiary companies (continued)

The subsidiary companies are as follows: (continued)

| Name | | effective rest | Principal activities | | |
|-------------------------------------------------|------|-------------------|----------------------|--|--|
| | 2024 | 2023 | | | |
| Subsidiary companies of Amverton Prop Sdn. Bhd. | | | | | |
| Show Piece Sdn. Bhd. | 100% | 100% | Investment holding | | |
| A&M Concrete Products Sdn. Bhd. | 100% | 100% | Property development | | |
| Broadwise Corporation Sdn. Bhd. | 100% | _ | Property development | | |
| Subsidiary company of Show Piece Sdn. Bhd. | | | | | |
| Innocentral Sdn. Bhd. | 100% | 100% | Property development | | |

^{*} Audited by a firm other than HLB Ler Lum Chew PLT

Equity capital contribution is deemed as capital contribution to subsidiaries and is considered as part of the Company's investment in the subsidiaries.

All the subsidiary companies listed above are incorporated in Malaysia except for HIL Precision Plastic Technology (Suzhou) Co., Ltd., which is incorporated in the People's Republic of China.

The country of incorporation of subsidiary is also their place of principal place of business.

(b) Acquisition of equity interest in Broadwise Corporation Sdn. Bhd.

On 13 April 2024, the Group acquired 100% equity interest in Broadwise Corporation Sdn. Bhd. ("BCSB") from Catherine Yeoh Eng Neo, Dato' Milton Norman Ng Kwee Leong and Konsep Kekal Sdn. Bhd. for a total purchase consideration of RM46,000,000.

The effect of the acquisition of equity interest in BCSB to the Group for the financial year is as follows:

| | RM |
|----------------------------------------------------------------------|--------------|
| Inventories | 49,657,564 |
| Other receivables | 51,717 |
| Cash and bank balances | 10,226 |
| Other payables | (3,719,507) |
| Total net assets acquired, representing total purchase consideration | 46,000,000 |
| Less: Deposits paid (Note 23) | (4,600,000) |
| Less: Cash and bank balances acquired | (10,226) |
| Less: Other payables (Note 31) | (32,200,000) |
| Net cash outflow on acquisition, net of cash | 9,189,774 |



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(c) Non-controlling interests in subsidiaries

Set out below are the summarised financial information for subsidiaries that has non-controlling interests. These are presented before inter-companies eliminations.

| | HIL-Edrola (M) Sdn. Bhd. RM | HIL Assembly Services Sdn. Bhd. Group RM | Other individually immaterial subsidiaries RM | Total RM |
|------------------------------------------------------|-----------------------------------|---------------------------------------------------|-----------------------------------------------------------|-------------|
| Group - 2024 | | | | |
| NCI effective equity interest | 40% | 49% | | |
| Carrying amount of NCI | 2,870,984 | 1,554,649 | 10,150 | 4,435,783 |
| Profit/(Loss) allocated to NCI | 1,704,789 | 48,636 | (34,552) | 1,718,873 |
| Summarised financial information before inte | r-company elimina | ation | | |
| As at 31 December | F 674 F01 | 2 250 045 | | |
| Non-current assets Current assets | 5,674,591 10,380,434 | 3,258,845 43,299 | | |
| Non-current liabilities | (531,027) | 43,299 | | |
| Current liabilities | (2,222,544) | (129,402) | | |
| Net assets | 13,301,454 | 3,172,742 | | |
| Year ended 31 December | | | | |
| Revenue | 20,755,127 | 9,258 | | |
| Profit for the year Total comprehensive income | 4,261,973 4,261,973 | 99,258 99,258 | | |
| Cash flows from/(used in) | | | | |
| operating activities | 825,218 | (9,026) | | |
| Cash flows (used in)/from | 023,210 | (5/020) | | |
| investing activities | (346,357) | 3,000 | | |
| Net increase/(decrease) in cash and cash equivalents | 478,861 | (6,026) | | |



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

(c) Non-controlling interests in subsidiaries (continued)

| | HIL-Edrola (M) Sdn. Bhd. RM | HIL Assembly Services Sdn. Bhd. Group RM | Other individually immaterial subsidiaries RM | Total RM |
|----------------------------------------------|-----------------------------------|---------------------------------------------------|-----------------------------------------------|-------------|
| Group - 2023 | | | | |
| NCI effective equity interest | 40% | 49% | | |
| Carrying amount of NCI | 966,195 | 1,506,013 | 33,999 | 2,506,207 |
| Profit/(Loss) allocated to NCI | 1,243,674 | 53,345 | (21,473) | 1,275,546 |
| Summarised financial information before into | er-company elimina | ation | | |
| As at 31 December | | | | |
| Non-current assets | 5,732,556 | 3,153,169 | | |
| Current assets | 5,587,228 | 49,716 | | |
| Current liabilities | (2,780,303) | (129,401) | | |
| Net assets | 8,539,481 | 3,073,484 | | |
| Year ended 31 December | | | | |
| Revenue | 17,768,879 | 7,726 | | |
| Profit for the year | 3,109,178 | 108,856 | | |
| Total comprehensive income | 3,109,178 | 108,856 | | |
| Cash flows from/(used in) | | | | |
| operating activities | 3,526,947 | (13,800) | | |
| Cash flows (used in)/from | | | | |
| investing activities | (3,521,937) | 9,000 | | |
| Net increase/(decrease) in cash | | 4 | | |
| and cash equivalents | 5,010 | (4,800) | | |

(d) Acquisition of additional interest in HIL-Edrola (M) Sdn. Bhd.

The Group and the Company acquired additional shares in HIL-Edrola (M) Sdn. Bhd. ("subsidiary") for a total purchase consideration of RM300,000 (2023: RM714,000) and shares of RM200,000 (2023: RM476,000) was acquired by non-controlling interests. There is no material impact on the changes of the ownership interest in the subsidiary during the year.

(e) Additional interest in HIL Automation Sdn. Bhd.

During the year, the Group and the Company subscribed to additional shares of 150,000 in HIL Automation Sdn. Bhd. by way of capitalisation of debt and cash consideration amounting to RM145,044 and RM4,956 respectively. The change in the ownership interest resulted in a decrease in retained earnings amounting to RM10,703.



16. INVESTMENT IN SUBSIDIARY COMPANIES (CONTINUED)

- (f) Additional interest in other subsidiaries
 - (i) Increase in ordinary shares

During the financial year, the Company subscribed to additional shares amounting to RM4,531,621 by way of capitalisation of debt/capital reserve and cash consideration as follows:

| Subsidiary | By way of capitalisation of debt/ capital reserve RM | Cash consideration RM | Total RM |
|------------------------------------------|------------------------------------------------------------------|-----------------------------|-------------|
| Iziba Sdn. Bhd. | 600,000 | 16,627 | 616,627 |
| Sedar Makmur Sdn. Bhd. | 2,806,948 | 3,050 | 2,809,998 |
| Supreme Logic Sdn. Bhd. | 376,384 | 3,616 | 380,000 |
| HIL Medic Sdn. Bhd. | 440,486 | 9,514 | 450,000 |
| Proedge Property Management Sdn. Bhd. | 153,853 | 1,145 | 154,998 |
| HIL Sales & Marketing Sdn. Bhd. | 16,684 | 3,316 | 20,000 |
| Gradefield Property Management Sdn. Bhd. | 92,647 | 7,351 | 99,998 |
| Total | 4,487,002 | 44,619 | 4,531,621 |

(ii) Increase in preference shares

During the year, the Company subscribed to 132 additional preference shares in HIL Woodlands Pharmacy Sdn. Bhd. by way of capitalisation of debt amounting to RM132,000.

17. INVESTMENT IN ASSOCIATE COMPANY

(a) Investment in associate company

| | Gr | Group | |
|--------------------------|------|-------|--|
| | 2024 | 2023 | |
| | RM | RM | |
| Unquoted shares, at cost | 50 | _ | |

The associate company is as follows:

| Name | Group's effective interest | | Principal activities | |
|----------------------------|----------------------------|------|----------------------|--|
| | 2024 | 2023 | | |
| Amverton Health Sdn. Bhd.* | 50% | - | Dormant | |

* Audited by a firm other than HLB Ler Lum Chew PLT

The associate is incorporated in Malaysia.

The country of incorporation of associate is also its place of principal place of business.

Summarised financial information of the associate is not disclosed as it is not material.



18. INVESTMENTS

| | Group | | Group Com | |
|------------------------------------------------|------------|------------|------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Unit trust - Fair value through profit or loss | | | | |
| - Non-current | _ | 3,153,161 | _ | _ |
| - Current | 15,590,781 | 4,720,582 | 6,375,784 | 3,674,390 |
| | 15,590,781 | 7,873,743 | 6,375,784 | 3,674,390 |

19. GOODWILL

| | Group | |
|-------------------------------------------------------|----------------|----------------|
| | 2024 RM | 2023 RM |
| Cost At 1 January/31 December | 5,909,619 | 5,909,619 |
| Accumulated impairment At 1 January Impairment losses | 2,608,533 - | - 2,608,533 |
| At 31 December | 2,608,533 | 2,608,533 |
| Net carrying amount | 3,301,086 | 3,301,086 |

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

No geographical segment of the goodwill allocation is prepared as the CGU's activities are carried out predominantly in Malaysia.

For the purposes of impairment testing, goodwill is allocated to the Group's cash generating units (CGUs) identified according to the following CGUs:

| | | Group | |
|------------------------------------------|-----------|-----------|--|
| | 2024 | 2023 | |
| | RM | RM | |
| Pembinaan Laksamana Sdn. Bhd. ("PLSB") | 1,471,013 | 1,471,013 | |
| A&M Concrete Products Sdn. Bhd. ("AMCP") | 977,261 | 977,261 | |
| Supreme Logic Sdn. Bhd. ("SLSB") | 852,812 | 852,812 | |
| | 3,301,086 | 3,301,086 | |
| | | | |



19. GOODWILL (CONTINUED)

Impairment test of goodwill is carried out on an annual basis and whenever there is an indication of impairment by comparing the carrying amount of goodwill with the recoverable amount of each cash generating unit ("CGU"). The recoverable amounts of the CGUs are determined based on the fair value less costs of disposal ("FVLCD") calculations.

An impairment charge of RM Nil (2023: RM2,608,533) is included within "Other expenses" in profit or loss. The impairment charge during the previous financial year arose from PLSB following a decision to restructure the property development plan.

(a) Key assumptions

(i) Recoverable amount based on fair value less costs of disposal

The recoverable amount of PLSB, SLSB and AMCP cash generating units impairment test has been determined based on the FVLCD calculation. The fair value of the property has been generally derived using the sales comparison approach. Sales proceeds of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is market price per square feet.

- (b) Sensitivity to changes in key assumptions
 - (i) Recoverable amount based on fair value less costs of disposal

The sensitivity tests indicated that with a decrease in the market price per square feet by 10%, there would be no impairment loss required, while other realistic variations remained the same.

20. INVENTORIES

| | Group | | roup Comp | |
|---------------------------------------|-------------|-------------|-----------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Raw materials | 4,421,181 | 4,153,666 | 157,789 | 187,948 |
| Work in progress | 618,519 | 484,941 | _ | _ |
| Finished goods | 1,919,310 | 1,826,857 | 180,779 | 230,334 |
| Trading goods | 475,377 | 307,197 | _ | _ |
| Completed properties held for sale | 42,496,236 | 45,173,059 | _ | _ |
| | 49,930,623 | 51,945,720 | 338,568 | 418,282 |
| Property development costs (Note (a)) | 258,578,113 | 129,015,550 | _ | _ |
| Total inventories | 308,508,736 | 180,961,270 | 338,568 | 418,282 |

The Group's and the Company's cost of inventories recognised to profit and loss was RM144,202,456 and RM6,546,249 (2023: RM140,292,075 and RM9,178,031) respectively.



20. INVENTORIES (CONTINUED)

(a) Property development costs

| Group | Freehold land | Development costs | Total |
|--------------------------------------------------------------------------|------------------|--------------------------|------------------------------|
| 2024 | RM | RM | RM |
| Cumulative property development costs:- | | | |
| At 1 January | 114,916,815 | 83,144,027 | 198,060,842 |
| Cost incurred during the year Acquisition of subsidiary (Note 16 (b)) | - 47,276,148 | 116,526,731 2,381,416 | 116,526,731 49,657,564 |
| At 31 December | 162,192,963 | 202,052,174 | 364,245,137 |
| Cumulative cost recognised in profit or loss:- | | | |
| At 1 January Recognised during the year | | | (69,045,292) (36,621,732) |
| At 31 December | | | (105,667,024) |
| Property development costs At 31 December | | | 258,578,113 |
| 2023 | | | |
| Cumulative property development costs:- | | | |
| At 1 January | 117,971,816 | 58,196,828 | 176,168,644 |
| Cost incurred during the year Transfer to inventories | (189,249) | 48,012,296 (271,355) | 48,012,296 (460,604) |
| Reversal of completed project | (2,865,752) | (22,793,742) | (25,659,494) |
| At 31 December | 114,916,815 | 83,144,027 | 198,060,842 |
| Cumulative cost recognised in profit or loss:- | | | |
| At 1 January | | | (55,261,601) |
| Recognised during the year | | | (39,443,185) |
| Reversal of completed project | | | 25,659,494 |
| At 31 December | | | (69,045,292) |
| Property development costs At 31 December | | | 129,015,550 |



21. CONTRACT ASSETS/(LIABILITIES)

| | | Group | Co | mpany |
|----------------------------------------------------------|-------------|-------------|------------|-------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| <u>Contract assets</u> Property development – Accrued | | | | |
| billing (Note (a)) | 27,664,659 | 18,468,070 | - | - |
| Manufacturing – Cost to fulfill a contract | 8,189,530 | 8,331,087 | _ | 6,095,207 |
| | 35,854,189 | 26,799,157 | - | 6,095,207 |
| Contract liabilities Manufacturing – Upfront payments | | | | |
| from customers (Notes (d) and 31) | (4,210,427) | (8,949,130) | (404,460) | (3,358,902) |
| | 31,643,762 | 17,850,027 | (404,460) | 2,736,305 |

(a) Property development

The Group's contract assets relating to property development is summarised as follows:-

| | Group | | |
|------------------------------------------------------|--------------|--------------|--|
| | 2024 RM | 2023 RM | |
| At 1 January Property development revenue recognised | 18,468,070 | 21,756,831 | |
| during the financial year | 59,700,862 | 65,905,467 | |
| Less: Progress billings during the financial year | (50,504,273) | (69,194,228) | |
| At 31 December | 27,664,659 | 18,468,070 | |

As at the end of the financial year, the aggregate amount of the transaction price allocated to the remaining unfulfilled performance obligations of the Group are RM26,319,378 (2023: RM56,166,316) which will be recognised as revenue when the relevant projects are completed, which are expected to occur over the next 11 to 14 months (2023: 23 to 25 months).



21. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

(b) Manufacturing

Contract assets and liabilities represent cost incurred to fulfil the Group's and the Company's manufacturing contracts with customers and upfront payments received from customers. These are related to the acquisition of moulds used exclusively for the manufacturing contracts.

Cost to fulfil a contract and the amortisation costs are as follows:

| | Group | | Co | mpany |
|-------------------------------------|-------------|-------------|-------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Gross cost to fulfill a contract | 9,321,611 | 11,316,682 | 1,132,081 | 9,080,802 |
| Less: Accumulated impairment losses | (1,132,081) | (2,985,595) | (1,132,081) | (2,985,595) |
| Total | 8,189,530 | 8,331,087 | _ | 6,095,207 |
| Amortisation | 2,298,493 | 4,773,041 | 310,371 | 534,638 |

(c) Impairment

The movement in allowance for impairment losses of contract assets is as follows:-

| | | Group | | mpany |
|------------------------|-------------|-------------|-------------|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| At 1 January | 2,985,595 | 5,591,739 | 2,985,595 | 5,591,739 |
| Reversal for the year | (14,920) | (2,606,144) | (14,920) | (2,606,144) |
| Write-off for the year | (1,838,594) | _ | (1,838,594) | _ |
| At 31 December | 1,132,081 | 2,985,595 | 1,132,081 | 2,985,595 |

(d) Contract liabilities

Significant changes to contract liabilities balances during the period are as follows:

| | Group | | Company | |
|-----------------------------------------------------------------------------|------------|------------|------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Contract liabilities as at the beginning of the period recognised as income | | | | |
| during the year | 5,910,338 | 46,557 | 2,502,952 | 41,557 |



22. CONTRACT COST ASSETS

Contract cost assets represents incidental costs of obtaining a contract with a customer. In the course of the Group's property development activities, the Group incurred sales commission and agent fees in conducting sales. The movement on the contract cost assets during the financial year are as follows:

| | Group | | |
|----------------------------------------------|-------------|-------------|--|
| | 2024 | 2023 | |
| | RM | RM | |
| At beginning of financial year | 1,996,142 | _ | |
| Cost incurred during the financial year | 2,275,754 | 4,053,944 | |
| Less: Amortisation during the financial year | (3,115,661) | (2,057,802) | |
| At end of financial year | 1,156,235 | 1,996,142 | |

23. TRADE AND OTHER RECEIVABLES

| | Group | | Company | |
|--------------------------------------|-------------------------|-------------------------|----------------|----------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| <u>Trade receivables</u> | | | | |
| Third parties Stakeholders' funds | 13,662,780 1,705,475 | 18,435,615 3,410,950 | 749,745 | 3,101,358 - |
| Less: Allowance for impairment | (86,339) | (77,519) | (1,425) | (23,528) |
| | 15,281,916 | 21,769,046 | 748,320 | 3,077,830 |
| Other receivables | | | | |
| Deposits | 9,578,360 | 15,956,962 | 36,114 | 35,814 |
| Other receivables | 1,164,069 | 2,145,862 | 153,088 | 1,727,357 |
| Less: Allowance for impairment | (176,236) | _ | _ | _ |
| | 987,833 | 2,145,862 | 153,088 | 1,727,357 |
| Prepayments | 672,663 | 1,423,227 | 195,084 | 202,697 |
| | 11,238,856 | 19,526,051 | 384,286 | 1,965,868 |
| Total trade and other receivables | 26,520,772 | 41,295,097 | 1,132,606 | 5,043,698 |
| | | | | |

Trade receivables of the Group and of the Company are non-interest bearing and are generally on 30 to 120 days (2023: 30 to 120 days) terms. The Group's and the Company's other receivables credit terms are assessed and approved on a case-by-case basis.

They are recognised at their original invoice amounts which represent their fair values on initial recognition. Other receivables are non-interest bearing and repayable on demand.

Included in the Group's deposits are deposits paid for the acquisition of a company, land and joint development to related parties amounting to RM Nil, RM4,026,401 and RM3,000,000 (2023: RM4,600,000, RM4,700,000 and RM4,000,000) respectively.



23. TRADE AND OTHER RECEIVABLES (CONTINUED)

Expected credit losses

(i) The movement in allowance for expected credit losses of trade receivables compute based on lifetime ECL are as follows:-

| | Group | | Cor | npany |
|---------------------------------|--------|-----------|----------|-----------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Movement in allowance accounts: | | | | |
| At 1 January | 77,519 | 985,385 | 23,528 | 511,672 |
| Charge/(Reversal) for the year | 8,820 | (761,037) | (22,103) | (341,315) |
| Bad debts written-off | _ | (146,829) | - | (146,829) |
| At 31 December | 86,339 | 77,519 | 1,425 | 23,528 |

(ii) The movement in allowance for expected credit losses of other receivables compute based on lifetime ECL are as follows:-

| | Group | | Company | |
|---------------------------------|---------|------|---------|------|
| | 2024 | 2023 | 2024 | 2023 |
| | RM | RM | RM | RM |
| Movement in allowance accounts: | | | | |
| At 1 January | _ | _ | _ | _ |
| Charge for the year | 176,236 | _ | - | _ |
| At 31 December | 176,236 | | - | - |
| | | | | |

24. AMOUNT DUE FROM/(TO) SUBSIDIARIES

(a) Amount due from subsidiary companies

The amount due from subsidiary companies are interest free, unsecured and repayable on demand, except for an amount of RM31,670,128 (2023: RM Nil) which bear weighted average interest of 2.80% (2023: Nil) per annum.

(b) Amount due to subsidiary companies

The amount due to subsidiary companies are interest free, unsecured and repayable on demand.



25. FIXED DEPOSITS WITH LICENSED BANKS

| | Group | | Co | ompany | |
|-----------------------------------|------------|------------|-----------|------------|------------|
| | 2024 RM | | | 2024 RM | 2023 RM |
| | NIVI | KIVI | NW | KIVI | |
| Non-current | | | | | |
| Fixed deposits with licensed bank | 1,317,726 | 1,278,517 | _ | _ | |
| Current | | | | | |
| Fixed deposits with licensed bank | 28,976,331 | 60,803,578 | 6,370,239 | 41,498,760 | |
| | 30,294,057 | 62,082,095 | 6,370,239 | 41,498,760 | |

The fixed deposits interest rates of the Group and of the Company at the reporting date ranges from 0.30% to 4.20% and 3.50% to 4.20%, respectively (2023: 0.30% to 4.20% and 3.65% to 4.20%) per annum.

Fixed deposits of the Group and of the Company have maturities ranging from 30 to 366 days and 90 to 366 days, respectively (2023: 30 to 366 days and 90 to 366 days) at the end of the financial year.

The Group's fixed deposit amounting to RM1,317,726 (2023: RM1,278,517) has been pledged to licensed banks for banking facilities granted to the Group.

26. CASH AND BANK BALANCES

Cash and bank balances of the Group as at reporting period include bank balances held under Housing Development Accounts (opened and maintained under Section 7A of the Housing Development (Control and Licensing) Amendment Act 2002) amounting to RM63,062,773 (2023: RM47,279,044) that may only be used in accordance with the said Act.

27. SHARE CAPITAL

| | Group and Company Number of | | | | |
|------------------------------------------------------|--------------------------------|-------------|-------------|-------------|--|
| | ordi | nary shares | | Amount | |
| | 2024 | 2023 | 2024 RM | 2023 RM | |
| Issued and fully paid :- At 1 January/31 December | 334,037,612 | 334,037,612 | 167,018,806 | 167,018,806 | |

(a) Share capital

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.



27. SHARE CAPITAL (CONTINUED)

(b) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

The Company did not acquire any shares through purchases on the Bursa Malaysia Securities during the financial year.

The Directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares.

As at 31 December 2024, the Company held as treasury shares a total of 2,096,800 (2023: 2,096,800) of its 334,037,612 (2023: 334,037,612) issued ordinary shares. Such treasury shares are held at a carrying amount of RM947,224 (2023: RM947,224).

(c) Warrants 2017/2027

On 26 October 2017, the Company issued 55,323,468 free detached warrants ("Warrant") to its registered shareholders.

The Warrants were constituted under a Deed Poll dated 1 November 2017 and each Warrant entitles its registered shareholder to subscribe for one (1) ordinary share in the Company at the exercise price of RM1.08 payable in cash. The price is subject to adjustments in accordance with the basis set out in the Deed Poll.

The Warrants may be exercised at any time commencing on the date of issue of Warrants on 26 October 2017 but not later than 25 October 2027. Any Warrants which have not been exercised at date of maturity will lapse and cease to be valid for any purpose.

The total numbers of Warrants that remain unexercised are as follows:

| | Group | Group and Company | |
|---------------------------|------------|-------------------|--|
| | 2024 | 2023 | |
| | RM | RM | |
| At 1 January/ 31 December | 55,323,468 | 55,323,468 | |

28. CURRENCY TRANSLATION RESERVE

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM.



29. LEASE LIABILITIES

| | Group | | Company | |
|---------------------------------------------------------------------------|---------------------|------------|---------------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Future minimum lease payments: - Not later than one year | 165,300 | _ | 111,300 | _ |
| Later than one year and not later than five years | 552,925 | _ | 435,925 | - |
| Future interest charges | 718,225 (64,104) | | 547,225 (54,647) | |
| Present value of minimum lease payments | 654,121 | | 492,578 | _ |
| Current Non-current | 140,502 513,619 | | 91,479 401,099 | |
| | 654,121 | | 492,578 | |
| | | | | |

The finance lease liabilities of the Group and the Company are subject to a fixed interest rate ranging from 2.26% - 2.80% (2023: Nil) and 2.26% (2023: Nil) per annum respectively.

30. DEFERRED TAX LIABILITIES

| | Group | | Company | | |
|----------------------------------------|------------|------------|----------------|----------|------|
| | 2024 | 2024 2023 | 2024 2023 2024 | 2024 | 2023 |
| | RM | RM | RM | RM | |
| At 1 January | 21,703,833 | 22,671,440 | 220,000 | 311,000 | |
| Recognised in profit or loss (Note 11) | 483,208 | (967,607) | 1,058,460 | (91,000) | |
| At 31 December | 22,187,041 | 21,703,833 | 1,278,460 | 220,000 | |



30. DEFERRED TAX LIABILITIES (CONTINUED)

The components of deferred tax assets and liabilities of the Group during the financial year prior to offsetting are as follows:

| | Group | Co | mpany |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| (281.040) | (1 604 682) | (272 042) | (1,392,152) |
| (96,898) (817) | - - | - - | - - |
| (378,755) | (1,604,682) | (272,042) | (1,392,152) 1,392,152 |
| | | | - |
| | | | |
| 5,366,191 17,199,605 | 4,606,489 18,702,026 | 1,550,502 - | 1,612,152 - |
| 22,565,796 (378,755) | 23,308,515 (1,604,682) | 1,550,502 (272,042) | 1,612,152 (1,392,152) |
| 22,187,041 | 21,703,833 | 1,278,460 | 220,000 |
| | 2024 RM (281,040) (96,898) (817) (378,755) 378,755 - 5,366,191 17,199,605 22,565,796 (378,755) | (281,040) (1,604,682) (96,898) — (817) — (378,755) (1,604,682) 378,755 1,604,682 — — — — 5,366,191 4,606,489 17,199,605 18,702,026 22,565,796 (378,755) (1,604,682) | 2024 RM RM RM RM (281,040) (1,604,682) (272,042) (96,898) |

Deferred tax assets have not been recognised in respect of the following items:

| | | Group |
|---------------------------------------------------|-----------|-----------|
| | 2024 | 2023 |
| | RM | RM |
| Temporary differences arising from excess of book | | |
| depreciation over capital allowances | 56,925 | 802 |
| Unabsorbed capital allowance | 504,950 | 19,575 |
| Unutilised tax losses | 4,795,916 | 8,091,357 |
| | 5,357,791 | 8,111,734 |
| | | |

Year of expiry of unutilised tax losses is analysed as follows:

| | Group |
|-----------|-------------------------------------------------------------------------------------------|
| 2024 | 2023 |
| RM | RM |
| 2,336,893 | 2,336,893 |
| 262,732 | 662,741 |
| 266,020 | 1,129,940 |
| 260,451 | 1,007,767 |
| 569,311 | 2,080,744 |
| 873,272 | 873,272 |
| 227,237 | _ |
| 4,795,916 | 8,091,357 |
| | 2024 RM 2,336,893 262,732 266,020 260,451 569,311 873,272 227,237 |



31. TRADE AND OTHER PAYABLES

| | Group | Co | mpany |
|-------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2024 | 2023 | 2024 | 2023 |
| RM | RM | RM | RM |
| | | | |
| 20,476,369 | 23,928,710 | 426,694 | 1,083,333 |
| | | | |
| 3.891.504 | 3 728 683 | 549.308 | 519,787 |
| 72,264,931 | 7,474,680 | 50,668 | 96,797 |
| 4,210,427 | 8,949,130 | 404,460 | 3,358,902 |
| 80,366,862 | 20,152,493 | 1,004,436 | 3,975,486 |
| 100,843,231 | 44,081,203 | 1,431,130 | 5,058,819 |
| | 2024 RM 20,476,369 3,891,504 72,264,931 4,210,427 80,366,862 | RM RM 20,476,369 23,928,710 3,891,504 3,728,683 72,264,931 7,474,680 4,210,427 8,949,130 80,366,862 20,152,493 | 2024 RM 2023 RM 2024 RM 20,476,369 23,928,710 426,694 3,891,504 3,728,683 549,308 72,264,931 7,474,680 50,668 4,210,427 8,949,130 404,460 80,366,862 20,152,493 1,004,436 |

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and to the Company are 30 to 90 days and 30 to 90 days, respectively (2023: 30 to 90 days and 30 to 90 days).

(b) Other payables

Included in other payables of the Group are balance of the purchase consideration to be paid for the acquisition of a company and land amounting to RM32,200,000 and RM32,900,000 (2023: RM Nil and RM Nil), respectively.

32. DIVIDENDS

| | Group a | nd Company |
|---------------------------------------------------------------------|------------|------------|
| | 2024 RM | 2023 RM |
| Recognised during the financial year: | | |
| Dividends on ordinary shares: | | |
| - First and final single tier dividend for 2023: 3.00 sen per share | 9,958,224 | _ |
| - First and final single tier dividend for 2022: | | |
| 2.00 sen per share | | 6,638,816 |
| | 9,958,224 | 6,638,816 |

On 8 April 2025, the Board of Directors declared a first and final single tier dividend of 3.00 sen per ordinary share for the financial year ended 31 December 2024 amounting to a total dividend payment of approximately RM9,958,224. The dividend entitlement and payment dates will be determined at a later date. The financial statements for the current financial year do not reflect this dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 December 2025.



33. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following balance sheet amounts:

| | Group | Co | ompany |
|-------------|----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2024 | 2023 | 2024 | 2023 |
| RM | RM | RM | RM |
| 30,294,057 | 62,082,095 | 6,370,239 | 41,498,760 |
| 80,642,451 | 89,547,660 | 4,540,981 | 4,647,562 |
| 110,936,508 | 151,629,755 | 10,911,220 | 46,146,322 |
| (1,317,726) | (1,278,517) | _ | - |
| 109,618,782 | 150,351,238 | 10,911,220 | 46,146,322 |
| | 2024 RM 30,294,057 80,642,451 110,936,508 (1,317,726) | RM RM 30,294,057 62,082,095 80,642,451 89,547,660 110,936,508 151,629,755 (1,317,726) (1,278,517) | 2024 RM 2023 RM 2024 RM 30,294,057 80,642,451 62,082,095 89,547,660 6,370,239 4,540,981 110,936,508 (1,317,726) 151,629,755 (1,278,517) 10,911,220 - |

34. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities and commitments are as follows:-

(a) Capital commitments

| | | Group |
|---------------------------------|--------|-----------|
| | 2024 | 2023 |
| | RM | RM |
| Approved and contracted for | | |
| Approved and contracted for: | 66 150 | 2 122 000 |
| - Property, plant and equipment | 66,150 | 2,133,098 |

(b) Leases

The Group had leased out its investment properties and inventories to third parties for monthly lease payments. This lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Undiscounted lease payments from the operating leases to be received after the reporting date are as follow:-

| | • | iroup |
|--------------------------------------------------|--------------------|--------------------|
| | 2024 RM | 2023 RM |
| Less than 1 year Between 1 to 2 years | 553,750 113,040 | 798,560 388,840 |
| Total undiscounted lease payments to be received | 666,790 | 1,187,400 |



35. SIGNIFICANT RELATED PARTY DISCLOSURES

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

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

(a) Related party transactions

The following significant transactions which have been transacted with companies where a Director has financial interests are as follows:-

| | Group | o/Company |
|---------------------------------------------------------|-------------------------|------------|
| | 2024 RM | 2023 RM |
| Transactions with company in which is controlled by the | | |
| close family members of key management personnel | | |
| Purchase of property, plant and equipment | 350,010 | _ |
| | | Group |
| | 2024 RM | 2023 RM |
| <u>Transactions with related company</u> | | |
| Purchase of land | 47,000,000 | _ |
| Purchase of company Collections on behalf | 46,000,000 8,071,115 | 9,359,300 |
| Refund for the collections on behalf | (5,565,240) | 6,800,000 |
| | Co | mpany |
| | 2024 RM | 2023 RM |
| <u>Transactions with subsidiaries of the Group</u> | | |
| Rental income of land and buildings from subsidiaries | 1,845,600 | 1,845,600 |
| Rental of land and buildings charged by subsidiaries | 733,200 | 733,200 |
| Advances to subsidiaries | 39,220,590 | 12,345,679 |
| | · | |

(b) Information regarding outstanding balances arising from related party transactions as at the end of the reporting period are disclosed in Notes 16, 23, 24 and 31 to the financial statements.

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions negotiated and agreed by the related parties.



35. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(c) Compensation of key management personnel

The compensation paid to key management personnel during the financial year was as follows:

| | G | iroup | Con | npany |
|--------------------------------------------------------|------------|------------|------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Short-term employee benefits Post-employment benefits: | 1,514,282 | 1,431,660 | 57,000 | 66,000 |
| - Defined contribution plans | 161,476 | 150,332 | _ | |
| | 1,675,758 | 1,581,992 | 57,000 | 66,000 |

36. SEGMENT INFORMATION

The Group is organised into the following main business segments:-

(i) Manufacturing

Manufacture and sale of industrial and domestic moulded plastic products.

(ii) Property development and management

Development of residential, commercial and light and management industrial properties, and letting out of properties.

(iii) Trading, services and others

General trading.

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM") that are used to make strategic decisions, allocate resources and assess performance.

The CODM receives separate reports for property development and management, they have been aggregated into one reportable segments as they have similar economic characteristics.

Although the trading, services and others segment does not meet the quantitative thresholds required by MFRS 8 for reportable segments, management has concluded that this segment should be reported, as it is closely monitored by CODM as a potential growth segment.

Geographical segments

The manufacturing segment operates in two principal geographical areas, Malaysia and the People's Republic of China.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.



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Business segments

| | Man 2024 RM | Manufacturing 124 2023 RM RM | Property and m 2024 RM | Property development and management 2024 2023 RM RM | Trading and 2024 RM | Trading, services and others 024 2023 RM RM | 2024 RM | Group 2023 RM |
|--------------------------------------------------------------------------------------|----------------------------------|------------------------------------|---------------------------------|--------------------------------------------------------------|------------------------------|------------------------------------------------------|----------------------------------|------------------------------------|
| <u>Sales</u> Total sales Intersegment sales | 153,366,044 (1,447) | 133,111,939 | 66,522,914 (1,352,900) | 79,144,266 (1,085,700) | 1,363,417 | 894,032 | 221,252,375 (1,354,347) | 213,150,237 (1,087,471) |
| External sales | 153,364,597 | 133,110,168 | 65,170,014 | 78,058,566 | 1,363,417 | 894,032 | 219,898,028 | 212,062,766 |
| Results Segment results (external) Finance costs | 40,408,626 (1,852) | 30,552,288 (2,151) | 17,635,719 | 22,059,070 | (55,415) | (322,558) | 57,988,930 (7,404) | 52,288,800 (2,151) |
| Profit before tax | 40,406,774 | 30,550,137 | 17,635,719 | 22,059,070 | (60,967) | (322,558) | 57,981,526 | 52,286,649 |
| Other information Segments assets Unallocated assets | 134,716,714 2,382,721 | 185,074,671 2,125,993 | 454,618,122 12,060,086 | 317,215,907 9,448,814 | 963,711 | 670,902 | 590,298,547 14,442,907 | 502,961,480 |
| Total consolidated assets | 137,099,435 | 187,200,664 | 466,678,208 | 326,664,721 | 963,811 | 670,902 | 604,741,454 | 514,536,287 |
| Segment liabilities Unallocated liabilities | 19,997,767 4,901,436 | 30,288,748 2,915,807 | 81,247,310 17,466,111 | 13,771,101 18,945,403 | 252,275 | 21,354 | 101,497,352 22,367,547 | 44,081,203 21,861,210 |
| Total consolidated liabilities | 24,899,203 | 33,204,555 | 98,713,421 | 32,716,504 | 252,275 | 21,354 | 123,864,899 | 65,942,413 |
| Addition to non-current asset Depreciation and amortisation Inventories written down | 5,192,127 5,014,053 99,839 | 19,661,109 8,148,977 294,049 | 535,080 584,695 | 9,146,881 | 143,600 102,568 | 31,877 | 5,870,807 5,701,316 99,839 | 28,807,990 8,542,027 294,049 |
| Impairment losses on property, plant and equipment | 352,304 | 923,544 | ı | ı | 1 | I | 352,304 | 923,544 |



36. SEGMENT INFORMATION (CONTINUED)

Geographical segments

| 2024 | Malaysia RM | *People's Republic of China RM | Consolidated RM |
|---------------------------------------------------------------|----------------------------|-----------------------------------------|----------------------------|
| Segment assets Revenue from external customers | 587,765,688 219,898,028 | 16,975,766 | 604,741,454 219,898,028 |
| Addition to non-current asset | 5,870,807 | _ | 5,870,807 |
| 2023 | | | |
| Segment assets | 494,356,255 | 20,180,032 | 514,536,287 |
| Revenue from external customers Addition to non-current asset | 211,509,484 28,807,990 | 553,282 - | 212,062,766 28,807,990 |
| | | | |

^{*} Includes revenue arising from export sales to Taiwan customers.

Major customers

There are one (2023: one) major customer's group from manufacturing segment with revenue equals or more than 10 percent over the Group's total revenue.

37. FINANCIAL INSTRUMENTS

The Group's operations are subject to a variety of financial risks, including foreign currency risk, interest rate risk, credit risk, liquidity risk.

The Group's financial risk management policy seeks to ensure that adequate resources are available to manage the above risks and to create value for its shareholders. The Board regularly reviews these risks and approves treasury policies, which covers the management of these risks. It is not the Group's policy to engage in speculative transactions.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group and the Company adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, and obtaining sufficient collateral where appropriate to mitigate credit risk; and
- High credit quality counterparties of at least an 'A' rating by external credit rating companies.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Head of Credit Control based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Company level by the Head of Credit Control.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

As the Group and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.



37. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

Cash and cash equivalents, other receivables, amount due from related company and investment are subject to immaterial credit loss.

(I) Trade receivables

(i) Manufacturing segment

The Group and the Company uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group and the Company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group and the Company has identified the crude palm oil price in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group and the Company. The Group and the Company considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 365 days past due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The ageing analysis of the Group's and the Company's trade receivables in the manufacturing segment are as follows:

Gross

| Group 2024 Trade receivables | carrying amount RM | Loss allowance RM | Total RM |
|------------------------------------------------------|--------------------------|-------------------------|-------------|
| Neither past due nor individually impaired | 11,837,203 | (7,975) | 11,829,228 |
| 1 to 30 days past due but not individually impaired | 280,770 | (7,824) | 272,946 |
| 31 to 60 days past due but not individually impaired | 617,003 | (23,118) | 593,885 |
| 61 to 90days past but not individually impaired | 5,100 | _ | 5,100 |
| More than 91 days past but not individually impaired | 38,590 | _ | 38,590 |
| Individually impaired | 941,463 | (30,942) | 910,521 |
| ппиличину пправеч | 12,778,666 | (38,917) | 12,739,749 |
| | | | |



37. FINANCIAL INSTRUMENTS (CONTINUED)

- (a) Credit risk (continued)
 - (I) Trade receivables (continued)
 - (i) Manufacturing segment (continued)

| | Gross carrying amount RM | Loss allowance RM | Total RM |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------------|---------------|
| Group 2023 | | | |
| Trade receivables Neither past due nor individually impaired | 14,570,980 | (10,813) | 14,560,167 |
| 1 to 30 days past due but not individually impaired31 to 60 days past due but not individually | 32,585 | (3,965) | 28,620 |
| impaired 61 to 90 days past but not individually | 48,447 | (7,850) | 40,597 |
| impaired More than 91 days past but not individually | - | - | - |
| impaired | 554,351 | (7,470) | 546,881 |
| Individually impaired | 635,383 | (19,285) – | 616,098 - |
| | 15,206,363 | (30,098) | 15,176,265 |
| Commony 2024 | Gross carrying amount RM | Loss allowance RM | Total RM |
| Company 2024 Trade receivables Neither past due nor individually impaired | 713,726 | (56) | 713,670 |
| 1 to 30 days past due but not individually impaired31 to 60 days past due but not individually | 9,076 | (133) | 8,943 |
| impaired 61 to 90 days past due but not individually | 26,943 | (1,236) | 25,707 |
| impaired More than 91 days past but not individually | - | - | - |
| impaired | _ | _ | - |
| Individually impaired | 36,019 | (1,369) - | 34,650 |
| Z Program | 749,745 | (1,425) | 748,320 |



37. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

(I) Trade receivables (continued)

(i) Manufacturing segment (continued)

| | Gross carrying amount RM | Loss allowance RM | Total RM |
|------------------------------------------------------|-----------------------------------|-------------------------|-------------|
| Company 2023 Trade receivables | | | |
| Neither past due nor individually impaired | 3,038,081 | (4,545) | 3,033,536 |
| 1 to 30 days past due but not individually impaired | 19,336 | (3,831) | 15,505 |
| 31 to 60 days past due but not individually impaired | 36,471 | (7,682) | 28,789 |
| 61 to 90 days past but not individually impaired | _ | _ | _ |
| More than 91 days past but not individually impaired | 7,470 | (7,470) | _ |
| Individually impaired | 63,277 - | (18,983) – | 44,294 - |
| | 3,101,358 | (23,528) | 3,077,830 |

(ii) Property development

The Group do not have any significant credit risk as its services and products are predominantly rendered and sold to a large number of customers comprising substantially property purchasers with financing facilities from reputable end-financiers. Credit risks with respect to property purchasers with no end-financing facilities are limited as the ownership and rights to the properties revert to the Group in the event of default. The Group do not have any significant exposure to any individual or counterparty nor any major concentration of credit risk related to any financial instruments.

(iii) Property investment

Credit risk arising from outstanding receivables from tenants is minimised by closely monitoring the limit of the Group's associations to business partners and their credit worthiness. In addition, the tenants have placed security deposits with the Group which act as collateral.

Information regarding loss allowance movement of trade and other receivables are disclosed in Note 23 to the financial statements.



37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from borrowings and deposits. The Group does not hedge the interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

| | Group | | Company | |
|---------------------------------------------------------------|-------------------------|-----------------|------------------------|------------|
| | 2024 RM | 2023 RM | 2024 RM | 2023 RM |
| Fixed rate instruments Financial assets Financial liabilities | 30,294,057 (654,121) | 62,082,095 - | 6,370,239 (492,578) | 41,498,760 |
| | 29,639,936 | 62,082,095 | 5,877,661 | 41,498,760 |

Since the Group's and the Company's fixed rate financial assets and liabilities are measured at amortised cost, possible changes in interest rates are not expected to have a significant impact on the Group and the Company's profit or loss.

(c) Foreign currency risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily USD and Renminbi ("RMB").

The Group and the Company ensure that net exposure to foreign currency risk is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short term imbalances. The Group and the Company do not transact in derivative instruments.

The Group's and the Company's exposure to foreign currency risk based on carrying amounts as at the end of the reporting period was:

Group

| | | 2024 | | 2023 |
|-------------------------------------------------|------------|-------------|----------------|-----------|
| | Deno | ominated in | Denominated in | |
| In RM | USD | RMB | USD | RMB |
| Trade and other receivables | 289,764 | 1,706,925 | 1,255,553 | 252,449 |
| Fixed deposits with licensed bank | 8,973,575 | 8,838,861 | 9,189,887 | 3,045,484 |
| Cash and bank balances | 4,917,603 | 4,259,817 | 6,858,161 | 244,922 |
| Trade and other payables | - | 298,951 | (5,238,615) | (898,438) |
| Exposure in the statement of financial position | 14,180,942 | 15,104,554 | 12,064,986 | 2,644,417 |
| | | | | |



37. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Foreign currency risk (continued)

Company

| | Denomii | nated in USD |
|-------------------------------------------------------|--------------------|--------------------|
| In RM | 2024 | 2023 |
| Trade and other receivables Cash and bank balances | 289,763 588,681 | 751,526 520,824 |
| Exposure in the statement of financial position | 878,444 | 1,272,350 |

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and of the Company's post-tax profit or loss to a reasonably possible change in the USD and RMB against the respective functional currencies of the Group entities, with all other variables held constant.

| | | 2024 Profit or loss RM | 2023 Profit or loss RM |
|-------------------|---------------------------------------------------------------------|------------------------------------------------|--------------------------------------------------|
| Group | | | |
| USD/RM USD/RMB | - strengthened 10% - weakened 10% - strengthened 10% - weakened 10% | 67,080 (67,080) 1,010,672 (1,010,672) | (301,104) 301,104 1,218,043 (1,218,043) |
| RMB/RM | - strengthened 10% - weakened 10% | 1,147,946 (1,147,946) | 200,976 (200,976) |
| Company | | | |
| USD/RM | - strengthened 10% - weakened 10% | 66,762 (66,762) | 96,699 (96,699) |



37. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

| <u>2024</u> | Carrying amount RM | Contractual interest rate | Contractual cash flows | Under 1 year RM | 1-2 years RM | 2-5 years RM |
|-----------------------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------|--------------------|
| Group | | | | | | |
| Trade and other payables Lease liabilities | 96,632,804 654,121 | - 2.26-2.80% | 96,632,804 718,225 | 96,632,804 165,300 | - 552,925 | - |
| | 97,286,925 | • | 97,351,029 | 96,798,104 | 552,925 | _ |
| Company | | | | | | |
| Amount due to subsidiaries Lease liabilities Trade and other payables | 416,899 492,578 1,026,670 | - 2.26 % - | 416,899 547,225 1,026,670 | 416,899 111,300 1,026,670 | - 435,925 - | - - - |
| | 1,936,147 | | 1,990,794 | 1,554,869 | 435,925 | _ |
| <u>2023</u> | Carrying amount RM | Contractual interest rate | Contractual cash flows | Under 1 year RM | 1-2 years RM | 2-5 years RM |
| Group | | | | | | |
| Trade and other payables | 35,132,073 | _ | 35,132,073 | 35,132,073 | - | _ |
| | 35,132,073 | | 35,132,073 | 35,132,073 | - | _ |
| Company | | | | | | |
| Amount due to subsidiaries Trade and other payables | 433,861 1,699,917 | - - | 433,861 1,699,917 | 433,861 1,699,917 | <u>-</u> - | - - |
| | 2,133,778 | - | 2,133,778 | 2,133,778 | - | _ |



37. FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair values

The carrying amounts of cash and cash equivalents, short term receivables and payables and borrowings approximate fair values due to the relatively short term nature of these financial instruments.

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- (i) The following table analyses the fair value hierarchy for financial instruments carried at fair value, together with their carrying amounts in the statement of financial position:

| | | Group | | Company | | | | |
|---------------------------|------------|-----------|-----------|-------------------|--|-----------|--|------|
| | 2024 | 2024 2023 | | 2024 2023 2024 20 | | 2024 2023 | | 2023 |
| | RM | RM | RM | RM | | | | |
| <u>Level 1</u> | | | | | | | | |
| Investment in unit trusts | 15,590,781 | 7,873,743 | 6,375,784 | 3,674,390 | | | | |
| | | | | | | | | |

(ii) The following table analyses the fair values of financial instruments not carried at fair value, together with their carrying amounts in the statements of financial position:

| Group | | Company | | |
|---------|--------------------------|------------------------------------------------|-------------------------------------------------------------------|--|
| | Carrying | | Carrying | |
| Level 2 | amount | Level 2 | amount | |
| RM | RM | RM | RM | |
| | | | | |
| 654,121 | 654,121 | 492,578 | 492,578 | |
| | | | | |
| _ | _ | - | _ | |
| | Level 2 RM 654,121 | Carrying Level 2 amount RM RM 654,121 654,121 | Carrying Level 2 amount Level 2 RM RM RM 654,121 654,121 492,578 | |



37. FINANCIAL INSTRUMENTS (CONTINUED)

(f) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:

Group

| | Note | 2024 RM | 2023 RM |
|-------------------------------------------------------|------|-------------|-------------|
| Financial assets at fair value through profit or loss | | | |
| Investments | 18 | 15,590,781 | 7,873,743 |
| | | 15,590,781 | 7,873,743 |
| Financial assets carried at amortised cost | | | |
| Fixed deposit with licensed bank | 25 | 30,294,057 | 62,082,095 |
| Trade and other receivables | 23 | 25,848,109 | 39,871,870 |
| Cash and bank balances | 26 | 80,642,451 | 89,547,660 |
| | | 136,784,617 | 191,501,625 |
| Financial liabilities carried at amortised cost | | | |
| Lease liabilities | 29 | 654,121 | _ |
| Trade and other payables | 31 | 96,632,804 | 35,132,703 |
| | | 97,286,925 | 35,132,703 |
| Company | | | |
| Financial assets at fair value through profit or loss | | | |
| Investments | 18 | 6,375,784 | 3,674,390 |
| Financial assets carried at amortised cost | | | |
| Trade and other receivables | 23 | 937,522 | 4,841,001 |
| Amount due from subsidiaries | 24 | 31,895,583 | 2,300,835 |
| Fixed deposits with licensed bank | 25 | 6,370,239 | 41,498,760 |
| Cash and bank balances | 26 | 4,540,981 | 4,647,562 |
| Total | | 43,744,325 | 53,288,158 |
| Financial liabilities carried at amortised cost | | | |
| Amount due to subsidiaries | 24 | 416,899 | 433,861 |
| Lease liabilities | 29 | 492,578 | _ |
| Trade and other payables | 31 | 1,026,670 | 1,699,917 |
| | | 1,936,147 | 2,133,778 |
| | | | |



38. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise its shareholders value.

The Group and the Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2024.

The Group and the Company monitors capital using return on equity, which is net income as percentage of average equity.

At the reporting date, the ratios were the following:

| | • | Group |
|------------------|------|-------|
| | 2024 | 2023 |
| | RM | RM |
| Return on equity | 9% | 9% |

The Group and the Company is not subject to externally imposed capital requirements for the financial years ended 31 December 2024 and 31 December 2023.

39. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements have been authorised for issue in accordance with a resolution of the Board of Directors on 8 April 2025.



PROPERTIES OWNED BY THE GROUP

| Location | Description | Tenure (Year of Expiry) | Existing Use | Approximate Age of Building | Land Area/ Built up Area (SQ FT) | Date of Acquisition | Net Book Value (RM'000) |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------------|------------------------|-----------------------------------|-------------------------------------------|------------------------|-------------------------------|
| Lot 3, Jalan Lada Sulah 16/11, Section 16, 40000 Shah Alam Selangor Darul Ehsan | Land | Leasehold 60 years (2049) | Factory | - | 294,457 | 21.08.1989 | 2,186 |
| Lot Nos 15825 & 15830 Bukit Kemuning Mukim & Daerah of Klang Selangor Darul Ehsan | Land | Freehold | Factory & Warehouse | - | 173,331 | 15.12.1994 | 537 |
| Lot 3, Jalan Lada Sulah 16/11, | 1 Factory buildings | - | Factory | 33 years | 78,087 | _ | 2,629 |
| Section 16, 40000 Shah Alam | 2 Factory buildings | - | Factory | 32 years | 23,465 | - | 798 |
| Selangor Darul Ehsan | 3 Factory Buildings | - | Factory | 30 years | 21,993 | - | 715 |
| Lot No 15825, Bukit Kemuning Mukim & Daerah of Klang Selangor Darul Ehsan | Factory buildings | - | Factory | 26 years | 117,552 | - | 6,176 |
| Lot No 15830, Bukit Kemuning Mukim & Daerah of Klang Selangor Darul Ehsan | Factory buildings | - | Factory | 24 years | 20,996 | - | 2,197 |
| P.T. Nos 5655 – 5682 Mukim of Kapar, District of Klang Selangor Darul Ehsan | Industrial (28 units of 1½ storey terrace factory) | Freehold | Rental | 28 years | 86,117 | 05.12.1996 | 2,071 |
| P.T. Nos 5443, 5444, 5446, 5447, 5470 – 5474, Mukim of Kapar, District of Klang Selangor Darul Ehsan | Industrial (9 units of 1½ storey terrace | Freehold | Rental | 28 years | 82,441 | 05.12.1996 | 1,313 |
| P.T. Nos 20989 - 21003 Mukim & Daerah of Klang Selangor Darul Ehsan | Commercial (15 units of double storey shophouse) | Freehold | Rental | 28 years | 24,759 | 05.12.1996 | 1,374 |
| P.T. No 30946, Mukim 1, District of Seberang Prai Tengah, Pulau Pinang | Land | Leasehold 60 years (2049) | Factory | - | 39,209 | 28.09.2006 | 304 |



PROPERTIES OWNED BY THE GROUP (CONTINUED)

| Location | Description | Tenure (Year of Expiry) | Existing Use | Approximate Age of Building | Land Area/ Built up Area (SQ FT) | Date of Acquisition | Net Book Value (RM'000) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|---------------------------------|----------------------------|-----------------------------------|-------------------------------------------|------------------------|-------------------------------|
| Lot 476, Tingkat Perusahaan Empat Kawasan Perindustrian Prai, SPT Pulau Pinang | Factory buildings | - | Factory | 17 years | 36,121 | - | 3,137 |
| P.T. No 147538 to P.T. No 147631, P.T. No 147522 to P.T. No 147647 and P.T. No 147514 to P.T. No 147521, Mukim & District of Klang, Selangor Darul Ehsan | Land | Freehold | Residential development | - | 321,908 | 1.1.2018 | 6,496 |
| Lot 10343, Mukim & District of Klang, Selangor Darul Ehsan | Land | Freehold | Residential development | - | 233,862 | 1.1.2018 | 2,220 |
| PT 18881, No. 3, Jalan Bunga Raya 6A/1, Seksyen BS4, 48300 Bukit Sentosa, Selangor | Land | Leasehold 99 years (2121) | Factory Building | - | 301 | 30.12.2023 | 15 |
| PT 18880, No. 3, Jalan Bunga Raya 6A/1, Seksyen BS4, 48300 Bukit Sentosa, Selangor | Land | Freehold | Factory Building | - | 54,675 | 30.12.2023 | 3,121 |
| PT 18880, No. 3, Jalan Bunga Raya 6A/1, Seksyen BS4, 48300 Bukit Sentosa, Selangor | Factory buildings | Freehold | Factory | 1 year | 30,210 | 30.12.2023 | 5.872 |
| Geran Mukim 1745 Lot 2369, Tempat Sg Teba, Mukim Batu, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan KL | Land | Freehold | Residential development | - | 12,270 | 14.03.2024 | 47,000 |
| PT 151479 held under Title No. H.S. (D) 158928, Mukim Klang, Daerah Klang, Selangor | Land | Freehold | Residential development | - | 29,800 | 14.03.2024 | 1,105 |



ANALYSIS OF SHAREHOLDINGS

AS AT 28 MARCH 2025

Class of Securities : Ordinary Shares

Issued and Fully Paid up Capital : RM166,071,582 comprising 331,940,812 ordinary shares

Voting Rights : Every member present in person or by proxy or represented by attorney shall have one

vote and upon a poll, every such member shall have one vote for every share held by him

No. of Shareholders : 3,515

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 28 MARCH 2025

| Name | Direct Shareholdings | % | Indirect Shareholdings | % |
|--------------------------|-------------------------|--------|---------------------------|-------|
| Dalta Industries Sdn Bhd | 166,908,742 | 50.282 | 115,464 | 0.035 |
| Fame Alliance Sdn Bhd | 25,740,100 | 7.754 | _ | _ |

ANALYSIS BY SIZE OF SHAREHOLDING AS AT 28 MARCH 2025

| Size of Shareholding | No. of Shareholders | % | No. of Shares# | % |
|-----------------------------|------------------------|--------|-------------------|--------|
| 1 - 99 | 803 | 22.845 | 41,275 | 0.012 |
| 100 – 1,000 | 296 | 8.421 | 131,957 | 0.039 |
| 1,001 – 10,000 | 1,835 | 52.205 | 7,014,055 | 2.113 |
| 10,001 – 100,000 | 507 | 14.424 | 13,983,224 | 4.213 |
| 100,001 – 16,597,039 (*) | 72 | 2.048 | 118,121,459 | 35.586 |
| 16,597,040 and above (**) | 2 | 0.057 | 192,648,842 | 58.037 |
| Grand Total | 3,515 | 100.00 | 331,940,812 | 100.00 |

^{* -} Less than 5% of issued shares

^{** - 5%} and above of issued shares

[#] Excluding 2,096,800 shares bought back and retained by the Company as treasury shares.



ANALYSIS OF SHAREHOLDINGS (CONTINUED)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 28 MARCH 2025

(Without aggregating the securities from different securities accounts belonging to the same person)

| No | Name | No. of Shares | % |
|----|-----------------------------------------------------------------------------------------------|---------------|--------|
| 1 | Dalta Industries Sdn Bhd | 140,918,648 | 42.452 |
| 2 | Dalta Industries Sdn Bhd | 25,990,094 | 7.829 |
| 3 | Fame Alliance Sdn Bhd | 25,740,100 | 7.754 |
| 4 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 10,980,599 | 3.307 |
| 5 | Dato' Milton Norman Ng Kwee Leong | 8,713,013 | 2.624 |
| 6 | Golden Approval Sdn. Bhd. | 8,577,000 | 2.583 |
| 7 | HLIB Nominees (Tempatan) Sdn Bhd Hong Leong Bank Berhad (Global Market) | 7,625,000 | 2.297 |
| 8 | Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM) | 7,463,900 | 2.248 |
| 9 | Malcolm Jeremy Ng Kwee Seng | 5,290,720 | 1.593 |
| 10 | AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mujur Cemerlang Sdn. Bhd. | 4,958,700 | 1.493 |
| 11 | Steven Junior Ng Kwee Leng | 4,829,800 | 1.455 |
| 12 | Dato' Milton Norman Ng Kwee Leong | 4,608,046 | 1.388 |
| 13 | Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Lim Gaik Eng | 4,468,400 | 1.346 |
| 14 | Dato' Ambrose Leonard Ng Kwee Heng | 4,264,080 | 1.284 |
| 15 | Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad For Dana Makmur Pheim (211901) | 4,050,300 | 1.220 |
| 16 | UOB Kay Hian Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Teo Siew Lai | 3,994,500 | 1.203 |
| 17 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 3,606,480 | 1.086 |
| 18 | Lee Thian Lye | 3,158,800 | 0.951 |
| 19 | Teo Kwee Hock | 2,819,500 | 0.849 |
| 20 | Telus Cemerlang Sdn. Bhd. | 2,055,600 | 0.619 |
| 21 | Koh Bee Lan | 1,959,312 | 0.590 |
| 22 | Puan Sri Datin Catherine Yeoh Eng Neo | 1,625,640 | 0.489 |
| 23 | Steven Junior Ng Kwee Leng | 1,420,000 | 0.427 |
| 24 | Poh Sin Yoong | 1,300,000 | 0.391 |
| 25 | Poh Sin Ee | 1,290,765 | 0.388 |
| 26 | Citigroup Nominees (Asing) Sdn Bhd CEP for PHEIM SICAV-SIF | 1,245,700 | 0.375 |
| 27 | Malcolm Jeremy Ng Kwee Seng | 1,000,000 | 0.301 |
| 28 | Steven Junior Ng Kwee Leng | 1,000,000 | 0.301 |
| 29 | Ngan Bee Poh | 920,500 | 0.277 |
| 30 | Telus Cemerlang Sdn. Bhd. | 855,800 | 0.257 |
| | Total | 296,730,997 | 89.392 |



ANALYSIS OF SHAREHOLDINGS (CONTINUED)

DIRECTORS' INTEREST IN SHARES OF THE COMPANY AND RELATED CORPORATIONS AS AT 28 MARCH 2025

| | Direct Shareholdings | % | Indirect Shareholdings | % |
|-------------------------------------------------|-------------------------|-------|---------------------------|--------|
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 15,069,479 | 4.539 | 226,011,245 | 68.088 |
| Dato' Milton Norman Ng Kwee Leong | 13,321,059 | 4.013 | 209,955,065 | 63.251 |
| Steven Junior Ng Kwee Leng | 7,249,800 | 2.184 | 209,955,065 | 63.251 |
| Malcolm Jeremy Ng Kwee Seng | 6,290,720 | 1.895 | 209,955,065 | 63.251 |
| Dato' Ir. Hashim Bin Osman | _ | _ | _ | - |
| Ooi Hun Yong | - | _ | - | - |
| Norazkha Binti Dahlan | 97,920 | 0.029 | - | _ |
| Tong Sook Yee | - | _ | - | - |

Other than stated above, the Directors have no interest in the shares of the subsidiary companies.



ANALYSIS OF WARRANT HOLDINGS

AS AT 28 MARCH 2025

No. of Warrants 2017/2027 in issue : 55,323,468
Exercise/Conversion price : RM1.08
Exercise/Conversion ratio : 1:1
Exercise/Conversion period : 10 years
Maturity date : 25 October 2027

LIST OF SUBSTANTIAL WARRANT HOLDERS AS AT 28 MARCH 2025

| Warrant Holders | Direct Warrant Holders | % | Indirect Warrant Holders | % |
|---------------------------------------------------------------------------------|------------------------------|--------|--------------------------------|--------|
| Dalta Industries Sdn Bhd | 29,819,188 | 53.899 | 19,244 | 0.034 |
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 5,022,713 | 9.078 | 34,743,071 | 62.800 |
| HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Kok Weng | 3,452,500 | 6.240 | _ | - |
| Yap Kok Weng | 3,420,520 | 6.182 | _ | _ |
| Mujur Cemerlang Sdn Bhd | 3,371,014 | 6.093 | _ | _ |

ANALYSIS BY SIZE OF WARRANT HOLDINGS AS AT 28 MARCH 2025

| Size of Warrant Holdings | No. of Warrant Holders | % | Warrant holdings | % |
|----------------------------|------------------------------|--------|---------------------|--------|
| 1 - 99 | 924 | 30.117 | 12,845 | 0.023 |
| 100 – 1,000 | 1,558 | 50.783 | 672,319 | 1.215 |
| 1,001 – 10,000 | 508 | 16.558 | 1,478,907 | 2.673 |
| 10,001 – 100,000 | 61 | 1.988 | 1,896,035 | 3.427 |
| 100,001 – 2,766,172 (*) | 12 | 0.391 | 6,177,427 | 11.166 |
| 2,766,173 and above (**) | 5 | 0.163 | 45,085,935 | 81.496 |
| Grand Total | 3,068 | 100.00 | 55,323,468 | 100.00 |

^{* -} Less than 5% of issued warrants

^{** - 5%} and above of issued warrants



ANALYSIS OF WARRANT HOLDINGS (CONTINUED)

LIST OF THIRTY (30) LARGEST WARRANT HOLDERS AS AT 28 MARCH 2025

(without aggregating the securities from different securities accounts belonging to the same person)

| No | Name | Warrant holdings | % |
|----|-----------------------------------------------------------------------------------------------------|---------------------|--------|
| 1 | Dalta Industries Sdn Bhd | 23,487,506 | 42.454 |
| 2 | Dalta Industries Sdn Bhd | 6,331,682 | 11.444 |
| 3 | HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Yap Kok Weng | 3,452,500 | 6.240 |
| 4 | Yap Kok Weng | 3,420,520 | 6.182 |
| 5 | Mujur Cemerlang Sdn Bhd | 3,328,014 | 6.015 |
| 6 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 2,341,233 | 4.231 |
| 7 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 2,000,000 | 3.615 |
| 8 | Dato' Milton Norman Ng Kwee Leong | 1,255,585 | 2.269 |
| 9 | Puan Sri Datin Catherine Yeoh Eng Neo | 1,165,940 | 2.107 |
| 10 | Malcolm Jeremy Ng Kwee Seng | 715,120 | 1.292 |
| 11 | Dato' Ambrose Leonard Ng Kwee Heng | 710,680 | 1.284 |
| 12 | Steven Junior Ng Kwee Leng | 638,300 | 1.153 |
| 13 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 601,080 | 1.086 |
| 14 | Puan Sri Datin Catherine Yeoh Eng Neo | 270,940 | 0.489 |
| 15 | Koh Bee Lan | 240,002 | 0.433 |
| 16 | Siew Chee Huat | 218,400 | 0.394 |
| 17 | Poh Sin Ee | 216,794 | 0.391 |
| 18 | Poh Sin Yoong | 215,000 | 0.388 |
| 19 | Maybank Nominees (Tempatan) Sdn Bhd Leong Pak Wah | 149,801 | 0.270 |
| 20 | Sim Sook Lye | 113,657 | 0.205 |
| 21 | AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Mujur Cemerlang Sdn. Bhd. | 110,220 | 0.199 |
| 22 | Cheong Mei Yik | 94,100 | 0.170 |
| 23 | Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 80,400 | 0.145 |
| 24 | Dato' Milton Norman Ng Kwee Leong | 78,074 | 0.141 |
| 25 | Wong Set Fong | 75,000 | 0.135 |
| 26 | Ter Leong Swee | 72,900 | 0.131 |
| 27 | Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Benedict Anthony Pang Sin Sen | 70,000 | 0.126 |
| 28 | Steven Junior Ng Kwee Leng | 70,000 | 0.126 |
| 29 | Ngan Bee Poh | 68,000 | 0.122 |
| 30 | Tan Jee Meng | 65,614 | 0.118 |
| | Total | 51,657,062 | 93.372 |



ANALYSIS OF WARRANT HOLDINGS (CONTINUED)

DIRECTORS' WARRANT HOLDINGS AS AT 28 MARCH 2025

| | Direct Warrant Holdings | % | Indirect Warrant Holdings | % |
|-------------------------------------------------|-------------------------------|-------|---------------------------------|--------|
| Tan Sri Dato' Ir. Ng Boon Thong @ Ng Thian Hock | 5,022,713 | 9.078 | 34,743,071 | 62.800 |
| Dato' Milton Norman Ng Kwee Leong | 1,333,659 | 2.410 | 36,298,025 | 65.611 |
| Steven Junior Ng Kwee Leng | 708,300 | 1.280 | 36,298,025 | 65.611 |
| Malcolm Jeremy Ng Kwee Seng | 715,120 | 1.292 | 36,298,025 | 65.611 |
| Dato' Ir. Hashim Bin Osman | _ | _ | _ | _ |
| Ooi Hun Yong | _ | - | _ | - |
| Norazkha Binti Dahlan | 16,320 | 0.029 | _ | - |
| Tong Sook Yee | _ | _ | _ | _ |



NOTICE OF 55TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 55th Annual General Meeting ("AGM") of HIL INDUSTRIES BERHAD ("the Company") will be held at Bukit Kemuning Golf & Country Resort, Lot 6031, Batu 7, Bukit Kemuning, 42450 Shah Alam, Selangor Darul Ehsan on Thursday, 29 May 2025 at 11.00 a.m. for the purpose of transacting the following business:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 Please refer to Note 2 and the Reports of the Directors and Auditors thereon.

To re-elect the following Directors who retire in accordance with Rule 144 of the Company's Constitution and who being eligible offer themselves for re-election:

(i) Dato' Ir. Hashim Bin Osman **Ordinary Resolution 1** (ii) Norazkha Binti Dahlan **Ordinary Resolution 2** (iii) Tong Sook Yee **Ordinary Resolution 3**

To approve the payment of Directors' fees up to an amount of RM100,000 in total from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting.

Ordinary Resolution 4

To re-appoint HLB Ler Lum Chew PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Board of Directors to fix their remuneration.

Ordinary Resolution 5

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolutions:

5. WAIVER OF STATUTORY PRE-EMPTIVE RIGHTS OF THE SHAREHOLDERS UNDER SECTION 85 OF THE COMPANIES ACT 2016

Ordinary Resolution 6

"THAT approval be and is hereby given by shareholders of the Company to waive their preemptive rights, pursuant to Section 85 of the Companies Act 2016 ("the Act") read together with Rule 17 of the Constitution of the Company, to the issuance of new shares of the Company which rank equally with the existing issued shares of the Company.

AND THAT subject to the passing of Ordinary Resolution 7, the Directors be and are hereby authorised to issue any new shares (including rights or options over subscription of such shares) and with such preferred, deferred, or other special rights or such restrictions, whether with regard to dividend, voting, return of capital or otherwise, for such consideration and to any person as the Directors may determine without offering such new shares to the existing shareholders of the Company."



NOTICE OF 55^{TH} ANNUAL GENERAL MEETING (CONTINUED)

6. AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016

Ordinary Resolution 7

"THAT contingent upon the passing of Ordinary Resolution 6 and subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in 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 (excluding treasury shares) of the Company for the time being.

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares to be issued on the Main Market of Bursa Securities.

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."

7. PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES

"THAT, subject always to the Companies Act 2016 ("the Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and any other relevant regulatory authority, the Company be and is hereby authorised 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 ("Proposed Share Buy-Back") upon such terms and conditions as the Directors in their discretion deem fit and expedient in the best interest of the Company, provided that:

- (a) the maximum number of shares which may be purchased by the Company shall not exceed ten per cent (10%) of the total issued share capital of the Company at any point in time;
- (b) the maximum fund to be allocated by the Company for the purpose of purchasing the Company's shares shall not exceed the aggregate of the retained earnings of the Company;
- (c) the authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:
 - the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by shareholders in general meeting, whichever occurs first.

Ordinary Resolution 8



NOTICE OF 55TH ANNUAL GENERAL MEETING (CONTINUED)

- (d) upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:
 - (i) to cancel the shares so purchased;
 - (ii) to retain the shares so purchased as Treasury Shares;
 - (iii) to distribute the Treasury Shares as dividends to shareholders;
 - (iv) to resell the Treasury Shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; and
 - (v) any combination of the above (i), (ii), (iii) and (iv).

AND THAT authority be and is hereby given unconditionally to the Directors of the Company to take all such steps as are necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under the Securities Industry (Central Depositories) Act 1991) to implement or to effect the purchase(s) with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be required or imposed by the relevant authorities and to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

OTHER ORDINARY BUSINESS

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution.

By Order of the Board

Cheam Tau Chern Company Secretary (MIA 18593) [SSM PC No.: 201908000002]

Klang 30 April 2025



NOTICE OF 55^{TH} ANNUAL GENERAL MEETING (CONTINUED)

NOTES:

1. Participation and Appointment of Proxy

- (a) A member entitled to attend and vote at the 55th Annual General Meeting ("**AGM**") is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (b) The instrument appointing a proxy ("**proxy form**") shall be in writing under the hand of the member or his attorney duly authorised in writing or, if the member is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (c) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (d) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.
- (e) Where a member appoints more than one proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- (f) The proxy form must be deposited at the Company's Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or the drop box located at Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
- (g) The proxy form may also be lodged electronically with the Company's Share Registrar via Tricor's **TIIH Online** website at https://tiih.online. Kindly refer to the Administrative Guide for the 55th AGM for further information on electronic lodgement of Proxy Form.
- (h) Only members whose names appear in the Record of Depositors as at **22 May 2025** will be entitled to attend the meeting or appoint proxies to attend and/or vote on his/her behalf.
- (i) Please ensure **ALL** the particulars as required in the proxy form are completed and that the proxy form is signed and dated accordingly.
- (j) The last date and time for lodging the proxy form is **Tuesday, 27 May 2025 at 11.00 a.m**.
- (k) For a corporate member who has appointed a representative instead of a proxy to participate in this 55th AGM, please deposit the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged with the Company's Share Registrar earlier.
- (I) It is important that you read the Notification to Shareholders for the conduct of this 55th AGM.
- (m) Pursuant to Section 320(2) of the Companies Act 2016, a copy of this Notice together with the proxy form is available at the Company's website at https://www.hil.com.my.
- (n) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**"), all resolutions set out in the Notice of the 55th AGM will be put to vote by poll.



NOTICE OF 55TH ANNUAL GENERAL MEETING (CONTINUED)

Explanatory Notes on Ordinary Business

2. Audited Financial Statements for financial year ended 31 December 2024

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 ("**the Act**") for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

3. Ordinary Resolutions 1, 2 and 3 – Re-election of Directors

Rule 144 of the Company's Constitution states that every Director shall be subject to retirement at least once in every three (3) years. A retiring Director shall be eligible for re-election.

In determining the eligibility of the Directors due for retirement to stand for re-election at the forthcoming Annual General Meeting, the Nominating Committee ("NC") had assessed the retiring Directors and was satisfied with the outcome of the fit and proper assessment. The Independent Non-Executive Directors had also provided confirmation of their independence.

The Board had considered the NC's evaluation of the eligibility of the retiring Directors and was satisfied that they will continue to bring their knowledge, experience and skills and contribute effectively to the Board's discussions, deliberations and decisions.

Explanatory Notes on Special Business

4. Ordinary Resolution 6 – Waiver of Pre-emptive Rights under Section 85 of the Act

Pursuant to Section 85 of the Act read together with Rule 17 of the Company's Constitution, the shareholders have preemptive rights to be offered any new shares in the Company in proportion to their existing holdings which rank equally to the existing issued shares of the Company.

The proposed Ordinary Resolution 6, if passed, will mean a waiver of your pre-emptive rights to be offered new shares to be issued by the Company pursuant to Ordinary Resolution 7.

5. Ordinary Resolution 7 – Authority for Directors to Issue and Allot Shares

The proposed Ordinary Resolution 7, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time, provided that the aggregate number of shares issued pursuant to this resolution when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being subject to Paragraph 6.03 of the Listing Requirements.

This authority will, unless revoked or varied by the Company at a general meeting, expire at the conclusion of the next Annual General Meeting.

The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

As at the date of this Notice, no new shares were issued pursuant to the authority granted to the Directors at the 54th Annual General Meeting held on 20 June 2024, the mandate of which will lapse at the conclusion of the forthcoming 55th Annual General Meeting to be held on 29 May 2025.

6. Ordinary Resolution 8 - Proposed Renewal of Authority for the Company to Purchase its Own Shares

The proposed resolution, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained earnings of the Company.

Further information on this resolution is set out in the Proposed Renewal of the Share Buy-Back Statement dated 30 April 2025 accompanying the Company's Annual Report for the financial year ended 31 December 2024.



STATEMENT ACCOMPANYING THE NOTICE OF 55TH ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS

There are no individuals who are standing for election as directors (excluding directors standing for re-election) as per Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The information required pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance in relation to the Directors who are standing for re-election at the 55th AGM are provided in the Directors' Profile of the Annual Report 2024, including their latest interests in the shares and warrants of the Company disclosed under Analysis of Shareholdings and Analysis of Warrant Holdings of the Annual Report 2024.

2. STATEMENT RELATING TO GENERAL MANDATE FOR ISSUE OF SECURITIES IN ACCORDANCE WITH PARAGRAPH 6.03(3)
OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

Details of the general mandate to issue securities in the Company pursuant to the Companies Act 2016 are set out in Explanatory Note 5 of the Notice of 55th AGM.



| CDS Account No. | |
|--------------------|--|
| | |
| No. of shares held | |
| | |

PROXY FORM

| | | | | Tel:_ | | |
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| | [Full name in block letters, NRIC | C / Passport / Registration N | Vo.] | | | |
| of | | | | | b | peing member(s) |
| of HIL | INDUSTRIES BERHAD ("the Company" or "HI | L "), hereby appoint: | | | | |
| Full Name (in block letters) NRIC/Passport No. | | NRIC/Passport No. | Proportion of Shareholdings | | | |
| | | | | No. of Shares | | % |
| Addı | ess | | | | | |
| Ema | l Address: | | | | | |
| and/c | r | | | | | |
| Full | Name (in block letters) | NRIC/Passport No. | | Proport | ion of Sha | areholdings |
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| Addı | ress | | | | | |
| Fma | l Address: | | | | | |
| below | Alam, Selangor Darul Ehsan on Thursday, 29 M r: | AGENDA | | nent there | oi, and to | vote as indicated |
| No. | Resolution | | | | FOR | ACAINCT |
| | | | | | | AGAINST |
| 1. | To re-elect Dato' Ir. Hashim Bin Osman as a Di | rector of the Company | Ordinary Reso | lution 1 | | AGAINST |
| 1. | To re-elect Dato' Ir. Hashim Bin Osman as a Di To re-elect Norazkha Binti Dahlan as a Directo | | Ordinary Reso | | - | AGAINST |
| - | | or of the Company | - | lution 2 | | AGAINST |
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Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES TO PROXY FORM

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- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 55th AGM will be put to vote by poll.

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The Share Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.

(Registration No.: 197101000970 [11324-H]) Unit 32-01, Level 32, Tower A Vertical Business Suite Avenue 3, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur

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Lot 3, Jalan Lada Sulah 16/11, Section 16, 40000 Shah Alam, Selangor Darul Ehsan, Malaysia.

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