



**ANALABS
RESOURCES
BERHAD**

Registration No. 199801012843 (468971-A)



2024

ANNUAL REPORT

**REDUCING WASTE
FOR A BETTER ENVIRONMENT**

Corporate Social Responsibility - Recycling Waste Since 1980

REDUCING WASTE FOR A BETTER ENVIRONMENT

Corporate Social Responsibility - Recycling Waste Since 1980



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Kan Yow Kheong
Executive Chairman

Kan Mun Hoow
Executive Director cum Chief Executive Officer

Clifton Heath Fernandez
Senior Independent Non-Executive Director

Lye Meei Ruu
Independent Non-Executive Director

Chia Yee Yan
Independent Non-Executive Director

Ling Hua Kang
Independent Non-Executive Director

COMPANY SECRETARIES

Cynthia Gloria Louis
SSM PC No. 201908003061
(MAICSA 7008306)

Chew Mei Ling
SSM PC No. 201908003178
(MAICSA 7019175)

REGISTERED OFFICE

Unit 621, 6th Floor, Block A
Kelana Centre Point
No. 3, Jalan SS7/19, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7880 9699
Fax : 03-7880 8699
Email : info@corporatepartners.com.my

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
Registration No: 199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7890 4700
Fax : 03-7890 4670
Email : BSR.Helpdesk@boardroomlimited.com

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF1018
Chartered Accountants
Suite 50-3, Setia Avenue
No. 2, Jalan Setia Prima S U13/S
Setia Alam, Seksyen U13
40170 Shah Alam
Selangor Darul Ehsan
Tel : 03-3343 0730
Fax : 03-3344 3036

PRINCIPAL BANKERS

Malayan Banking Berhad
Hong Leong Bank Berhad
United Overseas Bank (Malaysia) Berhad
United Overseas Bank Limited
DBS Bank Limited
Overseas-Chinese Banking Corporation Limited
Standard Chartered Bank (Singapore) Limited

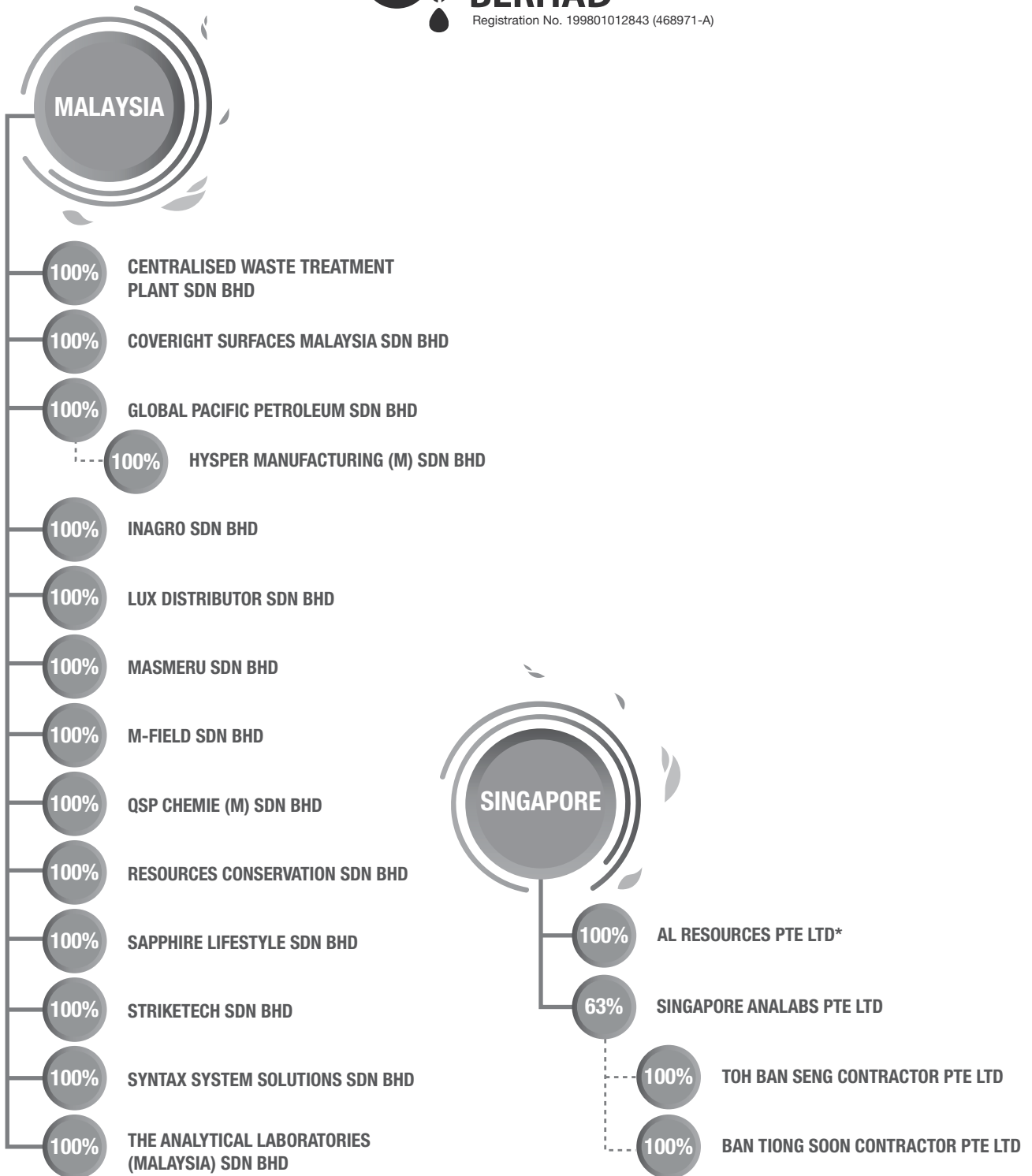
STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad
Stock name : ANALABS
Stock code : 7083

WEBSITE

www.analabs.com.my

GROUP STRUCTURE

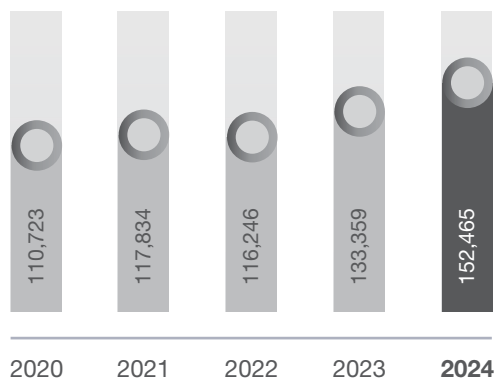


* In the midst of being struck off

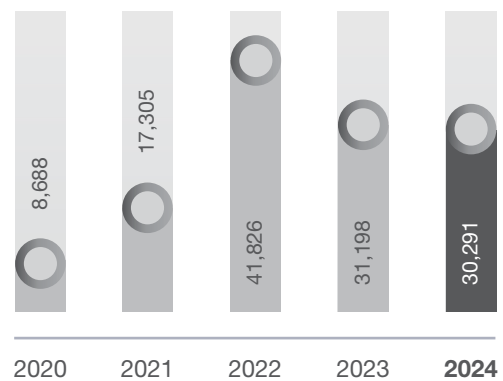
FINANCIAL HIGHLIGHTS

YEAR ENDED 30 APRIL	2020	2021	2022	2023	2024
TURNOVER (RM'000)	110,723	117,834	116,246	133,359	152,465
PROFIT AFTER TAXATION (RM'000)	8,688	17,305	41,826	31,198	30,291
PROFIT ATTRIBUTABLE TO SHAREHOLDERS (RM'000)	7,256	16,370	34,592	28,287	27,659
NET EARNINGS PER SHARE (SEN)	6.66	15.03	31.76	25.97	25.39
NET ASSETS (RM'000)	255,857	281,992	333,821	355,295	443,924
NET ASSETS PER SHARE (RM)	2.35	2.58	3.06	3.26	4.08
DIVIDEND PER SHARE (SEN)	2.00	2.00	2.00	2.00	2.10

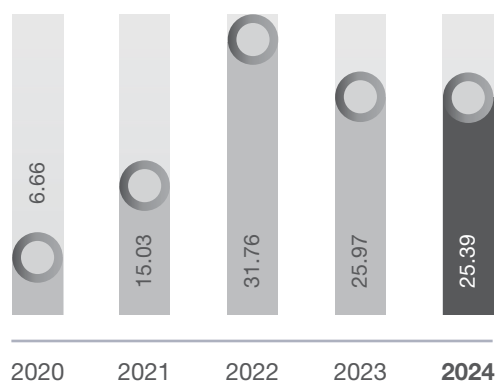
TURNOVER
(RM'000)



PROFIT AFTER TAXATION
(RM'000)



NET EARNINGS PER SHARE
(SEN)



PROFILE OF DIRECTORS

MR. KAN YOW KHEONG

Executive Chairman



Gender
Male



Nationality
Malaysian



Age
70

Mr. Kan Yow Kheong was appointed to the Board of Directors of Analabs as the Executive Chairman on 19 November 1999. Mr. Kan, who is also the major shareholder, joined The Analytical Laboratories (Malaysia) Sdn. Bhd. as a manager of the laboratory in 1980. Trained as a chemist, he graduated from Universiti Sains Malaysia with a degree in Chemistry (Honours).

Having successfully completed the Top Management Program from the Manila-based Asian Institute of Management in 1988, he went on to obtain his Diploma in Marketing Management from CIM (UK) and finally Honours in MBA from Oklahoma City University, USA.

He has attended all five (5) Board Meetings held during the financial year. He is the father of Mr. Kan Mun Hoow, who is also the Executive Director cum Group Chief Executive Officer and has no other family relationship with any director and/or major shareholder of the Company. He has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on him by any regulatory body during the financial year.

The details of his shareholdings in the Company is disclosed on page 176 of this Annual Report.

MR. KAN MUN HOOW

Executive Director cum Group Chief Executive Officer
(Group CEO)



Gender
Male



Nationality
Malaysian



Age
44

Mr. Kan Mun Hoow (Mr MH Kan) was appointed to the Board of Directors of Analabs as the Executive Director on 9 March 2017 and was re-designated as the Group CEO on 1 April 2022. He graduated with a degree in Mechanical Engineering (Hons) in year 2002 from Western Michigan University, USA. Upon completion of his studies, he joined Resources Conservation Sdn. Bhd. ("RCSB") as a Junior Engineer from year 2002 to 2007. During his tenure in RCSB, he continued with his education in SEGI College and graduated with a Diploma in Accounting. He is a member of the Chartered Institute of Management Accountants (CIMA), Malaysian Institute of Accountants (MIA) and Institution of Engineers of Malaysia. He joined Coveright Surfaces Malaysia Sdn. Bhd. ("CSM") on 1 December 2010 as Technical Services Engineer and was promoted as Factory Manager and subsequently a Director of CSM on 6 July 2011, a position he holds until to date.

He is the son of Mr. Kan Yow Kheong, the Executive Chairman and the major shareholder of Analabs. He has no other family relationship with any director and/or major shareholder of the Company.

He has attended all five (5) Board Meetings held during the financial year. He has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on him by any regulatory body during the financial year.

The details of his shareholdings in the Company is disclosed on page 176 of this Annual Report.

PROFILE OF DIRECTORS

Cont'd

MR. CLIFTON HEATH FERNANDEZ

Senior Independent Non-Executive Director



Gender
Male



Nationality
Malaysian



Age
52

Mr. Clifton Heath Fernandez was appointed to the Board of Directors of the Company on 16 February 2016 as an Independent Non-Executive Director and was identified as the Senior Independent Non-Executive Director of Analabs on 10 August 2023.

Mr. Clifton is a fellow of the Chartered Certified Accountants (FCCA UK). He holds a Chartered Accountancy and Diploma Management from The Malaysian Institute of Management (AMIM) and is a Certified Management System, Lead Auditor for ISO 9001/45001/14001/27001/37001 etc. He is also a Chartered Internal Auditor, IIA, C.A. (M), Asean CPA and a member of Chartered Quality Institute, UK and INSOL International.

Mr. Clifton is currently the Training and Certification Director of Unicert Group. His career has encompassed a spectrum of industries, involving standards and improvement in projects, compliance, quality, financial, auditing, education, human resources and credit control. He conducts training, certification audit and placement consultancy for clients in South East Asia region.

Mr. Clifton also acts as an independent reviewer and evaluation body to ensure that compliance issues/concerns with the organisation are being appropriately evaluated, investigated and resolved.

He is an Independent Non-Executive Chairman of Securemetric Berhad.

Mr. Clifton is the Chairman of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee.

He attended all five (5) Board Meetings held during the financial year. He has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on him by any regulatory body during the financial year. He has no family relationship with any director and/or major shareholder of the Company.

PROFILE OF DIRECTORS

Cont'd

MS. LYE MEEI RUU

Independent Non-Executive Director



Gender
Female



Nationality
Malaysian



Age
38

Ms. Lye Meei Ruu was appointed to the Board of Directors of the Company on 5 August 2019 as an Independent Non-Executive Director.

Ms. Lye graduated with a law degree, LL.B. (Hons) from the University of London in 2010 and holds a Certificate in Legal Practice in 2011. She completed her pupillage in 2011 with Messrs Tay & Helen Wong and was admitted as an Advocate and Solicitor of the High Court of Malaya in the same year. She is a member of the Malaysian Bar Council and the Selangor Bar Council.

She was a legal associate at Messrs Tay & Helen Wong and Messrs K.Y. Lim & Partners from 2011 to early 2017. She founded her legal firm Messrs Alison Lye & Suzanne with her partner in 2017.

She has 13 years of experience in advising and representing clients in real properties transactions, financing and loan documentations, lease and tenancies, debt recovery and settlements, drafting and preparing of business contracts and commercial agreements.

Ms. Lye is a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. She has attended five (5) Board Meetings held during the financial year. She has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on her by any regulatory body during the financial year. She has no family relationship with any director and/or major shareholder of the Company.

MS. CHIA YEE YAN

Independent Non-Executive Director



Gender
Female



Nationality
Malaysian



Age
31

Ms. Chia Yee Yan was appointed to the Board of Directors of the Company on 9 May 2022 as an Independent Non-Executive Director.

Ms. Chia graduated with a Bachelor of Accounting degree with First Class Honors from Universiti Utara Malaysia in 2016.

She is equipped with extensive experience in retail, B2B, and FMCG industries, Ms. Chia has demonstrated a consistent ability to drive sales, manage client relationships and develop strategic partnerships.

Currently, she serves as the Founder and General Manager of CC Food Industries, where she has successfully implemented efficient administrative processes to enhance productivity, maintained key client relationships to ensure satisfaction, and managed all aspects of budgeting, forecasting, financial reporting and compliance with industry regulations.

In addition to this role, she co-founded a social enterprise focused on curating innovative gifting products that support the single mother community. Here, she leads product ideation and development, conducts market research and trend analysis and manages financial planning and reporting.

Simultaneously, she serves as an Account and Admin Manager, overseeing budgeting, financial forecasts, client onboarding, office operations, and ensuring regulatory compliance and audit readiness. Her responsibilities also include compiling and analysing financial data, coordinating with auditors for annual audits, liaising with tax agents to prepare and file tax returns and providing strategic financial insights to support decision-making.

This blend of entrepreneurial initiative and comprehensive management expertise highlights Ms. Chia's dedication to her work and her commitment to contributing positively to her industry.

Ms. Chia is a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. She attended all five (5) Board Meetings held during the financial year. She has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on her by any regulatory body during the financial year. She has no family relationship with any director and/or major shareholder of the Company.

PROFILE OF DIRECTORS

Cont'd

MR. LING HUA KANG

Independent Non-Executive Director



Gender
Male



Nationality
Malaysian



Age
51

Mr. Ling Hua Kang was appointed to the Board of Directors of the Company on 6 December 2023 as an Independent Non-Executive Director.

Mr. Ling graduated from RMIT University, Melbourne, Australia with a Masters of Finance and Bachelor of Business (Accountancy) and is also a Certified Professional Accountant and a member of CPA Australia.

He is an experienced chartered accountant with 20 over years of working expertise in audit, corporate finance and advisory, risk management, regulatory compliance and governance. Mr. Ling is the currently the Director of Integ Success Agency ("Integ Success") and General Manager of Wells Global Solutions Sdn. Bhd., Wells Global Solutions Sdn. Bhd. and Integ Success are one stop centres providing comprehensive coverage and tailored risk management strategies to meet the diverse needs of businesses. Prior to that, he joined BIB Insurance Brokers Sdn. Bhd. in January 2013 as a Senior Manager in Client Servicing and Development Unit. During his tenure, he served a diversified portfolio of clients. Mr. Ling also served as General Manager in Corporate Affairs & Business Development and Project Management in Esthetics International Group Berhad (Esthetics) from January 2005 to December 2012. Mr. Ling was appointed as Vice President of Business Developments in Hwang-DBS Securities Berhad ("Hwang-DBS") in November 1999 and remained in the position until December 2004. At Hwang-DBS, Mr. Ling assisted in corporate advisory services, corporate restructuring, and IPO exercises.

Mr. Ling is a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee. He attended two (2) Board Meetings held during the financial year. He has no Conflict of Interest (COI) or potential COI with the Analabs Group and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on him by any regulatory body during the financial year. He has no family relationship with any director and/or major shareholder of the Company.

PROFILE OF KEY SENIOR MANAGEMENT

MR. KAN YOW KHEONG
Executive Chairman

MR. KAN MUN HOOW
Executive Director cum
Group Chief Executive Officer

MS. LAI NYUK MOI
Finance Manager

For his profile, kindly refer to the Director's Profile on page 5 of this Annual Report.

For his profile, kindly refer to the Director's Profile on page 5 of this Annual Report.

Ms. Lai Nyuk Moi, a Malaysian, Female, aged 55, is a Chartered Certified Accountant, a member of the Association of Chartered Certified Accountants (ACCA) and the Malaysian Institute of Accountants (MIA). Ms. Lai joined Centralised Waste Treatment Plant Sdn. Bhd. as a trainee on 1 March 2000 after graduating from high school. Ms. Lai possesses more than 20 years of experience in various divisions in the Analabs Group including Administration, Accounting, Production, Purchasing and Marketing. Ms. Lai assumed her role as the Finance Manager of the Group on 1 January 2013.

She has no Conflict Of Interest (COI) or potential COI with the Company and has not been convicted for any offences in the past 5 years. There were no sanctions and/or penalties imposed on her by any regulatory body during the financial year. She has no family relationship with any director and/or major shareholder of the Company.



CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Analabs Resources Berhad (referred to as "Analabs" or "the Company"), I am pleased to present the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 30 April 2024 ("FY 2024").

Analabs which started its humble business in laboratory testing, trading in chemicals, building water treatment plant and recycling of waste sector has over the years strategically invested in financial assets and has gained a strong market presence in the business of trading in building materials. It has also increased its property investment portfolio which has seen substantial capital appreciation over the years and increased its equity investment portfolio which provides a constant source of dividend income for the Group. Analabs remains focused on its core competencies and its prudent management of its investments has enabled Analabs to remain competitive in the market. Analabs has continued to deliver on its growth strategies by generating profit to create long-term shareholders' value.

GROUP FINANCIAL PERFORMANCE

FY 2024 had posed significant challenges for Analabs. Nevertheless, prudent management enabled Analabs to ride over this tough and uncertain period. In the financial year, the Group reported a profit before tax (PBT) of RM34.8 million, reflecting a 3% increase from the RM33.8 million profit before tax achieved in the preceding financial year. The Group has maintained a consistent profit before tax in the current financial year and is advancing with its growth strategies in the future.

As of 30 April 2024, the Group's financial position remained healthy with net assets amounting to RM443.9 million, which was RM88.6 million higher than the net assets of RM355.3 million as of 30 April 2023. This indicate the Group's resilience and strategic management is still noteworthy.

CHAIRMAN'S STATEMENT

Cont'd

OPERATING ENVIRONMENT

The manufacturing, formulation and sale of resin, chemicals and building materials segment remained the Group's primary focus and was the key revenue contributor for FY 2024. The segment recorded higher revenue of RM90.7 million, marking an increase of 15.9% year-on-year compared to RM78.2 million reported in FY 2023 as this segment was capturing bigger market share after a dip last year. The segment's PBT increased by RM6.8 million, representing a year-to-year growth of 63.9%, to RM17.6 million in FY 2024.

The contract work, pipe laying and rehabilitation segment reported a 0.3% increase in revenue during FY 2024, rising from RM36.6 million to RM36.7 million. The segment's PBT for the financial year was relatively much lower at RM8.5 million compared to RM9.5 million in FY 2023, underlining the segment's overall performance.

Despite these accomplishments and setback, the Group continues to face challenges due to an overcrowding of players, where supply outstrips demand, especially within the building material sub-segment. Sticky and persistent inflation has also led to a surge in commodity and energy prices, prompting central banks to practice monetary policies through holding higher interest rate for longer, which adversely affects the Group's overall performance.

In this dynamic landscape, management remains vigilant regarding potential investments that will facilitate the Group's growth amidst volatile global economic conditions.

DIVIDENDS AND SHARE BUY BACK

The Group's track record over the years is a testament to its holding power and resilience. Analabs is and will always remain committed to deliver long-term value to all its shareholders.

As part of the Group's on-going efforts to reward the shareholders, the Group paid out an interim dividend of 2.1 sen per ordinary share on 22 March 2024.

As of 30 April 2024, the Company held a total of 11,114,100 treasury shares from its issued share capital of 120,048,000 ordinary shares.

LOOKING FORWARD

The prolonged Russia-Ukraine & Middle-East geopolitical conflict continues to cast a substantial shadow over the world economy. Additionally, the escalation in central bank policy rates, aimed at combating inflation, further exerts pressure on economic activity. Looking ahead, the Group anticipates that the business outlook will persist in its challenging nature.

Subject to unforeseen circumstances, the Group remains committed to undertaking necessary measures to control its cost structures and developing strategies that proactively identify new opportunities, effectively mitigating the potential impact of these challenges. The Group holds a firm belief that the constant dividend income from its investment holding segment can be upheld on a consistent basis.

ACKNOWLEDGEMENT

I personally would like to extend my appreciation to my fellow Directors, Mr. Clifton, Ms. Lye, Mr. MH Kan, Mr. Ling and Ms. Chia for their valuable insight, guidance and dedication towards the improvement of Analabs. In the near term, our emphasis will be to source and train new talents to fortify our workforce and empower our organisation's capabilities, ensuring a dynamic and innovative foundation for future growth and success.

On behalf of the Board, I wish to extend my deepest appreciation to our valued customers, business partners and shareholders for their steadfast support and confidence in us. I also wish to extend my many thanks to our External Auditors, Crowe Malaysia PLT, our Tax Agents, Deloitte Touche Tohmatsu Tax Services Sdn. Bhd., our Internal Auditors, Smart Business Consulting, our Company Secretary, Corporate Partners (Asia) Sdn. Bhd. and our entire management team, all our employees and the Directors within the Group for their unwavering determination, hard work, and commitment to work through this difficult financial year.

Y K KAN
Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

This Management Discussion and Analysis Statement (“MD&A”) aims to review the business and operations, discussion of the financial performance, risk and uncertainties and future outlook of the Group. This MD&A should be read in conjunction with the Company’s Audited Financial Statements and the accompanying notes for the financial year (“FY”) ended 30 April 2024.

BUSINESS SEGMENTS

Analabs Resources Berhad (“Analabs”) is an investment holding company with subsidiaries in Malaysia and Singapore. The Company is involved in 5 diversified business segments which include:

- Manufacturing, formulation and sale of resin, chemicals and building materials;
- Contract work, pipe laying and rehabilitation;
- Investment holding and property letting;
- Recovery and sale of recycled products; and
- Culture and sale of prawns.

Manufacturing, Formulation and Sale of Resin, Chemicals and Building Materials

Our manufacturing, formulation and sale of resin, chemicals and building materials segment is mainly involved in manufacturing and selling resin impregnated papers. Coveright Surfaces Malaysia Sdn. Bhd. is recognised locally and internationally as one of the specialists in paper impregnation with its in-house production of resin. Our customers are based internationally, and include, but not limited to Asia, Malaysia and others.

During FY 2024, the business segment achieved a 15.9% year-on-year growth in revenue, from RM78.2 million to RM90.7 million, driven by the captured market share from the gradual recovery of the post-pandemic economy. Since the fourth quarter of 2022, the downstream demand for melamine in the Asia Pacific market has dwindled due to the cyclic demand, leading to a market contraction of demand.

In FY 2024, the segment’s profitability was significantly impacted by the dividend from its investment and notable strength in the exchange rate between the Euro and the US Dollar, following the underlying interest rate hike. Consequently, the segment’s PBT for the financial year surged by 63.9%, equivalent to RM6.8 million, ascending from RM10.8 million to RM17.6 million.

In the current challenging times, our Group’s strategy is to focus on the growth to enhance revenue streams by retaining and expanding our clientele base with resources invested in products research and development. Apart from that, we are closely monitoring the commodity prices and our capital requirements so as not to be caught in the competitive pricing trap amid the geopolitical uncertainties.

Contract Work, Pipe Laying and Rehabilitation

Our contract work, pipe laying and rehabilitation segment has been involved in the piping industry in Singapore since 1984, where we serve a wide range of clientele in private sectors. We are involved in the excavation works for pipe laying, replacement and maintenance. Currently, our market focus is Singapore.

During FY 2024, revenue from the segment plateau 0.3%, from RM36.6 million to RM36.7 million. The segment recorded a PBT of RM8.5 million, or 10.4% lower compared to the RM9.4 million reported in FY 2023. The drop of the PBT however, was due to many construction companies suppressed by the escalating construction costs including soaring materials prices and labour cost.

Currently, Singapore’s piping construction sector is experiencing robust growth driven by infrastructure development, technological advancements and a focus on sustainability. However, it must navigate challenges such as cost fluctuations and regulatory requirements while capitalising on opportunities presented by new technologies and government initiatives. Our Group’s strategy is to continue to build up the order book with small and short-term contracts to minimise the risk and long-term commitment and ensuring cost control measures remains a priority for every project.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Cont'd

BUSINESS SEGMENTS (CONT'D)

Investment Holding and Property Letting

In FY 2024, our investment holding and property letting segment has demonstrated significant growth, driven by favourable market conditions and strategic initiatives. As we entered 2024, global stock markets have generally shown an upward trajectory. Analabs has over the years strategically invested in financial assets and has gained a strong market presence in the property investment portfolio which has seen substantial capital appreciation. Equity investment portfolio also provides a constant source of dividend income for the Group.

Our local stock market has experienced growth in 2024, driven by positive economic conditions and increased investor confidence. The market has shown an upward trend in the first half of year 2024. Investors have shown a preference for blue-chip stocks, which are perceived as more stable and reliable. In FY 2024, our investment holding and property letting segment reported an increase in revenue of RM7.4 million, reaching RM18.2 million. The performance of the ride has experienced a notable improvement, with revenue increasing by 67.9% and overall results rising by 49.7% in this segment.

Our Group's strategy is to continue investing in blue-chip stocks for sustainable dividend income and capital appreciation. We remain cautiously optimistic about the prospects of the segment.

Recovery and Sale of Recycled Products

Our recovery and sale of recycled products segment involves the recycling of hazardous industrial waste. The segment's activities are closely aligned with the Group's core business, as a professional waste management company that consistently sets industry benchmarks through innovative and eco-friendly recycling practices designed to meet customer needs.

In FY 2024, the segment faced a continued contraction, with revenue falling by 11.2% to RM6.7 million from RM7.6 million in the previous year. Additionally, the segment's PBT saw a significant drop of 31.6%, reaching RM2.1 million in FY 2024. This decrease in PBT was primarily due to challenging market conditions within the specific industry.

Looking ahead, it is anticipated to experience modest growth, our Group remains committed to consistently enhancing our expertise and extensive knowledge in environmental management to offer a comprehensive one-stop solution. Our aim is to expand our presence and bolster our market share in the specialised niche of the scheduled waste management industry.

Culture and Sale of Prawns

Our culture and sale of prawn segment is engaged in seawater prawn breeding for the local markets. Our prawn farm is situated in Kuala Langat and is equipped with environmentally friendly cultivation systems. We implemented Recirculating Aquaculture Systems (RAS) for prawns which is an advanced method of aquaculture that aims to optimise production efficiency.

During FY 2024, the segment continues to experience a flat outcome in performance. Revenue increase by 20.6% to RM0.2 million, and the loss before tax remained at 1.8% to RM1.0 million.

The segment continued to pose challenges for the Group. The industry faces challenges related to environmental impact and competition but is well-positioned to capitalise on opportunities for growth and innovation. To address this, we are actively engaged in day-to-day monitoring and knowledge transfer concerning water treatment and recirculation systems. Through these efforts, our Group is striving for ongoing enhancement in the cultivation practices of our prawn farms.

We maintain a strong belief that food is an essential commodity and a business resilient to economic downturns. This conviction drives us to diversify our Group's ventures and underscores our commitment to ensuring continuous improvement and growth.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Cont'd

OPERATIONS REVIEW

Financial Results

In FY 2024, the Group experienced significant growth in revenue. Revenue increased by 14.3% to RM152.5 million, primarily due to the increase of manufacturing, formulation, and sale of resin, chemicals and building materials segment which contributed RM90.7 million of revenue to our Group. In addition, the contract work, pipe laying and rehabilitation segment, contributed RM36.7 million.

However, our Group's PBT only reported an increase of 29.6%, increasing from RM33.8 million in FY 2023 to RM34.8 million in FY 2024. This is due to an increase impairment losses on trade and other receivables which are accounted for in the FY 2024.

Assets, Liabilities and Equity

Our Group's total assets expanded from RM518.3 million to RM659.6 million, marking a year-on-year growth of 27.3% compared to the preceding financial year. This increase in total assets was primarily driven by a rise in equity investments amounting to RM107.5 million. However, this growth was partially financed by margin trading loan which increased by RM49.1 million.

Our Group's liabilities surged by 32.2%, reaching RM215.6 million as of 30 April 2024, compared to RM163.1 million in the prior year. This increase was mainly attributed to the increase in the Group's loans and borrowings, particularly for acquiring quoted share investments and trade financing in operating business, which contributed to a significant increase of RM50.7 million. Consequently, our Group's debt-to-equity ratio increased to 0.40 by the end of the reporting period.

As of 30 April 2024, our Group's total equity increased from RM355.3 million to RM443.9 million, representing a year-on-year increase of 24.9%.

Working Capital Position

As of 30 April 2024, our Group reported receivables of RM17.7 million, decreased by 45.9% compared to RM32.7 million recorded in 30 April 2023. This declined was due to impairment loss on receivables of RM9.3 million which are accounted in FY 2024 despite the increased sales from both the manufacturing, formulation, and sale of resin, chemicals and building materials segment and the contract work, pipe laying and rehabilitation segment.

As of 30 April 2024, our Group's payables totalled RM8.8 million, reflecting a 22.1% decrease compared to RM11.3 million on 30 April 2023. Our Group have improved cash flow management, which lower the receivable and pay off debts more promptly. The reduction in payables indicates stronger liquidity and enhanced operational efficiency. This improvement contributes to our overall financial stability and underscores our commitment to maintaining healthy supplier relationships.

Furthermore, our Group's inventories increased by RM3.9 million from RM12.1 million in the previous financial year. This increase was driven by storage of raw materials and logistic cost within the manufacturing, formulation, and sale of resin, chemicals and building materials segment. This strategic adjustment was made in response to the volatile fluctuations in commodity prices.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Cont'd

RISK AND UNCERTAINTIES

Our Group is exposed to a variety of financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and other price risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

Further details on the Group's financial risk management can be found in Note 35 of the Financial Statements in this Annual Report.

Apart from the financial risks, our Group's activities are also exposed to certain operational risks as follows.

Economic, Political and Social

Like all other businesses, adverse developments in the economic, political and social conditions in Malaysia and other international markets where our Group has material operations could materially and adversely affect the business and financial performance as well as the growth of our Group.

Such adverse developments include, but not limited to, changes in political leadership, epidemic outbreaks, social unrests and global economic downturn.

Whilst it is not possible to prevent the occurrence of these events, our Group attempts to mitigate the effect of these risks through close monitoring of the Government's masterplan on long term economic and development policies and strategy.

Dependence on Key Management

The continued success of Analabs is, to a certain extent, dependent on the abilities and continued efforts of the key management. The ability to attract and retain skilled personnel helps to ensure the sustainable growth of our Group. We will continue to provide our employees with long-term career prospects within our Group and job rotation opportunities to develop multiple skills. In the next few years, we aim to source candidates with the right fit aligned with our succession plan.

Raw Materials Price Volatility

Our manufacturing, formulation and sale of resin, chemicals, and building materials segment are exposed to fluctuations in material prices. Raw paper and resin constitute the two major components used in the production of impregnated decorative surfacing films. The volatility of resin prices can be attributed to fluctuations in natural gas and energy prices, market supply shortages and economic downturns.

Likewise, our contract work, pipe laying and rehabilitation work segment is also vulnerable to construction cost pressures due to rising labor costs caused by ongoing manpower shortages, as well as potential disruptions in the supply chain of construction materials stemming from the unresolved Russia-Ukraine conflict. Additionally, as Singapore commits to achieving net-zero emissions by 2050, the use of alternative building materials with lower embodied carbon and the adoption of renewable energy sources may temporarily elevate construction costs until these materials and technologies become more widely embraced within the industry.

To mitigate these risks, we maintain regular communication with our suppliers to monitor the latest pricing trends and consistently explore new sources of suppliers from various regions to secure competitive pricing. We also anticipate the inclusion of clauses addressing material price fluctuations in our contracts.

MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

Cont'd

Machineries Breakdown

Our manufacturing, formulation and sale of resin, chemicals and building materials segment has 4 impregnating lines. Our operation is exposed to the risk of machines breakdown which could subsequently reduce production rates and causes wastage. Consequently, this results in a higher cost of production.

To mitigate this risk, our maintenance team schedules repairs and maintenance regularly to prevent breakdowns. Our engineers also constantly monitor the equipment and spare parts and ensure all variable elements adhere to the applicable standards set.

Changes in Regulations

Changes in environmental related laws and regulation may have an adverse impact on the existing technologies, marketing strategies and operational practices established by our recovery and sale of recycled products segment. With global investment in green technology on the rise, environmental quality standards are upgraded with growing health awareness.

To survive in the long run, we continue to keep abreast with all possible updates from ISO (International Organisation for Standardisation) Standard, Department of Environment and the Local Town Council Regulations as well as recommended changes to the related legal requirements.

FUTURE OUTLOOK

As we look ahead to the future, our Group remains focused on executing its strategic vision and adapting to dynamic market conditions. Our goal is to leverage emerging opportunities, drive growth, and enhance shareholder value through innovation and operational excellence.

Global growth in 2024 is expected to be moderate and gradual, influenced by the elevated central bank policy high interest rate for longer period to combat inflation, which are impeding global economic activities. The lower borrowing debts denominated in USD and Euro will not be available until inflation is back to their respective central bank target. On the domestic forefront, the diesel rationalisation would be monitored on the effects to the economy.

However, the evolution of Russian's war against Ukraine coupled with the Middle East unrest remains uncertain, which is distorting the sea freight charges around the world. Any further shocks that occur could trigger a more negative impact to the inflation figures for the central bank to react. In most economies including Malaysia, the foremost objective remains to achieve sustained disinflation while ensuring financial stability. Against this backdrop, a persistently challenging outlook is anticipated as we move forward.

Despite the challenges, our Group is confident that we can adapt to the changing landscape through our prudent management. We are constantly undertaking continuous enhancements in production efficiencies, overheads and production cost management. We will remain relentless in striving to achieve our objectives to ensure that our businesses will continue to deliver long-term value to our shareholders and other stakeholders alike.

CORPORATE SUSTAINABILITY STATEMENT



REDUCING WASTE FOR A BETTER ENVIRONMENT

Analabs Resources Berhad (“Analabs” or “the Company”) has started recycling waste since 1980, demonstrating our dedication to environmental responsibility. Our theme “Reducing waste for a better environment.” is not a slogan, but it’s our blueprint for a sustainable future. The existence and continue development of the Group was guided by the philosophy of Three R’s (“3R”) of Sustainability, Reduce, Reuse and Recycle. These 3R philosophy has become core culture of the organisation. By leveraging advancements in materials and technology, we create high-value, high-quality products that are core to our services and commitment to be sustainability journey.

Analabs and its subsidiaries (“the Group”) are pleased to present our Sustainability Statement (“Statement”) for the financial year ended 30 April 2024 (“FY 2024”). This Statement has been approved by the Board of Directors (“Board”) on 8 August 2024.

ABOUT THIS STATEMENT

This Statement encompasses the material sustainability matters and sustainability performance of the Group for FY 2024. Three (3) years of comparative historical data have been provided whenever available to provide a meaningful comparison of the Group’s sustainability performance and how it has changed over time.

This Statement aims to communicate the Analabs Group’s commitment to sustainability and progress to our stakeholders. This Statement will outline our Group efforts in upholding regulatory compliance, adopting best practices and human resource. This Statement underscores our unwavering dedication to integrating sustainability into everything we do.

LIMITATION

It is important to note that any forward-looking information included in this Statement is founded on rational assumptions derived from present business conditions. However, due to the Group’s need to adjust business strategies and operational choices in response to evolving risks, opportunities, and changing conditions, actual outcomes and measures undertaken might differ.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SCOPE AND BASIS OF SCOPE

The scope of this Statement includes all of our subsidiaries operating in Malaysia and Singapore, unless otherwise stated. The information and data disclosed in this Statement were sourced from our reporting processes, systems and records. All of which have been verified by our respective heads of departments within the Group. The content of this report reflects our identified material sustainability agenda.

REPORTING FRAMEWORKS AND STANDARDS

This Statement has been developed according to Bursa Malaysia's Main Market Listing Requirements ("MMLR"), with reference to Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

The Board has identified key sustainability risks and opportunities, called material sustainability matters, that significantly impact the Group's operations and management. We are committed to continually enhancing our sustainability reporting to offer insightful insights into our Economic, Environmental, Social, and Governance ("EESG") initiatives and achievements.

ASSURANCE

The financial information contained in this report has been extracted from the consolidated Audited Financial Statements for the financial year ended 30 April 2024 and was audited by Crowe Malaysia PLT.

This Statement has been verified by management, approved by the Board and our external auditor Crowe Malaysia PLT on 8 August 2024. The current Statement has not been subjected to an assurance process. The Group plans to obtain an assurance moving forward.

FEEDBACK

Our dedication lies in consistently improving the sustainability of our reporting to provide valuable perspectives on our EESG. We greatly appreciate your comments on the substance of this Statement as well as your recommendations for future enhancements to our sustainability reporting. We invite all our valued stakeholders to share their thoughts and ideas with us. Feel free to reach out via email at info@corporatepartners.com.my. Your input drives our progress towards a more sustainable future.

ABOUT ANALABS

Analabs was incorporated as a public limited company in Malaysia on 16 September 1998 under the Companies Act, 1965. Today, Analabs is principally an investment holding company and provides management services to its subsidiary companies. Its subsidiaries are involved in manufacturing, formulation and sales of resin, chemicals and building materials, waste recycling, waste reduction, treatment, processing and recovery of chemical waste, renting of properties, shares investments, prawn cultivation and pipe laying contractual works.

The Group, which has over 40 years of expertise in the field in the industrial and environmental sectors in Malaysia and Singapore, is still making waves in the environmental industry. The Group is using its experience and technological know-how to provide industrial waste recycling services in response to the growing awareness of the need to act in an environmentally and ecologically responsible manner.

REVIEW OF OPERATIONS

The Group's review of operations is elaborated in the "Management Discussion and Analysis Statement" section set out in this Annual Report.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

OUR CONTRIBUTION TOWARDS SUSTAINABLE DEVELOPMENT

Seventeen (17) Sustainable Development Goals (SDGs) were set by the United Nations General Assembly in 2015 to counter major global issues such as urbanisation, climate change, resource scarcity, demographic and social change and global economic condition by the year 2030 entails contributions from governments, civil society and businesses. All the countries and stakeholders, acting in collaboration, will strive to implement this plan. The 2030 Agenda for Sustainable Development shapes the journey and sustainable enhancement in Malaysia. Aligning to the aspiration of our government, we will enhance our strategies and efforts to adopt these goals progressively as part of our sustainability journey.



SUSTAINABILITY FRAMEWORK

The Group sustainability framework has been refined to align with our business strategy and is guided by the Group's vision and mission. Through our framework, we aspire to meet the needs of our stakeholders, reduce our environmental impact as well as contribute positively to the local communities where we operate. It outlines our focus areas which are: Economic Prosperity, Environmental Stewardship, Social Responsibility and Ethical Governance. We aim to deliver the objectives under each focus area by addressing the concerns related to each of our material matters. Accordingly, we have set targets to enable us to accelerate and monitor our sustainability performance. By linking these targets to a performance scorecard, we are able to track our progress and ensure that we are making continuous improvements towards these targets.

Aligning ourselves to the aspirations of the Malaysian Government, we have adopted these goals as part of our sustainability journey. We identified nine SDGs that the Group commits to support directly and/or indirectly i.e., SDG No 3, 4, 5, 7, 8, 12, 13, 14 and 16.

OUR APPROACH TO DRIVING SUSTAINABILITY

Our approach to sustainability is based on our core values of excellence, united we achieve, integrity, humility and building relationships, supported by policies and procedures at the Group level. We consistently embed sustainability into the core of our business. The following value-added sustainability framework forms the basis of the Group's steps to strengthen our approach to sustainability.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SUSTAINABILITY GOVERNANCE

At Analabs Group, our efforts have been guided by a robust standard and an improved framework that promotes integrity, ethical behavior, accountability, and transparency. Our sustainability governance has been spearheaded by the Board in collaboration with the Sustainability Committee (“SC”), chaired by the Chief Executive Officer (“CEO”) and the Sustainability Working Group. The SC comprises the subsidiaries’ Sustainability Coordinator and Respective Stakeholders, while the Sustainability Working Group consists of various department heads within the Group.

While the Board sets the direction for the Group’s sustainability performance, they have empowered the Audit Committee (“AC”) to closely monitor the risk management and internal control systems, including risks related to sustainability. We ensure sustainability is seamlessly integrated within our risk management framework. It is consistently debated and assessed during AC meetings, especially when updating the Group’s risk profile.

SC, chaired by the CEO as the champion of sustainability initiatives, actively supports the AC with regular updates on both risk and sustainability aspects. Once the Committee deliberates, their findings and recommendations are escalated to the Board for further decision-making. Leading the charge for sustainability, the Group CEO is backed by a dedicated team of senior management, all working together to implement strategies and achieve sustainable performance for the Group.

As a Public Listed Company, Analabs is committed to high standards of corporate governance (“CG”) practices, adhering to the guidelines set forth by the Malaysian Code on Corporate Governance (“MCCG”) 4th Edition. Our Board plays a crucial role in ensuring sustainability becomes an integral part of our strategic direction.

Recognising the importance of transparency and accountability, we have established a dedicated SC. This committee, supported by working groups across the organisation, oversees the development, implementation, and effective management of all sustainability initiatives. The Group CEO regularly updates the Board on key ESG risks and opportunities, ensuring everyone stays informed and engaged.

Effective governance of our sustainability agenda is paramount. It allows us to seamlessly integrate sustainability practices into our business operations while remaining true to our principles and standards. The leadership of the SC demonstrates the Company’s unwavering commitment to building a sustainable future.

The Board strive to continuously be equipped with the necessary knowledge regarding the management of sustainability (including climate-related risks and opportunities) to drive informed decision making by attending periodic capacity building programmes. The Board is also cognisant of ensuring that the required competencies in relation to sustainability are periodically assessed to strengthen board leadership and oversight of sustainability matters.



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

RESPONSIBILITIES OF SUSTAINABILITY COMMITTEE ("SC")

	RESPONSIBILITIES
Board of Directors	<ul style="list-style-type: none"> Leads sustainability efforts for the Group, including developing strategy and targets, assessing materiality, and managing climate risks and opportunities. Promotes sustainability integration across the Group and its businesses, fostering a strong sustainability culture. Oversees the implementation of sustainability strategies and targets and approve the annual Sustainability Statement.
Group Chief Executive Officer	<ul style="list-style-type: none"> Approves key sustainability plans, including strategies, targets, policies, and the materiality assessment. Oversees the integration of sustainability and climate considerations into the Group's Enterprise Risk Management ("ERM") framework. Manages and monitors critical sustainability issues, encompassing climate-related risks and opportunities. Tracks progress towards sustainability goals and identifies areas for improvement. Advises the Board on sustainable strategies and monitors their implementation.
Sustainability Committee	<ul style="list-style-type: none"> Crafts sustainability strategies and policies, seeking Board committee approval. Drives consistent implementation across all business segments and locations. Assesses overall sustainability risks and opportunities, prioritising climate-related aspects. Evaluates and refines the materiality assessment process and outcomes. Reviews and provides feedback on the sustainability statement before Board approval. Develops and recommends sustainability-linked KPIs for performance evaluation of the Board and senior management. Oversees engagement with stakeholders, ensuring their concerns are incorporated into sustainability initiatives. Recommends material sustainability matters, policies, goals, and targets for Board approval. Monitors the implementation of sustainability policies and initiatives. Identifying the material sustainability matters relevant to business operations. Recommends targets, initiatives, and standard procedures to manage material sustainability matters identified. Evaluates the implementation of the approved recommendations. Considers the views of stakeholders in managing material sustainability matters. Assesses the Company's sustainability risks and opportunities.
Sustainability Coordinator	<ul style="list-style-type: none"> Coordinates and supports the Sustainability Working Group in managing material matters. Consolidates sustainability reports and data from the Working Group for the SC. Guides the materiality assessment process. Oversees the management of material sustainability matters. Leads the preparation of the Sustainability Statement and recommends it for Board approval.
Sustainability Working Group	<ul style="list-style-type: none"> Links the gap between strategy and execution, ensuring local practices align with the overall sustainability agenda and targets. Assists the SC in implementing and monitoring sustainability initiatives and performance. Monitors and reporting the progress of all sustainability initiatives and strategies to the Sustainability Committee. Ensures the strategies planned by the Sustainability Committee are implemented.

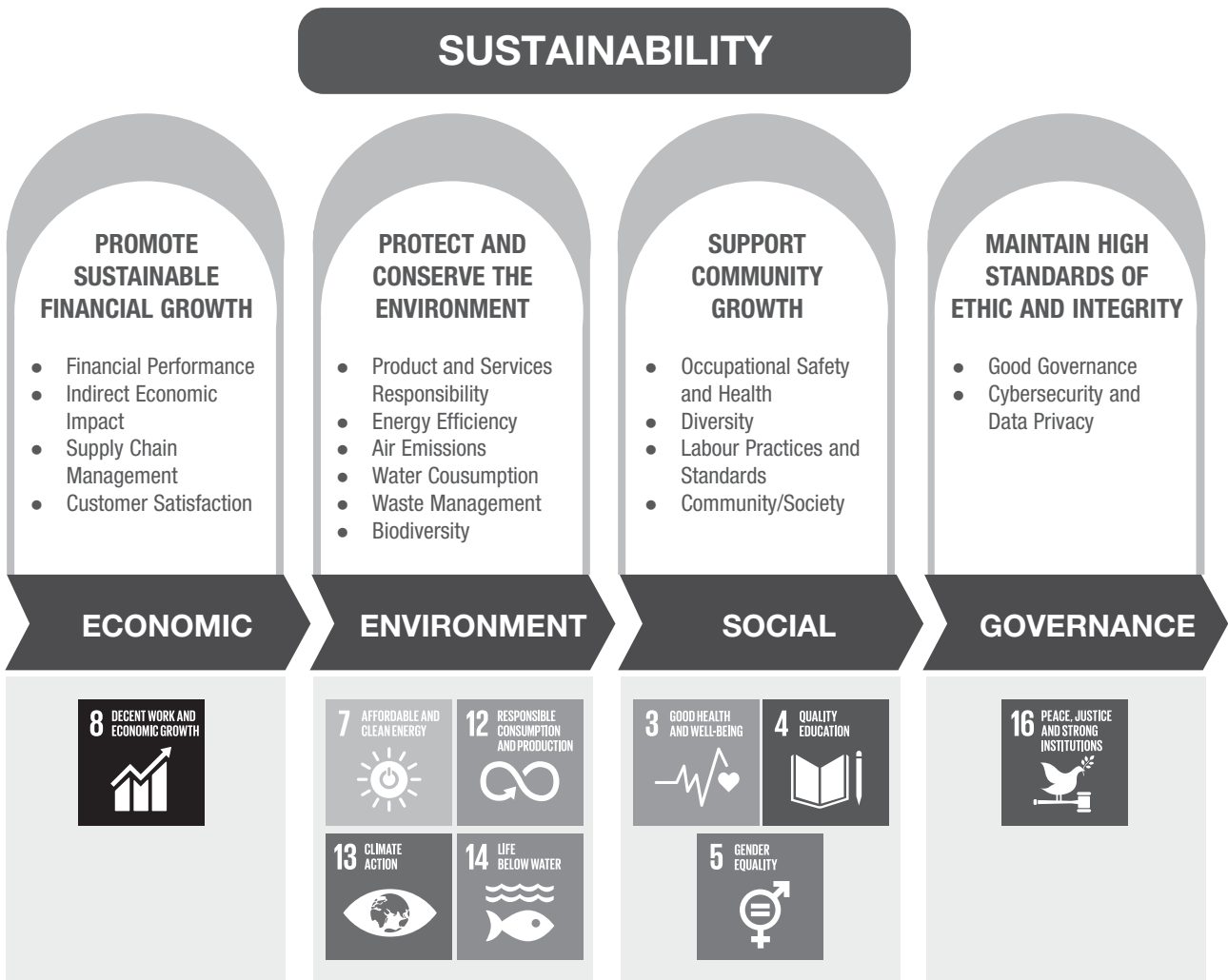
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SUSTAINABILITY STRATEGY

Analabs is committed to integrating sustainability into its business practices, with a primary focus on managing EESG risks and opportunities to generate long-term benefits and ensure business continuity. Analabs supports the United Nations' Sustainable Development Goals ("UN SDGs") and works alongside our stakeholders to bring more value to our business and society.

This includes adhering for defining report content:-



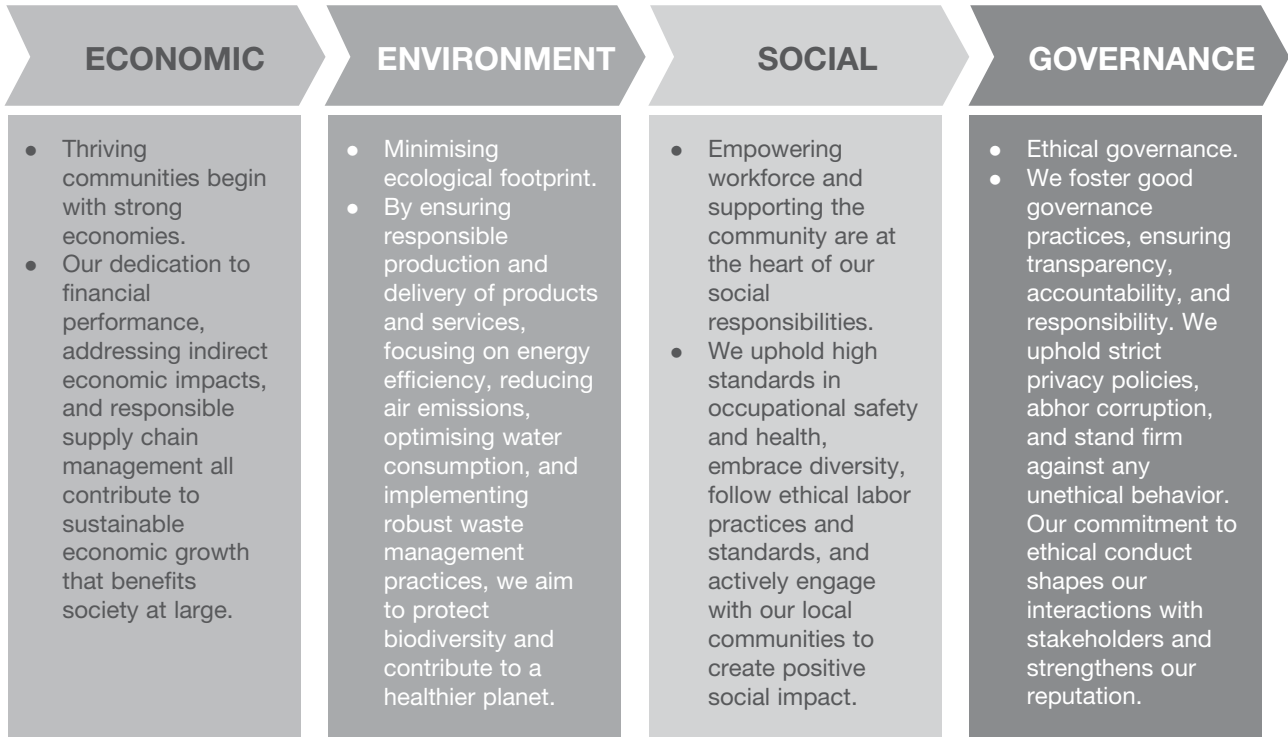
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SUSTAINABILITY STRATEGY (CONT'D)

This includes adhering for defining report content:- (Cont'd)

FOCUS AREAS



STRATEGIES AND DIRECTIONS

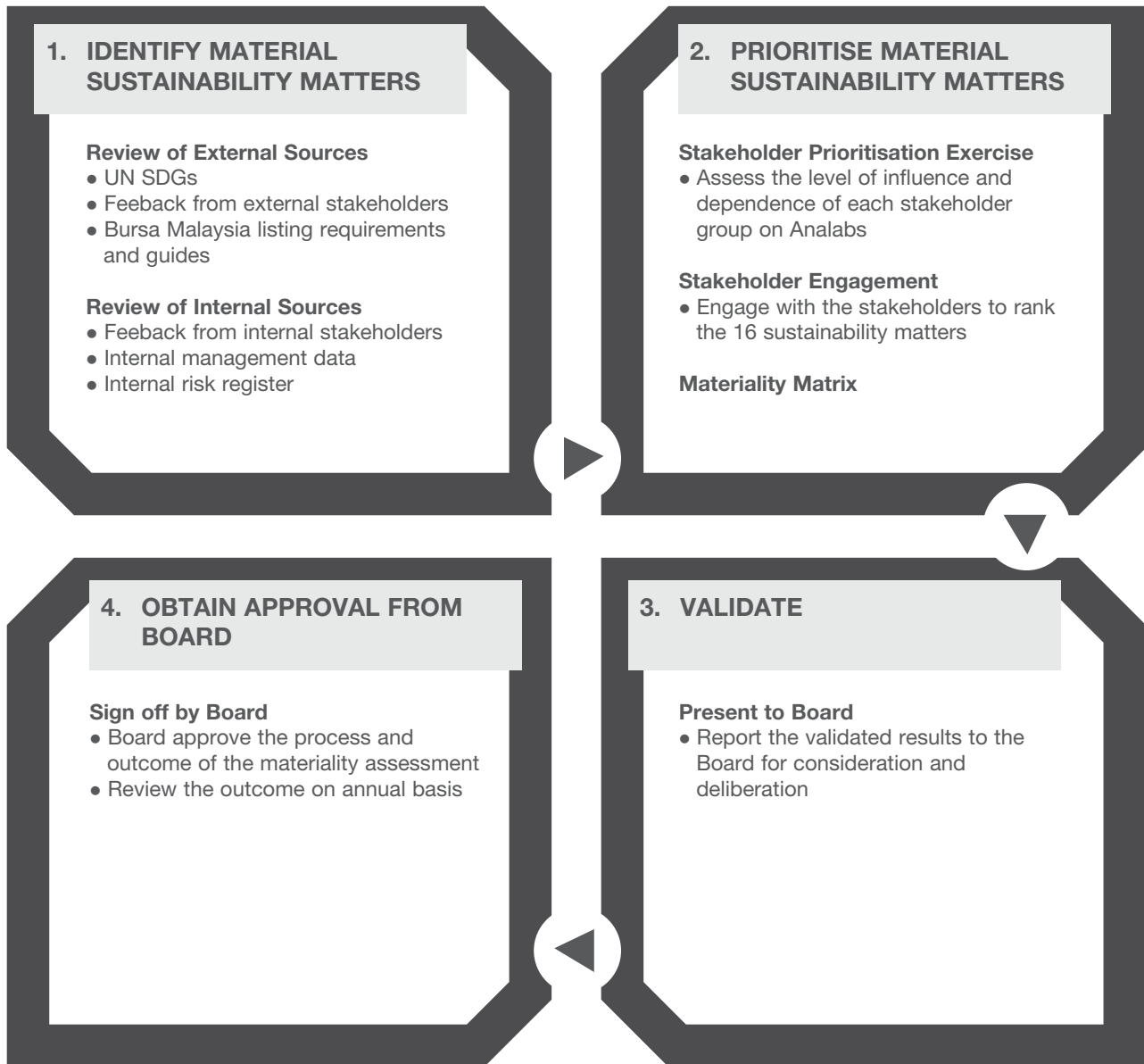
Despite the challenging operating environment, Analabs continues to practice prudence and stay focused on delivering quality growth, while being watchful of emerging risks. The Group is constantly undertaking continuous enhancements in production efficiencies, overheads and production cost management. We will remain relentless in striving to achieve our objectives to ensure that our businesses will continue to deliver long-term value to our shareholders and other stakeholders alike.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

MATERIALITY ASSESSMENT AND MATERIAL SUSTAINABILITY MATTERS

Analabs has adopted a materiality assessment process, which is guided by Bursa Malaysia’s Sustainability Reporting Guide and Toolkits. Our materiality assessment process are as illustrated below:-



In identifying sustainability matters, we have gathered information from both external and internal sources, with a particular emphasis on listening to feedback from our internal and external stakeholders. We engage with our stakeholder groups through various communication channels, including web-based media platforms, meetings, seminars, and in-person interactions.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

STAKEHOLDER ENGAGEMENT

We define stakeholders as parties who are impacted by our business decisions and activities, and as groups whose actions and decisions will influence our business growth. Our key stakeholder groups include shareholders, regulators, customer, employee, community, supplier and general public. We maintain regular engagement with our stakeholders, enabling us to identify and align their key priorities and concerns with organisational business practices and strategies.

Our key stakeholders are outlined in the table below, along with the forms of engagement and key topics of interest that we seek to address.

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Shareholders	<p>As needed</p> <ul style="list-style-type: none"> Statutory announcement One-on-one and group meetings <p>Quarterly</p> <ul style="list-style-type: none"> Financial reports and announcements Investor briefings Conferences <p>Annually</p> <ul style="list-style-type: none"> General meetings Annual reports Corporate announcements Media releases 	<ul style="list-style-type: none"> Maintains proactive engagement with investors Communicates effectively with the investment community on various topics, including: <ul style="list-style-type: none"> Sustainable and responsible investing initiatives Expansion plans and strategies Business risk assessments Compliance, integrity, and ethical business conduct practices 	<p>Initiative</p> <ul style="list-style-type: none"> We disclose the Company's information on the website to keep all stakeholders aware of the latest news of the Company Oversees effective communication of business strategies and prudent risk management practices <p>Achievement</p> <ul style="list-style-type: none"> Manages timely and transparent communication Quarterly financial results announcement on Bursa Malaysia Annual public action of AGM notice in local newspapers Adherence to reporting deadlines
Regulators and Government Authorities	<p>As needed</p> <ul style="list-style-type: none"> Scheduled/ad-hoc meetings <p>Regularly</p> <ul style="list-style-type: none"> Participation in government and regulatory events <p>Yearly</p> <ul style="list-style-type: none"> Renewal of various licenses/permits Formal meetings or visits Licensing audits and inspections Performance and monitoring reports 	<ul style="list-style-type: none"> Ensures legal and regulatory compliance Maintains adherence to all applicable requirements Interprets and applies relevant laws, regulations, and guidelines Fosters continuous engagement with stakeholders through formal and informal channels Supports initiatives like the Corporate Integrity Pledge Manages matters related to special industrial tariffs 	<p>Initiative</p> <ul style="list-style-type: none"> Conducts training sessions for staff on updated rules and regulations Utilises various communication channels, such as WhatsApp groups, to disseminate compliance information Ensures adherence to local authority regulations through various means, including Meetings and briefings Site visits Obtaining and maintaining authorisations and licenses to operate Compliance with legislation, rules and regulations License for Bomba Competent Person

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

STAKEHOLDER ENGAGEMENT (CONT'D)

Our key stakeholders are outlined in the table below, along with the forms of engagement and key topics of interest that we seek to address. (Cont'd)

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Regulators and Government Authorities (Cont'd)			<p>Achievement</p> <ul style="list-style-type: none"> Secured licenses for Certified Environmental Professional in the Operation of Industrial Effluent Treatment System (CePIETSO) and Certified Environmental Professional in Scheduled Waste Management (CePSWAM) Approved License for JKKP Approved License for LMW (Custom) Utilise various communication channels, such as WhatsApp groups, to disseminate compliance information within our management
Customers	<p>As needed</p> <ul style="list-style-type: none"> Customer support channels Customer complaint management Customer feedback management <p>Yearly</p> <ul style="list-style-type: none"> Events and engagement sessions Market research and products innovation Customer Satisfaction Survey Site visit 	<ul style="list-style-type: none"> Enhances customer experience Improves response quality and accuracy for all customer inquiries Gathers and utilises customer feedback Regularly review customer feedback to identify areas for improvement Maintains open communication and engagement 	<p>Initiative</p> <ul style="list-style-type: none"> Regularly review and update pricing strategies to maintain market competitiveness Gathers customer feedback through various channels Analyses customer feedback to identify areas for improvement and attract new customers Implements cost-optimisation strategies while maintaining customer satisfaction Product and service quality Competitive pricing <p>Achievement</p> <ul style="list-style-type: none"> Actively respond to customer reviews through verbal communication Conducts internal progress meetings to address product quality and customer needs based on feedback Regularly review and update pricing strategies to maintain market competitiveness

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

STAKEHOLDER ENGAGEMENT (CONT'D)

Our key stakeholders are outlined in the table below, along with the forms of engagement and key topics of interest that we seek to address. (Cont'd)

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Employees	<p>As needed</p> <ul style="list-style-type: none"> Internal communications Workshop and training Employee engagement events <p>Annually</p> <ul style="list-style-type: none"> Training and development Employee feedback survey Employee performance appraisals 	<ul style="list-style-type: none"> Employee engagement and development Develops and manages effective performance management systems Administers staff remuneration and benefits packages Promotes employee well-being through various initiatives Addresses operational performance issues and maintain efficient functioning Manages employee welfare and benefits programs Human Resource Management 	<p>Initiative</p> <ul style="list-style-type: none"> Implements employee induction programs Conducts employee appraisals and set performance targets/KPIs Organises various employee engagement activities, such as annual dinners, to boost morale and productivity Provides special lunch for all production staff Organises team building , annual local trips and overseas trips <p>Achievement</p> <ul style="list-style-type: none"> Training on e-invoicing, tax audits and investigation, presentation and disclosure of information in financial statements for the finance team Workplace safety by providing fire safety training, drills, and necessary equipment by JKKP Zero accident Provides lunch for production staffs Organises team building, annual local and overseas trips
Community	<p>As needed</p> <ul style="list-style-type: none"> Strategic and ad-hoc meetings/visits <p>Yearly</p> <ul style="list-style-type: none"> CSR events Community development program 	<ul style="list-style-type: none"> Community engagement and social responsibility Manages sponsorship and donation requests Addresses social requirements and concerns regarding specific programs Community investment and development initiatives Promotes awareness and understanding of social and environmental responsibility within the organisation and among stakeholders 	<p>Initiative</p> <ul style="list-style-type: none"> CSR events Participates in Safety and environmental activities Participates sponsorship and donation programs <p>Achievement</p> <ul style="list-style-type: none"> Promotes awareness and understanding of social and environmental responsibility within the organisation Cleans public drainage to avoid flood For the sponsorship and donation programs, the Group donated to Yayasan Kebajikan SSL Haemodialysis For Dialysis Center

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

STAKEHOLDER ENGAGEMENT (CONT'D)

Our key stakeholders are outlined in the table below, along with the forms of engagement and key topics of interest that we seek to address. (Cont'd)

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Suppliers	<p>As needed</p> <ul style="list-style-type: none"> Meetings Regular visit <p>Annually</p> <ul style="list-style-type: none"> Supplier assessment/ performance appraisals Supplier briefing programmes Supplier relationship management 	<ul style="list-style-type: none"> Ethical procurement and supplier management Maintains compliance with ethical business conduct practices throughout the supply chain Engages regularly with suppliers and subcontractors to understand their needs and concerns Effectively manage the supply chain for optimal efficiency and responsible sourcing Develops strategic partnerships with key suppliers for mutual benefit 	<p>Initiative</p> <ul style="list-style-type: none"> Maintains regular communication with suppliers to ensure timely deliveries and adherence to requirements Evaluates the quality of services provided by suppliers, including material continuity and quality Upholds high standards of code of conduct and business ethics in all aspects of procurement Fosters open communication through supplier or contractor discussions Implements sound payment practices and ensure vendor performance meets expectations Conducts regular supplier assessments to evaluate ethical alignment and performance <p>Achievement</p> <ul style="list-style-type: none"> We have maintained good relationship with suppliers
General Public	<p>Regularly</p> <ul style="list-style-type: none"> Company Website 	<ul style="list-style-type: none"> Responsible Corporate Governance 	<p>Initiative</p> <ul style="list-style-type: none"> We disclose the Company information on the website to keep all stakeholders aware of the latest news of the Company <p>Achievement</p> <ul style="list-style-type: none"> Maintains the Company website at https://www.analabs.com.my to do timely announcement to communicate with our shareholders

MATERIAL MATTERS

Material sustainability matters are identified through reviews and assessments of the context and strategy of each subsidiary by the SC, considering relevant stakeholders' requirements and expectations. These are critical internal and external risks and opportunities that are pertinent to the long-term growth and continuous improvement of Analabs.

A total of sixteen (16) material sustainability matters were identified and prioritised in a materiality matrix. The materiality matrix clearly illustrates the relative importance of each material sustainability matter based on its significance to the Group business and its relevance to stakeholders. In FY 2024, no significant changes were made to the materiality of sustainability matters and the materiality matrix, as shown in page 29, except for the inclusion of the common sustainability matters outlined in Annexure PN9-A under Practice Note 9 of the Main Market Listing Requirements.

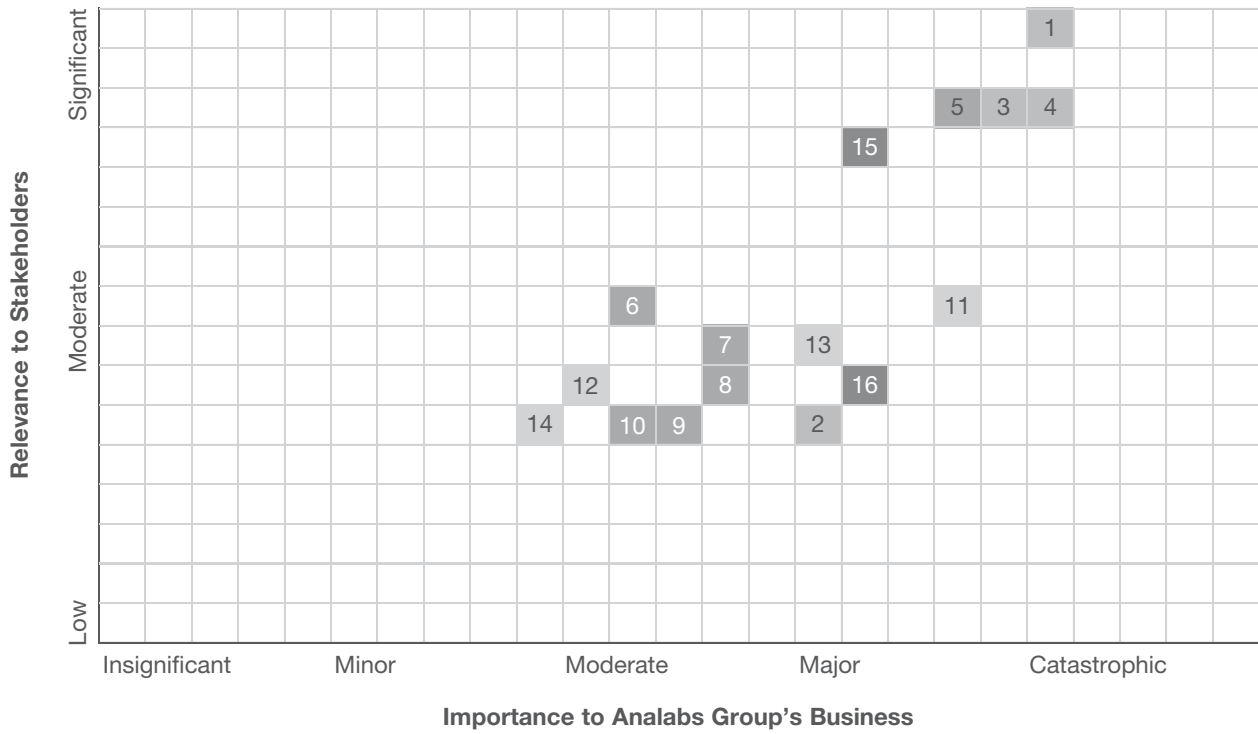
The materiality assessment is prepared by the SC and subsequently reviewed and approved by the Board, along with any relevant targets and performance.


CORPORATE SUSTAINABILITY STATEMENT

Cont'd

MATERIAL MATTERS (CONT'D)

Materiality Matrix



 ECONOMIC	 ENVIRONMENT	 SOCIAL	 GOVERNANCE
<ul style="list-style-type: none"> 1. Financial Performance 2. Indirect Economic Impact 3. Supply Chain Management 4. Customer Satisfaction 	<ul style="list-style-type: none"> 5. Product and Services Responsibility 6. Energy Efficiency 7. Air Emissions 8. Water Consumption 9. Waste Management 10. Biodiversity 	<ul style="list-style-type: none"> 11. Occupational Safety and Health 12. Diversity 13. Labour Practices and Standards 14. Community/Society 	<ul style="list-style-type: none"> 15. Good Governance 16. Cybersecurity and Data Privacy

CORPORATE SUSTAINABILITY STATEMENT

Cont'd



ECONOMIC

1. Financial Performance

Financial performance is intricately connected to a business's sustainability as it forms the backbone of enduring success. Positive financial performance enables an organisation to cover operational costs, fulfill financial commitments, invest in growth opportunities, and create long-term value for all stakeholders. Since its listing on the Main Market of Bursa Securities, Analabs Group has consistently reported sound and healthy financial performance. This consistent financial strength allows Analabs Group to remain resilient even amid uncertainties in the changing global socioeconomic landscape.

Financial success goes hand in hand with sustainable business management approaches. At Analabs Group, we encourage a mindset of continuous learning and adaptation, while also emphasising a collaborative decision-making process that involves stakeholders at all levels of the organisation. This inclusivity fosters a sense of ownership and commitment to our shared goals.

Our management team takes a hands-on approach to day-to-day operations. By being directly engaged, we are better positioned to identify areas for improvement and promptly address challenges that may arise. Regularly, we also engage in active discussions with senior management and the Board regarding business strategies that encompass not only financial goals but also ethical, environmental, and social aspects.

Analabs Group's financial performance highlights for the financial year ended 30 April 2024 and its comparatives for the previous financial years are as follows:-

Financial Year Ended	2022	2023	2024
Revenue (RM'000)	116,246	133,359	152,465
Profit After Taxation (RM'000)	41,826	31,198	30,291
Net Assets (RM'000)	333,821	355,295	443,924
Net Assets Per Share (RM)	3.06	3.26	4.08
Payment to providers of capital (dividend) (RM'000)	2,179	2,179	2,288

2. Indirect Economic Impact

Since 1980, Analabs Group has been actively engaged in the business of recycling scheduled waste, demonstrating our dedication to environmental responsibility. A significant turning point occurred in 1987 with the signing of the Montreal Protocol, an international treaty designed to safeguard the Earth's ozone layer. In response to this critical milestone, Analabs took proactive measures to address environmental concerns.

Specifically, Analabs Group embraced the challenge of recycling Chlorofluorocarbons (CFCs), recognising their harmful impact on the ozone layer. Through innovative approaches, we transitioned from utilising CFCs to adopting alternative solvents that are more environmentally friendly. This transition allows Analabs Group to significantly reduce its ecological footprint.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ECONOMIC (CONT'D)

2. Indirect Economic Impact (Cont'd)

Additionally, by facilitating the recycling and reusing of solvent products, Analabs Group indirectly empowers its clients to maintain their competitiveness by offering relatively cheaper replacements for use, which can help lower their production costs in the long run.

Recovery and sale of recycled products segment forms an integral part of Analabs Group's sustainability journey. Our subsidiaries within the segment comply with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 integrated management systems and are committed to upholding the highest standards of quality, environmental stewardship, and occupational health and safety. Aligned with the Group's motto of "Reducing Waste for A Better Environment", Analabs Group remains steadfast in its commitment to fostering sustainability through recycling services.



3. Supply Chain Management

Supply chain management is essential for sustainability as it governs the responsible sourcing, production, distribution, and disposal of goods or services. Ethical supply chain practices reduce environmental impact, support social responsibility, and conserve resources.

Analabs Group is dedicated to maintaining an ethical supply chain through robust governance and strong cooperation with our suppliers. At Analabs Group, all suppliers are treated fairly, and employees are trained to act in the best interest of the organisation. Our employees are also required to adhere to the procurement policy, which ensures the preservation of confidentiality and the avoidance of conflicts of interest.

As part of the procurement procedures, we also conduct an annual evaluation of our existing suppliers to assess their performance based on aspects such as quality, timeliness of delivery, after-sales services, and responsiveness to complaints.

The Group actively supports local procurement and engages with local suppliers whenever possible to bolster the domestic economy, promote local community development, and minimise environmental impacts stemming from our business activities with suppliers by sourcing materials locally.

In FY 2024, we allocated RM41.5 million, or 38.8%, of our total procurement expenditure to local suppliers, while RM65.4 million, or 61.2%, was spent on non-local suppliers. This total procurement expenditure amounted to RM106.9 million for the current year. The proportion of expenditure on local suppliers in FY 2024 was higher compared to FY 2023 and FY 2022.

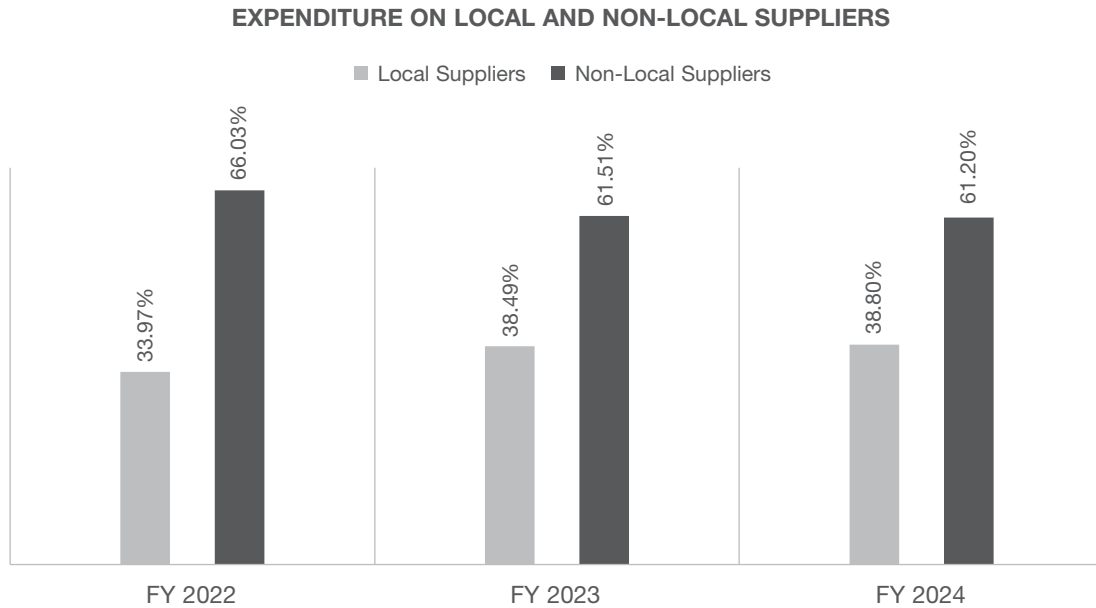
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ECONOMIC (CONT'D)

3. Supply Chain Management (Cont'd)

The expenditure on local suppliers and non-local supplier as chart below:-



4. Customer Satisfaction

The Group understands that retaining in the industry and attaining long-term success depend heavily on our ability to satisfy and value our customers. In light of this, we work to raise customer satisfaction by taking into account their input and making sure that all of our goods and services live up to high standards.

Across all of our divisions, some of the most significant material challenges in the marketplace dimension were found to be related to customer’s trust and confidence in us. Having a clear understanding of our customers’ expectations helps us to operate more profitably and, over time, builds our reputation and brands. Every year, we carry out a survey on customers satisfaction. The input we receive helps us understand what our customers want, which helps us to create and provide better products and services.

Financial Year Ended	2022	2023	2024
Incidents of non-compliance concerning the health and safety impacts of products and services	N/A	N/A	N/A
Customer satisfaction scores (%)	79.8	78.5	88.1
Customer complaints received (retail)	20	49	26
Customer complaints resolved (retail)	20	49	26
Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A	N/A	N/A
Total number of identified leaks, thefts, or losses of customer data	N/A	N/A	N/A
Number of complaints from regulatory bodies	0	0	0

CORPORATE SUSTAINABILITY STATEMENT

Cont'd



ENVIRONMENTAL

5. Product and Services Responsibility

Product and service responsibility is crucial for Analabs Group because it directly impacts the Group's reputation, consumer trust, and its long-term viability. The following highlights our responsible practices in addressing environmental impacts while aligning with societal values and safeguarding our brand:

- Forest Stewardship Council - Chain of Custody ("FSC CoC") approach
- Sustainable Aquaculture with Recirculating Aquaculture System (RAS)

(i) Forest Stewardship Council - Chain of Custody ("FSC CoC") approach

Coveright Surfaces Malaysia Sdn. Bhd. ("Coveright"), a significant subsidiary of Analabs, operates within the wood panel industry, specialising in the production of impregnated decorative surfacing films for global customers. In light of mounting public concerns about the world's forests and timber resources, Coveright joined FSC and integrated the FSC-certified chain of custody into its SHEQ (Safety, Health, Environment, and Quality) management system.

Attaining FSC certification entails Coveright sourcing materials from FSC-certified forests, engaging in recycling and utilising controlled sources, and adhering to FSC-defined best practices throughout the supply chain. In FY 2024, the Company sourced approximately 75.3% of its paper supplies from FSC-certified suppliers (FY 2023 - 74.7%).



Coveright - FSC Certificate

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

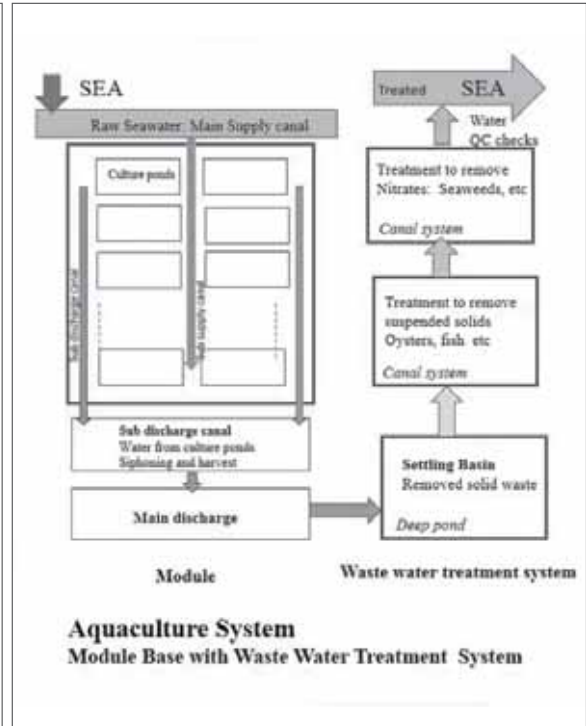
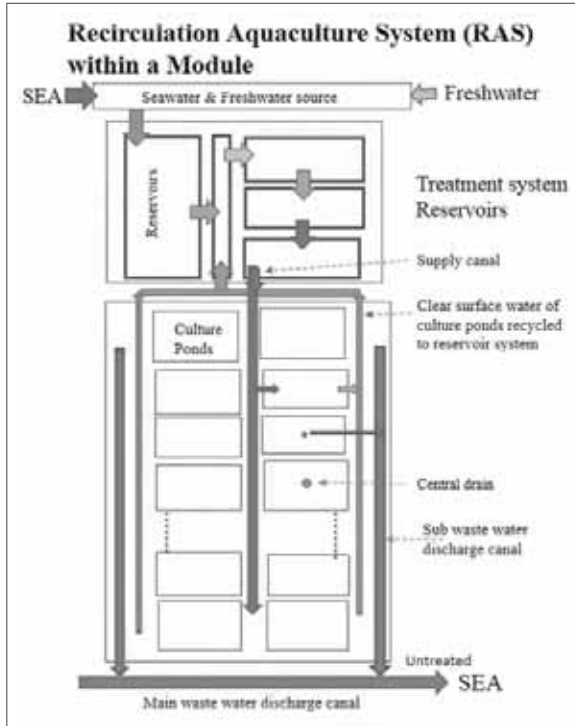
ENVIRONMENTAL (CONT'D)

5. Product and Services Responsibility (Cont'd)

(ii) Sustainable Aquaculture with Recirculating Aquaculture System (RAS)

Phrase 3 (Year 2023 to Year 2024)

Phrase 4 (Year 2024 to Year 2025)



Striketech Sdn. Bhd. (“Striketech”), another subsidiary of Analabs, engages in prawn cultivation. In today’s society, concerns about the negative environmental impacts of aquacultural activities have grown. The raised issues include, among others, excretions from aquatic life, accumulation of excess feed in the water, and increased toxicity that degrades water quality. In most conventional aquacultural practices, contaminated water is discharged into the ocean without treatment.

As part of our sustainable approach to reducing water pollution, Striketech employs a recirculating aquaculture system (RAS). This system recycles water by passing it through filters to remove prawn waste and food, and then recirculates it back into the tanks.

Apart from that, Striketech also sources the fries and feeds from the reliable supplier, Charoen Pokphand group in Malaysia.

Through initiatives like RAS and responsible sourcing, Striketech exemplifies Analabs Group’s dedication to sustainable practices and environmental preservation.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

6. Energy Efficiency

In response to the climate change issues faced worldwide, Analabs Group recognises the need to deepen our commitment to sustainability by reducing our carbon footprint. We have identified “energy efficiency” as a key sustainability opportunity. Increased efficiency can lower greenhouse gas emissions and other pollutants, as well as reduce energy consumption costs, especially given our operations involving the use of heavy machinery and a high reliance on natural gas.

(i) Renewable Energy - Solar Power



Coveright - Solar Power System

Towards the end of FY 2022, Coveright made a shift to solar energy by installing a 613.36kW solar system in our factory located in Klang, Selangor. Energy produced from the solar project is supplied to Tenaga Nasional Berhad (TNB) under the Net Energy Metering (NEM) scheme.

In FY 2023, the solar power system generated about 669,597 kWh of energy (FY 2022 - 146,000 kWh). It resulted in RM23,518 (FY 2022 - RM11,178) worth of electricity sold to TNB.

In FY 2024, the solar power system generated 589,518 kWh of energy. Coveright has also sold to TNB about 99,111 kWh of energy which was higher compared to FY 2023.

In FY 2024, Coveright's Solar Power generated as shown below:-

Financial Year Ended	2022	2023	2024
Solar Power Generated (kWh)	146,000	669,597	589,518
Worth of Electricity Sold to TNB (RM)	11,178	23,518	35,184

(ii) Electricity Consumption

Employees at Analabs Group have also reduced operating costs and increased energy savings by turning off lights during non-operation hours, shutting down computers and appliances when not in use, and reducing the number of hours that office equipment, such as air conditioners, is operated. In FY 2024, the Group installed factory lighting from fluorescent lights to LED lights and solar light in its factory as part of its sustainable energy initiatives.

CORPORATE SUSTAINABILITY STATEMENT

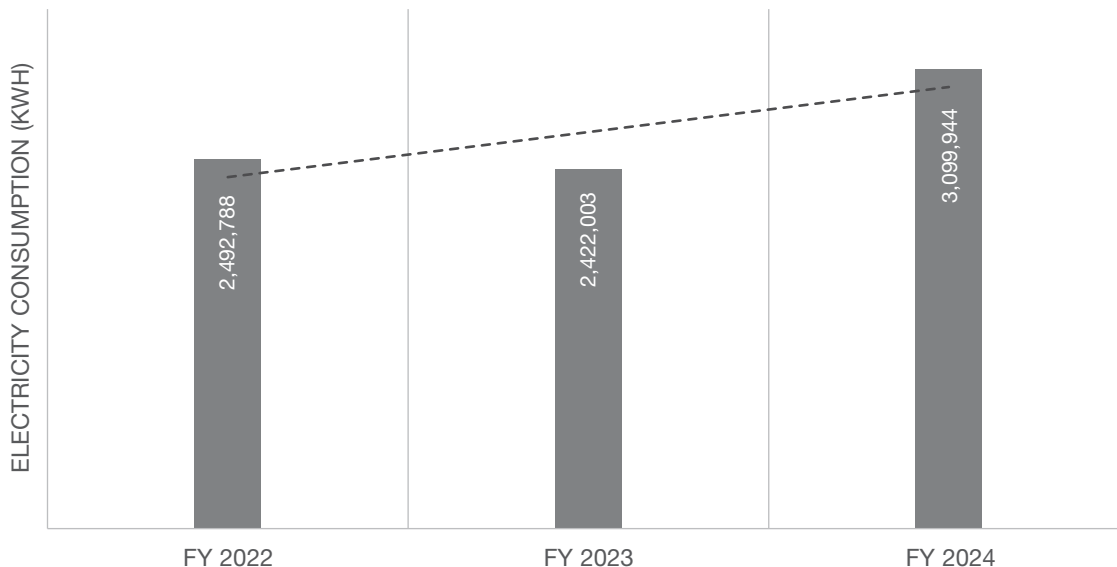
Cont'd

ENVIRONMENTAL (CONT'D)

6. Energy Efficiency (Cont'd)

(ii) Electricity Consumption (Cont'd)

The Group's electricity consumption as chart below:-

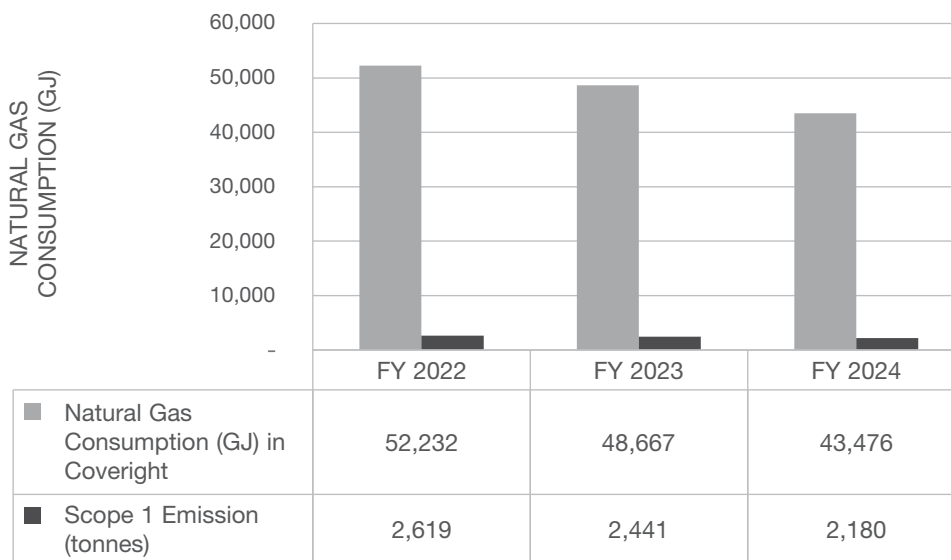


We understand that energy management is essential for combating climate change and for lowering an organisation's overall environmental footprint. Our electricity supply is from the local supply, and we aim to minimise energy usage.

(iii) Natural Gas Consumption

To recuperate heat from exhaust air, Coveright also installed a heat recovery system on an impregnation machine. We can reduce gas to heat our treater to the target temperature because the recovery system provides a steady supply of hot air. The system's filtration enhances the quality of the air.

The Coveright's natural gas consumption as chart below:-



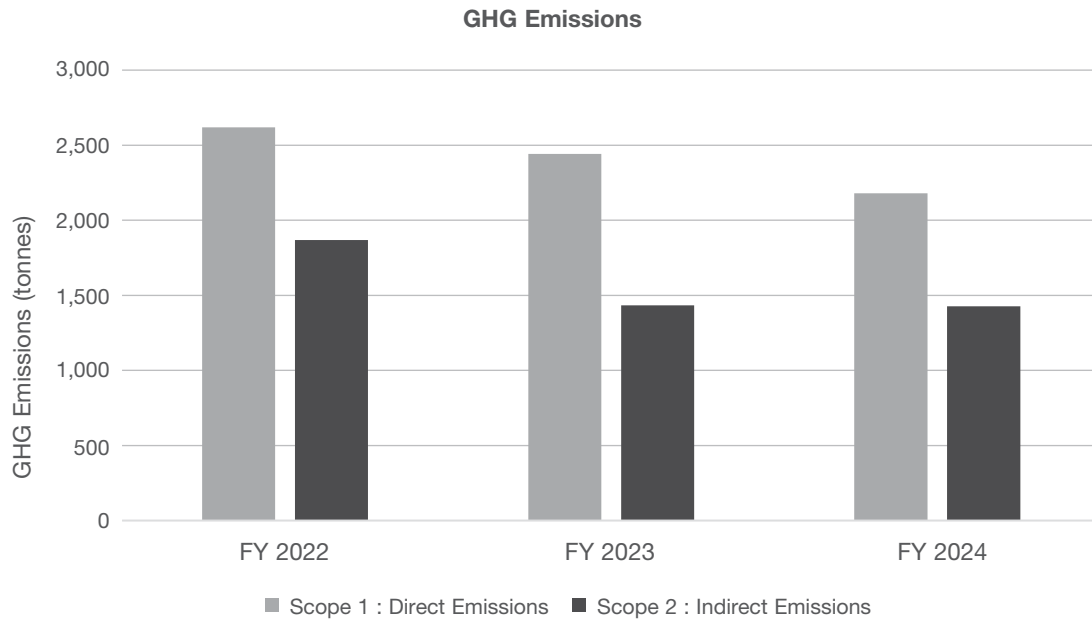
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

7. Air Emissions

The direct combustion of fossil fuels like natural gas (Scope 1) and the acquisition of electricity (Scope 2) are Analabs Group's primary sources of emissions. According to Coveright's data on bought electricity and natural gas use, the associated Scope 1 and Scope 2 emissions for FY 2024 are as follows:-



Conversion of GHG Emissions is based on the website below:-
<https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

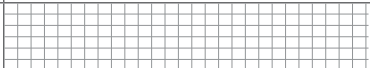
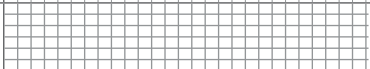
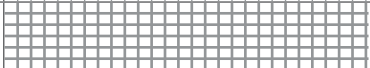


ENVIRONMENTAL (CONT'D)

7. Air Emission (Cont'd)

In addition to greenhouse gas emissions, our manufacturing plant which is managed by Coveright also emitted other physical and chemical emission. Coveright engaged third parties to analyse dust, heavy metals, and air emissions. Based on the air emission test results for the years 2024, the discharge of hazardous substances was within the limits of the Malaysian Environment Quality (Clean Air) Regulation 2014, as shown in the table below.

Coveright			2021	2022	2024	Malaysian Clean Air Regulation
Test Parameter			Result	Result	Result	
Isokinetic Dust (Particulates)		mg/m ³	25.24 – 35.75	31.75 – 38.28	1.70 – 5.20	50
Oxides of Nitrogen	NOx	mg/m ³	12.69 – 16.52	10.04 – 17.57	<1	400
Sulfuric Acid	H ₂ SO ₄	mg/m ³	<1	<1	<1	5
Hydrogen Sulphide	H ₂ S	ppm	<0.01	<0.01	<0.02	5
Hydrofluoric Acid	HF	mg/m ³	<5	<5	<1	5
Hydrogen Chloride	HCl	mg/m ³	<1	<1	<1	30
Chlorine Gas	Cl ₂	mg/m ³	<1	<1	<1	5
Copper	Cu	mg/m ³	<0.1	<0.1	<0.01	5
Zinc	Zn	mg/m ³	<0.1	<0.1	<0.01	5
Arsenic	As	mg/m ³	<0.1	<0.1	<0.01	0
Antimony	Sb	mg/m ³	<0.1	<0.1	<0.01	5
Lead	Pb	mg/m ³	<0.1	<0.1	<0.01	1
Cadmium	Cd	mg/m ³	<0.1	<0.1	<0.01	0.20
Mercury	Hg	mg/m ³	<0.1	<0.1	<0.01	0.20
Flue Velocity		m/s	12.8 – 17.1	9.82 – 11.53	N/A	N/A
Moisture Content			11.40% - 13.7%	2.70% - 3.60%	N/A	N/A
Dark Smoke			Not exceeding ringelmann chart No. 1	Not exceeding ringelmann chart No. 1	Not exceeding ringelmann chart No. 1	Not exceeding ringelmann chart No. 1

Notes: Test was conducted by Spectroscience Laboratories Sdn. Bhd. (FY 2021 & FY 2022)
 Test was conducted by Chemvi Laboratory Sdn. Bhd. (FY 2024)

Ringelmann 0	0% opacity - clear	
Ringelmann 1	20% opacity - barely visible	
Ringelmann 2	40% opacity - clearly visible	
Ringelmann 3	60% opacity - somewhat transparent	
Ringelmann 4	80% opacity - barely transparent	
Ringelmann 5	100% opacity - black	

Ringelmann Scale Table

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

7. Air Emission (Cont'd)

For another subsidiary, Resources Conservation Sdn. Bhd. ("RCSB") which is environmentally related business nature also contribute to maintain clean air. RCSB has done Environmental Air Quality Monitoring on yearly basis which is required to monitor Particulate Matter size and other substances in the air.

Project Ref: Environmental Air Monitoring

Analysis results monitored at **Point A1** on **3 MAY 2023 – 4 MAY 2023**

Test Parameter	Sampling Time	Result	*Malaysian Guidelines	Compliance Against Limit (Yes/No)
Particulate Matter, (PM10)	03/05/2023 - 04/05/2023 07.00 am - 07.00 am	32 $\mu\text{g}/\text{m}^3$	100 $\mu\text{g}/\text{m}^3$	YES
Particulate Matter, (PM2.5)	03/05/2023 - 04/05/2023 07.00 am - 07.00 am	8 $\mu\text{g}/\text{m}^3$	35 $\mu\text{g}/\text{m}^3$	YES
Sulphur Dioxide (SO ₂)	03/05/2023 - 04/05/2023 07.00 am - 07.00 am	ND (<5) $\mu\text{g}/\text{m}^3$	80 $\mu\text{g}/\text{m}^3$	YES
Nitrogen Dioxide (NO ₂)	03/05/2023 - 04/05/2023 07.00 am - 07.00 am	ND (<5) $\mu\text{g}/\text{m}^3$	70 $\mu\text{g}/\text{m}^3$	YES

RCSB Air Monitoring Result

Based on the results, both companies are complied with the New Malaysia Ambient Air Quality Standard.

As part of the commitment to reduce emissions, including dust, dark smoke, and metallic compounds, Coveright is looking forward to exploring new applications of green technology in the manufacturing process.

Aligned with the IMS, Coveright is required to carry out its annual environmental analysis to:

- identify the environmental aspects of their activities and products;
- determine those that can/have significant impacts on the environment; and
- establish an environmental management program that caters to those aspects.

Analabs Group continues to use observations, management input, and audits of its Integrated Management System (IMS) to track the success of its environmental management program.

8. Water Consumption

Managing water consumption is vital for sustainable business operations. At Analabs Group, we adopt strategies like promptly fixing leaks and optimising processes to minimise usage. We regularly monitor and maintain our water infrastructure, along with training employees to practice responsible water habits, such as turning off taps when not in use.

At Coveright, we also recycle and treat wastewater for reuse in the production process, especially in resin cooking plant or factory cleaning, which further reduces our water demand.

In FY 2024, the water consumption of the group was 12,653m³ (FY 2023 - 15,849m³).

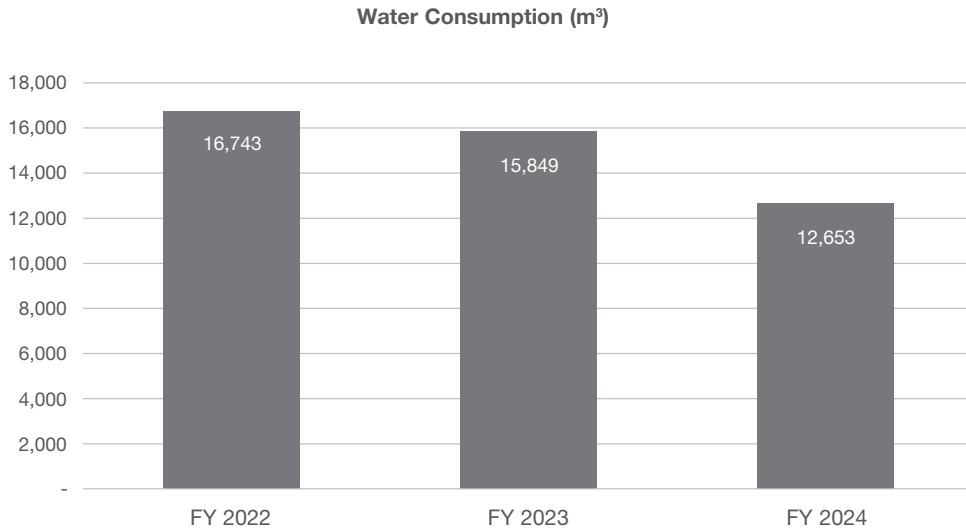
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

8. Water Consumption (Cont'd)

The water consumption of Coveright was reduce based on chart below:-

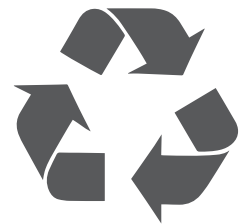


9. Waste Management

Scheduled Waste Recycling

Analabs traces its origins back to a scheduled waste recycling business before diversifying its operations and being listed on the Main Market of Bursa Securities. Analabs provides scheduled waste management services primarily through two of its subsidiaries, RCSB and Syntax System Solutions Sdn. Bhd. (“SSS”). Analabs and its subsidiaries strive to prevent pollution by implementing environmental controls and minimising waste generation.

We offer comprehensive waste management solutions, bundling environmentally friendly approaches for waste reduction, energy conservation, and resource management. Our focus aligns with the 3R Concept: reducing, recycling, and reusing waste. In our day-to-day operations, we adhere to Standard Operating Procedures compliant with the Environmental Quality (Scheduled Wastes) Regulations 2005 in providing scheduled waste management services covering both liquid and solid waste.



At RCSB and SSS, collected scheduled waste is transported and processed at designated premises in accordance with Department of Environment (“DOE”) regulations. Waste that cannot be recycled is disposed of through appropriate legal channels.



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

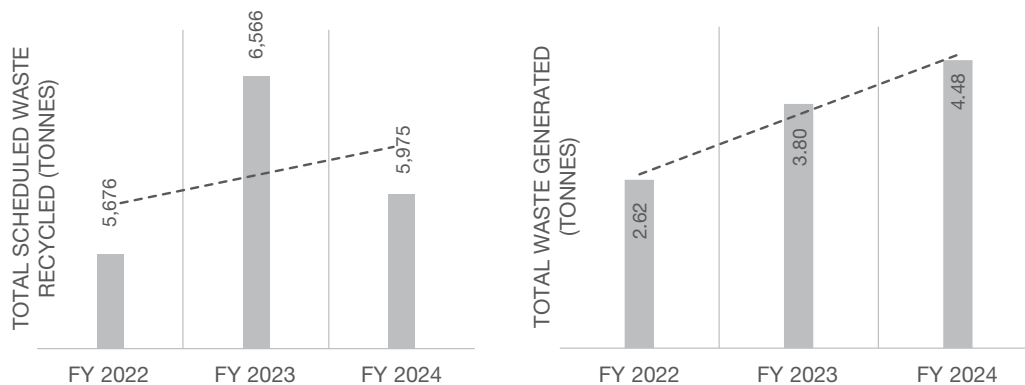
ENVIRONMENTAL (CONT'D)

9. Waste Management (Cont'd)

Scheduled Waste Recycling (Cont'd)

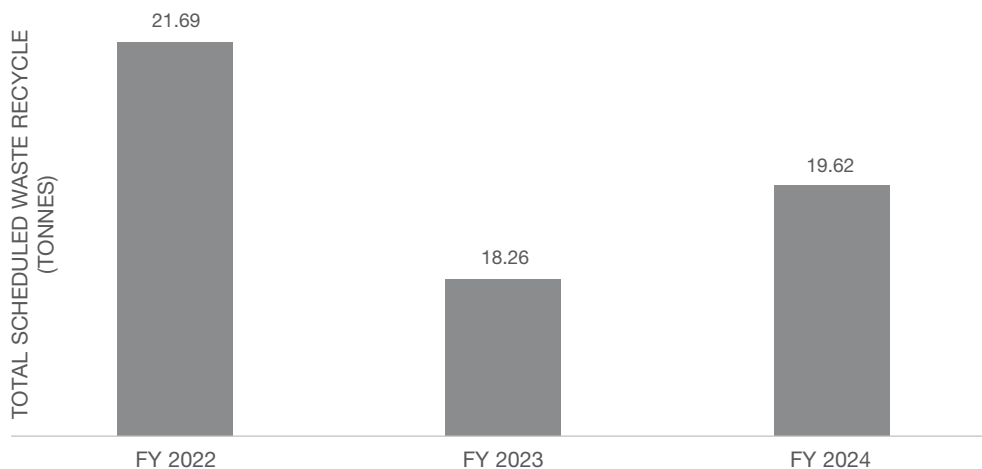
Our key employees, who are directly involved in waste recycling, have successfully completed courses in the Certified Environmental Professional in Scheduled Waste Management ("CePSWaM"). They are also certified as Competent Persons for Certified Environmental Professionals in the Operation of Industrial Effluent Treatment Systems ("CePIETSO").

To provide effective waste management services to our customers, Analabs Group maintains a commitment to ensuring our employees' competence in handling their roles, all while exploring waste processing methods that can effectively reduce our carbon footprint.



In FY 2024, the total scheduled waste recycled by recycling industry decreased by 9.0% compared to FY 2023, aligned with the low market demand. It was decrease from 6,566 tonnes to 5,975 tonnes. Total waste generated increased from 3.80 tonnes to 4.48 tonnes. The chart above showcases the total scheduled waste recycled and waste generated by recycling industry for three consecutive FYs from FY 2022 to FY 2024.

Total Scheduled Waste Generated (Tonnes) in Coveright



For scheduled waste generated internally, Coveright aims to reduce the scheduled solid waste generated from impregnated decorative surfacing films. Throughout the year, Coveright undertook the following initiatives to achieve the desired target:

- optimising the filter press efficiency;
- optimising the separation of supernatant from sludge;
- optimising water evaporation before packaging to pressed cake; and
- using recycled water in cooking melamine formaldehyde resin.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

9. Waste Management (Cont'd)

Scheduled Waste Recycling (Cont'd)

In FY 2023, scheduled waste generated by Coveright decreased marginally by 3.43 tonnes to 18.26 tonnes. On average, Coveright generated about 0.54 (FY 2022 - 0.70; FY 2021 - 0.22) tonnes of scheduled waste for every 1 million sqm of surfacing films produced. Improvement is evident in Coveright's reduction of waste tonnage. We will continue to strive persistently to achieve our environmental targets.

In FY 2024, Coveright generated 19.62 tonnes. This was higher than FY 2023 by 1.36 tonnes of solid waste. On average, Coveright generated about 0.62 tonnes of solid waste for every 1 million sqm of surfacing films produced.

Industrial Effluent Discharge Monitoring

Based on the monthly industrial effluent discharge monitoring conducted by Chemvi Laboratory, the industrial effluent discharged by Coveright always remains within the parameter limits of effluents of Standard B, complying with the Environmental Quality Act (Industrial Effluents) Regulation 2009.

Appended below are the analysis results for the last 3 months of FY 2024, FY 2023 and FY 2022:-

Reporting month	Methods	FY 2024			Standard B
		Apr-24	Mar-24	Feb-24	
pH (Lab)	APHA 4500 H+B	6.56 at 27.8 c	6.05 at 27.9 c	7.48 at 28.5 c	5.5 - 9.0
COD, mg/l	APHA 5220 C	16	9	13	200
BOD*5 days @ 20°C, mg/l	APHA 5210 B	5	ND (<5)	ND(<5)	50
Total suspended solids, mg/l	APHA 2540 D	9	8	8	100
Fluoride, mg/l	APHA 4500 F - D	ND (<0.01)	0.11	ND (<0.05)	5
Copper (Cu), mg/l	APHA 3120 B	ND (<0.001)	0.001	0.03	1
Nickel (Ni), mg/l	APHA 3120 B	ND (<0.001)	0.01	0.002	1
Iron (Fe), mg/l	APHA 3120 B	0.13	0.01	0.06	5
Manganese (Mn), mg/l	APHA 3120 B	0.04	0.01	0.03	1
Zinc (Zn), mg/l	APHA 3120 B	0.21	0.37	0.17	2
Color, ADMI (original pH)	APHA 2120 F	13	ND (<10)	ND (<10)	200
Color, ADMI (pH adjusted @ 7)	APHA 2120 F	13	ND (<10)	ND (<10)	200
# Free Chlorine (Cl ₂), mg/l	APHA 4500 Cl F	ND (<0.1)	ND (<0.1)	ND (<0.1)	2

Reporting month	Methods	FY 2023			Standard B
		Apr-23	Mar-23	Feb-23	
pH (Lab)	APHA 4500 H+B	6.89 at 26.9°C	7.01 at 27.4°C	6.73 at 26.0°C	5.5 - 9.0
COD, mg/l	APHA 5220 C	13	16	10	200
BOD*5 days @ 20°C, mg/l	APHA 5210 B	ND (<5)	5	ND (<5)	50
Total suspended solids, mg/l	APHA 2540 D	9	9	9	100
Fluoride, mg/l	APHA 4500 F - D	0.66	0.13	0.6	5
Copper (Cu), mg/l	APHA 3120 B	0.04	0.08	0.03	1
Nickel (Ni), mg/l	APHA 3120 B	0.02	0.01	0.08	1
Iron (Fe), mg/l	APHA 3120 B	0.08	0.02	ND (<0.001)	5
Manganese (Mn), mg/l	APHA 3120 B	0.03	0.04	0.02	1
Zinc (Zn), mg/l	APHA 3120 B	0.49	0.88	0.48	2
Color, ADMI (original pH)	APHA 2120 F	ND (<10)	ND (<10)	ND (<10)	200
Color, ADMI (pH adjusted @ 7)	APHA 2120 F	ND (<10)	ND (<10)	ND (<10)	200
# Free Chlorine (Cl ₂), mg/l	APHA 4500 Cl F	ND (<0.1)	ND (<0.1)	ND (<0.1)	2

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

9. Waste Management (Cont'd)

Industrial Effluent Discharge Monitoring (Cont'd)

Reporting month	Methods	FY 2022			Standard B
		Apr-22	Mar-22	Feb-22	
Test parameter	Methods	Results	Results	Results	Standard B
pH (Lab)	APHA 4500 H+B	7.42 at 28.5°C	7.13 at 26.2°C	6.7 at 27.0°C	5.5 - 9.0
COD, mg/l	APHA 5220 C	10	10	10	200
BOD*5 days @ 20°C, mg/l	APHA 5210 B	ND (<5)	ND (<5)	ND (<5)	50
Total suspended solids, mg/l	APHA 2540 D	9	9	10	100
Fluoride, mg/l	APHA 4500 F - D	ND (<0.05)	ND (<0.001)	0.17	5
Copper (Cu), mg/l	APHA 3120 B	0.02	ND (<0.001)	ND (<0.001)	1
Nickel (Ni), mg/l	APHA 3120 B	ND (<0.001)	0.001	ND (<0.001)	1
Iron (Fe), mg/l	APHA 3120 B	0.06	0.06	0.05	5
Manganese (Mn), mg/l	APHA 3120 B	0.006	0.01	ND (<0.001)	1
Zinc (Zn), mg/l	APHA 3120 B	0.07	0.05	0.06	2
Color, ADMI (original pH)	APHA 2120 F	<10	12	16	200
Color, ADMI (pH adjusted @ 7)	APHA 2120 F	<10	12	16	200
# Free Chlorine (Cl ₂), mg/l	APHA 4500 Cl F	ND (<0.1)	ND (<0.1)	ND (<0.1)	2

Notes:

ND - not detected.

Standard B - Environmental Quality (Industrial Effluents) Regulations 2009 Fifth Schedule, Parameter Limits of Effluents of Std B.

* - sample for BOD was preserved at <4°C.

- holding time for the analysis was exceeded.

10. Biodiversity

Mangroves play a crucial role in the fight against climate change due to their estimated effectiveness, which can be up to four times greater than most other forests, in absorbing and storing greenhouse gases. As part of our efforts to combat the climate crisis, we planted 150 mangrove trees along the riverbanks adjacent to our prawn farms in FY 2024. This initiative reflects our commitment to addressing the climate crisis through proactive actions.

Financial Year Ended	2022	2023	2024
Number of Tree Planted	0	100	150

Mangroves are incredibly valuable in the fight against climate change. We have planted 250 trees to protect coastlines from erosion, support biodiversity, and can even help improve water quality.



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL (CONT'D)

10. Biodiversity (Cont'd)



CORPORATE SUSTAINABILITY STATEMENT

Cont'd



SOCIAL

11. Occupational Safety and Health

Maintaining a safe work environment is not only a legal necessity, but also critical to Analabs Group's long-term success. By implementing safety and health practices, we can retain employees, reduce injuries and illnesses, boost operational efficiency, and ultimately safeguard our reputation and profitability.

Safety and health are top priorities at Analabs Group. We are firmly committed to continuously improving our safety and health practices in order to eliminate zero work-related fatalities and provide a secure working environment for all our employees.

Coveright has established an in-house Occupational Health, Safety, and Environment ("OHSE") committee that meets monthly to oversee related initiatives. Each committee meeting includes representatives from both employers and employees, addressing topics such as safety and health concerns, safety improvement programs, and recent accident statistics.

Among the initiatives and measures in place to minimise safety and health risks and hazards are:

- policies and procedures;
- supervision by production shift leaders; and
- competent personnel for handling machinery and equipment.

Coveright has established an Emergency Response Team ("ERT") to manage emergencies and ensure employee safety during critical events such as fires, floods, and chemical spills. During the reviewed financial year, the Company reported zero Lost-Time Accidents ("LTA") and Lost-Time Injuries ("LTI"). Additionally, there were no reported work-related fatalities.

Financial Year Ended	2022	2023	2024
Number of Fatalities	0	0	0
Number of Lost Time Injuries	0	0	0

Coveright's employees participate in comprehensive annual safety training programs. Internally, the Company's OHSE Committee leads sessions covering emergency procedures and proper use of personal protective equipment. Additionally, Coveright engages external experts to provide extensive briefings on hazardous chemical management, health and safety requirements, and fire prevention, further enhancing safety awareness among staff.

Toh Ban Seng Contractor Pte. Ltd. ("TBS") has a dedicated "Workplace Safety and Health (WSH)" policy specifically tailored for the construction sector. This policy is applicable to all employees, subcontractors, and visitors at TBS, encompassing all worksites and facilities under our control.

TBS is committed to:

- adhering to all relevant workplace safety and health (WSH) laws, regulations, and standards in Singapore;
- continuously enhancing our safety performance and management systems; and
- providing the necessary resources and training to ensure the safety and health of all employees.

We regularly conduct risk assessments to identify potential hazards and implement appropriate control measures to mitigate identified risks. Comprehensive WSH training is provided to all employees, including induction training for new hires, ensuring they are well-versed in emergency procedures and the use of personal protective equipment (PPE).

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

11. Occupational Safety and Health (Cont'd)

The WSH committee develops emergency response plans, which are communicated to all site staff. Regular emergency drills and training sessions are conducted on-site to ensure workforce preparedness.

All accidents, injuries, and near misses are reported immediately to supervisors and our in-house Workplace Safety and Health Officer. Thorough investigations are conducted for all incidents to prevent recurrence and implement corrective actions for future prevention.

We conduct quarterly monitoring and reviews of safety performance and compliance, using feedback and incident investigations to continuously improve our safety practices.

In the last reviewed financial year, we are proud to report that there were no work-related major injuries or fatalities.

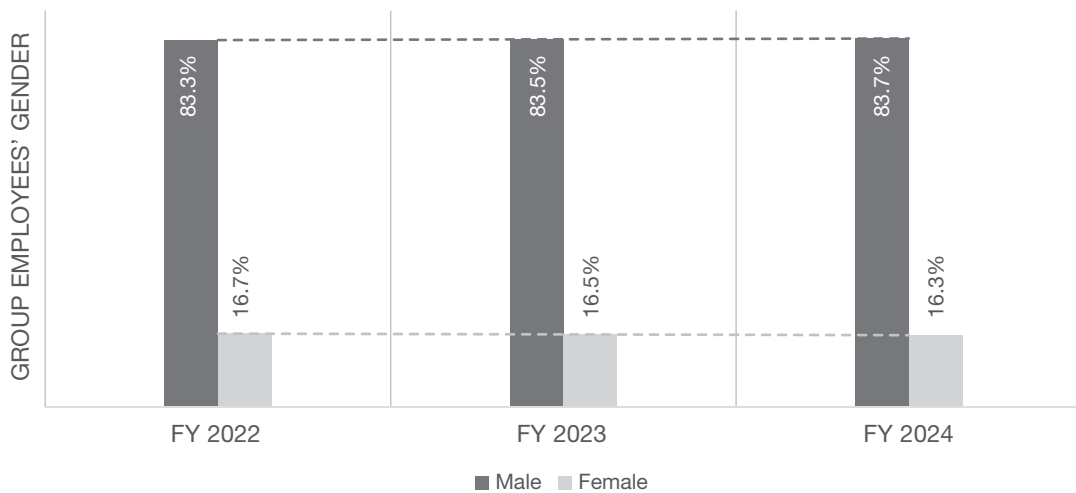
12. Diversity

Diversity in the workplace contributes to increased creativity and productivity. Analabs and its subsidiaries embrace a diverse workforce and promote a collaborative and respectful working environment among employees. We believe that fair employment practices, equal treatment for all employees, and equal access to opportunities are essential in motivating employees to drive their performance. We value our employees and ensures they feel a sense of belonging to create a stable and sustainable workforce.

(i) Gender Diversity

At Analabs Group, the manufacturing, construction, and prawn cultivation segments have been predominantly occupied by males, from leadership roles to operational positions. The male-to-female ratio remain unchanged from 5.1 (male): 1 (female) in FY 2024.

We shall persist in our efforts to promote greater female participation in operations and decision-making in order to cultivate a thriving workplace. The proportion of each gender among the Group's workforce, including directors and personnel, is shown below. We also offer a thorough analysis of the Group's directors broken down by gender.



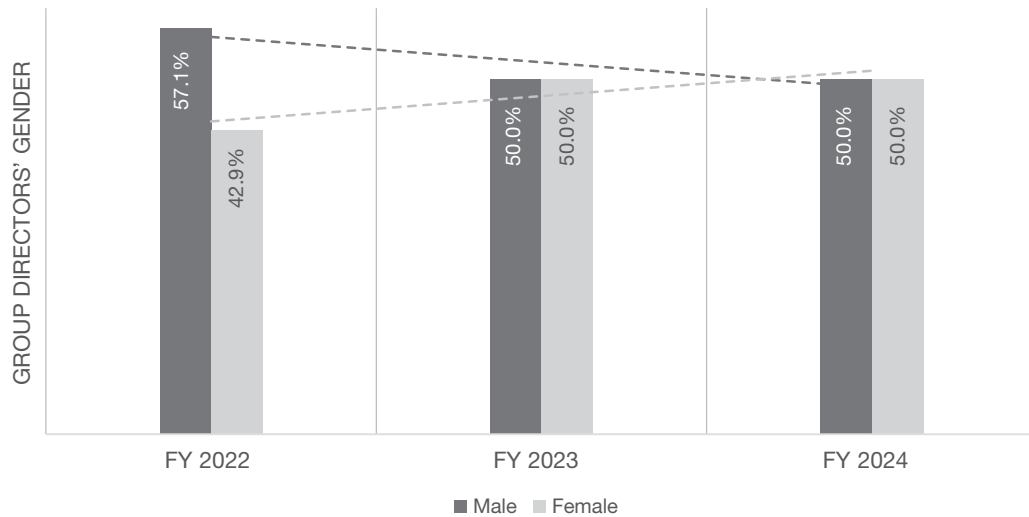
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

12. Diversity (Cont'd)

(i) Gender Diversity (Cont'd)

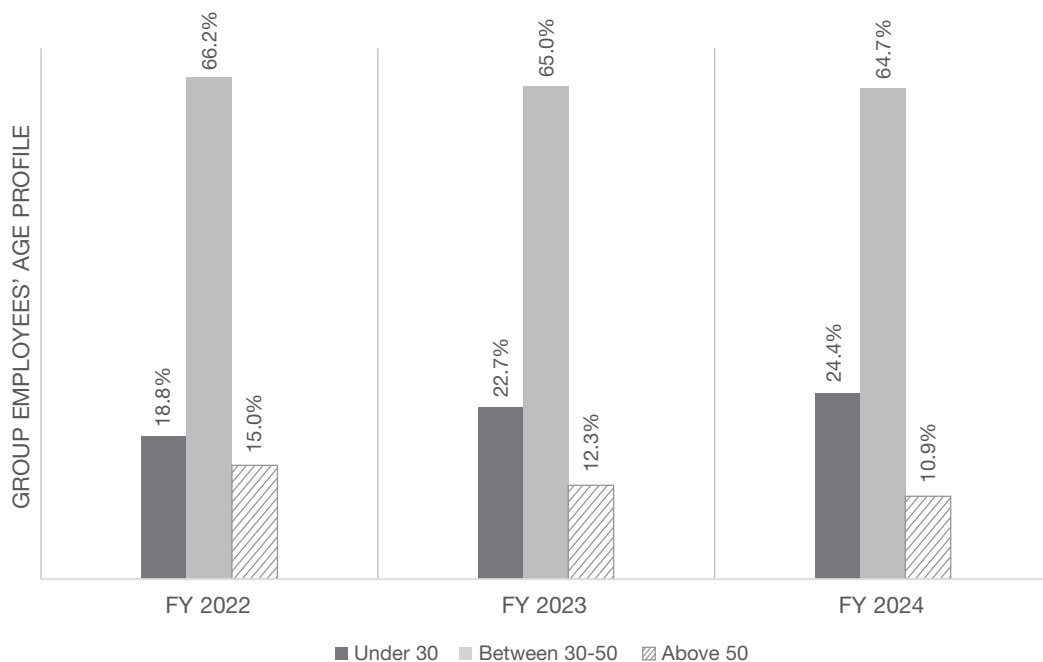


(ii) Age Diversity

Employees of different ages can contribute different experiences, perspectives, and skill sets to the table, which encourages innovative problem-solving. Experienced workers who contribute to knowledge management at Analabs Group were the majority of those over 50. They fortify the Group’s culture and staff loyalty.

Analabs Group strives to foster a working environment in which all employees treat each other with courtesy and respect, sharing experiences and knowledge to achieve sustainable growth for the Group.

The percentage distribution of the Group’s workforce, which includes both directors and personnel, by age group is shown below. In a similar vein, we offer an extensive analysis of the Group’s directors arranged according to age.



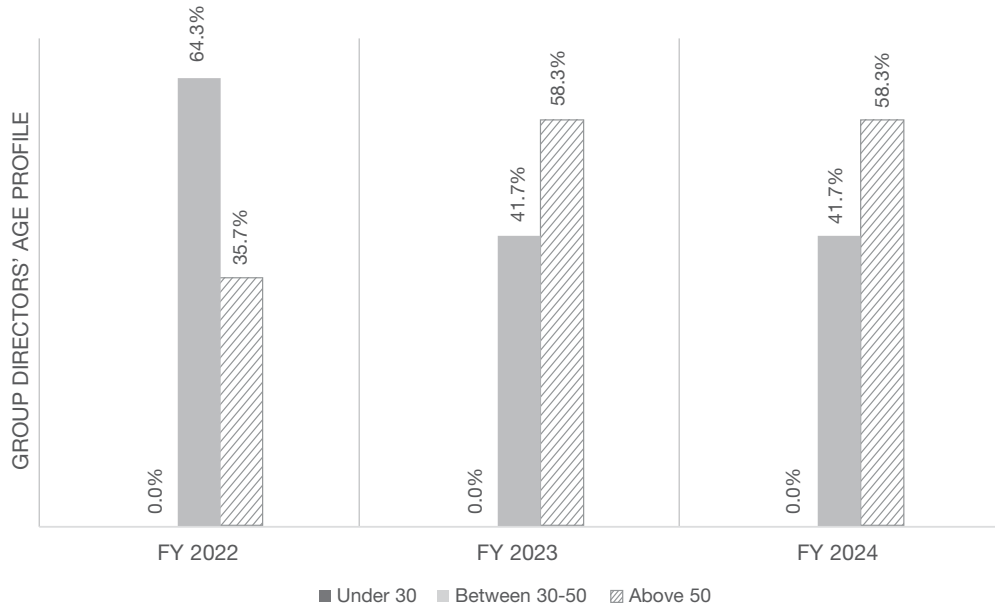
CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

12. Diversity (Cont'd)

(ii) Age Diversity (Cont'd)



13. Labour Practices and Standards

As a learning organisation, Analabs Group cultivates a culture of continuous learning at every level, facilitating the development of all its employees while undergoing its own transformation. At Analabs Group, we are committed to offering our employees career development opportunities and promoting competency management.

The Group has a comprehensive policy of providing training for staff at all levels, based on competency assessments and relevant position succession planning. We offer both internal and external training to empower employees to enhance their skill sets and broaden their capabilities.

Upskilling & Reskilling Program as below:-

No.	Type of Training/ Topic
1	Seminar Organisasi Keselamatan Kebakaran (OKK)
2	Emergency Drill - Fire
3	Emergency Response Plan
4	Standard Operation Procedure ("SOP") And Work Instructions
5	Briefing On International Labour Practice
6	Doe Seminar And Dialog
7	Seminar Trade Facilitations
8	Capital Gain Tax, Foreign Source Income And E-Invoicing
9	E-Invoice Implementation
10	Confined Space Rescue Training
11	Electrical Wiring Installation
12	Registered Earthworks Supervisor Course
13	Reinforced Concrete Works
14	Electrical Wiring Installation - Tradesman
15	Structural Steel Works
16	Occupational First Aid Course
17	Workplace Safety And Health Management In Construction
18	Basic Traffic Control Course

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

13. Labour Practices and Standards (Cont'd)

During FY 2024, Analabs Group provided a total of 416 hours of training (FY 2023 - 150 hours; FY 2022 - 90 hours).

Financial Year Ended	2022	2023	2024
Total Training Hours	90	150	457
Total Investment	RM18,893	RM36,543	RM90,532

Our human resources practises comply with Malaysian Employment and Labour legislation, upholding the highest ethical standards while fostering diversity and inclusivity. Regardless of gender, age, or race, we think it's important to create a work environment where everyone feels empowered and accepted.

We are committed to fostering a positive and engaging work environment through various initiatives as below:-

- Seminar Organisasi Keselamatan Kebakaran (OKK)



- Workplace Safety And Health Management In Construction



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

13. Labour Practices and Standards (Cont'd)

We are committed to fostering a positive and engaging work environment through various initiatives as below:-
(Cont'd)

- DOE Seminar And Dialog



- Fire Drill Training



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

13. Labour Practices and Standards (Cont'd)

We are committed to fostering a positive and engaging work environment through various initiatives as below:-
(Cont'd)

- Group Internal Training



Team Building Activities

Encouraging collaboration, communication, and problem-solving skills.



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

13. Labour Practices and Standards (Cont'd)

Team Building Activities (Cont'd)



Human Rights

The workforce serves as the lifeblood of Analabs Group and stands as a fundamental pillar of the Group's success and long-term viability. Analabs Group dedicates significant attention to human capital management, ensuring the well-being and rights of its employees and leadership personnel.

The Group adheres to all laws and regulations governed by the Employment (Amendment) Act 2022 and other relevant labour laws in Malaysia, including the Minimum Wages Order 2022.

In alignment with FSC core labor requirements, the Group maintains a zero-tolerance stance against child labor, forced labor, and discrimination. The Group also acknowledges and respects basic human rights such as freedom of expression, political freedom, and freedom of religion. Throughout the reviewed financial year, no complaints were lodged against any incidents involving violations of human rights.

14. Community / Society

Knowledge Sharing and Internship as Part of the Community Outreach

Analabs Group provides internship programs for undergraduate students from both local and private colleges and universities in Malaysia. These interns are offered the opportunity to undergo practical training across various departments. Furthermore, there exists the potential for these interns to secure permanent positions within the Group upon completion of their internships. These programs are implemented across our diverse business operations, serving as an integral part of our community outreach efforts.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

14. Community / Society (Cont'd)

Local Communities

One of the major environmental benefits of drainage is its positive impact on improving the health of humans, plants and farm animals. We managed to train our people to clean the public drainage regularly.

Public drainage cleaning activities



CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

14. Community / Society (Cont'd)

Local Communities (Cont'd)

Public drainage cleaning activities (Cont'd)

Before cleaning



After cleaning



Moving forward, Analabs remains steadfast in our commitment to supporting social causes and initiatives that promote sustainable development for the betterment of our communities.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

SOCIAL (CONT'D)

14. Community / Society (Cont'd)

Local Communities (Cont'd)

Staff welfare



CORPORATE SUSTAINABILITY STATEMENT

Cont'd



GOVERNANCE

15. Good Governance

Our communities, workers, investors, consumers, and stakeholders are all partners in our quest for a prosperous future. We understand that the environment and society at large are impacted by our development goals and strategies in addition to economic growth. Our Board actively supervises our efforts to be sustainable. For us, building long-lasting and sustainable value for our stakeholders requires incorporating ESG factors into business strategy, governance, and decision-making processes. In order to make sure that our Group is flexible and robust in the face of global problems, this involves taking proactive steps to foresee and handle significant ESG risks and opportunities.

Our goal is to instil confidence and trust in all of our stakeholders. Our long-term sustainability plan and strategy are well-defined, with the main objective being to facilitate the world's shift to a more sustainable future. We actively communicate with our internal and external stakeholders to learn about their expectations and points of view on matters such as data protection, climate action, and health and safety. We can better develop our strategies and actions with the help of this input, making them meaningful and relevant. Our Board establishes the Group's sustainability goals and priorities and tracks our advancement toward them. We are open and honest with stakeholders about our performance, both inside and beyond the company. Additionally, we have a committed manager who leads our sustainability strategy and makes sure it is completely incorporated into our daily operations.

We acknowledge that the sustainability landscape is ever-changing. The Board is always expanding its knowledge and experience in this field to make sure it is capable of managing our sustainability initiatives. We regularly assess the Board's and senior management's performance, taking remedial action where needed and taking into account the advancement of sustainability aims. As the economy is ever evolving, we are dedicated to adjusting and prospering in this dynamic setting. We recognise important risks and act proactively to reduce them so that our company may continue to grow and compete. We are convinced that we can create a better future for everyone if we collaborate with our stakeholders and adopt sustainability as a guiding principle.

Anti-Bribery and Anti-Corruption (ABAC)

On our website, we have made a number of policies and codes available, some of which are the Whistleblower Policy, Anti-bribery and Anti-corruption policy, and the Employee's code of conduct.

Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 ("Act") became operative on 1 June 2020. To guarantee strict adherence and the efficacy of the Group's anti-bribery and anti-corruption programs/initiatives against all forms of bribery and corruption, Analabs adopted an anti-bribery and anti-corruption policy. These guidelines are applicable to directors, staff members, and outside parties that Analabs hires.

All staff participated in the yearly internal online training and examinations during FY 2024 to refresh their knowledge of anti-bribery and anti-corruption policies that uphold integrity and ethics. Due to the nature of where procurement employees can perhaps conspire with suppliers for personal gain, special attention was paid to it. Nonetheless, not a single instance of corruption was documented throughout the Group.

Financial Year Ended	2022	2023	2024
Number of confirmed corruption incidents	0	0	0
Number of Directors completed the ABAC training	0	0	18
Number of Local employees completed the ABAC training	0	0	12

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

GOVERNANCE (CONT'D)

15. Good Governance (Cont'd)

To be in line with the regulations controlling the Group's operations, Analabs often interacts with governmental organisations and regulatory bodies. This strategy guarantees adherence to the specifications needed for the Group's sustainable planning and expansion.

Producing impregnated decorative surfacing films, Coveright conforms to waste, air, noise, and chemical emission regulations set forth by the Department of Occupational Safety and Health ("DOSH") and the Department of Environment ("DOE"). It is certified to ISO 9001:2015, ISO 45001:2018, and ISO 14001:2015.



Coveright - ISO Certification



RCSB - ISO Certification

Coveright has been Forest Stewardship Council (FSC) certified since 2015. It maintains a system in line with Chain of Custody Standards and undergoes annual evaluations by the FSC certification body. Surveillance evaluations include desk audits, site visits, interviews, and stakeholder consultations for corrective actions.



Coveright - FSC Certification

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

GOVERNANCE (CONT'D)

16. Cybersecurity and Data Privacy

With the rapid acceleration of digital transformation, it has become imperative to fortify our cybersecurity efforts and adeptly manage the associated risks. Despite lacking an in-house Information Technology team, we have enlisted the services of an external IT company to bolster security measures. This includes implementing advanced security tools such as antivirus software and conducting periodic security assessments.

Analabs Group is committed to protecting its customers' privacy and has taken the necessary precautions to guarantee that customer data is always protected. On the website of Analabs, a privacy statement is accessible in compliance with the Personal Data Protection Act of 2010. There have not been any documented instances of consumer privacy violations or validated customer complaints about data loss throughout the examined fiscal year.

Financial Year Ended	2022	2023	2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	0	0	0

MOVING FORWARD

With an emphasis on material sustainability matters, Analabs remains steadfast in its commitment to sustainability. We are mindful to further integrating sustainability principles into every facet of our operations. In addition to our current risk management processes, encompassing strategic, operational, and financial aspects, this will improve the long-term value creation of the Group. To have a more comprehensive view of our sustainability performance, we plan to enhance our ESG data going forward and the techniques we employ to collect information across our supplier chains. This will enable us to make smarter decisions that will benefit the company and the environment in the long run.

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ESG Ratings of PLCs assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology

Definition	
★★★★★	Companies with a FTSE4Good ESG Rating of 3.7 or higher
★★★★	Companies with a FTSE4Good ESG Rating of 2.5-3.6
★★★	Companies with a FTSE4Good ESG Rating of 1.3-2.4
★	Companies with a FTSE4Good ESG Rating of 1.2 or lower

Stock Code	Company Name (sorted By Alphabetical)	Sector	FTSE4Good Bursa Malaysia Index	FTSE4Good Bursa Malaysia Shariah Index	ESG Grading Band
7083	ANALABS RESOURCES BHD	INDUSTRIAL PRODUCTS & SERVICES			**

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ANALABS GROUP PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	10
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
Management Between 30-50	Percentage	62.00
Management Above 50	Percentage	38.00
Executive Under 30	Percentage	17.00
Executive Between 30-50	Percentage	66.00
Executive Above 50	Percentage	17.00
Non-executive/Technical Staff Under 30	Percentage	20.00
Non-executive/Technical Staff Between 30-50	Percentage	30.00
Non-executive/Technical Staff Above 50	Percentage	50.00
General Workers Under 30	Percentage	27.00
General Workers Between 30-50	Percentage	67.00
General Workers Above 50	Percentage	6.00
Gender Group by Employee Category		
Management Male	Percentage	62.00
Management Female	Percentage	38.00
Executive Male	Percentage	50.00
Executive Female	Percentage	50.00
Non-executive/Technical Staff Male	Percentage	60.00
Non-executive/Technical Staff Female	Percentage	40.00
General Workers Male	Percentage	88.00
General Workers Female	Percentage	12.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	50.00
Female	Percentage	50.00
Under 30	Percentage	0.00
Between 30-50	Percentage	50.00
Above 50	Percentage	50.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	3,099.94

Internal assurance

External assurance

No assurance

(*)Restated

CORPORATE SUSTAINABILITY STATEMENT

Cont'd

ANALABS GROUP PERFORMANCE DATA TABLE (CONT'D)

Indicator	Measurement Unit	2024
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	137
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	41
Executive	Hours	38
Non-executive/Technical Staff	Hours	1,274
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	1
Executive	Number	0
Non-executive/Technical Staff	Number	7
General Workers	Number	64
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	38.80
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	12.653000

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OVERVIEW

This Statement sets out an overview of Analabs Resources Berhad’s (“Analabs” or “the Company”) application of the three (3) Principles of the Malaysian Code of Corporate Governance (“MCCG”) for the financial year ended 30 April 2024.

Save for the following practices, we have fully complied with all the MCCG practices for the year and specific details on how the Company has applied each of the practices set out in the MCCG are disclosed in the Corporate Governance Report, which is available in the Company’s website at www.analabs.com.my:

- Practice 4.5 - Although the Company does not currently have a written policy on diversity pertaining to the selection of its Board members, the Board has always taken into account diversity as one of the selection criteria of Board appointees as it recognises that a diversified Board will provide effective and dynamic discussions at the Board level.

Selection of Board candidates is based on several perspectives, including but not limited to expertise, and experience that can strengthen the Board composition to achieve the objectives and strategies goals of the Group.

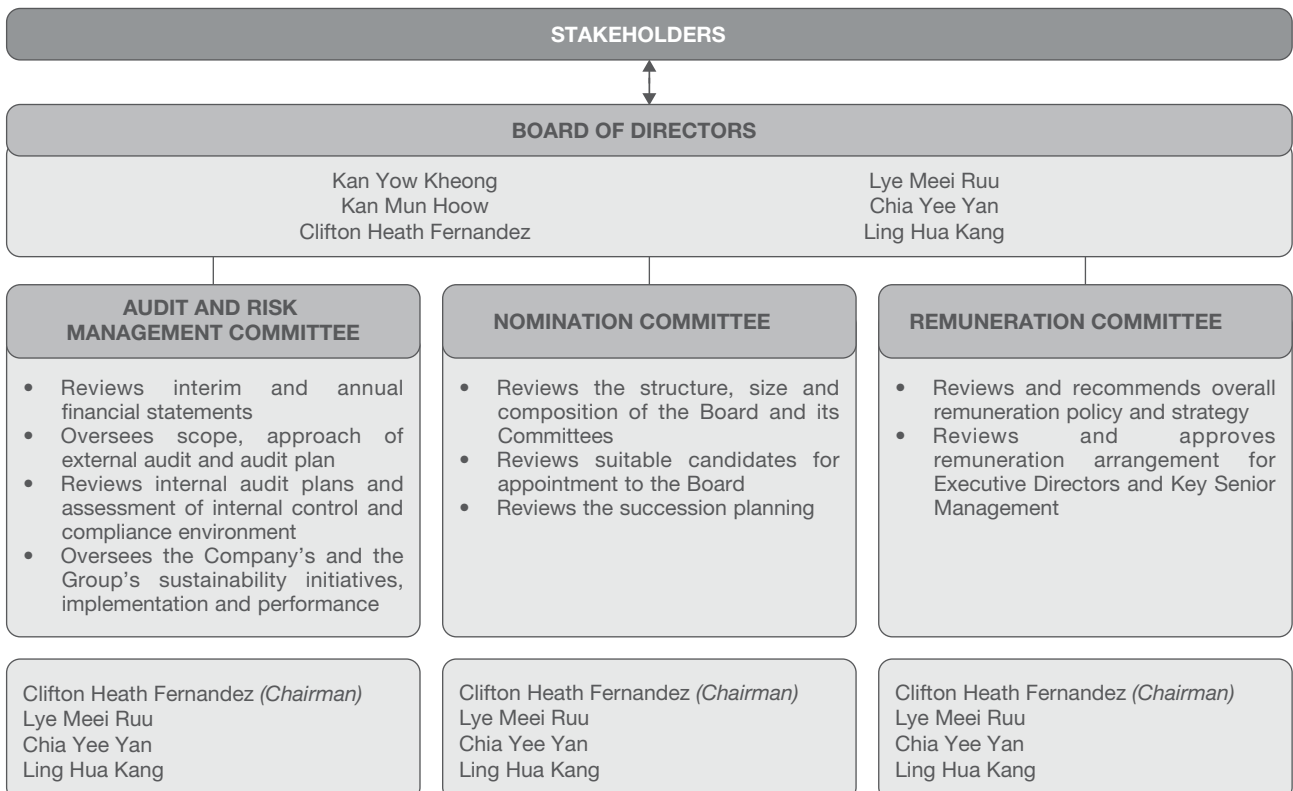
- Practice 7.2 - The Board discloses on a named basis the top five (5) Senior Management’s remuneration in bands of RM50,000.

CORPORATE GOVERNANCE APPROACH

The Board has established a framework of processes and guidelines for the Company that includes company policies and monitoring procedures, financial and operational performance as well as risk management and internal control systems.

Our Board prioritises transparency, accountability, ethical culture, sustainability and compliance as it believes that the adoption of good corporate governance adds value to its business and enhances stakeholders’ confidence.

The governance framework outlining the Board Oversight, Engagement, Delegated Authority and Accountability is illustrated below:-



CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

The Board has the overall responsibility for the conduct and governance of the Company including providing strategic guidance and effective oversight of management. The Board's role and responsibilities are formalised in the Board Charter, which defines the matters reserved for the Board and its Committees and those delegated to the Executive Chairman, Executive Director cum Chief Executive Officer (CEO) and Management. A copy of the Board Charter is available on the Company's website at www.analabs.com.my.

The Board Charter is periodically reviewed and updated, with the last review carried out in 29 June 2022.

Activities undertaken by the Board include:-

➤ **Setting Strategic Direction**

The Board has set the Company's strategy to build a strong market presence in building materials as well as the strategic priorities towards fulfilling this objective.

These strategic priorities include:-

- ✓ **Total Customer Satisfaction**
Through meeting and exceeding expectations by delivering services of the highest quality.
- ✓ **Customer Partnership**
Through effective customer feedback and understanding customer needs in terms of quality, safety and cost.
- ✓ **Research And Development**
For continual improvement in production methods, techniques and technologies.
- ✓ **Effective Training**
Programmes to upgrade the skills of staff.

➤ **Monitoring Role**

The Board carried out strategic reviews of major business segments and provided constructive input in the assessments of plans to spearhead growth taking into consideration the business risks, economic challenges, resource allocation and cost factors.

The Board also monitored the Group's financial and operational performance against performance and strategic objectives.

➤ **Governance and Risk**

The Board carried out a review of its governance processes and approved the implementation of new policies on anti-money laundering as well as introduced a whistle blowing policy in order to drive ethical behavior throughout the organisation.

Improving the internal control environment to address operational risks, remained a priority of the Board.

➤ **Corporate Social Responsibility ("CSR")**

The Board is committed to fulfill its responsibility to society, including economic and social considerations underpinning sustainability and the environment. Its aspiration is to bring the highest standards and level of integrity to all activities. Close attention is given to our motto of "reducing waste for a better environment".

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

I. BOARD RESPONSIBILITIES (CONT'D)

Activities undertaken by the Board include:- (Cont'd)

➤ Corporate Social Responsibility ("CSR") (Cont'd)

The Company actively engages in CSR activities. For the year under review, the Company undertook the following:-

a) Environmental Awareness

Certain subsidiaries of Analabs are involved in recycling where our business nature itself contributed positively to the country's environmental footprint.

Our continuing effort to ensure that our operations do not degrade the environment by undertaking the following to preserve the environment including:-

- i) Scheduled Waste Management
- ii) Non-Scheduled Waste Management
- iii) Chemical Health Risk Assessment

b) Community Engagements

Analabs offers internship programmes for local colleges, universities and academies by providing positions leading to management trainees after completing their tertiary educations. Interns or management trainees will be rotated in various departments to gain experience and exposure accordingly.

Head of Departments conducts talks, outreach programs at local institution ie. INTI, Unicert Academy on best practices.

➤ Stakeholder Engagement

The Board believes in building and maintaining a constructive and sustainable relationship with stakeholders. The Board believes that the Annual General Meeting provides an important opportunity for shareholders to engage with the board and management on the progress of the Company and of the Group.

Shareholders are also regularly updated on the Group's performance through the timely disclosure of the quarterly financial report and any other material developments during the year, if any.

In discharging its duties and functions effectively, the Board delegates certain responsibilities to its Board Committees. All Committees have written terms of reference. These Committees are formed in order to enhance business and operating efficiency. The Chairman of the respective Committees will report to the Board the outcome of the Committees Meetings for the Board's consideration and final decision. Minutes of the respective Meetings will be presented to the Board for its information. The Board retains full responsibility for the direction and control of the Company and of the Group.

There is a clear separation of the responsibility and role between the Executive Chairman (Chairman) and the Executive Director who is also the Group Chief Executive Officer (CEO) to promote greater accountability and for better checks and balances. The position of Chairman and the CEO are held by different individuals and their roles are described in the Board Charter, which is available on the Company's website at www.analabs.com.my.

The Chairman is responsible for the overall leadership and efficient functioning of the Board as well as provides direction for the implementation of strategies as approved by the Board. The Chairman ensures that quality information is provided to the Board to facilitate decision-making in a timely manner. The Chairman encourages all directors to play an active role in Board activities and allow dissenting views to be freely addressed.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

I. BOARD RESPONSIBILITIES (CONT'D)

The CEO leads the management team which assists him in the management and business operations of the Company and of the Group. The CEO is responsible for the execution of the Group's business plans and implementing the Board's strategies, policies and decisions.

The Independent Directors provide unbiased and objective views to safeguard the interests of shareholders. They are actively involved in Board Meetings and in the various Board Committees and contribute significantly to areas such as performance monitoring and enhancement of corporate governance. They also ensure the integrity of financial information and that the controls and risk management systems are robust and defensible.

There is a formal schedule of matters that are reserved to the Board for deliberation. Key matters reserved for the Board include:-

- i. corporate plans and programmes;
- ii. annual budgets, including major capital commitments;
- iii. new ventures;
- iv. material acquisitions and disposals of undertakings and properties; and
- v. changes to the management and control structure within the Company and its subsidiaries, including key policies.

It is a mandatory practice to have the Directors concerned to declare their interests and abstain from the decision making when a conflict of interest or potential conflict of interest arises.

The Directors observe the Company Directors' Code of Ethics established by the Companies Commission of Malaysia. The Code of Ethics is published in the Company's website at www.analabs.com.my.

The Board also has in place the following policies which are available for reference at the Company's website at www.analabs.com.my:-

- (i) Whistle Blowing Policy for employees to raise genuine concerns, without fear, about any suspected and/or known misconduct, wrongdoings, corruption, fraud, waste and/or abuse.
- (ii) Anti-Bribery and Anti-Corruption Policy (ABAC Policy) The Group has put in place an ABAC Policy to incorporate the rules, compliance, controls and procedures to promote better governance culture and ethical behaviour within the Group and to ensure that business is conducted professionally. Analabs has adopted a zero-tolerance approach against all forms of bribery and corruption and a strong stance against such acts.

Company Secretaries

The Company Secretaries whose appointment and removal are subject to the Board's approval, attend all Board and Board Committee meetings. The Board has direct access to the advice and services of the Company Secretaries who are responsible to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

In performing their duties, the Company Secretaries carry out, amongst others, the following tasks:-

- Statutory duties as required under the Act, Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB") and Capital Market and Services Act 2007;
- Facilitating and attending Board Meetings and Board Committee Meetings;
- Maintaining records for the purpose of meeting statutory obligations;
- Assisting the Board with the preparation of announcements for release to BMSB and the Securities Commission Malaysia (where required); and
- Rendering advice and support to the Board and Management.

The Company Secretaries keep abreast of the developments of corporate governance practices and relevant laws by attending training, seminars and talks to enhance their knowledge and skills.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

I. BOARD RESPONSIBILITIES (CONT'D)

Information and Support for Directors

Prior to Board Meetings, an agenda together with the relevant documents and information are distributed to all Directors at least five (5) business days in advance of Board Meetings unless in unavoidable circumstances. The Senior Management and/or other relevant Board members will provide comprehensive explanation of pertinent issues and recommendations. The issues would then be deliberated and discussed thoroughly by the Board prior to decision-making.

Apart from the above, the Board members are supplied with information and reports on financial, operational, corporate, regulatory, business development and audit matters by way of board reports or upon specific request to enable them to discharge their duties and responsibilities. All Directors are notified of the corporate announcements released to BMSB, amendment to BMSB Listing Requirements and any pertinent Regulatory changes. All Directors have access to Management and Auditors for independent views and advice.

In furtherance of their duties, the Directors may seek independent professional advice if necessary, at the expense of the Company.

Sustainability

The Board together with Management undertake to promote a sustainable and responsible business practices in order to deliver a positive impact to the economy, environment and to create values to the communities in which the Group operates in. An update is presented in our Corporate Sustainability Statement section of this Annual Report.

Meetings and Time Commitments

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company during the financial year ended 30 April 2024. In compliance with the MMLR, all the Directors do not hold directorships more than that prescribed under the MMLR. There were five (5) Board of Directors' Meetings held during the financial year ended 30 April 2024 and the details of the attendance of the Directors' and Committees meetings are as follows:-

Directors	Board of Directors	ARMC	NC	RC	AGM
Kan Yow Kheong	5/5	-	-	-	1/1
Kan Mun Hoow	5/5	5/5*	-	-	1/1
Clifton Heath Fernandez	5/5	5/5	1/1	1/1	1/1
Lye Meei Ruu	5/5	5/5	1/1	1/1	1/1
Chia Yee Yan	5/5	5/5	1/1	1/1	1/1
Ling Hua Kang (Appointed as a Director on 6 December 2023 and a member of ARMC, NC and RC on 27 March 2024)	2/2	1/1	N/A	N/A	N/A

* Attended by invitation.

ARMC - Audit & Risk Management Committee
 NC - Nomination Committee
 RC - Remuneration Committee
 AGM - Annual General Meeting

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

I. BOARD RESPONSIBILITIES (CONT'D)

Continuous Professional Development

Directors	Seminar/Forum/Conference/Training
Kan Yow Kheong	<ul style="list-style-type: none"> • Training on ESG/Sustainability and Anti-Corruption • Training on special voluntary disclosure program 2.0, capital gains tax, foreign sourced income and Malaysia e-invoice
Kan Mun Hoow	<ul style="list-style-type: none"> • Training on ESG/Sustainability and Anti-Corruption • Training on special voluntary disclosure program 2.0, capital gains tax, foreign sourced income and Malaysia e-invoice
Clifton Heath Fernandez	<ul style="list-style-type: none"> • GDPR and Data Protection: Ensure compliance and minimise the risk of penalties with ISO/IEC 27701 • PECB DataSafe Symposium 2023 • The Cooler Earth Sustainability Summit CIMB • Auditor Contractor's Quality Management System (CQMS) Course - CREAM • Islamic Sustainable Finance & Investment Forum (ISFI) 2023 - Securities Commission • The emerging trends powering connected risk teams - Audit Board • Bridging the sustainability gaps for SMEs - ESGAM
Lye Meei Ruu	<ul style="list-style-type: none"> • Training on ESG/Sustainability and Anti-Corruption • Training on special voluntary disclosure program 2.0, capital gains tax, foreign sourced income and Malaysia e-invoice
Chia Yee Yan	<ul style="list-style-type: none"> • Training on ESG/Sustainability and Anti-Corruption • Training on special voluntary disclosure program 2.0, capital gains tax, foreign sourced income and Malaysia e-invoice • Food safety requirements in Halal Certification Scheme Training • Deinois, Deloitte's e-invoicing solution tailored for Malaysia • Strategising your market penetration to Japan, Korea and Taiwan • Future-Proofing Malaysian Businesses: Navigating Cyber Threats in the age of AI & thriving in a high-risk landscape • Strategies to access the US Market: F&B sector, with a focus on specialty food • Corporate Innovation through venture building: A capital efficient and risk mitigated approach
Ling Hua Kang	<ul style="list-style-type: none"> • Mandatory Accreditation Programme • Training on ESG/Sustainability and Anti-Corruption • Training on special voluntary disclosure program 2.0, capital gains tax, foreign sourced income and Malaysia e-invoice

The Board acknowledges that continuous education is vital for its Board members to gain insight and maintain awareness of the economy, technological advances, latest regulatory developments and management strategies. The NC assesses from time to time the training needs of the Directors. The Board members are also encouraged to attend training programmes and seminars to keep abreast with developments in the industry as well as to enhance their professionalism and knowledge.

II. BOARD COMPOSITION

The Board consists of six (6) members comprising the Executive Chairman, four (4) Independent Non-Executive Directors and one (1) Executive Director, cum CEO.

The Board has complied with Paragraph 15.02(1) of the Listing Requirements which requires at least two directors or one-third of the Board (whichever is the higher) to be Independent Directors. The presence of the Independent Directors, forming more than half of the Board members, provides objectivity and independent judgment to decision making. In the event of any vacancy in the Board resulting in non-compliance with Para 15.02(1) of the MMLR, the Company would fill the vacancy within 3 months.

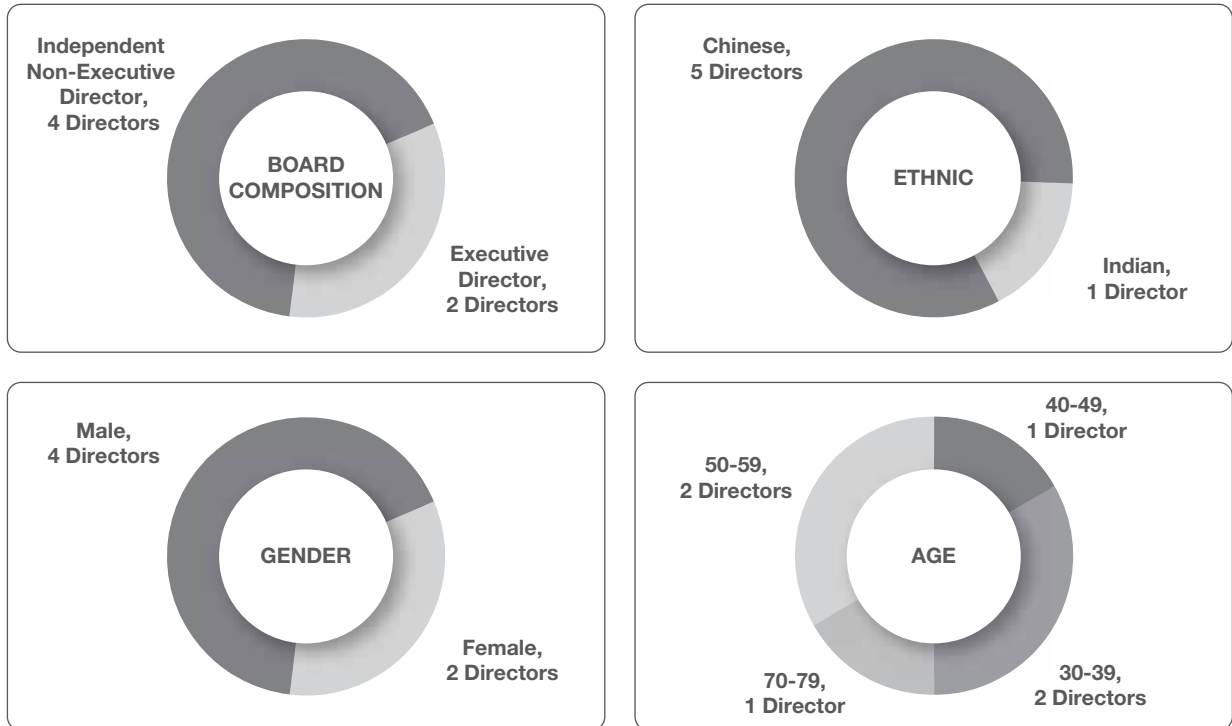
CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

II. BOARD COMPOSITION (CONT'D)

The Board's composition, ethnicity, gender and age are disclosed as follows:-



The Board's experience matrix are as follows:-

	Industry/Background experience									
	Applied chemical	Risk Management/ Insurance	Accounting/Finance/ Corporate Finance	Project Management	Certification Audit & Placement Consultancy	Legal/Regulatory	Marketing Management	Mechanical Engineering	Corporate Training	Environmental & Sustainability Management
Kan Yow Kheong	√			√			√	√		√
Kan Mun Hoow			√	√			√	√		√
Clifton Heath Fernandez			√	√	√		√		√	√
Lye Meei Ruu						√				
Chia Yee Yan			√	√			√			
Ling Hua Kang (Appointed on 6 December 2023)		√	√							

The Board believes that the current composition is appropriate given the collective skills and experience of the Directors and Analabs' current size and nature of business. Further, the Board is of the view that with the current Board size, there is no disproportionate imbalance of power and authority on the Board between the Non-Independent and Independent Directors. The Board will continue to monitor and review the Board size and composition as may be needed.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

II. BOARD COMPOSITION (CONT'D)

Appointment of New Directors

The Nomination Committee (“NC”) is responsible to recommend candidates to the Board to fill vacancies arising from resignation, retirement or other reasons or if there is a need to appoint additional Directors with the required skills or profession to the Board to meet any competency gaps identified by the NC. The potential candidate may be proposed by existing Directors, Senior Management, shareholders or third party referrals.

Upon receipt of the proposal, the NC is responsible to conduct an assessment and evaluation on the proposed candidate.

The assessment/evaluation process may include among others, a review of the candidate’s resume, professional experience and qualification. The NC would also assess the candidate’s integrity, wisdom, independence, ability to make independent and analytical inquiries, ability to work as a team to support the Board, understanding of the business environment and the willingness to devote adequate time and commitment to attend to the duties/functions of the Board.

The Board acknowledges the importance of diversity as an essential virtue of good corporate governance and an attribute of a well-functioning Board. Diverse views enhance Board discussions and ensure that the discussions made by the Board have been considered from all points of view. The Board acknowledges that diversity presents itself in a number of forms, including but not limited to gender, age, cultural background, educational background, ethnicity, professional experience, skills and knowledge.

The Board takes appropriate measures to ensure that boardroom diversity is considered as part of its selection and recruitment exercise. However, the merits of the individual and the knowledge and expertise relevant to the Company will be the main criteria when considering the selection of new candidates to the Board.

Upon completion of the assessment and evaluation of the proposed candidate, the NC would make its recommendation to the Board. Based on the recommendation of the NC, the Board would evaluate and decide on the appointment of the proposed candidate.

The Board has established the Directors’ Fit and Proper Policy to ensure that any person to be appointed or elected/re-elected as a Director of the Company shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the position in the most effective manner. The Directors’ Fit and Proper Policy is available at the Company’s website at www.analabs.com.my.

Tenure of Independent Directors

The Code recommends that the tenure of an Independent Director 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 his re-designation to non-independent director. In the event such Director is to be retained as an independent director, the Board must justify and seek annual shareholders’ approval.

None of the Independent Directors have served more than nine (9) years on the Board except for Clifton Heath Fernandez who will exceed the cumulative term of nine (9) years but less than twelve (12) years from 16 February 2025. As the AGM in year 2025 is anticipated to be held in October 2025, the NRC had undertaken a review to determine if the “independence” of the aforementioned director has been impaired.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

II. BOARD COMPOSITION (CONT'D)

Tenure of Independent Directors (Cont'd)

The Board through the NRC, after having assessed the independence of Clifton Heath Fernandez regards him to be independent based on among others, the following justifications and recommends that he be retained as an Independent Director of the Company subject to the approval from the Shareholders of the Company through a two-tier voting process to be tabled at the forthcoming AGM:-

- (i) Clifton Heath Fernandez has fulfilled the definition on an Independent Director as set out under Paragraph 1.01 of the Listing Requirements of Bursa Securities and being independent, he will be able to function as a check and balance, bring an element of objectivity to the Board's and Board's Committees deliberations. His length of service on the Board and Board Committees, do not in any way interfere with his exercise of independent judgement and ability to act in the best interest of the Group. Further, a director's independence cannot be determined arbitrarily with reference to a set of period of time;
- (ii) Clifton Heath Fernandez will be with the Company for more than nine (9) years from 16 February 2025 and is familiar with the Group's business operations;
- (iii) He has exercised due care and diligence during his tenure as an Independent Non-Executive Director and has carried out his duties professionally and objectively in the best interest of the Group and its Shareholders; and
- (iv) He does not have any conflict of interest throughout his tenure of office as Independent Director of the Company and has not entered into and is not expected to enter into any contracts which will give rise to any related party transactions with the Group which will impair his independence.

Evaluation of Board, Board Committees and Individual Directors

Board evaluations comprise a Board and Board Committee's Assessment, Assessment by Individual Directors and Peer Assessments and Assessments of Independence of Independent Non-Executive Directors ("the Assessments").

For Individual Performance and Board Evaluation, the assessment criteria include among others, contribution and performance, calibre and personality, Board mix and composition, quality of information and decision making as well as participation at Board and Committee Meetings. The NC also undertook an evaluation on the ARMC and the assessment criteria include effectiveness and quality, external and internal audits and financial reporting. The criteria for assessing the independence of an Independent Director include among others, the relationship between the Independent Director and the Group and his or her involvement in any significant transaction with the Group. The results and recommendations from the evaluation were reported to the Board for further consideration and action, if required.

Directors who are subject to re-election and at the next AGM shall be assessed by the NC before recommendation is made to the Board and shareholders for the re-election.

Annual Assessment of Existing Directors & Board Committees

To ensure that the Board would be able to discharge its duties and responsibilities effectively, the NC has during the financial year and up to the date of this Statement carried out:-

- i) an assessment of the Directors, which includes the self-assessment carried out by the individual Directors;
- ii) a review on the retirement of Directors by rotation eligible for re-election at the forthcoming AGM;
- iii) an assessment on the independence of the Independent Directors;
- iv) a review and assessment on the effectiveness of the Board as a whole and Committees of the Board;
- v) an evaluation on the ARMC and the assessment criteria include effectiveness and quality of external and internal audits and financial reporting. The NC and the Board was satisfied with the performance and effectiveness of the ARMC and its members;
- vi) assessed and recommended the appointment of an additional Independent Non-Executive Director, Ling Hua Kang; and
- vii) deliberated, assessed and recommended the retention of Independent Director who will exceed the nine (9) years tenure (in FY 2025) but less than twelve (12) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

II. BOARD COMPOSITION (CONT'D)

Annual Assessment of Existing Directors & Board Committees (Cont'd)

There were no major concerns arising from the results of the Assessments. The feedback confirmed that the Board and each of its Committee continue to operate effectively and that each Director continues to make an effective contribution and demonstrates a strong commitment to the role.

None of the Independent Directors had any relationships and/or transactions that could materially interfere with their independent judgements and decisions. The Board was truly satisfied with the level of independence demonstrated by all Independent Directors.

The results of the Assessments form the basis for the NC's recommendation to the Board for the re-election of Directors at the forthcoming AGM.

In accordance with the provisions of the Company's Constitution, all Directors for the time being shall retire from office and shall be eligible for re-election at each AGM. Directors who are appointed to the Board during the year shall retire and seek re-election at the next AGM to be held following their appointments.

III. REMUNERATION

The remuneration package of Directors has been structured to attract, retain and motivate the Directors of the right caliber and to recognise and reward the high performing Directors for achieving the Company's business and corporate goals.

The RC shall ensure that the levels of remuneration are competitive in the market to attract and retain Directors of the quality required to manage the business of the Group. The RC is entrusted under its terms of reference to assist the Board amongst others, recommend to the Board the remuneration of the Executive Directors.

In the case of Non-Executive Directors, the level of remuneration shall reflect the experience and level of responsibilities undertaken by each of the Non-Executive Directors concerned.

The fees for Directors are determined by the Board with the approval from Shareholders at the AGM. No Director is involved in deciding his/her own remuneration.

The RC has during the financial year and up to the date of this Statement carried out a review and recommendation on the payment of Directors' fees for the financial year ending 30 April 2025 and recommended the same to the Board.

The details of the remuneration of the Directors of the Company and of the Group for the financial year ended 30 April 2024 are as follows:-

GROUP	Fees (RM)	Salaries, Bonuses, Incentives (RM)	Other Emoluments (RM)	Benefits-in-kind (RM)	Total (RM)
Executive Directors					
Kan Yow Kheong	18,000	36,096	1,464	-	55,560
Kan Mun Hoow	418,000	162,000	21,757	-	601,757
Independent Non-Executive Directors					
Clifton Heath Fernandez	18,000	-	-	-	18,000
Lye Meei Ruu	12,000	-	-	-	12,000
Chia Yee Yan	12,000	-	-	-	12,000
Ling Hua Kang (Appointed on 6 December 2023)	N/A	N/A	N/A	N/A	N/A
Total	478,000	198,096	23,221	-	699,317

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

III. REMUNERATION (CONT'D)

COMPANY	Fees (RM)	Salaries, Bonuses, Incentives (RM)	Other Emoluments (RM)	Benefits-in-kind (RM)	Total (RM)
Executive Directors					
Kan Yow Kheong	18,000	18,048	732	-	36,780
Kan Mun Hoow	18,000	-	-	-	18,000
Independent Non-Executive Directors					
Clifton Heath Fernandez	18,000	-	-	-	18,000
Lye Meei Ruu	12,000	-	-	-	12,000
Chia Yee Yan	12,000	-	-	-	12,000
Ling Hua Kang (Appointed on 6 December 2023)	N/A	N/A	N/A	N/A	N/A
Total	78,000	18,048	732	-	96,780

Note:

(i) Directors' Fees / Meeting Allowance

The shareholders approved the payment of the Directors' Fees of RM108,000 in respect of the financial year ended 30 April 2024, at the 25th AGM. The Company will be seeking the approval of the shareholders for the Proposed Director Fees of RM108,000 for the financial year ending 30 April 2025 at the forthcoming AGM. The fees will not be paid until the approval of the shareholders in the forthcoming AGM has been obtained.

(ii) Non-Executive Directors

The Non-Executive Directors are not entitled to any other benefits or incentive plan.

(iii) Executive Chairman

The Executive Chairman's remuneration package is reflected in his service contract as structured taking into account the fixed compensation which includes basic salaries, fees and allowances including a variable performance-linked bonus.

(iv) Senior Management

The top 5 senior management remuneration falls within the band of RM50,000, for the financial year ended 30 April 2024 are as follows:-

Senior Management	Fees	Salaries, Bonuses, Incentives	Other Emoluments	Benefits-in-kind
RM50,001 to RM100,000	-	2	1	-
RM100,001 to RM150,000	-	1	-	-
RM200,001 to RM250,000	-	1	-	-
RM400,001 to RM450,000	-	1	-	-

(v) Directors & Officers (D&O) Insurance

During the financial year, there was an indemnity coverage and insurance premium paid for the directors and officers of the Group and the Company amounting to RM500,000 and RM5,000 respectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit and Risk Management Committee ("ARMC")

The ARMC is made up exclusively by Independent Directors based on the Step-Up recommendation of the Code and also fulfils the requirements of the Listing Requirement of which requires the ARMC to comprise no fewer than three (3) members and that all members must be Non-Executive Directors with a majority of them being Independent Directors.

The Chairman of the ARMC, Clifton Heath Fernandez is an Independent Director. The role and responsibilities of the ARMC as well as their rights are set out in the Terms of Reference contained on the corporate website.

The ARMC possess the right mix of skills to discharge its duties effectively.

All members are financially literate and able to understand matters under the purview of the ARMC including the financial reporting process and to provide diverse perspectives that strengthen the quality of deliberations.

Details of the activities carried out by the ARMC in FY 2024 are set out on pages 80 to 81.

The Company's independent External Auditors fill an essential role for the shareholders by enhancing the reliability of the Group's financial statements and giving assurance of its reliability to users of the financial statements.

The Board has established a formal and transparent arrangement for maintaining appropriate relationships with the External Auditors in seeking professional advice and ensuring compliance with the relevant regulations and applicable approved accounting standards in Malaysia. The External Auditors attend ARMC meetings when necessary and have direct access to the ARMC and Internal Auditors for independent discussion.

The Board through the ARMC reviews and assess the independence of the External Auditors on a yearly basis. The ARMC works closely with the Management team in assessing the suitability of the External Auditor. The areas of assessment include among others, the External Auditors' objectivity and independence, audit fees, size and competency of the audit team, audit strategy, audit reporting and partner involvement.

The External Auditors, in supporting their independence, provided the ARMC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors have provided such declaration in their annual audit plan presented to the ARMC during the financial year.

In the event a former audit partner is appointed as a member of the ARMC, the former key audit partner is to observe a cooling-off period of at least three (3) years before being appointed.

The ARMC and the Board are satisfied with the performance, competence and independence of the External Auditors and the Board had recommended their re-appointment for shareholders' approval at the forthcoming AGM.

Risk Management and Internal Control Framework

The Board has an overall responsibility in maintaining a sound internal control system that provides reasonable assurance of effective and efficient operations and compliance with internal procedures and guidelines.

The Group's approach to risk management and the principal risks faced by the Group are disclosed on the Statement on Risk Management and Internal Control as set out on pages 76 to 78 of the Annual Report.

The Group has outsourced its internal audit ("IA") function to a professional service firm which is independent of the activities and operations of the Group.

The IA is tasked by the Board to undertake continuous review and assessment on the adequacy, efficiency and effectiveness of risk management, control and governance processes implemented in the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

Risk Management and Internal Control Framework (Cont'd)

The outsourced Internal Auditors reports directly to the ARMC. Details on the internal audit function are set out in the ARMC Report and the Statement on Risk Management and Internal Control of this Annual Report.

The Internal Auditors have unrestricted access to the ARMC and are invited to attend meetings to facilitate the deliberation of internal audit reports. The minutes of the ARMC meetings are then tabled to the Board for information and serve as useful references, especially if there are pertinent issues that any Directors wish to highlight or seek clarification.

PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH SHAREHOLDERS

Recognising the importance of timely dissemination of information to shareholders and other stakeholders, the Board is committed to ensuring that the shareholders and other stakeholders are well informed of major developments of the Company and the information is communicated to them through the following:-

- (i) The Annual Report;
- (ii) The various disclosures and announcements made to BMSB including the Quarterly Results and Annual Results; and
- (iii) The website at www.analabs.com.my which shareholders as well as members of the public are invited to access for the latest information on the Group.

The Board also encourages shareholders to communicate through other channels and has identified Mr Clifton Heath Fernandez as the Senior Independent Non-Executive Director to whom concerns from the public may be conveyed. Mr Clifton can be contacted via the following address:-

c/o Analabs Resources Berhad
Unit 621, 6th Floor, Block A
Kelana Centra Point, No.3, Jalan SS7/19
Kelana Jaya, 47301 Petaling Jaya
Selangor Darul Ehsan

The Company's AGM serves as a principal forum for dialogue with shareholders. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions. Meetings of Members are held as and when required.

The Company sends out the Notice of AGM and related circular to Shareholders at least 28 days before the meeting in order to facilitate the full understanding and evaluation of the issues involved.

All Directors would attend the Meetings of Members unless is unavoidable circumstances to allow shareholders to raise questions and clarify any issues they may have relating to each resolution tabled for approval.

This Statement was presented and approved at the Board of Directors' Meeting held on 8 August 2024.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

During the financial year, there were no proceeds raised by the Company from any corporate proposals.

AUDIT FEES AND NON-AUDIT FEE

The audit fees payable by the Company and the Group for the financial year ended 30 April 2024 were RM67,000 and RM187,000 respectively (both exclusive of Sales and Services Tax).

The non-audit fee payable by the Company and the Group to External Auditors or affiliates of auditors' firm for the financial year ended 30 April 2024 amounted to RM5,000 each.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interest either subsisting at the end of the financial year ended 30 April 2024 or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions of a revenue or trading nature which requires shareholders' mandate during the financial period under review.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance promulgates, inter-alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and Group's assets. The Board of Directors ("Board") of Analabs Resources Berhad is pleased to present the Statement on Risk Management & Internal Control (the "Statement") which is in compliance with paragraph 15.26(b) of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and has taken into account the guidelines mentioned in the Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers).

RESPONSIBILITIES OF THE BOARD

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's Risk Management and Internal Control System. This includes the establishment of an appropriate control environment and risk management, processes and structures and continuously reviews the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets.

Whilst acknowledging its responsibilities, the Board is aware of the limitations that are inherent in any systems of internal control and risk management where such systems are being designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business objectives. Accordingly, it can only provide a reasonable, but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations.

Management is responsible for assisting the Board in implementing the processes for identifying, evaluating, monitoring and reporting risks and internal controls throughout the period.

For the financial year under review, the Board has received assurance from the Executive Director and Finance Manager that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

The Board is of the view that the Group's risk management and internal control systems are in place for the financial year under review and up to the date of issuance of the financial statements for identifying, evaluating and managing significant risks faced or potentially to be encountered by the Group.

MANAGEMENT'S RESPONSIBILITIES

Senior Management is accountable to the Board for the risk management and the internal control system and for the implementation of processes to identify, evaluate, monitor and report the relevant risks. The implementation of the risk management process for the Group is the responsibility of the Analabs Senior Management.

The key elements of the Group's risk management and internal control system are described under the following headings:-

INTERNAL CONTROL ENVIRONMENT

In striving to operate a sound system of risk management and internal control that drives the Group towards achieving its goals, the Board of Directors has put in place an organisation structure with formally defined lines of responsibility and delegation of authority.

The Board is responsible towards the overall effectiveness of the Group's risk management and internal control systems through establishing, directing and supervising the operation of a risk framework that adequately manages the various risks faced by the Group whilst the Audit and Risk Management Committee ("ARMC") is overall responsible for providing assurance to the Board of Directors, as an independent party, on the effectiveness of the internal control systems and risk management in the Group.

The daily running of business is entrusted to the Executive Chairman and the Management team. This close-to-operations management style enables timely identification and reporting of significant matters.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

INTERNAL CONTROL ENVIRONMENT (CONT'D)

In order to inculcate a standard of ethical behaviour for Directors and employees of the Group, a Code of Ethics & Conduct has been established and communicated to all Directors and employees of the Group. The Group's Code of Ethics & Conduct is included in the Company's Board Charter.

RISK MANAGEMENT FRAMEWORK

The Board recognises that an effective risk management framework will allow the Group to identify, evaluate and manage risk that affect the achievement of the Group's business objectives within defined risk parameters in a timely and effective manner.

The risk management process can be briefly summarised as follows:-



This framework identifies the risks affecting the Group and forms the foundation in developing the audit plan for the Group. The internal audit plan is continuously reviewed by the ARMC and revised based on changes to the Group's business units/functions.

INFORMATION AND COMMUNICATION

Following from a clear organisational reporting structure, information are communicated and disseminated to key management within the Group. Information critical to the achievement of the Group's business objectives are communicated through established reporting lines across the Group via the Steering Committee meeting. This is to ensure that matters that require the Board and Management's attention are highlighted for review, deliberation and decision on a timely basis.

The ARMC holds meetings to deliberate on the findings and recommendations for improvement by the Internal Auditors on the state of the internal control system and reports to the Board. The ARMC also reviews and deliberates on any matters relating to internal control highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

CONTROL AND MONITORING PROCESS

The Group's practice is guided by the Code of Ethics & Conduct. The Board is responsible for setting the Group's long-term business objectives and monitors the conduct of the Group's operations through various Board Committees. The processes adopted by the Board to monitor the effectiveness of the Group's internal control system are as follow:-

- The Board and the ARMC meet to discuss matters raised by Management, Internal Auditors and External Auditors on business and operational matters.
- The Board has delegated the responsibilities to Management of the Group to implement and monitor the Board's policies on internal control.
- Delegation of authority is designed to ensure accountability and responsibility.
- Internal procedures and policies are documented.
- Steering Committee meetings are held during the financial year in order to assess the performance of the Group.

The monitoring, review and reporting arrangements in place give reasonable assurance that the structure of controls and its operations are appropriate to the Group's operations and that risks are at an acceptable level throughout the Group's businesses. Such arrangement, however, do not eliminate the possibility of human error or deliberate circumvention of control procedures by employees and others.

Periodic reviews of the adequacy and integrity of selected areas of internal control system are carried out by the outsourced internal audit function and results of such reviews are reported to the ARMC. The internal audit function thereby provides independent assurance on the areas reviewed by the internal audit function to the Board on the effectiveness of the Group's internal control system.

ASSURANCE FROM THE MANAGEMENT

The Board has also received reasonable assurance from the Executive Director cum CEO and Finance Manager that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management model adopted by the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their review was performed in accordance with Malaysian Approved Standard on Assurance Engagement, ISAE 3000 (Revised), Assurance Engagement Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosure required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers as set out, nor it factually inaccurate.

CONCLUSION

For the financial year under review, there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring separate disclosure in the Annual Report. The Board is of the view that the Group's system of internal control and risk management is adequate to safeguard shareholders' investments and the Group's assets. However, the Board is also cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of internal control and risk management framework.

This Statement is made in accordance with the resolution of the Board of Directors dated 8 August 2024.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (“the ARMC” or “the Committee”) comprises of four (4) members of the Board all of whom are Independent Non-Executive Directors:-

Chairman	:	Clifton Heath Fernandez (<i>Senior Independent Non-Executive Director</i>)
Members	:	Lye Meei Ruu (<i>Independent Non-Executive Director</i>) Chia Yee Yan (<i>Independent Non-Executive Director</i>) Ling Hua Kang (<i>Independent Non-Executive Director</i>) (<i>Appointed on 27 March 2024</i>)

The composition of the Committee meets the requirements of paragraph 15.09 (1)(a) and (b) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Main Market Listing Requirements (“MMLR”).

ATTENDANCE

The ARMC met five (5) times during the financial year. The record of attendance of each ARMC member in the ARMC meetings held during the financial year ended 30 April 2024 are as follows:-

Directors	Meetings Attended by the Members/ Total Number of Meetings Held During the Financial Year Ended	% of Attendance
Mr. Clifton Heath Fernandez	5/5	100
Ms. Lye Meei Ruu	5/5	100
Ms. Chia Yee Yan	5/5	100
Mr. Ling Hua Kang	1/1	100

The Executive Chairman, Executive Director cum CEO and other Senior Management of the Group were invited to the meetings to provide inputs on the Group’s operations, key audit matters as well as response on internal audit findings.

MINUTES OF MEETINGS

Minutes of meetings are circulated to all members and tabled for confirmation at the following meeting and subsequently presented to the Board for notation.

During the financial year, the ARMC Chairman presented to the Board, the Committee’s recommendation to approve the quarterly financial statements, annual audited financial statements and re-appointment of External Auditors. Relevant issues highlighted by the External Auditors and Internal Auditors are escalated to the Board.

TERMS OF REFERENCE

The terms of reference of the ARMC has been enhanced in line with the Malaysian Code on Corporate Governance in 29 June 2022. The terms of reference is accessible on the Company’s website at www.analabs.com.my.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Cont'd

ASSESSMENT

The Nomination Committee (“NC”) reviewed the term of office of the ARMC members and assessed their performance through a formal evaluation process. The NC was satisfied that the ARMC members had all discharged their duties in accordance with their terms of reference. The Board having taken into consideration of the recommendation of the NC, approved the extension of the term of office of the ARMC for a further period of one year.

SUMMARY OF WORKS DURING THE YEAR

The works carried out by the Committee during the financial year ended 30 April 2024 included the following:-

(a) Financial Reporting

- In fulfilling its oversight responsibilities, the Committee reviewed and discussed the audited financial statements with the External Auditors, including a discussion on salient accounting and audit issues, strengthening internal control where there are deficiencies, accounting principles and the reasonableness of significant judgments.
- The External Auditors concurred with the accounting policies adopted by Management and that they were in conformity with the relevant accounting standards.
- The Committee reviewed the Group’s quarterly financial statements before presenting to the Board for approval and public release.

(b) External Audit

- The External Audit Plan encompassing the scope and timing for the year’s audit was reviewed by the Committee prior to the commencement of the audit. Salient areas of key audit matters, audit emphasis and audit approach, amongst others, were discussed and brought to the attention of the Committee.
- The Committee was also updated on the new accounting standards to be adopted and disclosure of key audit matters.
- The ARMC Report and Statement of Risk Management and Internal Control were reviewed by the External Auditors for inclusion in the Annual Report.
- The Committee reviewed the independence of the External Auditors to ascertain if they were in compliance with relevant ethical requirements regarding independence throughout the audit in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) and the Malaysian Institute of Accountants’ By-Laws on Professional Ethics, Conduct and Practice. The External Auditors had provided a written assurance that they had acted independently throughout the audit and that there were no relationships or provision of other non-audit services that had impaired or compromised their independence during the audit.
- The Committee reviewed the performance of the External Auditors and was satisfied with their performance, quality of communication, sufficiency and allocation of resources, competency as well as timeliness in completing the audit.
- The Committee reviewed the audit fees proposed by the External Auditors and recommended the same to the Board for approval.
- Without the presence of Executive Directors and Management, met with the External Auditors on 10 August 2023 and 27 March 2024.
- Having assessed the performance of the External Auditors and their fees, the Committee recommended their re-appointment as External Auditors for the ensuing year.

The review and assessment included the review of the Transparency Report for the year ended 31 December 2022 issued by the External Auditor. The Committee was satisfied with the External Auditor’s governance, quality control and leadership structure.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Cont'd

SUMMARY OF WORKS DURING THE YEAR (CONT'D)

The works carried out by the Committee during the financial year ended 30 April 2024 included the following:- (Cont'd)

(c) Internal Control and Risk Management

- Reviewed the findings on the follow-up review on Coveright Surfaces Malaysia Sdn. Bhd. where issues raised encompassed improvements to be made to the risk registers which are ongoing/have been duly addressed by Management. The ARMC has been updated on the progress accordingly.
- Reviewed the findings on the follow-up review on Toh Ban Seng Contractor Pte. Ltd., Singapore where issues raised encompassed Human Resource and Information Technology issues which have been duly addressed by Management.
- Reviewed the Internal Audit Review on Resources Conservation Sdn. Bhd. covering Marketing and Logistics. Management have taken the necessary actions to address the weaknesses identified.
- Without the presence of Executive Directors and Management, met with the Internal Auditors on 27 March 2024.

(d) Conflict of Interest (COI) and Potential COI

Reviewed the COI and potential COI of all the Directors that arose or might arise, together with the measures taken to resolve, eliminate or mitigate such conflicts, if applicable. All the Directors have confirmed that as at the date of this Report, they do not have any COI or potential COI that arose, persist or may arise involving situations where they have personal pecuniary interests which are in conflict with Analabs.

INTERNAL AUDIT FUNCTION

The Group's internal audit function was outsourced to Smart Business Consulting, a professional firm and this mitigates the risk of factors affecting the independence of Internal Auditors as it has no involvement in the operations of the Group. The outsourced Internal Auditors, who is responsible for the review and appraisal of the effectiveness of internal controls in the Group reports directly to the ARMC.

The Committee has full and direct access to the outsourced Internal Auditors, review the reports on all audit performed and monitors its performance. The Committee also reviews the adequacy of the scope, functions, competency and resources of outsourced internal audit functions.

The outsourced Internal Auditors carried out internal audits within the Group based on a risk-based audit plan approved by the Committee. Based on these audits, the outsourced Internal Auditors provided the Committee with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control.

The summary of works of the internal audit function which were tabled and reviewed by the ARMC are disclosed in section (c) above, "summary of works during the year" of this Report.

The costs incurred for the outsourced internal audit function in respect of the financial year ended 30 April 2024 amounted to RM9,000 (excluding Sales and Services Tax).

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors reaffirm that they are collectively responsible for ensuring that the annual financial statements of the Group and of the Company are drawn up in accordance with the applicable approved accounting standards in Malaysia, the provisions of the Companies Act 2016 and the Listing Requirements of Bursa Securities; and that these financial statements give a true and fair view of the financial position, financial performance and cash flows of the Group for the financial year ended 30 April 2024.

To ensure that financial statements are properly drawn up, the Directors have taken the following measures:

- adopted suitable accounting policies and applying them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable 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 ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Companies Act 2016. The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.



FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 April 2024. All values shown in this report are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
- Owners of the Company	27,659	7,525
- Non-controlling interests	2,632	-
	30,291	7,525

DIVIDENDS

The Company paid an interim dividend of 2.1 sen per ordinary share amounting to RM2,287,612 for the financial year ended 30 April 2024 on 22 March 2024.

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

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

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

TREASURY SHARES

As at 30 April 2024, the Company held as treasury shares a total of 11,114,100 of its 120,048,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM10,160,358. The details of the treasury shares are disclosed in Note 17 to the financial statements.

SHARE OPTIONS

The Company did not grant any share options during the financial year.

DIRECTORS' REPORT

Cont'd

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS' REPORT

Cont'd

DIRECTORS

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

Kan Yow Kheong
 Kan Mun Hoow
 Clifton Heath Fernandez
 Lye Mei Ruu
 Chia Yee Yan
 Ling Hua Kang (Appointed on 6.12.2023)

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

Lai Nyuk Moi
 Lim Yoke Soo
 Muhamad Hanis Bin Baharuddin
 Tan Cher Heng
 Wan Mei Yi
 Woo Pek Chuan
 Mariyapusam A/P Sebastia Udayar

DIRECTORS' INTERESTS

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

Name of Director	Number of Ordinary Shares			Balance at 30.4.2024
	Balance at 1.5.2023	Bought	Sold	
<u>Direct</u>				
Kan Yow Kheong	69,611,804	9,139,300	(5,700,000)	73,051,104
Kan Mun Hoow	5,039,000	-	-	5,039,000
<u>Indirect</u>				
Kan Yow Kheong ^(a)	18,000	-	-	18,000

^(a) Deemed interested through spouse's shareholding in the Company.

By virtue of their shareholdings in the Company, Kan Yow Kheong and Kan Mun Hoow are deemed to have interests in shares in their related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interests in shares of the Company or its related corporations during the financial year.

DIRECTORS' REPORT

Cont'd

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than the directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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

DIRECTORS' REMUNERATION

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

	Group RM'000	Company RM'000
Executive directors:		
- Short-term employee benefits:		
- Fee	436	36
- Others	200	18
	636	54
- Defined contribution plans	20	1
	656	55
Non-executive directors:		
- Short-term employee benefits:		
- Fee	42	42
	698	97

INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors of the Company were RM500,000 and RM5,000 respectively.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and effective ownership interest held by the Company in each subsidiary are disclosed in Note 9 to the financial statements.

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



DIRECTORS' REPORT

Cont'd

AUDITORS

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

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

	Group RM'000	Company RM'000
Audit fees	187	67
Non-audit fee	5	5
	192	72

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 8 AUGUST 2024**

Kan Yow Kheong

Kan Mun Hoow

STATEMENT BY DIRECTORS

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

We, Kan Yow Kheong and Kan Mun Hoow, being two of the directors of Analabs Resources Berhad, state that, in the opinion of the directors, the financial statements set out on pages 94 to 168 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 of 30 April 2024 and of their financial performance and cash flows for the financial year ended on that date.

**SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 8 AUGUST 2024**

Kan Yow Kheong

Kan Mun Hoow

STATUTORY DECLARATION

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

I, Lai Nyuk Moi, (MIA Membership Number: 38941), being the officer primarily responsible for the financial management of Analabs Resources Berhad, do solemnly and sincerely declare that the financial statements set out on pages 94 to 168 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lai Nyuk Moi, NRIC Number: 681125-05-5096
at Klang in the State of Selangor Darul Ehsan
on this 8 August 2024

Lai Nyuk Moi
Finance Manager

Before me
Dato Lee Pei Nam
No. B 186
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ANALABS RESOURCES BERHAD

(Incorporated in Malaysia) Registration No : 199801012843 (468971 - A)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Analabs Resources Berhad, which comprise the statements of financial position as at 30 April 2024 of the Group and of the Company, and the statements of 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 94 to 168.

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

Key audit matter	How our audit addressed the key audit matter
<p><u>Valuation of investment properties (Refer to Note 4.1(b) and Note 6 to the financial statements)</u></p> <p>The Group carries significant investment properties as disclosed in Note 6 to the financial statements.</p> <p>The Group adopts the fair value model for its investment properties and had engaged external valuers to determine the fair value of the investment properties at the reporting date.</p> <p>The valuation of investment properties is significant to our audit due to the magnitude, complex valuation method and high dependency on a range of estimates which are based on current and future market or economic conditions.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the independent professional valuers' scope of work and evaluating whether they possess sufficient expertise, capability and objectivity to competently perform the valuation of the Group's investment properties. Obtaining the valuation report and evaluating the valuation methodology, data relating to comparisons of the recent transactions involving similar assets and estimates used by the independent professional valuers. Evaluating whether disclosures in the financial statements relating to the valuation of investment properties were in accordance with Malaysian Financial Reporting Standards.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ANALABS RESOURCES BERHAD
(Incorporated in Malaysia) Registration No : 199801012843 (468971 - A)
Cont'd

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<p><u>Impairment of goodwill (Refer to Note 4.1(c) and Note 8 to the financial statements)</u></p> <p>The Group carries significant goodwill as disclosed in Note 8 to the financial statements. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually.</p> <p>The impairment test involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> Evaluating whether the method used by the Group in measuring the recoverable amount is appropriate in the circumstances. Making enquiries of and challenging management on the key assumptions and inputs used in the measurement method. Evaluating whether the key assumptions and inputs used are reasonable and consistent by taking into consideration the past performance, future growth, market development, etc. Performing stress tests and sensitivity analysis to assess the impacts of those key assumptions and inputs on the measurement of recoverable amount.
<p><u>Valuation of inventories (Refer to Note 4.1(d) and Note 12 to the financial statements)</u></p> <p>The Group carries significant inventories as disclosed in Note 12 to the financial statements. Management periodically reviews the inventories for potential write-downs by considering their aging profile, estimation of market price fluctuations and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> Obtaining an understanding of: <ul style="list-style-type: none"> the Group's inventory management process; how the Group identifies and assesses inventory write-downs; and how the Group ascertains the accounting estimates for inventory write-downs. Reviewing the ageing analysis of inventories and testing the reliability thereof. Examining the perpetual records for inventories movements and to identify slow moving aged items. Making inquiries of management regarding the action plans to clear slow moving aged and obsolete inventories. Reviewing net realisable value of major inventories. Evaluating the reasonableness and adequacy of the allowance for inventories recognised for identified exposures.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ANALABS RESOURCES BERHAD

(Incorporated in Malaysia) Registration No : 199801012843 (468971 - A)

Cont'd

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.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ANALABS RESOURCES BERHAD
(Incorporated in Malaysia) Registration No : 199801012843 (468971 - A)
Cont'd

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

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

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

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

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, are disclosed in Note 9 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.

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

Shah Alam

8 August 2024

Cheah Siong Hon
03538/11/2024 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2024

		Group			Company	
		30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
			(Restated)	(Restated)		
ASSETS						
NON-CURRENT ASSETS						
Property, plant and equipment	5	68,140	53,110	74,047	-	-
Investment properties	6	84,000	76,350	46,299	-	-
Right-of-use assets	7	49,710	36,748	40,157	-	-
Goodwill on consolidation	8	8,005	7,917	7,821	-	-
Investments in subsidiaries	9	-	-	-	135,638	122,288
Receivables	10	73	4,863	6,245	-	4,792
Other investments	11	379,293	271,785	211,258	381	413
		589,221	450,773	385,827	136,019	127,493
CURRENT ASSETS						
Inventories	12	15,960	12,063	14,399	-	-
Biological assets	13	-	87	-	-	-
Receivables	10	17,651	27,820	20,086	2	1,749
Contract assets	14	9,545	7,754	6,087	-	-
Prepayments		162	143	133	-	-
Current tax assets		3,608	2,756	1,402	32	12
Cash and cash equivalents	15	23,424	16,953	22,037	574	2,070
		70,350	67,576	64,144	608	3,831
TOTAL ASSETS		659,571	518,349	449,971	136,627	131,324
EQUITY AND LIABILITIES						
EQUITY						
Share capital	16	66,272	66,272	66,272	66,272	66,272
Treasury shares	17	(10,160)	(10,160)	(10,160)	(10,160)	(10,160)
Reserves		376,174	290,407	271,063	80,134	74,929
Equity attributable to owners of the Company		432,286	346,519	327,175	136,246	131,041
Non-controlling interests	18	11,638	8,776	6,646	-	-
TOTAL EQUITY		443,924	355,295	333,821	136,246	131,041

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2024

Cont'd

	Note	Group			Company	
		30.4.2024 RM'000	30.4.2023 RM'000 (Restated)	1.5.2022 RM'000 (Restated)	30.4.2024 RM'000	30.4.2023 RM'000
EQUITY AND LIABILITIES						
(Cont'd)						
NON-CURRENT LIABILITIES						
Loans and borrowings	19	9,854	10,836	11,528	-	-
Lease liabilities	20	72	-	-	-	-
Deferred tax liabilities	21	24,746	19,082	19,318	-	-
		34,672	29,918	30,846	-	-
CURRENT LIABILITIES						
Payables	22	8,750	11,264	9,914	381	283
Contract liabilities	14	444	1,489	1,075	-	-
Loans and borrowings	19	169,689	118,940	72,386	-	-
Lease liabilities	20	42	57	368	-	-
Current tax liabilities		1,611	1,386	1,561	-	-
Derivative liability	23	439	-	-	-	-
		180,975	133,136	85,304	381	283
TOTAL LIABILITIES		215,647	163,054	116,150	381	283
TOTAL EQUITY AND LIABILITIES		659,571	518,349	449,971	136,627	131,324
NET ASSETS PER SHARE (RM)	37	4.08	3.26	3.06		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Revenue	24	152,465	133,359	14,949	6,236
Cost of sales		(108,993)	(100,555)	-	-
Gross profit		43,472	32,804	14,949	6,236
Other income	25	19,287	17,323	591	768
Administrative and other operating expenses		(11,080)	(11,300)	(998)	(857)
Net impairment losses on financial assets		(9,233)	(611)	(6,913)	-
Finance costs		(7,662)	(4,419)	-	-
Profit before tax	26	34,784	33,797	7,629	6,147
Tax expense	28	(4,493)	(2,599)	(104)	(95)
Profit for the financial year		30,291	31,198	7,525	6,052
Other comprehensive income/(loss):-					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gross revaluation increase of properties		30,268	4,616	-	-
Deferred tax effect thereof		(5,330)	(548)	-	-
Fair value changes of equity investments		35,628	(12,420)	(32)	(445)
Remeasurement of deferred tax on revalued properties arising from change in tax rates		68	831	-	-
<i>Item that will be reclassified subsequently to profit or loss</i>					
Currency translation differences for foreign operations		1,287	1,197	-	-
		61,921	(6,324)	(32)	(445)
Total comprehensive income		92,212	24,874	7,493	5,607

The annexed notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024
Cont'd

	Note	Group		Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Profit for the financial year attributable to:					
- Owners of the Company		27,659	28,287	7,525	6,052
- Non-controlling interests		2,632	2,911	-	-
		30,291	31,198	7,525	6,052
Total comprehensive income attributable to:					
- Owners of the Company		88,055	21,523	7,493	5,607
- Non-controlling interests		4,157	3,351	-	-
		92,212	24,874	7,493	5,607
Earnings per share:					
	29				
- Basic (sen)		25.39	25.97		
- Diluted (sen)		25.39	25.97		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Non-distributable		Distributable				Total equity RM'000			
	Share capital RM'000	Treasury shares RM'000	Revaluation surplus RM'000	Currency translation reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000		Retained profits RM'000	Equity attributable to owners of the Company RM'000	Non-controlling interests RM'000
Balance at 1 May 2022:										
- As previously reported	66,272	(10,160)	66,390	(325)	491	9,127	190,367	322,162	6,646	328,808
- Change in accounting policy (Note 39)	-	-	359	-	-	-	4,654	5,013	-	5,013
- As restated	66,272	(10,160)	66,749	(325)	491	9,127	195,021	327,175	6,646	333,821
Dividends to owners of the Company (Note 30)	-	-	-	-	-	-	(2,179)	(2,179)	-	(2,179)
Dividends by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	(1,221)	(1,221)
Total transactions with owners	-	-	-	-	-	-	(2,179)	(2,179)	(1,221)	(3,400)
Balance carried forward	66,272	(10,160)	66,749	(325)	491	9,127	192,842	324,996	5,425	330,421

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

	← Non-distributable		→ Distributable		Equity attributable to owners of the Company		Non-controlling interests	Total equity		
	Share capital	Treasury shares	Revaluation surplus	Currency translation reserve	Capital reserve	Fair value reserve			Retained profits	
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Balance brought forward	66,272	(10,160)	66,749	(325)	491	9,127	192,842	324,996	5,425	330,421
Gross revaluation increase of properties	-	-	4,616	-	-	-	-	4,616	-	4,616
Deferred tax effect thereof (Note 28 (b))	-	-	(548)	-	-	-	-	(548)	-	(548)
Fair value changes of equity investments	-	-	-	-	-	(12,420)	-	(12,420)	-	(12,420)
Currency translation differences for foreign operations	-	-	-	757	-	-	-	757	440	1,197
Remeasurement of deferred tax (Note 28(b))	-	-	831	-	-	-	-	831	-	831
Total other comprehensive income/(loss) for the financial year	-	-	4,899	757	-	(12,420)	-	(6,764)	440	(6,324)
Profit for the financial year	-	-	-	-	-	-	28,287	28,287	2,911	31,198
Total comprehensive income/(loss) for the financial year	-	-	4,899	757	-	(12,420)	28,287	21,523	3,351	24,874
Disposal of equity investments	-	-	-	-	-	200	(200)	-	-	-
Amortisation of revaluation reserve	-	-	(3,635)	-	-	-	3,635	-	-	-
Balance at 30 April 2023 (restated)	66,272	(10,160)	68,013	432	491	(3,093)	224,564	346,519	8,776	355,295

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

	Non-distributable				Distributable			Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Treasury shares	Revaluation surplus	Currency translation reserve	Capital reserve	Fair value reserve	Retained profits			
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2023:										
- As previously reported	66,272	(10,160)	63,333	432	491	(3,093)	214,869	332,144	8,776	340,920
- Change in accounting policy (Note 39)	-	-	4,680	-	-	-	9,695	14,375	-	14,375
- As restated	66,272	(10,160)	68,013	432	491	(3,093)	224,564	346,519	8,776	355,295
Dividends to owners of the Company (Note 30)	-	-	-	-	-	-	(2,288)	(2,288)	-	(2,288)
Dividends by a subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	(1,295)	(1,295)
Total transactions with owners	-	-	-	-	-	-	(2,288)	(2,288)	(1,295)	(3,583)
Balance carried forward	66,272	(10,160)	68,013	432	491	(3,093)	222,276	344,231	7,481	351,712

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

	← Non-distributable			→ Distributable			Equity		Total equity	
	Share capital	Treasury shares	Revaluation surplus	Currency translation reserve	Capital reserve	Fair value reserve	Retained profits	attributable to owners of the Company		Non-controlling interests
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance brought forward	66,272	(10,160)	68,013	432	491	(3,093)	222,276	344,231	7,481	351,712
Gross revaluation increase of properties	-	-	29,219	-	-	-	-	29,219	1,049	30,268
Deferred tax effect thereof (Note 28(b))	-	-	(5,330)	-	-	-	-	(5,330)	-	(5,330)
Fair value changes of equity investments	-	-	-	-	-	35,628	-	35,628	-	35,628
Currency translation differences for foreign operations	-	-	-	811	-	-	-	811	476	1,287
Remeasurement of deferred tax (Note 28(b))	-	-	68	-	-	-	-	68	-	68
Total other comprehensive income for the financial year	-	-	23,957	811	-	35,628	-	60,396	1,525	61,921
Profit for the financial year	-	-	-	-	-	-	27,659	27,659	2,632	30,291
Total comprehensive income for the financial year	-	-	23,957	811	-	35,628	27,659	88,055	4,157	92,212
Disposal of equity investments	-	-	-	-	-	(234)	234	-	-	-
Amortisation of revaluation reserve	-	-	(35)	-	-	-	35	-	-	-
Balance at 30 April 2024	66,272	(10,160)	91,935	1,243	491	32,301	250,204	432,286	11,638	443,924

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

Company	Share capital RM'000	Treasury shares RM'000	Non -	Distributable	Total equity RM'000
			distributable	Retained profits	
			Fair value reserve RM'000	RM'000	
Balance at 1 May 2022	66,272	(10,160)	273	71,228	127,613
Dividends to owners of the Company (Note 30)	-	-	-	(2,179)	(2,179)
Fair value changes of equity investments (representing other comprehensive loss for the financial year)	-	-	(445)	-	(445)
Profit for the financial year	-	-	-	6,052	6,052
Total comprehensive (loss)/income the financial year	-	-	(445)	6,052	5,607
Disposal of equity investments	-	-	200	(200)	-
Balance at 30 April 2023/1 May 2023	66,272	(10,160)	28	74,901	131,041
Dividends to owners of the Company (Note 30)	-	-	-	(2,288)	(2,288)
Fair value changes of equity investments (representing other comprehensive loss for the financial year)	-	-	(32)	-	(32)
Profit for the financial year	-	-	-	7,525	7,525
Total comprehensive (loss)/income for the financial year	-	-	(32)	7,525	7,493
Balance at 30 April 2024	66,272	(10,160)	(4)	80,138	136,246

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before tax	34,784	33,797	7,629	6,147
Adjustments for:-				
Bad debts written off	-	12	-	-
Deposit forfeited	-	13	-	-
Depreciation of property, plant and equipment	1,804	1,955	-	-
Depreciation of right-of-use assets	778	1,176	-	-
Dividend income from:				
- derivatives	(2,249)	-	-	-
- investments in unit trusts	-	(55)	-	(55)
- quoted investments	(6,681)	(6,843)	-	-
Equipment written off	2	3	-	-
Fair value loss/(gain) on biological assets	87	(87)	-	-
Fair value loss on financial liability measured at fair value through profit or loss mandatorily	439	-	-	-
Fair value gain on investment properties	(7,050)	(5,051)	-	-
Gain on disposal of property, plant and equipment	(379)	(383)	-	-
Gain on disposal of right-of-use assets	-	(636)	-	-
Impairment losses on contract assets	-	397	-	-
Impairment losses on trade receivables	2,326	188	-	-
Impairment losses on other receivables	6,927	37	6,913	-
Interest expense for lease liabilities	8	11	-	-
Interest expense for other financial liability measured at fair value through profit or loss mandatorily	560	-	-	-
Interest expense for other financial liabilities measured at amortised cost	7,094	4,442	-	-
Interest income for financial assets measured at amortised cost	(345)	(318)	(129)	(245)
Inventories written down	731	512	-	-
Net unrealised gain on foreign exchange	(468)	(901)	(369)	(468)
Revaluation decrease of property	100	-	-	-
Reversal of impairment losses on trade receivables	(20)	(11)	-	-
Reversal of inventories previously written down	(162)	(3,592)	-	-
Reversal of revaluation decrease of property	(46)	-	-	-
Waiver of debts	(456)	-	(93)	-
Operating profit before working capital changes and balance carried forward	37,784	24,666	13,951	5,379

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

	Note	Group		Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Operating profit before working capital changes and balance brought forward		37,784	24,666	13,951	5,379
Changes in:-					
Contract assets and contract liabilities		(2,497)	(1,336)	-	-
Inventories		(4,427)	5,463	-	-
Receivables and prepayments		6,492	(5,202)	75	1,803
Payables		(1,886)	581	33	8
Cash from operations		35,466	24,172	14,059	7,190
Interest paid		(6,788)	(4,159)	-	-
Tax paid		(4,748)	(4,168)	(124)	(75)
Net cash from operating activities		23,930	15,845	13,935	7,115
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Additional investments in existing subsidiaries		-	-	(13,350)	(10,830)
Dividends received		8,930	6,898	-	55
Increase in fixed deposits under lien with licensed banks		(35)	(39)	-	-
Interest received		217	73	-	-
Repayment from subsidiaries		-	-	-	1,973
Proceeds from disposal of property, plant and equipment		380	1,660	-	-
Proceeds from disposal of right-of-use assets		-	3,000	-	-
Proceeds from disposal of unit trusts		-	3,045	-	2,848
Purchase of plant and equipment	31	(378)	(1,004)	-	-
Purchase of quoted investments		(71,880)	(75,918)	-	-
Purchase of units trusts		-	(75)	-	(55)
Net cash for investing activities		(62,766)	(62,360)	(13,350)	(6,009)
Balance carried forward		(38,836)	(46,515)	585	1,106

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

	Note	Group		Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Balance brought forward		(38,836)	(46,515)	585	1,106
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid:					
- owners of the Company		(2,288)	(2,179)	(2,288)	(2,179)
- non-controlling interests		(1,295)	(1,221)	-	-
Interest paid		(560)	-	-	-
Net increase in short-term loans and borrowings	31	49,770	45,611	-	-
Repayment of lease liabilities	31	(47)	(444)	-	-
Repayment of term loans	31	(1,099)	(1,147)	-	-
Advance from/(Repayment to) subsidiaries		-	-	158	(2,618)
Net cash from/(for) financing activities		44,481	40,620	(2,130)	(4,797)
Net increase/(decrease) in cash and cash equivalents		5,645	(5,895)	(1,545)	(3,691)
Cash and cash equivalents brought forward		16,086	21,208	2,070	5,616
Currency translation differences		790	773	49	145
Cash and cash equivalents carried forward	15	22,521	16,086	574	2,070

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

1. GENERAL INFORMATION

The Company is a public company limited by shares, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Unit 621, 6th Floor, Block A, Kelana Centre Point, No. 3, Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan. Its principal place of business is located at Lot 750, Jalan Haji Sirat, 42100 Klang, Selangor Darul Ehsan.

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 8 August 2024.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

3. BASIS OF PREPARATION

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

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

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

MFRS 17: *Insurance Contracts*

Amendments to MFRS 17: *Insurance Contracts*

Amendment to MFRS 17: *Initial Application of MFRS 17 and MFRS 9 - Comparative Information*

Amendments to MFRS 101: *Disclosure of Accounting Policies*

Amendments to MFRS 108: *Definition of Accounting Estimates*

Amendments to MFRS 112: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

Amendments to MFRS 112: *International Tax Reform - Pillar Two Model Rules*

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

3. BASIS OF PREPARATION (CONT'D)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025

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

3.3 Changes in Accounting Policies

(a) Revaluation of Leasehold Land (Right-of-use Asset)

The Group re-assessed its accounting policy for leasehold land classified as right-of-use asset after initial recognition. The Group has previously measured all right-of-use asset using the cost model whereby the asset was subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

As at 1 May 2023, the Group elected to change the method of accounting for leasehold land classified as right-of-use asset, as the leasehold land relates to a class of property, plant and equipment to which the Group applied the revaluation model in accordance with *MFRS 116 Property, Plant and Equipment*. Besides, the Group believes that the revaluation model is a more appropriate measurement model to reflect the fair value of the leasehold land. In addition, these assets are located in the areas where observable market data can be obtained and hence provides a reliable fair value estimate.

After initial recognition, the Group applied the revaluation model, whereby leasehold land will be measured at fair value at the date of the revaluation less any subsequent accumulated depreciation and accumulated impairment losses. The Group applied the revaluation model prospectively.

The cumulative effects of the policy change are disclosed in Note 7 to the financial statements.

(b) Fair Value of Investment Properties

The Group re-assessed its accounting policy for investment properties after initial recognition. The Group has previously measured all investment properties using the cost model whereby, the investment properties were subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

During the financial year ended 30 April 2024, the Group elected to change the method of accounting for investment properties to the fair value model. The Group believes that the fair value model is a more appropriate measurement model to reflect the fair value of the investment properties. In addition, these assets are located in the areas where observable market data can be obtained and hence provides a reliable fair value estimate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

3. BASIS OF PREPARATION (CONT'D)

3.3 Changes in Accounting Policies (Cont'd)

(b) Fair Value of Investment Properties (Cont'd)

After initial recognition, the Group applied fair value model, whereby the investment properties will be measured at fair value with fair value changes recognised in profit or loss. The Group applied the fair value model retrospectively.

The cumulative effects of the policy change are disclosed in Note 6 to the financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Critical Accounting Estimates and Judgements

Key Sources of Estimation Uncertainty

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

(a) Properties under Revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size, market trends and others. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amount of properties measured at revaluation as at the reporting date is disclosed in Note 5 and Note 7 to the financial statements.

(b) Valuation of Investment Properties

Investment properties of the Group are reported at fair value which is based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size, market trends and others.

Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of investment properties as at the reporting date is disclosed in Note 6 to the financial statements.

(c) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date and the key assumptions are disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 Critical Accounting Estimates and Judgements (Cont'd)

Key Sources of Estimation Uncertainty (Cont'd)

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

(d) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

(e) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 10 and 14 to the financial statements respectively.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements.

4.2 Financial Instruments

(a) Financial Assets

Financial Assets Through Profit or Loss

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

Financial Assets at Amortised Cost

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 Financial Instruments (Cont'd)

(a) Financial Assets (Cont'd)

Financial Assets Through Other Comprehensive Income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

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

Financial Liabilities at Amortised Cost

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

(c) Equity

Ordinary Shares

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

Treasury Shares

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

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

(d) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 Financial Instruments (Cont'd)

(e) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 Goodwill

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

4.4 Investments in Subsidiaries

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

4.5 Property, Plant and Equipment

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

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land and building are stated at revalued amounts based on periodic valuations, at least once in every 5 years, less subsequent depreciation for building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	20 - 50 years
Plant and machinery	5 - 10 years
Renovation	5 - 10 years
Office equipment	5 years
Furniture and fittings	5 - 10 years
Laboratory equipment	5 - 10 years
Motor vehicles	4 - 10 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.6 Investment Properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are measured at fair value with fair value changes recognised in profit or loss.

4.7 Right-of-use Assets and Lease Liabilities

(a) Short-term Leases

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

(b) Right-of-use Assets

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

Leasehold land is stated at revalued amount based on periodic valuations, at least once in every 5 years, less subsequent depreciation. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

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

(c) Lease Liabilities

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

4.8 Inventories

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

4.9 Government Grants

Government grants are recognised at their fair value when there is reasonable assurance that they will be received and all conditions attached will be met.

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis over the period necessary to match them with the related expenses which they are intended to compensate for. These grants are presented under “other income” in the statements of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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5. PROPERTY, PLANT AND EQUIPMENT

Group	At	Transfer to		Net		Reversal of	Currency	At		
	1.5.2023	investment	increase	Disposal	Write-off				Depreciation	revaluation
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<u>Carrying amount</u>										
Freehold land	29,100	-	(180)	8,830	-	-	-	-	37,750	
Buildings	18,632	-	(420)	7,658	-	(858)	46	348	25,406	
Plant and machinery	2,433	158	-	-	-	(403)	-	43	2,229	
Office equipment	80	35	-	-	(1)	(40)	-	2	76	
Furniture and fittings	1	-	-	-	-	-	-	-	1	
Laboratory equipment	1	-	-	-	-	-	-	-	1	
Motor vehicles	2,863	185	-	-	-	(503)	-	132	2,677	
	53,110	378	(600)	16,488	(1)	(1,804)	46	525	68,140	
<u>At 30.4.2023</u>										
Group	At	Transfer to		Revaluation		Disposal	Write-off	Depreciation	Currency	At
1.5.2022	investment	increase	Disposal	Write-off	Depreciation					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Carrying amount (Restated)</u>										
Freehold land	45,600	-	(20,500)	4,000	-	-	-	-	-	29,100
Buildings	24,509	-	(4,500)	616	(1,277)	-	(1,076)	360	18,632	
Plant and machinery	2,794	-	-	-	-	(2)	(411)	52	2,433	
Office equipment	71	44	-	-	(1)	(36)	-	2	80	
Furniture and fittings	1	-	-	-	-	-	-	-	1	
Laboratory equipment	4	-	-	-	-	-	(3)	-	1	
Motor vehicles	1,068	2,132	-	-	-	(429)	-	92	2,863	
	74,047	2,176	(25,000)	4,616	(1,277)	(3)	(1,955)	506	53,110	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

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

Group	At cost RM'000	At valuation RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
At 30.4.2024				
Freehold land	-	37,750	-	37,750
Buildings	-	25,406	-	25,406
Plant and machinery	94,619	-	(92,390)	2,229
Renovation	1,056	-	(1,056)	-
Office equipment	4,534	-	(4,458)	76
Furniture and fittings	798	-	(797)	1
Laboratory equipment	307	-	(306)	1
Motor vehicles	11,696	-	(9,019)	2,677
	113,010	63,156	(108,026)	68,140
At 30.4.2023				
Freehold land	-	29,100	-	29,100
Buildings	-	22,039	(3,407)	18,632
Plant and machinery	107,358	-	(104,925)	2,433
Renovation	1,196	-	(1,196)	-
Office equipment	5,443	-	(5,363)	80
Furniture and fittings	952	-	(951)	1
Laboratory equipment	660	-	(659)	1
Motor vehicles	11,897	-	(9,034)	2,863
	127,506	51,139	(125,535)	53,110
At 1.5.2022				
Freehold land	-	45,600	-	45,600
Buildings	-	27,644	(3,135)	24,509
Plant and machinery	123,372	-	(120,578)	2,794
Renovation	1,321	-	(1,321)	-
Office equipment	5,752	-	(5,681)	71
Furniture and fittings	973	-	(972)	1
Laboratory equipment	668	-	(664)	4
Motor vehicles	11,457	-	(10,389)	1,068
	143,543	73,244	(142,740)	74,047

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

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

- (a) Included in the building of the Group was RM9,387,704 (2023 - RM6,405,036) has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.
- (b) Included in the property, plant and equipment of the Group were machineries and motor vehicles held under hire purchase arrangements with a total carrying amount of RM757,771 and RM1,673,515 (2023 - RM823,139 and RM1,232,379) respectively. These assets have had been pledged as security for the hire purchase payables of the Group as disclosed in Note 19 to the financial statements.
- (c) On 25 April 2024 and 26 April 2024, the Group's land and buildings were revalued by independent professional valuers. The surpluses arising from the revaluations, net of deferred taxation, have been credited to other comprehensive income as disclosed in statements of comprehensive income.
- (d) The details of the Group's property, plant and equipment carried at fair values are analysed as follows:-

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30.4.2024				
Freehold land	-	37,750	-	37,750
Buildings	-	10,617	14,789	25,406
	-	48,367	14,789	63,156
At 30.4.2023				
Freehold land	-	29,100	-	29,100
Buildings	-	8,367	10,265	18,632
	-	37,467	10,265	47,732
At 1.5.2022				
Freehold land	-	45,600	-	45,600
Buildings	-	8,362	16,147	24,509
	-	53,962	16,147	70,109

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. There has been no change to the valuation technique applied during the financial year.

The level 3 fair values of buildings have been determined using the depreciated replacement cost approach performed by independent professional valuers based on significant unobservable inputs of the gross replacement cost derived from total contract sum, industry average costing and average building costs of similar buildings, then being adjusted for depreciation.

There were no transfers between level 1, level 2 and level 3 during the financial year.

The fair value measurements of the land and buildings are based on the highest and best use which does not differ from their actual use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

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

(e) If the land and buildings were measured using the cost model, the carrying amounts would be as follows:-

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Cost	8,904	8,967	16,376
Accumulated depreciation	(1,355)	(1,141)	(1,657)
	7,549	7,826	14,719

(f) Certain building of the Group has been leased to a Company within the Group under operating lease with rental payable monthly. The lease contains an initial non-cancellable period of 1 (2023 - 1) year and subsequent renewal period of 2 (2023 - 2) years. The lease does not include residual value guarantee and variable lease payments.

6. INVESTMENT PROPERTIES

Group	At 1.5.2023 (Restated) RM'000	Transfer from property, plant and equipment (Note 5) RM'000	Gain on changes in fair value RM'000	At 30.4.2024 RM'000
<u>Carrying amount</u>				
Freehold land	52,500	180	6,500	59,180
Leasehold land	9,190	-	50	9,240
Buildings	14,660	420	500	15,580
	76,350	600	7,050	84,000

	← At 1.5.2022 →			Transfer from property, plant and equipment (Note 5) RM'000	Gain/(Loss) on changes in fair value RM'000	At 30.4.2023 RM'000
	As previously reported RM'000	Change in accounting policy (Note 39) RM'000	As restated RM'000			
<u>Carrying amount (Restated)</u>						
Freehold land	24,640	2,600	27,240	20,500	4,760	52,500
Leasehold land	5,851	2,669	8,520	-	670	9,190
Buildings	10,804	(265)	10,539	4,500	(379)	14,660
	41,295	5,004	46,299	25,000	5,051	76,350

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

6. INVESTMENT PROPERTIES (CONT'D)

- (a) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods ranging from 18 to 36 months (2023 - 12 to 36 months) and an option that is exercisable by the customers to extend their leases, which are negotiated on a contract by contract basis ranging from 2 to 6 years (2023 - 2 to 6 years).

The Group does not require a financial guarantee from the customers. Instead, the Group requires 2 to 3 months (2023 - 1 to 3 months) of rental deposits from the customers. The leases do not include residual value guarantee and variable lease payments that depend on an index or rate.

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

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Within 1 year	2,784	3,139	722
Between 1 and 2 years	1,600	2,838	667
Between 2 and 3 years	109	1,200	99
	4,493	7,177	1,488

- (b) Included in the investment properties of the Group was a total amount of RM30,950,000 (2022 - RM28,950,000) have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.
- (c) The details of the Group's investment properties carried at fair values are analysed as follows:-

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
At 30.4.2024				
Freehold land	-	59,180	-	59,180
Leasehold land	-	9,240	-	9,240
Buildings	-	6,080	9,500	15,580
	-	74,500	9,500	84,000
At 30.4.2023				
Freehold land	-	52,500	-	52,500
Leasehold land	-	9,190	-	9,190
Buildings	-	5,660	9,000	14,660
	-	67,350	9,000	76,350
At 1.5.2022				
Freehold land	-	27,240	-	27,240
Leasehold land	-	8,520	-	8,520
Buildings	-	6,039	4,500	10,539
	-	41,799	4,500	46,299

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

6. INVESTMENT PROPERTIES (CONT'D)

(c) The details of the Group's investment properties carried at fair values are analysed as follows:- (Cont'd)

The level 2 fair values have been determined based on the market comparison approach performed by independent professional valuers by making reference to recent sales transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

The level 3 fair values of buildings have been determined using the depreciated replacement cost approach performed by independent professional valuers based on significant unobservable inputs of the gross replacement cost derived from total contract sum, industry average costing and average building costs of similar buildings, then being adjusted for depreciation.

There were no transfers between level 1, level 2 and level 3 during the financial year.

The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use.

7. RIGHT-OF-USE ASSETS

Group	At	Revaluation	Depreciation	Modification	At
	1.5.2023	increase		of lease	30.4.2024
	RM'000	RM'000	RM'000	liabilities (Note 31)	RM'000
<u>Carrying amount</u>					
Leasehold land	36,693	13,636	(729)	-	49,600
Hostels	55	-	(49)	104	110
	36,748	13,636	(778)	104	49,710

Group	At	Addition	Disposal	Depreciation	Currency	At
	1.5.2022	(Note 31)	RM'000	RM'000	translation	30.4.2023
	RM'000	RM'000	RM'000	RM'000	differences	RM'000
<u>Carrying amount</u>						
Leasehold land	40,157	-	(2,364)	(1,112)	12	36,693
Hostels	-	119	-	(64)	-	55
	40,157	119	(2,364)	(1,176)	12	36,748

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

7. RIGHT-OF-USE ASSETS (CONT'D)

Group	At cost RM'000	At valuation RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
At 30.4.2024				
Leasehold land:				
- the Group	-	49,600	-	49,600
Hostels	223	-	(113)	110
	223	49,600	(113)	49,710

At 30.4.2023

Leasehold land:				
- the Group	39,600	-	(2,907)	36,693
- third party	1,337	-	(1,337)	-
Hostels	119	-	(64)	55
	41,056	-	(4,308)	36,748

At 1.5.2022

Leasehold land:				
- the Group	42,100	-	(2,292)	39,808
- third party	1,263	-	(914)	349
	43,363	-	(3,206)	40,157

(a) The Group leases certain pieces of leasehold land and premises of which the leasing activities are summarised below:-

(i) Leasehold land: (third party) In the previous financial year, the Group has entered into 1 non-cancellable operating lease agreement for the use of land (site space). The lease is for a period of 4 years with no renewal or purchase option included in the agreement. The lease does not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land (site space).

(ii) Hostels: The Group has leased a number of hostels that run between 1 and 2 years (2023 - 1 and 2 years), with an option to renew the lease after that date. The leases do not contain any variable lease payments.

(b) On 26 April 2024, the Group's leasehold land was revalued by independent professional valuers. The surpluses arising from the revaluations, net of deferred taxation, have been credited to other comprehensive income as disclosed in statements of comprehensive income.

(c) The details of the Group's right-of-use assets carried at fair values are analysed as follows:-

Group	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
At 30.4.2024				
Leasehold land				
- the Group	-	21,800	27,800	49,600

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

7. RIGHT-OF-USE ASSETS (CONT'D)

- (c) The details of the Group's right-of-use assets carried at fair values are analysed as follows:- (Cont'd)

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is the price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

The level 3 fair value has been determined based on existing use method that makes reference to the indicative market value of similar property in the vicinity on a price per square foot basis. The price per square foot of the property adopted, which is significant input, is RM2.83. A fluctuation of RM0.34 in the price per square foot, with all other variables held constant, the fair value of the leasehold land would have been 13.43% lower.

The fair value measurements of the leasehold land are based on the highest and best use which does not differ from their actual use.

- (d) If the leasehold land were measured using the cost model, the carrying amounts would be as follows:-

	Group 30.4.2024 RM'000
Cost	39,600
Accumulated depreciation	(3,636)
	35,964

8. GOODWILL ON CONSOLIDATION

	30.4.2024 RM'000	Group 30.4.2023 RM'000	1.5.2022 RM'000
At cost:-			
Balance at 1 May 2023/2022/2021	9,869	9,773	9,739
Currency translation differences	88	96	34
	9,957	9,869	9,773
Accumulated impairment losses	(1,952)	(1,952)	(1,952)
Balance at 30 April	8,005	7,917	7,821

- (a) The carrying amounts of goodwill have been allocated to cash generating units ("CGUs") identified as follows:-

	30.4.2024 RM'000	Group 30.4.2023 RM'000	1.5.2022 RM'000
Manufacturing, formulation and sale of resin, chemicals and building materials	5,752	5,752	5,752
Contract work, pipe laying and rehabilitation	1,830	1,742	1,646
Others	423	423	423
	8,005	7,917	7,821

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

8. GOODWILL ON CONSOLIDATION (CONT'D)

- (b) The recoverable amount of the CGUs was determined based on the value in use approach using cash flow projections from the financial budgets approved by management covering a period of 5 years.

The basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the years immediately before the budgeted years. The growth rate is determined based on the expected projection of the relevant segments. The discount rates used are pre-tax and reflect specific risks relating to the segments. The key assumptions used in the determination of the recoverable amounts are as follows:-

	Gross Margin			Growth Rate			Discount Rate		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
	%	%	%	%	%	%	%	%	%
Manufacturing, formulation and sale of resin, chemicals and building materials	14 - 15	15 - 17	12 - 17	1	1	1	8	8	7
Contract work, pipe laying and rehabilitation	27 - 31	33	33	1	-	-	8	8	7

- (c) Barring any unforeseen circumstances, management believes that no reasonably possible change in the above key assumptions would cause the carrying amount of the CGU to materially exceed its recoverable amount.

9. INVESTMENTS IN SUBSIDIARIES

	Company	
	30.4.2024	30.4.2023
	RM'000	RM'000
Unquoted shares - at cost	143,600	130,250
Accumulated impairment losses	(7,962)	(7,962)
	135,638	122,288

The details of the subsidiaries are as follows:-

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activities
		2024	2023	
		%	%	
AL Resources Pte. Ltd. ^(a)	Singapore	99.99	99.99	Trading in paints and related products.
Singapore Analabs Pte. Ltd. ("SAPL") ^(a)	Singapore	63	63	Investment holding.
<u>Subsidiaries of SAPL</u>				
- Toh Ban Seng Contractor Pte. Ltd. ("TBS") ^(a)	Singapore	63	63	General contractors of water and sewer diversion construction and maintenance.
- Ban Tiong Soon Contractor Pte. Ltd. ("BTS") ^(a)	Singapore	63	63	General contractors of labour supply for sewer and water rehabilitation construction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

9. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:- (Cont'd)

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activities
		2024 %	2023 %	
Centralised Waste Treatment Plant Sdn. Bhd.	Malaysia	100	100	Investment holding.
Coveright Surfaces Malaysia Sdn. Bhd.	Malaysia	100	100	Manufacturing and selling resin impregnated papers.
Inagro Sdn. Bhd.	Malaysia	100	100	Property letting and investment holding.
Lux Distributor Sdn. Bhd.	Malaysia	100	100	Trading, importing and distribution of ceramic tiles and building materials.
Masmeru Sdn. Bhd.	Malaysia	100	100	Investment holding.
M-Field Sdn. Bhd.	Malaysia	100	100	Property letting and investment holding.
Resources Conservation Sdn. Bhd.	Malaysia	100	100	Collection, treatment, recovery and recycling of industrial waste and sale of recycled products.
Sapphire Lifestyle Sdn. Bhd.	Malaysia	100	100	Investment holding.
Striketech Sdn. Bhd.	Malaysia	100	100	Culture and sale of prawns, collection, treatment, recovery and recycling of organic waste from food industries into biofeed and sale of recycled products.
Syntax System Solutions Sdn. Bhd.	Malaysia	100	100	Collection, treatment, recovery and recycling of industrial waste and sale of recycled products.
QSP Chemie (M) Sdn. Bhd.	Malaysia	100	100	Investment holding.
The Analytical Laboratories (Malaysia) Sdn. Bhd.	Malaysia	100	100	Investment holding.
Global Pacific Petroleum Sdn. Bhd. ("GPP")	Malaysia	100	100	Manufacturing and trading in lubricant related products.
<u>Subsidiary of GPP</u>				
- Hysper Manufacturing (M) Sdn. Bhd.	Malaysia	100	100	Dormant.

^(a) Not audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

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10. RECEIVABLES

	Group			Company	
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Non-current assets</u>					
Other receivables:					
- Unrelated parties	73	4,863	6,245	-	4,792
<u>Current assets</u>					
Trade receivables:					
- Unrelated parties	17,853	24,524	16,455	-	-
- Accumulated impairment losses	(2,712)	(376)	(195)	-	-
	15,141	24,148	16,260	-	-
Other receivables:					
- Unrelated parties	9,475	3,709	3,826	6,915	1,749
- Accumulated impairment losses	(6,965)	(37)	-	(6,913)	-
	2,510	3,672	3,826	2	1,749
	17,651	27,820	20,086	2	1,749
Total receivables	17,724	32,683	26,331	2	6,541

Trade Receivables

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 30 April 2024, there were 3 (2023 - 3) major customers that accounted for 10% or more of the Group's trade receivables and the total outstanding balances due from the said major group of customers amounted to approximately RM10,238,000 (2023 - RM16,623,000). The credit risk concentration profile by geographical areas of trade receivables (stated at gross) is as follows:-

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Asia	7,124	7,029	5,150
Malaysia	5,194	6,443	4,842
Others	5,535	11,052	6,463
	17,853	24,524	16,455

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10. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 days terms.

The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status (stated at gross) is as follows:-

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Not past due	9,794	17,188	7,537
1 to 30 days past due	3,503	5,851	6,632
31 to 60 days past due	278	831	1,828
61 to 90 days past due	33	7	60
More than 90 days past due	4,245	647	398
	17,853	24,524	16,455

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

Group	Not	1 to 30	31 to 60	61 to 90	More than	Credit	Total
	past due	days	days	days	90 days	impaired	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 30 April 2024							
Gross carrying amount	9,794	3,503	278	33	1,795	2,450	17,853
Average credit loss rate	1.22%	3.57%	4.68%	15.15%	0.00%	100.00%	15.19%
Accumulated impairment loss	119	125	13	5	-	2,450	2,712
As at 30 April 2023							
Gross carrying amount	17,188	5,851	831	7	295	352	24,524
Average credit loss rate	0.02%	0.07%	0.12%	28.57%	4.75%	100.00%	1.53%
Accumulated impairment loss	3	4	1	2	14	352	376
As at 1 May 2022							
Gross carrying amount	7,537	6,632	1,828	60	212	186	16,455
Average credit loss rate	0.04%	0.05%	0.16%	0.00%	0.00%	100.00%	1.19%
Accumulated impairment loss	3	3	3	-	-	186	195

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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10. RECEIVABLES (CONT'D)

Trade Receivables (Cont'd)

The average credit loss rates were based on the payment profile of revenue over a period of 12 months and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The changes in the accumulated impairment losses are as follows:-

	Group	
	30.4.2024	30.4.2023
	RM'000	RM'000
Balance at 1 May 2023/2022	376	195
Increase during the financial year	2,326	188
Reversal during the financial year	(20)	(11)
Currency translation differences	30	4
Balance at 30 April	2,712	376

Other Receivables

Other receivables are unsecured and non-interest bearing. The amounts owing by unrelated parties consist mainly of refundable deposits which have no fixed repayment terms and non-refundable deposits paid to suppliers for the future purchases.

The Group measures the loss allowance for other receivables at an amount equal to lifetime expected credit losses.

The changes in the accumulated impairment losses are as follows:-

	Group		Company	
	30.4.2024	30.4.2023	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000
Balance at 1 May 2023/2022	37	-	-	-
Increase during the financial year	6,927	37	6,913	-
Currency translation differences	1	-	-	-
Balance at 30 April	6,965	37	6,913	-

Other receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulty and has defaulted on payment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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11. OTHER INVESTMENTS

	Group			Company	
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Financial assets at fair value through other comprehensive income:					
- Investments in unit trusts	-	-	6,751	-	-
- Quoted shares in Malaysia	375,804	268,908	201,923	381	413
- Quoted shares outside Malaysia	3,309	2,697	2,404	-	-
	379,113	271,605	211,078	381	413
Financial assets at fair value through profit or loss:					
- Club memberships	180	180	180	-	-
Total other investments	379,293	271,785	211,258	381	413

The fair values of equity investments were directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

The carrying amounts of equity investments pledged to licensed banks as security for credit facility granted to the Group as disclosed in Note 19 to the financial statements are as follows:-

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Financial assets at fair value through other comprehensive income:			
- Quoted shares in Malaysia	244,004	161,430	145,806

NOTES TO THE FINANCIAL STATEMENTS

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12. INVENTORIES

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
At cost:			
- Livestock of prawns	-	-	30
- Raw materials	13,990	9,216	8,464
- Packing materials	-	-	14
- Finished goods	856	2,343	1,171
- Goods-in-transit	487	242	759
	15,333	11,801	10,438
At net realisable value:			
- Raw materials	264	237	3,944
- Finished goods	363	25	17
	627	262	3,961
	15,960	12,063	14,399
Recognised in profit or loss:			
- Inventories recognised as cost of sales	88,845	81,338	71,118
- Amount written down to net realisable value	731	512	3,788
- Reversal of inventories previously written down	(162)	(3,592)	(434)

The reversal of write-down was in respect of inventories sold above their written down carrying amounts.

13. BIOLOGICAL ASSETS

	Group	
	30.4.2024	30.4.2023
	RM'000	RM'000
Balance at 1 May 2023/2022	87	-
Additions	67	123
Changes in fair value	39	124
Sales of biological assets	(193)	(160)
Balance at 30 April	-	87

The fair value measurement of the live prawns is determined by using the market approach, which takes into consideration the market prices of live prawns, adjusted for the estimated survival rates and other costs to sell and is categorised within Level 3 of the fair value hierarchy. A reasonable change in the key assumptions would not result in a material impact to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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14. CONTRACT ASSETS/(LIABILITIES)

	Group	
	30.4.2024	30.4.2023
	RM'000	RM'000
Balance at 1 May 2023/2022	6,265	5,012
Revenue recognised during the financial year	36,357	36,557
Progress billings during the financial year	(33,860)	(35,617)
Currency translation differences	339	313
Balance at 30 April	9,101	6,265

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Disclosed as:			
- Contract assets	9,545	8,151	6,087
- Accumulated impairment losses	-	(397)	-
	9,545	7,754	6,087
- Contract liabilities	(444)	(1,489)	(1,075)
	9,101	6,265	5,012

The contract assets primarily relate to the Group's right to consideration for construction work completed on construction contracts but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

The contract liabilities primarily relate to advance considerations received from customers for which the Group has not performed the work. The amount will be recognised as revenue when the performance obligations are satisfied.

The Group generally satisfies its performance obligations over time during the construction period. Any excess of revenue recognised over progress billings is presented as contract asset, whereas any deficit is presented as contract liability.

The Group measures the loss allowance for contract assets at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of contract assets based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Gross carrying amount - not past due	9,545	8,151	6,087
Average credit loss rate	0.00%	4.87%	0.00%
Accumulated impairment losses	-	397	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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

The changes in the accumulated impairment losses are as follows:-

	Group	
	30.4.2024	30.4.2023
	RM'000	RM'000
Balance at 1 May 2023/2022	397	-
Increase during the financial year	-	397
Write off during the financial year	(397)	-
Balance at 30 April	-	397

Remaining Performance Obligations

As at 30 April 2024, the aggregate transaction price allocated to the remaining performance obligations amounted to approximately RM22,767,000 (2023 - RM28,302,000) and the Group expects to recognise these remaining performance obligations when the projects are completed within the next 2 (2023 - 2) years.

15. CASH AND CASH EQUIVALENTS

	Group			Company	
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Term deposits (fixed rate)	1,028	991	953	97	96
Cash and bank balances	22,396	15,962	21,084	477	1,974
	23,424	16,953	22,037	574	2,070

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

Certain term deposits of the Group totalling RM772,267 (2023 - RM736,909) have been pledged as security for credit facilities granted to the Group. In addition, certain cash and bank balances of the Group amounting to RM130,140 (2023 - RM130,000) have been held in escrow. Accordingly, these balances are not freely available for use.

The effective interest rates of term deposits as at 30 April 2024 ranged from 0.05% to 2.40% (2023 - 0.05% to 2.25%) per annum.

For the purpose of statements of cash flows, cash and cash equivalents are presented net of pledged deposits as follows:-

	Group			Company	
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents	23,424	16,953	22,037	574	2,070
Term deposits pledged as security	(773)	(737)	(699)	-	-
Bank balances held in escrow	(130)	(130)	(130)	-	-
	22,521	16,086	21,208	574	2,070

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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16. SHARE CAPITAL

	Group/Company No. of ordinary shares	RM'000
<u>Issued and Fully Paid-up</u>		
Balance at 30 April 2023/2024	120,048,000	66,272

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

17. TREASURY SHARES

	Group/Company No. of ordinary shares	Total consideration RM'000
Balance at 30 April 2023/2024	11,114,100	10,160

The share buy-back scheme was financed by internally generated funds. The ordinary shares repurchased were held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 in Malaysia and are presented as a deduction from shareholders' equity.

None of the treasury shares were resold or cancelled during the financial year.

18. NON-CONTROLLING INTERESTS ("NCI")

	Group				Other comprehensive income allocated to NCI	
	Accumulated NCI		Profit allocated to NCI			
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Singapore Analabs Pte. Ltd. ("SAPL")	11,638	8,776	2,632	2,911	1,525	440

The details of the subsidiary that has NCI to the Group are as follows:-

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest held by NCI		Principal activity
		2024 %	2023 %	
Singapore Analabs Pte. Ltd. ("SAPL") ^(a)	Singapore	37	37	Investment holding.

^(a) Not audited by Crowe Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

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18. NON-CONTROLLING INTERESTS ("NCI") (CONT'D)

The summarised financial information (before inter-company elimination) of the above subsidiary with non-controlling interests that are material to the Group is as follows:-

	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Non-current assets	14,510	11,761	10,136
Current assets	25,603	24,880	18,064
Non-current liabilities	(2,431)	(2,919)	(2,611)
Current liabilities	(6,229)	(10,004)	(7,629)
Net assets	31,453	23,718	17,960
Dividends paid to non-controlling interests	(1,295)	(1,221)	(1,148)
Revenue for the financial year	36,669	36,557	26,599
Profit for the financial year	7,114	7,867	19,551
Total comprehensive income for the financial year	11,234	9,058	19,860
Net cash from operating activities	4,349	7,294	5,579
Net cash from/(for) investing activities	122	(1,935)	(610)
Net cash for financing activities	(3,741)	(3,487)	(4,091)
Net increase in cash and cash equivalents	730	1,872	878

19. LOANS AND BORROWINGS

	30.4.2024	Group 30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Non-current			
Term loans (floating rate)	8,942	9,919	10,929
Hire purchase payables (fixed rate)	912	917	599
	9,854	10,836	11,528
Current			
Term loans (floating rate)	1,114	1,132	1,144
Hire purchase payables (fixed rate)	449	386	223
Bankers' acceptance (fixed rate)	4,831	5,830	5,818
Invoice financing (fixed rate)	2,647	-	-
Margin trading (floating rate)	149,892	100,811	49,007
Onshore foreign currency loan (fixed rate)	9,818	10,781	15,194
Trust receipt (fixed rate)	938	-	-
Revolving credits (fixed rate)	-	-	1,000
	169,689	118,940	72,386

The above loans and borrowings are secured against certain properties (Note 5 and Note 6), equity investments (Note 11) and term deposits (Note 15) of the Group.

NOTES TO THE FINANCIAL STATEMENTS

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19. LOANS AND BORROWINGS (CONT'D)

The effective interest rates of loans and borrowings as at 30 April 2024 ranged from 1.43% to 7.78% (2023 - 0.76% to 7.38%) per annum.

Except for long-term loans, other loans and borrowings are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Term Loans

Term loans are repayable over 1 to 14 years. The repayment analysis is as follows:-

	30.4.2024	Group 30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Gross loan instalments:			
- Within 1 year	1,698	1,553	1,541
- Later than 1 year and not later than 2 years	1,565	1,618	1,524
- Later than 2 years and not later than 5 years	4,001	4,172	4,298
- Later than 5 years	5,651	6,705	8,452
Total contractual undiscounted cash flows	12,915	14,048	15,815
Future finance charges	(2,859)	(2,997)	(3,742)
Present value of term loans:			
- Within 1 year	1,114	1,132	1,144
- Later than 1 year and not later than 2 years	1,147	1,146	1,200
- Later than 2 years and not later than 5 years	3,065	3,287	3,176
- Later than 5 years	4,730	5,486	6,553
	10,056	11,051	12,073

The fair values of term loans are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured are considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of term loans.

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20. LEASE LIABILITIES

	Group		
	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000
Gross lease liabilities:			
- Within 1 year	47	58	374
- Later than 1 year and not later than 2 years	38	-	-
- Later than 2 years and not later than 5 years	38	-	-
Total contractual undiscounted cash flows	123	58	374
Future finance charges	(9)	(1)	(6)
Present value of lease liabilities	114	57	368
Disclosed as:			
- Non-current liabilities	72	-	-
- Current liabilities	42	57	368
	114	57	368

The incremental borrowing rate applied to lease liabilities as at 30 April 2024 is at 6.06% (2023 - 6.10%) per annum.

21. DEFERRED TAX LIABILITIES

	Group	
	30.4.2024	30.4.2023
	RM'000	RM'000 (Restated)
Balance at 1 May 2023/2022 (restated)	19,082	19,318
Deferred tax expense/(income) recognised in:		
- Profit or loss (Note 28(a))	421	1,119
- Other comprehensive income	5,218	(283)
Deferred tax liabilities overprovided in prior years (Note 28(a))	(13)	(819)
Realisation of deferred tax liability upon disposal of properties (Note 28(a))	97	(112)
Reversal of real property gains tax upon disposal of properties (Note 28(a))	(62)	(143)
Currency translation differences	3	2
Balance at 30 April	24,746	19,082
In respect of taxable temporary differences of:		
- Property, plant and equipment	1,601	1,288
- Revaluation of land and buildings	23,145	17,794
	24,746	19,082

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21. DEFERRED TAX LIABILITIES (CONT'D)

Group	Property, plant and equipment RM'000	Revaluation of land and buildings RM'000	Total RM'000
Balance at 1 May 2022:			
- as previously reported	1,254	18,073	19,327
- change in accounting policy (Note 39)	-	(9)	(9)
- as restated	1,254	18,064	19,318
Deferred tax expense/(income) recognised in:			
- Profit or loss	846	273	1,119
- Other comprehensive income	-	(283)	(283)
Deferred tax liabilities underprovided in prior years	(819)	-	(819)
Realisation of deferred tax liability upon disposal of properties	-	(112)	(112)
Reversal of real property gains tax upon disposal of properties	-	(143)	(143)
Currency translation differences	7	(5)	2
Balance at 30 April 2023 (restated)	1,288	17,794	19,082
Balance at 1 May 2023:			
- as previously reported	1,288	16,971	18,259
- change in accounting policy (Note 39)	-	823	823
- as restated	1,288	17,794	19,082
Deferred tax expense recognised in:			
- Profit or loss	314	107	421
- Other comprehensive income	-	5,218	5,218
Deferred tax liabilities overprovided in prior years	(13)	-	(13)
Realisation of deferred tax liability upon disposal of properties	-	97	97
Reversal of real property gains tax upon disposal of properties	-	(62)	(62)
Currency translation differences	12	(9)	3
Balance at 30 April 2024	1,601	23,145	24,746

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22. PAYABLES

	Group			Company	
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023
	RM'000	RM'000	RM'000	RM'000	RM'000
Trade payables:					
- Unrelated parties	5,285	5,330	4,551	-	-
Other payables:					
- Related party ^(a)	264	286	289	-	-
- Subsidiaries	-	-	-	158	93
- Unrelated parties	3,179	5,164	5,052	201	168
	3,443	5,450	5,341	359	261
Unpaid balance for acquisition of plant and equipment (Note 31)	-	462	-	-	-
Dividend payables	22	22	22	22	22
	8,750	11,264	9,914	381	283

^(a) Being a director of certain subsidiaries.

Payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Trade Payables

Trade payables are unsecured, non-interest bearing and generally on 30 to 120 (2023 - 30 to 120) days terms.

Other Payables

Other payables are unsecured and non-interest bearing. The amounts owing to a related party and subsidiaries are repayable on demand and to be settled in cash. The amounts owing to unrelated parties mainly consist of sundry payables and accruals for administrative and other operating expenses.

23. DERIVATIVE LIABILITY

	Contract/Notional amount			Group		
	30.4.2024	30.4.2023	1.5.2022	30.4.2024	30.4.2023	1.5.2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Derivative Liability						
Total return equity swap	70,087	-	-	439	-	-

The Group does not apply hedge accounting.

- (a) The Group entered into four Total Return Equity Swap ("TRES") transactions in March 2024 which entitled Coverright Surfaces Malaysia Sdn. Bhd. ("CSM") to receive dividends declared and to benefit from the capital gain or loss on an underlying equity or stock. However, CSM is obligated to pay interest at 3-month Effective Cost of Funds ("ECOF") + 1.25% per annum (i.e. 4.80%).
- (b) The fair value of TRES is calculated as the present value of the estimated future cash flows based on observable yield curves (i.e. Level 3).

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24. REVENUE

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers:				
<u>Recognised over time</u>				
- Contract work, pipe laying and rehabilitation	36,357	36,557	-	-
<u>Recognised at point in time</u>				
- Sale of resin impregnated papers	61,777	64,587	-	-
- Sale of ceramic tiles and building materials	28,922	13,592	-	-
- Sale of lubricant related products	5	60	-	-
- Recovery and sale of recycled products	6,733	7,584	-	-
- Culture and sale of prawns	193	160	-	-
- Sale of fitting	312	-	-	-
	97,942	85,983	-	-
	134,299	122,540	-	-
Revenue from other sources:				
- Dividend income from quoted investments (Note 26)	16,228	10,334	-	13
- Dividend income from subsidiaries	-	-	14,505	5,779
- Management fees from subsidiaries	-	-	444	444
- Operating lease income	1,938	485	-	-
	18,166	10,819	14,949	6,236
	152,465	133,359	14,949	6,236

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

24. REVENUE (CONT'D)

- (a) The information on the disaggregation of the Group's revenue by geographical market is disclosed as follows:-

Disaggregation of Revenue from Contracts with Customers

Group	Operating segments (Note 33)					Total RM'000
	Manufacturing, formulation and sale of resin, chemicals and building materials RM'000	Recovery and sale of recycled products RM'000	Culture and sale of prawns RM'000	Investment holding and property letting RM'000	Contract work, pipe laying and rehabilitation RM'000	
2024						
Major products/ services:						
- Contract work, pipe laying and rehabilitation	-	-	-	-	36,357	36,357
- Sale of resin impregnated papers	61,777	-	-	-	-	61,777
- Sale of ceramic tiles and building materials	28,922	-	-	-	-	28,922
- Sale of lubricant related products	5	-	-	-	-	5
- Recovery and sale of recycled products	-	6,733	-	-	-	6,733
- Culture and sale of prawns	-	-	193	-	-	193
- Sale of fitting	-	-	-	-	312	312
	90,704	6,733	193	-	36,669	134,299
Geographical areas:						
- Asia	2,782	-	-	-	36,669	39,451
- Malaysia	37,823	6,733	193	-	-	44,749
- Others	50,099	-	-	-	-	50,099
	90,704	6,733	193	-	36,669	134,299

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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24. REVENUE (CONT'D)

- (a) The information on the disaggregation of the Group's revenue by geographical market is disclosed as follows:- (Cont'd)

Disaggregation of Revenue from Contracts with Customers (Cont'd)

Group	Operating segments (Note 33)					Total RM'000
	Manufacturing, formulation and sale of resin, chemicals and building materials RM'000	Recovery and sale of recycled products RM'000	Culture and sale of prawns RM'000	Investment holding and property letting RM'000	Contract work, pipe laying and rehabilitation RM'000	
2023						
Major products/ services:						
- Contract work, pipe laying and rehabilitation	-	-	-	-	36,557	36,557
- Sale of resin impregnated papers	64,587	-	-	-	-	64,587
- Sale of ceramic tiles and building materials	13,592	-	-	-	-	13,592
- Sale of lubricant related products	60	-	-	-	-	60
- Recovery and sale of recycled products	-	7,584	-	-	-	7,584
- Culture and sale of prawns	-	-	160	-	-	160
	78,239	7,584	160	-	36,557	122,540
Geographical areas:						
- Asia	5,733	-	-	-	36,557	42,290
- Malaysia	20,993	7,584	160	-	-	28,737
- Others	51,513	-	-	-	-	51,513
	78,239	7,584	160	-	36,557	122,540

- (b) The information on transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date is disclosed in Note 14 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

24. REVENUE (CONT'D)

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

Nature of goods or services	Timing and method of revenue recognition	Significant payment terms	Variable consideration	Warranty and obligation for returns or refunds
Sale of resin impregnated papers	Local sales: When the goods are delivered and accepted by customers.	Credit periods ranging from 30 - 90 days from the invoice date.	Not applicable.	Not applicable.
	Overseas sales: When the goods have reached the port of shipment set by customers (FOB destination).			
	When the goods have reached the destination set by customers (CIF destination).			
Sale of ceramic tiles and building materials	When the goods are delivered and accepted by customers.	Credit periods ranging from 14 - 180 days from the invoice date.	Not applicable.	Not applicable.
Sale of lubricant related products	When the goods are delivered and accepted by customers.	Credit periods of 90 days from the invoice date.	Not applicable.	Not applicable.
Recovery and sale of recycled products	When the goods are delivered and accepted by customers.	Credit periods ranging from 30 - 90 days from the invoice date.	Not applicable.	Not applicable.
Culture and sale of prawns	When the goods are delivered and accepted by customers.	Cash on delivery.	Not applicable.	Not applicable.
Sale of fitting	When the goods are delivered and accepted by customers.	Credit periods ranging from 30 - 60 days from the invoice date.	Not applicable.	Not applicable.
Contract work, pipe laying and rehabilitation	When services are rendered using the output method i.e. surveys of work performed.	Based on agreed milestones, certified by quantity surveyor.	Late penalty charges ranging from RM694 - RM102,359 calculated daily.	Defect liability period of 1.5 years is given to customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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24. REVENUE (CONT'D)

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

Operating lease income

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

Dividend income

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

Management fees

Management fees are recognised in the period in which the services are rendered.

25. OTHER INCOME

	Group		Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Dividend income from:				
- Derivative instruments (Note 26)	2,249	-	-	-
- Investments in unit trusts (Note 26)	-	55	-	55
- Quoted investments (Note 26)	6,681	6,843	-	-
Fair value gain on biological assets	-	87	-	-
Fair value gain on investment properties	7,050	5,051	-	-
Gain on disposal of property, plant and equipment	379	383	-	-
Gain on disposal of right-of-use assets	-	636	-	-
Government grant income	58	279	-	-
Interest income for financial assets measured at amortised cost	345	318	129	245
Operating lease income	1,368	1,496	-	-
Proceed from insurance claim	-	1,176	-	-
Realised gain on foreign exchange	9	-	-	-
Reversal of revaluation decrease of property	46	-	-	-
Unrealised gain on foreign exchange	465	901	369	468
Waiver of debts	456	-	93	-
Others	181	98	-	-
	19,287	17,323	591	768

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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26. PROFIT BEFORE TAX

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
	(Restated)			
Profit before tax is arrived at after charging/ (crediting):-				
Auditors' remuneration:				
- Audit fees:				
- auditors of the Company:				
- current financial year	187	176	67	63
- overprovision in the previous financial year	-	(2)	-	-
- other auditors	50	66	-	-
- Non-audit fee:				
- auditors of the Company:				
- current financial year	5	5	5	5
- underprovision in the previous financial year	-	12	-	12
Bad debts written off	-	12	-	-
Deposit forfeited	-	13	-	-
Depreciation of property, plant and equipment	1,804	1,955	-	-
Depreciation of right-of-use assets	778	1,176	-	-
Direct operating expenses on investment properties	176	207	-	-
Employee benefits expense (Note 27)	10,541	11,090	533	631
Equipment written off	2	3	-	-
Fair value loss/(gain) on biological assets	87	(87)	-	-
Fair value loss on financial liability measured at fair value through profit or loss mandatorily	439	-	-	-
Interest expense for lease liabilities	8	11	-	-
Interest expense for financial liabilities measured at amortised cost:				
- bankers' acceptance	371	267	-	-
- invoice financing	94	-	-	-
- hire purchase payables	72	42	-	-
- margin trading	5,721	3,334	-	-
- onshore foreign currency loan	325	348	-	-
- revolving credits	8	13	-	-
- term loans	503	438	-	-
Interest expense for financial liability measured at fair value through profit or loss mandatorily	560	-	-	-
Inventories written down	731	512	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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26. PROFIT BEFORE TAX (CONT'D)

	Group		Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Profit before tax is arrived at after charging/ (crediting):- (Cont'd)				
Lease expenses relating to:				
- short-term leases	2,904	1,812	-	-
Net impairment loss/(gain) on financial assets:				
- impairment losses on trade receivables	2,326	188	-	-
- impairment losses on other receivables	6,927	37	6,913	-
- impairment losses on contract assets	-	397	-	-
- reversal of impairment losses on trade receivables	(20)	(11)	-	-
Net loss/(gain) on foreign exchange:				
- realised	305	781	-	-
- unrealised	(468)	(901)	(369)	(468)
Revaluation decrease of property	100	-	-	-
Dividend income from:				
- derivatives	(2,249)	-	-	-
- investments in subsidiaries	-	-	(14,505)	(5,779)
- investments in unit trusts	-	(55)	-	(55)
- quoted investments in Malaysia	(22,706)	(17,031)	-	(13)
- quoted investments outside Malaysia	(203)	(146)	-	-
Fair value gain on investment properties	(7,050)	(5,051)	-	-
Gain on disposal of property, plant and equipment	(379)	(383)	-	-
Gain on disposal of right-of-use assets	-	(636)	-	-
Government grant income	(58)	(279)	-	-
Interest income for financial assets measured at amortised cost	(345)	(318)	(129)	(245)
Operating lease income ^(a)	(3,306)	(1,981)	-	-
Proceed from insurance claim	-	(1,176)	-	-
Reversal of inventories previously written down	(162)	(3,592)	-	-
Reversal of revaluation decrease of property	(46)	-	-	-
Waiver of debts	(456)	-	(93)	-

^(a) Included were approximately RM1,938,000 (2023 - RM485,000) in Group's Revenue (Note 24) and RM1,368,000 (2023 - RM1,496,000) in Group's Other Income (Note 25).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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26. PROFIT BEFORE TAX (CONT'D)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Dividend income				
Classified under revenue (Note 24):				
- investments in subsidiaries	-	-	14,505	5,779
- quoted investments in Malaysia	16,123	10,253	-	13
- quoted investments outside Malaysia	105	81	-	-
	16,228	10,334	14,505	5,792
Classified under other income (Note 25):				
- derivatives	2,249	-	-	-
- investments in unit trusts	-	55	-	55
- quoted investments in Malaysia	6,583	6,778	-	-
- quoted investments outside Malaysia	98	65	-	-
	8,930	6,898	-	55
	25,158	17,232	14,505	5,847

27. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' REMUNERATION)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Directors of the Company</u>				
Executive directors:				
- Short-term employee benefits:				
- Fee	436	36	36	36
- Others	200	207	18	18
	636	243	54	54
- Defined contribution plans	20	21	1	1
	656	264	55	55
Non-executive directors:				
- Short-term employee benefits:				
- Fee	42	42	42	42
	698	306	97	97
<u>Directors of the subsidiaries</u>				
Executive directors:				
- Short-term employee benefits:				
- Others	837	730	207	254
- Defined contribution plans	116	101	25	26
	953	831	232	280
<u>Other employees</u>				
Short-term employee benefits	8,618	9,621	182	228
Defined contribution plans	272	332	22	26
	8,890	9,953	204	254
Total employee benefits expense	10,541	11,090	533	631

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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28. TAX EXPENSE

(a) Tax expense recognised in profit or loss

	Group		Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Tax based on results for the year:				
- Malaysian income tax	2,500	1,253	100	95
- Foreign income tax	1,606	1,355	-	-
- Deferred tax (Note 21)	421	1,119	-	-
	4,527	3,727	100	95
Tax (over)/underprovided in prior years:				
- Malaysian income tax	(166)	(202)	4	-
- Foreign income tax	48	5	-	-
- Deferred tax (Note 21)	(13)	(819)	-	-
	(131)	(1,016)	4	-
Real property gains tax	62	143	-	-
Realisation of deferred tax liability upon disposal of properties (Note 21)	97	(112)	-	-
Reversal of real property gains tax upon disposal of properties (Note 21)	(62)	(143)	-	-
Tax expense	4,493	2,599	104	95

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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28. TAX EXPENSE (CONT'D)

(a) Tax expense recognised in profit or loss (Cont'd)

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate is as follows:-

	Group		Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Profit before tax	34,784	33,797	7,629	6,147
Tax at the statutory tax rate of 24%	8,348	8,111	1,831	1,475
Non-deductible expenses	7,192	2,956	1,781	82
Tax-exempt income	(8,979)	(5,523)	(3,481)	(1,403)
Non-taxable income	(1,931)	(1,466)	(31)	(59)
Increase in unrecognised deferred tax assets	71	157	-	-
Crystallisation of deferred tax liabilities on amortisation of revalued properties	(179)	(232)	-	-
Effects of differential in tax rates of subsidiaries due to foreign jurisdictions	(579)	(656)	-	-
Deferred tax on fair value changes of investment properties	705	505	-	-
Tax rebate	(121)	(125)	-	-
Tax (over)/underprovided in prior years:				
- Malaysian income tax	(166)	(202)	4	-
- Foreign income tax	48	5	-	-
- Deferred tax	(13)	(819)	-	-
Real property gains tax	62	143	-	-
Realisation of deferred tax liability upon disposal of properties	97	(112)	-	-
Reversal of real property gains tax upon disposal of revalued properties	(62)	(143)	-	-
Tax expense	4,493	2,599	104	95

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

28. TAX EXPENSE (CONT'D)

- (a) Tax expense recognised in profit or loss (Cont'd)

As at 30 April 2024, no deferred tax assets have been recognised for the following items:-

	Group	
	2024 RM'000	2023 RM'000
Deductible temporary differences of:		
- Property, plant and equipment	603	368
- Financial instruments	39	41
Unutilised tax losses expiring in year of assessment:		
- 2028	106	106
- 2029	26	26
- 2030	127	127
- 2031	41	41
- 2032	50	50
- 2033	666	666
- 2034	64	-
	1,722	1,425

- (b) Tax expense recognised in other comprehensive income

	Group	
	2024 RM'000	2023 RM'000 (Restated)
Deferred tax on revaluation of land and buildings	5,330	548
Revaluation of land and buildings - remeasurement of deferred tax due to a change in the tax rates of real property gains tax	(68)	(831)

In accordance with the provision in the Finance Act 2018, the real property gains tax rate on disposal of properties held for more than 5 years has been revised from 5% to 10% with effect from 1 January 2019.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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29. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the Group's profit for the financial year attributable to owners of the Company by weighted average number of ordinary shares in issue during the financial year after taking into the effects of treasury shares as follows:-

	Group	
	2024	2023 (Restated)
Profit for the financial year attributable to owners of the Company (RM'000)	27,659	28,287
Weighted average number of ordinary shares in issue ('000)	108,934	108,934
Basic earnings per ordinary share (sen)	25.39	25.97

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the financial year.

30. DIVIDENDS

	Group/Company	
	2024 RM'000	2023 RM'000
Interim dividend of 2.1 sen per ordinary share in respect of the financial year ended 30 April 2024	2,288	-
Interim dividend of 2 sen per ordinary share in respect of the financial year ended 30 April 2023	-	2,179

31. NOTES TO STATEMENTS OF CASH FLOWS

	Group	
	2024 RM'000	2023 RM'000
Purchase of Plant and Equipment		
Cost of plant and equipment purchased (Note 5)	378	2,176
Acquisition through hire purchase arrangement	-	(710)
Other payable - balance remained unpaid at financial year end (Note 22)	-	(462)
Net cash disbursed	378	1,004
Acquisition of Right-of-use Assets		
Cost of right-of-use assets acquired (Note 7)	-	119
Acquisition by means of leases	-	(119)
Net cash disbursed	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

31. NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)

	Group	
	2024	2023
	RM'000	RM'000
Short-term Loans and Borrowings		
Balance at 1 May 2023/2022	118,725	71,841
Additions	480	710
Net cash flow changes	49,770	45,611
Currency translation differences	198	269
Other changes	314	294
Balance at 30 April	169,487	118,725
Represented by: (Note 19)		
- Bankers' acceptance	4,831	5,830
- Hire purchase payables	1,361	1,303
- Margin trading	149,892	100,811
- Onshore foreign currency loan	9,818	10,781
- Invoice financing	2,647	-
- Trust receipt	938	-
	169,487	118,725
Term Loans		
Balance at 1 May 2023/2022	11,051	12,073
Repayments	(1,099)	(1,147)
Currency translation differences	104	125
Balance at 30 April (Note 19)	10,056	11,051
Lease Liabilities		
Balance at 1 May 2023/2022	57	368
Addition	-	119
Repayments	(47)	(444)
Effect of lease modification (Note 7)	104	-
Currency translation differences	-	14
Balance at 30 April (Note 20)	114	57
The total cash outflow for leases is as follows:-		
Operating Activities		
Lease expenses relating to short-term leases	2,904	1,812
Interest portion of lease liabilities	8	11
Financing Activities		
Principal portion of lease liabilities	47	444
	2,959	2,267

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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32. RELATED PARTY DISCLOSURES

Transactions with related parties during the financial year are as follows:-

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Advances from subsidiaries	-	-	(2,130)	(543)
Advances to subsidiaries	-	-	2,350	21,602
Consultancy fee paid or payable to a director of the Company	-	(120)	-	-
Consultancy fee paid to a director of the Group	(463)	(143)	-	-
Dividends from subsidiaries	-	-	14,505	5,779
Issuance of share capital by subsidiaries	-	-	(13,350)	(10,830)
Management fee charged to subsidiaries	-	-	444	444
Payment on behalf for a subsidiary	-	-	(158)	-
Payment on behalf of a subsidiary	-	-	-	1
Payment received from subsidiaries	-	-	(15,299)	(17,411)
Payment to subsidiaries	-	-	13,480	1,601
Wavier of debts	-	-	93	-

33. OPERATING SEGMENTS

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

The Group is organised into 5 main reportable segments as follows:-

Reportable Segments	Descriptions
Manufacturing, formulation and sale of resin, chemicals and building materials	Involved in manufacturing, formulation and sale of resin, chemicals and trading in tiles.
Recovery and sale of recycled products	Involved in collecting, treating, recovering and recycling of industrial waste and sale of recycled products.
Culture and sale of prawns	Involved in breeding and selling of prawns.
Investment holding and property letting	Involved in investment holding, management services and property letting.
Contract work, pipe laying and rehabilitation	General contracting.

- The Group Executive Committee assesses the performance of the reportable segments based on their profit before interest and tax. The accounting policies of the reportable segments are the same as the Group's accounting policies.
- Each reporting segment assets is measured based on all assets (including goodwill) of the segment other than tax-related assets.
- Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.
- Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items.

Transactions between reportable segments are carried out on agreed terms between both parties. Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments

2024	Business Segments					Group RM'000
	Manufacturing, formulation and sale of resin, chemicals and building materials RM'000	Recovery and sale of recycled products RM'000	Culture and sale of prawns RM'000	Investment holding and property letting RM'000	Contract work, pipe laying and rehabilitation RM'000	
Revenue						
External revenue	90,704	6,733	193	18,166	36,669	152,465
Inter-segment revenue	852	12	123	18,455	3,521	22,963
Consolidation adjustments	91,556	6,745	316	36,621	40,190	175,428
Consolidated revenue						(22,963)
						152,465
Results						
Segment profit/(loss) before interest and tax	18,246	1,567	(444)	34,784	8,572	62,725
Finance costs						(7,666)
Tax expense						(4,764)
Consolidation adjustments						(20,004)
Consolidated profit after tax						30,291

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Consolidation adjustments and elimination	Group
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss) before interest and tax includes the following:-							
Depreciation of property, plant and equipment	754	190	47	1	755	57	1,804
Depreciation of right-of-use assets	188	32	338	-	-	220	778
Direct operating expenses on investment properties	20	46	-	110	-	-	176
Dividend income from:							
- derivatives	(2,249)	-	-	-	-	-	(2,249)
- quoted investments	(6,682)	-	-	(16,227)	-	-	(22,909)
- investment in subsidiaries	-	-	-	(18,005)	-	18,005	-
Employee benefits expense (including directors' remuneration)	2,234	244	133	564	7,366	-	10,541
Equipment written off	-	-	-	2	-	-	2
Fair value loss on biological assets	-	-	87	-	-	-	87
Fair value loss on financial liability measured at fair value through profit or loss mandatorily	439	-	-	-	-	-	439
Fair value gain on investment properties	(2,000)	-	-	(7,050)	-	2,000	(7,050)

NOTES TO THE FINANCIAL STATEMENTS

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33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Consolidation adjustments and elimination	Group
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss) before interest and tax includes the following:- (Cont'd)							
Gain on disposal of plant and equipment	(41)	-	-	-	(338)	-	(379)
Government grant income	-	-	-	-	(58)	-	(58)
Impairment losses on trade receivables	6	2	-	-	2,318	-	2,326
Impairment losses on other receivables	118	-	-	6,913	-	(104)	6,927
Interest expense	1,525	140	-	5,831	171	(5)	7,662
Interest income	(180)	(28)	-	(137)	-	-	(345)
Inventories written down	731	-	-	-	-	-	731
Lease expenses relating to short-term leases	-	-	-	-	2,904	-	2,904
Net realised loss on foreign exchange	303	-	-	-	(3)	5	305
Net unrealised gain on foreign exchange	(99)	-	-	(369)	-	-	(468)
Operating leases income	(552)	(936)	-	(1,974)	-	156	(3,306)
Revaluation decrease of property	100	-	-	-	-	-	100
Reversal of impairment losses on trade receivables	(1)	(8)	-	-	(11)	-	(20)

NOTES TO THE FINANCIAL STATEMENTS

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Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Consolidation adjustments and elimination	Group
2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss) before interest and tax includes the following:- (Cont'd)							
Reversal of inventories previously written down	(162)	-	-	-	-	-	(162)
Reversal of revaluation decrease of property	-	(46)	-	-	-	-	(46)
Waiver of debts	-	(14)	-	(93)	(442)	93	(456)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

2024	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets						
Segment assets	207,649	35,279	29,601	504,439	43,668	820,636
Unallocated assets:						
- Current tax assets						3,608
Consolidation adjustments						(164,673)
Consolidated total assets						659,571
Additions to non-current assets other than financial instruments are:						
- Property, plant and equipment	81	238	-	-	59	378
Liabilities						
Segment liabilities	23,593	3,360	20	156,517	11,442	194,932
Unallocated liabilities:						
- Current tax liabilities						1,611
- Deferred tax liabilities						19,589
Consolidation adjustments						(485)
Consolidated total liabilities						215,647

NOTES TO THE FINANCIAL STATEMENTS

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Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Group
2023 (Restated)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue						
External revenue	78,239	7,584	160	10,819	36,557	133,359
Inter-segment revenue	169	779	143	9,760	3,014	13,865
Consolidation adjustments	78,408	8,363	303	20,579	39,571	147,224
Consolidated revenue						(13,865)
						133,359
Results						
Segment profit/(loss) before interest and tax	13,781	4,930	(895)	22,273	9,491	49,580
Finance costs						(4,424)
Tax expense						(2,871)
Consolidation adjustments						(11,087)
Consolidated profit after tax						31,198

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Consolidation adjustments and elimination	Group
2023 (Restated)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss) before interest and tax includes the following:-							
Bad debts written off	12	-	-	-	-	-	12
Deposit forfeited	5	-	-	8	-	-	13
Depreciation of property, plant and equipment	937	182	47	37	451	301	1,955
Depreciation of right-of-use assets	203	33	338	22	605	(25)	1,176
Direct operating expenses on investment properties	89	45	-	73	-	-	207
Dividend income from:							
- investments in unit trusts	-	-	-	(55)	-	-	(55)
- quoted investments	(6,844)	-	-	(10,333)	-	-	(17,177)
- investment in subsidiaries	-	-	-	(9,040)	-	9,040	-
Employee benefits expense (including directors' remuneration)	1,823	256	138	631	8,242	-	11,090
Equipment written off	1	-	-	2	-	-	3
Fair value gain on biological assets	-	-	(87)	-	-	-	(87)
Fair value gain on investment properties	(3,000)	(1,400)	-	(2,651)	-	2,000	(5,051)
Gain on disposal of property, plant and equipment	(26)	-	-	(224)	(133)	-	(383)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Consolidation adjustments and elimination	Group
2023 (Restated)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment profit/(loss) before interest and tax includes the following:- (Cont'd)							
Gain on disposal of right-of-use assets	-	-	-	(636)	-	-	(636)
Government grant income	-	-	-	-	(279)	-	(279)
Impairment losses on contract assets	-	-	-	-	397	-	397
Impairment losses on trade receivables	21	4	-	-	163	-	188
Impairment loss on other receivable	37	-	-	-	-	-	37
Interest expense	939	132	-	3,293	89	-	4,453
Interest income	(53)	(17)	-	(247)	(1)	-	(318)
Inventories written down	512	-	-	-	-	-	512
Lease expenses relating to short-term leases	-	-	-	-	1,812	-	1,812
Net realised loss on foreign exchange	781	-	-	-	-	-	781
Net unrealised gain on foreign exchange	(427)	-	-	(467)	-	(7)	(901)
Operating leases income	(624)	(890)	-	(521)	-	54	(1,981)
Proceed from insurance claim	(1,154)	(22)	-	-	-	-	(1,176)
Reversal of impairment losses on trade receivables	-	(6)	-	-	(5)	-	(11)
Reversal of inventories previously written down	(3,592)	-	-	-	-	-	(3,592)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.1 Business Segments (Cont'd)

	Manufacturing, formulation and sale of resin, chemicals and building materials	Recovery and sale of recycled products	Culture and sale of prawns	Investment holding and property letting	Contract work, pipe laying and rehabilitation	Group
2023 (Restated)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets						
Segment assets	216,934	31,675	25,467	356,358	39,198	669,632
Unallocated assets:						
- Current tax assets						2,756
Consolidation adjustments						(154,039)
Consolidated total assets						518,349
Additions to non-current assets other than financial instruments are:						
- Property, plant and equipment	100	7	-	-	2,069	2,176
- Right-of-use assets	119	-	-	-	-	119
Liabilities						
Segment liabilities	30,974	3,481	33	98,051	14,537	147,076
Unallocated liabilities:						
- Current tax liabilities						1,386
- Deferred tax liabilities						15,441
Consolidation adjustments						(851)
Consolidated total liabilities						163,052

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

33. OPERATING SEGMENTS (CONT'D)

33.2 Geographical Information

Revenue is based on the country in which the business segments are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

Group	Revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000 (Restated)
Malaysia	115,791	96,802	195,345	162,364
Singapore	36,674	36,557	14,510	11,761
	152,465	133,359	209,855	174,125

33.3 Major Customer

For the financial year ended 30 April 2024, there was 1 (2023 - 1) major customer from manufacturing, formulation and sale of resin, chemicals and building materials segment that contributed 10% or more of the Group's total revenue and the total revenue generated from this major customer amounted to approximately RM45,083,000 (2023 - RM43,975,000).

34. FINANCIAL GUARANTEE CONTRACTS

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of approximately RM94,278,000 (2023 - RM87,529,000). The total utilisation of these credit facilities as at 30 April 2024 amounted to approximately RM35,433,000 (2023 - RM24,822,000). No maturity analysis is presented for the financial guarantee contracts as the entire amount could be recalled at any time in the event of default by the subsidiaries.

The aforementioned financial guarantee contracts should have been recognised in the statement of financial position in accordance with the recognition and measurement policies as stated in Note 4.2(e). After considering that the probability of the subsidiaries defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

Company	2024 RM'000	2023 RM'000
Carrying amount	-	-
Contractual undiscounted cash flows	35,433	24,822

35. FINANCIAL RISK MANAGEMENT

The activities of the Group are exposed to certain financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and other price risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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35. FINANCIAL RISK MANAGEMENT (CONT'D)

Credit Risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 34.

The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an on-going basis, setting and monitoring counterparties' limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Note 10. As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is low.

Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

Group	Interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000	1-5 years RM'000	Over 5 years RM'000
2024						
<u>Non-derivative financial liabilities</u>						
Lease liabilities	6.06	114	124	47	77	-
Loans and borrowings	1.43 - 7.78	179,543	182,423	170,241	6,531	5,651
Payables	-	8,750	8,750	8,750	-	-
<u>Derivative financial liability</u>						
Total return equity swap	4.80	439	70,087	70,087	-	-
		188,846	261,384	249,125	6,608	5,651
2023						
<u>Non-derivative financial liabilities</u>						
Lease liabilities	6.10	57	58	58	-	-
Loans and borrowings	0.76 - 7.38	129,776	131,817	119,014	6,272	6,531
Payables	-	11,264	11,264	11,264	-	-
		141,097	143,139	130,336	6,272	6,531

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

35. FINANCIAL RISK MANAGEMENT (CONT'D)

Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (Cont'd)

Company	Interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000	1-5 years RM'000	Over 5 years RM'000
2024						
<u>Non-derivative financial liabilities</u>						
Payables	-	381	381	381	-	-
2023						
<u>Non-derivative financial liabilities</u>						
Payables	-	283	283	283	-	-

Currency Risk

The Group's exposure to currency risk arises mainly from transactions entered into by individual entities within the Group in currencies other than their functional currencies, i.e. Ringgit Malaysia ("RM") and Singapore Dollar ("SGD"). The major foreign currencies transacted are Renminbi ("RMB"), Euro ("EUR") and United States Dollar ("USD"), and the gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:-

Group	Denominated in RMB		Denominated in EUR		Denominated in USD	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Receivables	-	-	5,486	9,918	138	795
Cash and cash equivalents	38	-	610	1,964	852	1,086
Payables	-	-	(518)	(195)	(1,270)	(686)
Loans and borrowings	(13,403)	(8,236)	-	(2,545)	-	-
	(13,365)	(8,236)	5,578	9,142	(280)	1,195

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:

- The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

35. FINANCIAL RISK MANAGEMENT (CONT'D)

Currency Risk (Cont'd)

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group	
	Increase/ (Decrease) in profit 2024 RM'000	Increase/ (Decrease) in profit 2023 RM'000
Appreciation of RMB against RM by 10%	(1,016)	(626)
Depreciation of RMB against RM by 10%	1,016	626
Appreciation of EUR against RM by 10%	424	695
Depreciation of EUR against RM by 10%	(424)	(695)
Appreciation of USD against RM by 10%	(21)	91
Depreciation of USD against RM by 10%	21	(91)

Interest Rate Risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:-

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed rate instruments				
Financial assets	1,028	991	97	96
Financial liabilities	(19,709)	(17,971)	-	-
Floating rate instruments				
Financial liabilities	(159,948)	(111,862)	-	-

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss (and equity). For floating rate financial instruments measured at amortised cost, the following table demonstrates the sensitivity of profit or loss (and equity) to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group	
	(Decrease)/ Increase in profit 2024 RM'000	(Decrease)/ Increase in profit 2023 RM'000
Increase in interest rates by 100 basis points	(1,216)	(850)
Decrease in interest rates by 100 basis points	1,216	850

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Cont'd

35. FINANCIAL RISK MANAGEMENT (CONT'D)

Other Price Risk

The Group's exposure to other price risk arises mainly from quoted investments. The Group manages these investments on an individual basis by continuously evaluating the share price movements, investment returns and the general industrial conditions relevant to the investees.

The following table demonstrates the sensitivity analysis to reasonably possible share price movements in quoted investments at the end of the reporting period, with all other variables held constant:-

	Group	
	Increase/ (Decrease) in OCI* 2024 RM'000	Increase/ (Decrease) in OCI* 2023 RM'000
Increase in price by 5%	18,956	13,580
Decrease in price by 5%	(18,956)	(13,580)

	Company	
	Increase/ (Decrease) in OCI* 2024 RM'000	Increase/ (Decrease) in OCI* 2023 RM'000
Increase in price by 5%	19	21
Decrease in price by 5%	(19)	(21)

* Other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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36. CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to shareholders and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity (including non-controlling interests) and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as total interest-bearing debts divided by total equity as follows:-

	Group	
	2024 RM'000	2023 RM'000 (Restated)
Loans and borrowings	179,543	129,776
Total equity	443,924	355,295
Total capital	623,467	485,071
Debt-to-equity ratio	0.40	0.37

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

37. NET ASSETS PER SHARE

The net assets per share is calculated based on the net assets value at the end of the reporting period of approximately RM443,924,000 (2023 - RM355,295,000) divided by the number of ordinary shares in issue at the end of the reporting period excluding treasury shares held by the Company of approximately 108,934,000 (2023 - 108,934,000).

NOTES TO THE FINANCIAL STATEMENTS

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38. FINANCIAL INSTRUMENTS

38.1 Classification of Financial Instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
Mandatorily at fair value through profit or loss:				
- Other investments	180	180	-	-
Designated at fair value through other comprehensive income upon initial recognition:				
- Other investments	379,113	271,605	381	413
Amortised cost:				
- Receivables	17,073	32,357	2	6,541
- Cash and cash equivalents	23,424	16,953	574	2,070
	40,497	49,310	576	8,611
Financial Liabilities				
Mandatorily at fair value through profit or loss:				
- Derivative liability	439	-	-	-
Amortised cost:				
- Loans and borrowings	179,543	129,776	-	-
- Lease liabilities	114	57	-	-
- Payables	8,740	11,250	381	283
	188,397	141,083	381	283

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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38. FINANCIAL INSTRUMENTS (CONT'D)

38.2 Gains or Losses Arising From Financial Instruments

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial Assets				
<u>Equity investments at fair value through other comprehensive income</u>				
Net gains/(losses) recognised in other comprehensive income	35,628	(12,420)	(32)	(445)
<u>Amortised cost</u>				
Net gains/(losses) recognised in profit or loss	8,888	305	6,784	(245)
Financial Liabilities				
<u>Fair value through profit or loss</u>				
Loss recognised in profit or loss by mandatorily required by MFRS 9	439	-	-	-
<u>Amortised cost</u>				
Net gains/(losses) recognised in profit or loss	7,654	4,442	-	-

38.3 Fair Value Information

The method used in determining the fair values of financial instruments recognised on the statements of financial position are disclosed in their respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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39. CHANGE IN ACCOUNTING POLICY

Effects of change in accounting policy for the Group's investment properties

As disclosed in Note 3.3(b), the Group elected to change its accounting policy for investment properties to fair value model retrospectively during the current financial year.

The effects of the retrospective adjustments made to the financial statements of the Group as a result of the above are summarised below:-

	As previously reported RM'000	Adjustment RM'000	As restated RM'000
Group			
<u>Statements of Financial Position (Extract):-</u>			
As at 1 May 2022			
Investment properties	41,295	5,004	46,299
Reserves	266,050	5,013	271,063
Deferred tax liabilities	19,327	(9)	19,318
As at 30 April 2023			
Investment properties	61,152	15,198	76,350
Reserves	276,032	14,375	290,407
Deferred tax liabilities	18,259	823	19,082
<u>Statements of Comprehensive Income (Extract):-</u>			
For the financial year ended 30 April 2023			
Other income	12,272	5,051	17,323
Administrative and other operating expenses	(11,827)	527	(11,300)
Profit before tax	28,219	5,578	33,797
Tax expense	(2,062)	(537)	(2,599)
Profit for the financial year	26,157	5,041	31,198
Gross revaluation increase of properties	-	4,616	4,616
Deferred tax effect thereof	-	(548)	(548)
Remeasurement of deferred tax on revalued properties arising from change in tax rates	578	253	831
Other comprehensive income/(loss)	(10,645)	4,321	(6,324)
Total comprehensive income	15,512	9,362	24,874
<u>Statements of Cash Flows (Extract):-</u>			
For the financial year ended 30 April 2023			
Depreciation of investment properties	527	(527)	-
Fair value gain on investment properties	-	(5,051)	(5,051)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

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40. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As previously reported RM'000	As restated RM'000
Group		
<u>Statements of Cash Flows (Extract):-</u>		
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES		
Payables	1,043	581
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(2,176)	(1,004)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES		
Net increase in short-term loans and borrowings	46,321	45,611

LIST OF PROPERTIES HELD BY THE GROUP

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
1	Coveright Surfaces Malaysia Sdn Bhd	Lot No. 750, held under Title No. GM 1908, Mukim of Kapar, District of Klang, State of Selangor. Bearing Postal Address: Lot No. 750, Jalan Haji Sirat, Off Jalan Kapar, 42100 Klang, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land & Buildings 27 years old	19,450	Owner-occupied 4 Storey Office Block, Factory & Warehouse	10,766	29,000,000	Revalued on 26/04/2024
2	Coveright Surfaces Malaysia Sdn Bhd	Lot No. 25742 held under Title No. PM 1763, Mukim of Pekan Batu 4, District of Klang, State of Selangor. Bearing Postal Address: No. 16, Lorong Sungai Puloh 8, Taman Cempaka Sari, 41400 Klang, Selangor Darul Ehsan.	Leasehold for 99 years Expiring on 16 May 2089	An Intermediate Single Storey Terrace House 34 years old	111	Owner-occupied Single Storey Terrace House	120	280,000	Revalued on 26/04/2024
3	Global Pacific Petroleum Sdn Bhd	Lot No. 3851, held under Title No. PN 652, Mukim of Port Dickson, District of Port Dickson, State of Negeri Sembilan. Bearing Postal Address: Lot 3851, Batu 2, Jalan Pantai, 71000 Port Dickson, Negeri Sembilan.	Leasehold for 99 years Expiring on 1 April 2075	Leasehold Industrial Land & Building 36 years old	62,221	Owner-occupied 2 Storey Office Block, Factory & Warehouse	11,234	14,500,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
4	Inagro Sdn Bhd	Lot No. 6493, held under Title No. GRN 44189, Mukim of Kapar, District of Klang, State of Selangor. Bearing Postal Address: Lot 6493, Jalan Haji Abdul Manan, 42100 Klang, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land & Buildings 27 years old	20,716	Tenanted 2 Storey Office Block, Factory & Warehouse	6,503	30,000,000	Revalued on 26/04/2024
5	Inagro Sdn Bhd	Lot No. 15825, held under Title No. GRN 36256, Mukim of Kapar, District of Klang, State of Selangor. Bearing Postal Address: Lot No. 15825, Lorong Padang Jawa 2, Kampung Padang Jawa, 40200 Klang, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land	8,144	Vacant Industrial Land	-	2,600,000	Revalued on 26/04/2024
6	Inagro Sdn Bhd	Lot No. 28590 held under Title No. GRN 95153, Mukim of Kapar, District of Klang, State of Selangor. Bearing Postal Address: No. 30, Lorong Hamzah Alang 77, Taman Jaya, 42200 Kapar, Selangor Darul Ehsan.	Freehold	Freehold Land & Residential Building 26 years old	121	Owner-occupied Single Storey Terrace House	74	250,000	Revalued on 26/04/2024
7	Lux Distributor Sdn Bhd	Lot No. 46922, held under Title No. GRN 41069, Town of Selayang, District of Gombak, State of Selangor. Bearing Postal Address: Lot 16435, Jalan 4, Kawasan Perusahaan Selayang, 68100 Batu Caves, Selangor Darul Ehsan.	Freehold	Freehold Land & Buildings 27 years old	3,006	Tenanted 3 Storey Office & Warehouse	1,641	15,000,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
8	Lux Distributor Sdn Bhd	Lot No. 182924, held under Title No. GRN 629732, Mukim of Plentong, District of Johor Bahru, State of Johor. Bearing Portal Address: No. 27, Jalan Sri Plentong 3, Taman Perindustrian Sri Plentong, 81750 Masai, Johor Bahru.	Freehold	Freehold Land & Buildings 33 years old	1,951	Owner-occupied 1½ Storey Office & Warehouse	1,300	3,300,000	Revalued on 26/04/2024
9	Lux Distributor Sdn Bhd	Developer's Parcel No. 7-18-5, Unit No. Type E, Storey No. Level 18 within Menara Riverview together with Accessory Parcel Car Park No. 34 (8th Floor-Upper Level) held under Master Title No. GRN 62241, Lot 1522, Seksyen 9W, Town of George Town, District of Timur Laut, State of Pulau Pinang. Bearing Postal Address: Unit No. 7-18-5, Menara Riverview, Jalan Jelutong, 11600 Pulau Pinang.	Freehold	Freehold Apartment 30 years old	-	Vacant Apartment	78	350,000	Revalued on 26/04/2024
10	M-Field Sdn Bhd	Lot No. 55, Seksyen 92A held under Title No. PN 5288, Town of Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur. Bearing Postal Address: No. 18, Jalan 6/89B, Kawasan Perindustrian Trisegi, Off Jalan Sungai Besi, 57100 Kuala Lumpur.	Leasehold for 66 years Expiring on 21 March 2043	Leasehold Land & Building 41 years old	156	Tenanted End Lot 4 Storey Terrace Factory	624	1,250,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
11	M-Field Sdn Bhd	Lot No. 54, Seksyen 92A held under Title No. PN 5287, Town of Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur. Bearing Postal Address: No. 20, Jalan 6/89B, Kawasan Perindustrian Trisegi, Off Jalan Sungai Besi, 57100 Kuala Lumpur.	Leasehold for 66 years Expiring on 21 March 2043	Leasehold Land & Building 41 years old	156	Tenanted Intermediate 4 Storey Terrace Factory	624	1,150,000	Revalued on 26/04/2024
12	M-Field Sdn Bhd	Lot No. 5782, held under Title No. PN 2806 Mukim of 12, District of Barat Daya, State of Pulau Pinang. Bearing Postal Address: Plot 13, Lebuh raya Kampung Jawa, Bayan Lepas Industrial Park, 11900 Bayan Lepas, Pulau Pinang.	Leasehold for 60 years Expiring on 4 June 2046	Leasehold Land & Building 34 years old	5,800	Owner-occupied 2 Storey Office Block, Factory & Warehouse	2,300	14,000,000	Revalued on 26/04/2024
13	M-Field Sdn Bhd	Lot No. 33 & 34, Seksyen 48 held under Title No. GRN 23877 & 25233, Town of Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur. Bearing Portal Address: No. 302 & 304, Batu 2½, Jalan Sultan Azlan Shah (Jalan Ipoh), 51200 Kuala Lumpur.	Freehold	Freehold Land & Building 43 years old	336	Tenanted & Vacant Intermediate 2 Units of 4 Storey Terrace Shop/Offices	1,338	6,900,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
14	M-Field Sdn Bhd	Lot PT No. 44002 held under Title No. HSD 222386, Mukim of Sungai Buloh, District of Petaling, State of Selangor. Bearing Postal Address: No. 18, Jalan PJU 8/3A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.	Leasehold for 99 years Expiring on 8 June 2104	Leasehold Land & Building 19 years old	153	Tenanted & Vacant Intermediate 3 Storey Shop/Office	460	2,800,000	Revalued on 26/04/2024
15	M-Field Sdn Bhd	Lot PT No. 44004 held under Title No. HSD 222388, Mukim of Sungai Buloh, District of Petaling, State of Selangor. Bearing Postal Address: No. 22, Jalan PJU 8/3A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan.	Leasehold for 99 years Expiring on 8 June 2104	Leasehold Land & Building 19 years old	153	Tenanted Intermediate 3 Storey Shop/Office	460	2,800,000	Revalued on 26/04/2024
16	M-Field Sdn Bhd	Lot No. PT 77183 held under Title No. HSD 158573 Mukim of Kapar, District of Klang, State of Selangor. Bearing Portal Address: No. 7, Jalan 5/KU6, Kawasan Perindustrian Sungai Puloh, 42100 Klang, Selangor Darul Ehsan.	Freehold	Freehold Land & Building 4 years old	385	Tenanted End Lot 3 Storey Terrace Factory	710	2,300,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
17	Resources Conservation Sdn Bhd	Lot No. 38227, held under Title No. GRN 177456, Mukim of Pekan Baru Hicom, District of Petaling, State of Selangor. Bearing Postal Address: Lot No. 2-21, Jalan SU 6, Taman Perindustrian Subang Utama, Seksyen 26, 40300 Shah Alam, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land & Building 25 years old	4,047	Owner-occupied 2 Storey Office Block, Factory & Warehouse	1,711	10,000,000	Revalued on 26/04/2024
18	Resources Conservation Sdn Bhd	Lot No. 87, held under Title No. GM 146, Mukim of Damansara, District of Petaling, State of Selangor. Bearing Postal Address: Lot No. 2-21, Jalan SU 6, Taman Perindustrian Subang Utama, Seksyen 26, 40300 Shah Alam, Selangor Darul Ehsan.	Freehold	Freehold Industrial Land 24 years old	2,300	Owner-occupied Industrial Land	1,845	4,000,000	Revalued on 26/04/2024
19	Resources Conservation Sdn Bhd	Lot No. PT 43449, held under Title No. HSD 51801, Mukim of Klang, District of Klang, State of Selangor. Bearing Portal Address: No. 2, Jalan Gambus Satu 33/4A, Elite Industrial Park, Seksyen 33, 40400 Shah Alam, Selangor Darul Ehsan.	Freehold	Freehold Land & Buildings 26 years old	5,415	Tenanted 2 Storey Office Block, Factory & Warehouse	3,456	14,000,000	Revalued on 26/04/2024

LIST OF PROPERTIES HELD BY THE GROUP

Cont'd

No.	Beneficial Proprietor	Location	Tenure	Description and Age of Building	Land Area (sq.m.)	Existing Use	Gross Floor Area (sq.m.)	Carrying Amount as at 30/04/2024 (RM)	Date of Revaluation
20	Resources Conservation Sdn Bhd	Lot No. PT 317, held under Title No. HSD 264610, Town of Shah Alam, District of Petaling, State of Selangor. Bearing Postal Address: No. 12A, Jalan Ringgit 23/11, Seksyen 23, 40300 Shah Alam, Selangor Darul Ehsan.	Leasehold for 99 years Expiring on 28 July 2109	Leasehold Land & Building 14 years old	1,205	Tenanted 1½ Storey Semi-detached Factory	700	4,600,000	Revalued on 26/04/2024
21	Striketech Sdn Bhd	Lot No. PT 439, held under Title No. HSD 26575, Mukim of Jugra, District of Kuala Langat, State of Selangor. Bearing Postal Address: Lot No. PT 439, Jalan Pulau Carey, 42960 Pulau Carey, Selangor Darul Ehsan.	Leasehold for 99 years Expiring on 24 September 2094	Leasehold Land & Building 23 years old	1,035,186	Owner-occupied Aquaculture farm	3,881	29,200,000	Revalued on 26/04/2024
22	Toh Ban Seng Contractor Pte Ltd	287 Kaki Bukit, Avenue 1, Shun Li Industrial Park, Singapore 416078.	Leasehold for 60 years Expiring on 30 October 2056	Leasehold Terrace Factory 33 years old	643	Owner-occupied Intermediate 3 Storey Terrace Dormitory, Office & Warehouse	643	9,387,504 (Exchange rate: 3.5028)	Revalued on 25/04/2024

ANALYSIS OF SHAREHOLDINGS

AS AT 5 AUGUST 2024

Class of shares : Ordinary Shares
 Voting Rights : One vote per share
 Issued Capital : 108,933,900 Ordinary Shares
 (excludes 11,114,100 ordinary shares bought back and retained as treasury shares as at 5 August 2024)

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	36	3.41	817	0.00
100 - 1,000	118	11.17	58,983	0.05
1,001 - 10,000	693	65.63	3,138,152	2.88
10,001 - 100,000	170	16.10	5,223,144	4.79
100,001 to less than 5% of issued shares	36	3.41	33,161,700	30.44
5% and above of issued shares	3	0.28	67,351,104	61.83
Total	1,056	100.00	108,933,900	100.00

Directors' Shareholdings

(As per the Register of Directors' Shareholdings as at 5 August 2024)

No.	Name of Directors	No. of Shares		No. of Shares	
		Direct Interest	%	Indirect Interest	%
1	Kan Yow Kheong	73,051,104	67.06	18,000*	0.02
2	Kan Mun Hoow	5,039,000	4.63	-	0.00
3	Clifton Heath Fernandez	-	0.00	-	0.00
4	Lye Meei Ruu	-	0.00	-	0.00
5	Chia Yee Yan	-	0.00	-	0.00
6	Ling Hua Kang	-	0.00	-	0.00

Substantial Shareholders

(As per the Register of Substantial Shareholders as at 5 August 2024)

No.	Name of Substantial Shareholder	No. of Shares		No. of Shares	
		Direct Interest	%	Indirect Interest	%
1	Kan Yow Kheong	73,051,104	67.06	18,000*	0.02

* Deemed interested by virtue of the shares held by his spouse pursuant to Section 59(1)(c) of the Companies Act 2016.

In the Subsidiaries

By virtue of his substantial shareholding in the shares capital of the Company, Mr Kan Yow Kheong is also deemed interested in the shares of all the subsidiaries.

ANALYSIS OF SHAREHOLDINGS

AS AT 5 AUGUST 2024

Cont'd

30 Largest Shareholders as at 5 August 2024

No.	Name of Shareholders	No. of Shares	%
1	KAN YOW KHEONG	37,175,104	34.13
2	KAN YOW KHEONG	22,978,800	21.09
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAN YOW KHEONG	7,197,200	6.61
4	KAN MUN HOOW	5,039,000	4.63
5	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR PUI CHENG WUI	4,885,900	4.49
6	CHUA SIM NEO @ DIANA CHUA	4,739,600	4.35
7	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAN YOW KHEONG	4,500,000	4.13
8	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	1,915,700	1.76
9	LAI NYUK MOI	1,442,400	1.32
10	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KAN YOW KHEONG	1,200,000	1.10
11	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN (E-KLC)	953,900	0.88
12	PUI BOON HEAN	722,000	0.66
13	PUI BOON KENG	679,400	0.62
14	LAI SHWU YAN	653,000	0.60
15	TOHTONKU SDN BERHAD	590,000	0.54
16	GOH THONG BENG	587,600	0.54
17	LAI NYUK MOI	567,000	0.52
18	CHEE SAI MUN	486,800	0.45
19	TEO KWEE HOCK	481,400	0.44
20	SOW TIAP	408,000	0.38
21	LIM KHUAN ENG	308,300	0.28
22	FOLLOW ME INDUSTRIES SDN BHD	246,000	0.23
23	LEYU CHONG HUA @ LEO CHONG HUA	229,000	0.21
24	LIM BAN JOO	224,000	0.21
25	CHUAH SAW LEE	200,000	0.18
26	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI KONG YEW	200,000	0.18
26	YAP CHOO JOO @ YAP TSE LOO	200,000	0.18
27	TAN YENG HWA	200,000	0.18
28	YAP CHOO JOO @ YAP TSE LOO		0.18
29	ETAH SDN BHD	177,400	0.16
30	KENANGA NOMINEES (TEMPATAN) SDN BHD SAW WAH THENG	165,700	0.15
	TOTAL	99,353,204	91.38

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth Annual General Meeting (“26th AGM”) of the Company will be conducted on a virtual basis through live streaming and online remote voting using the Remote Participation and Voting facilities from the Broadcast Venue at the Meeting Room, Lot 750, Jalan Haji Sirat, 42100 Klang, Selangor Darul Ehsan on Thursday, 10 October 2024 at 11.00 a.m. to transact the following businesses:-

ORDINARY BUSINESS

1. To lay the audited financial statements together with the reports of the Directors and Auditors for the financial year ended 30 April 2024. **(Please refer to Explanatory Note)**
2. To re-elect the following Directors who retire in accordance with Clause 119 of the Company’s Constitution and who being eligible offer themselves for re-election:-
 - (i) Kan Yow Kheong **(Ordinary Resolution 1)**
 - (ii) Kan Mun Hoow **(Ordinary Resolution 2)**
 - (iii) Clifton Heath Fernandez **(Ordinary Resolution 3)**
 - (iv) Lye Meei Ruu **(Ordinary Resolution 4)**
 - (v) Chia Yee Yan **(Ordinary Resolution 5)**
 - (vi) Ling Hua Kang **(Ordinary Resolution 6)**
3. To approve the payment of Directors’ Fees of up to RM108,000 in respect of the financial year ending 30 April 2025. **(Ordinary Resolution 7)**
4. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 8)**

5. SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:-

- 5.1 **Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016 (“the Act”) and waiver of Pre-Emptive Rights pursuant to Section 85 of the Act and Clause 59 of the Company’s Constitution** **(Ordinary Resolution 9)**

“THAT pursuant to Sections 75 and 76 of the Act and subject always to the approval of the relevant authorities, the Directors be and are hereby empowered to issue shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Bursa Securities”); AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company in accordance with Section 76 of the Act.

AND THAT in connection with the above, pursuant to Section 85 of the Act read together with Clause 59 of the Constitution of the Company, approval be and is hereby given to the Company to waive the statutory pre-emptive rights conferred upon the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.”

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

Cont'd

5.2 Proposed Renewal of Authority for the Purchase by the Company of its own Ordinary Shares (Ordinary Resolution 10)

“THAT subject to the rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution and the Listing Requirements of Bursa Securities and any other relevant authorities, the Board be and is hereby authorised to purchase the Company’s shares through Bursa Securities (“Proposed Share Buy-Back”) subject to the following:-

- a. the maximum number of the Company’s shares which may be purchased and/or held as treasury shares by the Company at any point in time pursuant to the Proposed Share Buy-Back shall not exceed ten percent (10%) of the total issued share capital of the Company;
- 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 profits of the Company;
- c. the authority conferred by this resolution will be effective immediately upon the passing of this resolution and will expire at the conclusion of the next Annual General Meeting of the Company unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions or the expiration of the period within which the next Annual General Meeting is required by law to be held or the authority is revoked or varied by an ordinary resolution of the shareholders of the Company at a general meeting, whichever is the earlier, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authorities; and
- d. upon completion of the purchase(s) of the Company’s shares by the Company, the Board be and is hereby authorised to retain the Company’s shares so purchased as treasury shares, of which may be distributed as dividends to shareholders and/or re-sold on Bursa Securities and/or subsequently cancelled and in other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force.

AND that the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase(s) of the Company’s shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”

6. Retention of Clifton Heath Fernandez as an Independent Director (Ordinary Resolution 11)

“THAT subject to the passing of Ordinary Resolution 3 above, Clifton Heath Fernandez who would have served as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years but less than twelve (12) years from 16 February 2025 onwards, be and is hereby retained as an Independent Non-Executive Director of the Company.”



NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

Cont'd

- To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

CYNTHIA GLORIA LOUIS (SSM PC No. 201908003061)(MAICSA 7008306)

CHEW MEI LING (SSM PC No. 201908003178)(MAICSA 7019175)

Secretaries

Petaling Jaya
Selangor Darul Ehsan
28 August 2024

Notes:

- A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
- The instrument appointing a proxy must be deposited at Agmo Digital Solutions Sdn Bhd, Level 39, MYEG Tower, Empire City Damansara, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, attention to "Vote2u" not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. The appointment of proxy may also be submitted electronically via email to vote2u@agmostudio.com not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.

Members Entitled to Attend

- For purposes of determining a member who shall be entitled to attend the Annual General Meeting, the Company shall be requesting Bursa Depository, in accordance with Clause 70 of the Company's Constitution and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors as at 3 October 2024. Only a depositor whose name appears on the General Meeting Record of Depositors as at 3 October 2024 shall be entitled to attend, speak and vote at the said meeting or appoint a proxy(ies) on his behalf.

Explanatory Notes:-

- Directors' Report, Audited Financial Statement and the Auditors' Report for the financial year ended 30 April 2024**

The Agenda No. 1 is meant for discussion only as Section 340(1)(a) of the Companies Act, 2016 provides that the audited financial statements are to be laid in the general meeting and does not require a formal approval of the shareholders. Hence, this item 1 of the Agenda is not put forward for voting.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

Cont'd

Explanatory Notes:- (Cont'd)

2. Re-election of Directors in accordance with Clause 119 of the Company's Constitution (Resolutions 1 to 6)

In accordance with Clause 119 of the Company's Constitution, all the Directors for the time being of the Company shall retire from office every year and are eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

In determining the eligibility of the Directors standing for re-election at the forthcoming 26th AGM, the Nomination Committee (NC) had reviewed and assessed each of the Retiring Directors from the annual assessment and evaluation of the Board for the financial year ended 30 April 2024 as follows:-

- i) Directors self-assessment*
- ii) Assessment on the independence of the Independent Directors;*
- iii) Evaluation on the effectiveness of the Board as a whole and the Committees of the Board*

The NC and the Board had recommended the re-election of Directors based on the following:-

- i) Satisfactory performance in discharging their duties and responsibilities*
- ii) Met the criteria of character, integrity, experience, competence and time commitment in discharging their roles as Directors*
- iii) Level of independence demonstrated by the Independent Directors*
- iv) Ability to carry out their duties professionally and objectively in the best interest of the Company and shareholders.*

In addition to the above, the Audit and Risk Management Committee had reviewed the Conflict of Interest (COI) and potential COI that arose, or might arise, together with the measures taken to resolve, eliminate or mitigate such conflicts, if applicable, involving all the Directors of the Company.

The interest in a COI is not limited to direct and indirect financial interest but also include non-financial interest (e.g. arising from relationships whether family, business or professional interests), or competing loyalties or interests.

As at the date of this Notice, all the Directors have confirmed that there is no COI or potential COI situation that arose, persist or may arise involving situations where the director had personal pecuniary interest which were in conflict with the Analabs Group.

3. Directors' Fees (Resolution 7)

Shareholders' approval on the Directors' Fees for the Board was obtained at the 25th AGM held on 4 October 2023 and there is no revision to any of the fees. Details of Directors' Fees are set-out on pages 71 and 72 of the Annual Report.

The Company will be seeking the approval of the shareholders for the Proposed Directors' Fees for an amount up to RM108,000 for the financial year ending 30 April 2025. The fees will not be paid until the approval of the shareholders has been obtained at the AGM.

The Directors who are shareholders of the Company will abstain from voting on Resolution 7 pertaining to their respective Directors' Fees.

4. Authority to issue shares under Sections 75 and 76 of the Companies Act, 2016 and waiver of Pre-Emptive Rights pursuant to Section 85 of the Act and Clause 59 of the Company's Constitution (Resolution 9)

The Directors did not issue any new shares pursuant to the existing mandate which will lapse at the conclusion of the 26th AGM.

The proposed Resolution 9, if passed, will give a renewed mandate to the Directors of the Company, from the date of the forthcoming 26th AGM, to allot and issue ordinary shares up to an aggregate amount of not exceeding 10% of the issued share capital of the Company for the time being from the unissued capital of the Company pursuant to Sections 75 and 76 of the Companies Act, 2016. This authority, unless revoked or varied at a general meeting, will expire at the next AGM.

NOTICE OF THE TWENTY-SIXTH ANNUAL GENERAL MEETING

Cont'd

Explanatory Notes:- (Cont'd)

4. Authority to issue shares under Sections 75 and 76 of the Companies Act, 2016 and waiver of Pre-Emptive Rights pursuant to Section 85 of the Act and Clause 59 of the Company's Constitution (Resolution 9) (Cont'd)

The authority will provide flexibility to the Company for any possible fund-raising activities, including but not limited to placement of shares, funding for future investment project(s) and/or business expansion and/or working capital and/or acquisitions or the issuance of shares as a consideration for the acquisition of assets.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 59 of the Constitution of the Company will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the mandate.

5. Proposed Renewal of Authority for the Purchase by the Company of Its Own Ordinary Shares (Resolution 10)

The proposed Resolution 10, if passed, will empower the Company to purchase and/or hold up to ten percent (10%) of the issued share capital of the Company. This authority will, unless revoked or varied by the Company at a general meeting, expire at the next Annual General Meeting. For further information on the Proposed Share Buy-Back, please refer to the Share Buy-Back Statement dated 28 August 2024 accompanying the 2024 Annual Report.

6. Retention of Clifton Heath Fernandez as an Independent Director (Resolution 11)

The Nomination and Remuneration Committee (NRC) and the Board of Directors (the Board) have assessed the independence of Clifton Heath Fernandez who would have served as an Independent Non-Executive Director of the Company for a cumulative term of nine (9) years but less than twelve (12) years from 16 February 2025 onwards. The NRC and the Board have recommended for Clifton Heath Fernandez to continue to serve as an Independent Non-Executive Director of the Company.

The Board will be seeking shareholders' approval through a two-tier voting process at the 26th AGM to retain Clifton Heath Fernandez as an Independent Non-Executive Director.

The Board is of the view that a Director's independence cannot be determined arbitrarily with reference to a set period of time. The Company benefits from the invaluable contribution provided by Clifton Heath Fernandez to the Board and he has been bringing independent and objective judgement to the deliberation and decision making process of the Board. Clifton Heath Fernandez has exercised due care during his tenure as the Independent Director and has carried out his duties proficiently in the interest of the Company.

Further details of the Board's justification and recommendation for the retention of Clifton Heath Fernandez as Independent Director is set out on page 70 of the Company's 2024 Annual Report.

PERSONAL DATA PRIVACY

By lodging of a completed Form of Proxy to the Share Registrar of the Company for appointing a proxy(ies) and/or representative(s) to attend and vote in person at the 26th Annual General Meeting and any adjournment thereof, a member of the Company is hereby:

- 1) consented to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 26th Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the 26th Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes");*
- 2) warranted that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes ("Warranty"); and*
- 3) agreed that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of the Warranty.*

**ANALABS RESOURCES BERHAD**Registration No: 199801012843 (468971-A)
(Incorporated in Malaysia)

CDS ACCOUNT NO.	
NO. OF SHARES	

FORM OF PROXY

I/We _____

NRIC No. (New) _____ (Old) _____ /Company No. _____

of _____

being a member / members of **ANALABS RESOURCES BERHAD** (Registration No: 199801012843 (468971-A)) hereby appoint the following person(s):-

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)
*And/or failing him/her (delete as appropriate)			

or failing him/her/them, THE CHAIRMAN OF THE MEETING, as my/our proxy/proxies, to vote for me/us on my/our behalf at the Twenty-Sixth Annual General Meeting ("26th AGM") of the Company to be conducted on a virtual basis through live streaming and online remote voting using the Remote Participation and Voting (RPV) facilities from the Broadcast Venue at the Meeting Room, Lot 750, Jalan Haji Sirat, 42100 Klang, Selangor Darul Ehsan on Thursday, 10 October 2024 at 11.00 a.m. and at any adjournment thereof in the manner as indicated below in respect of the following Resolutions:-

RESOLUTIONS		FOR	AGAINST
Ordinary Resolution 1	Re-election of Kan Yow Kheong as a Director.		
Ordinary Resolution 2	Re-election of Kan Mun Hoow as a Director.		
Ordinary Resolution 3	Re-election of Clifton Heath Fernandez as a Director.		
Ordinary Resolution 4	Re-election of Lye Meei Ruu as a Director.		
Ordinary Resolution 5	Re-election of Chia Yee Yan as a Director.		
Ordinary Resolution 6	Re-election of Ling Hua Kang as a Director.		
Ordinary Resolution 7	Approval of Directors' fees for the financial year ending 30 April 2025		
Ordinary Resolution 8	Re-appointment of Crowe Malaysia PLT as Auditors.		
Ordinary Resolution 9	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights pursuant to the Companies Act 2016 and the Company's Constitution.		
Ordinary Resolution 10	Proposed Renewal of Share Buy-Back.		
Ordinary Resolution 11	Retention of Clifton Heath Fernandez as an Independent Director		

Please indicate with an "X" in the appropriate space how you wish your votes to be cast. If you do not indicate how you wish your proxy to vote on any Resolution, the proxy will vote or abstain from voting at his/her/their discretion.

Date: _____

Signature of Shareholder(s)**Notes:****Appointment of Proxy**

- A member entitled to attend and vote at the above meeting is entitled to appoint not more than two (2) proxies to attend and vote instead of him save for a member who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which such member may appoint in respect of each omnibus account it holds. There shall be no restriction as to the qualification of the proxy and a proxy duly appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
- Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holding(s) to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or if the appointer is a corporation, either under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
- The instrument appointing a proxy must be deposited at Agmo Digital Solutions Sdn Bhd, Level 39, MYEG Tower, Empire City Damansara, Jalan PJU 8, Damansara Perdana, 47820 Petaling Jaya, Selangor Darul Ehsan, attention to "Vote2u" not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting. The appointment of proxy may also be submitted electronically via email to vote2u@agmostudio.com not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting.

Members Entitled to Attend

- For purposes of determining a member who shall be entitled to attend the Annual General Meeting, the Company shall be requesting Bursa Depository, in accordance with Clause 70 of the Company's Constitution and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors as at 3 October 2024. Only a depositor whose name appears on the General Meeting Record of Depositors as at 3 October 2024 shall be entitled to attend, speak and vote at the said meeting or appoint a proxy(ies) on his behalf.



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AFFIX
STAMP

ANALABS RESOURCES BERHAD

Registration No: 199801012843 (468971-A)

c/o Agmo Digital Solutions Sdn Bhd
Level 39, MYEG Tower,
Empire City Damansara,
Jalan PJU 8, Damansara Perdana
47820 Petaling Jaya,
Selangor Darul Ehsan

Attention : Vote2u

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Fold this flap for sealing



ANALABS RESOURCES BERHAD

Registration No. 199801012843 (468971-A)

Unit 621, 6th Floor, Block A, Kelana Centre Point, No. 3, Jalan SS7/19
Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan

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