

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Diversity (Cont'd)

Our performance (Cont'd)

Board Diversity (Cont'd)

By Gender

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------|---------------|---------------|
| Male | 80 | 80 |
| Female | 20 | 20 |
| Total | 100.00 | 100.00 |

By Age Group

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------------|---------------|---------------|
| 21 – 30 years | 20 | 20 |
| 31 – 40 years | 0 | 20 |
| 41 – 50 years | 40 | 20 |
| 51 – 60 years | 20 | 20 |
| 60 years and above | 20 | 20 |
| Total | 100.00 | 100.00 |

Management Profile

The proportion of female representation at the Management level saw a slight decrease, while age concentration shifted moderately towards the 41-50 bracket, indicating increased maturity in this segment.

Management by Gender

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------|---------------|---------------|
| Male | 69.84 | 75 |
| Female | 30.16 | 25 |
| Total | 100.00 | 100.00 |

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Diversity (Cont'd)

Our performance (Cont'd)

Management Profile (Cont'd)

Management by Age Group

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|----------------|---------------|---------------|
| 21 – 30 years | 4.76 | 3.85 |
| 31 – 40 years | 28.57 | 26.92 |
| 41 – 50 years | 33.33 | 36.54 |
| 51 – 60 years | 25.40 | 25.00 |
| Above 60 years | 7.94 | 7.69 |
| Total | 100.00 | 100.00 |

Executive Profile

We saw a positive increase in female representation within the Executive ranks during the reporting year.

Executive by Gender

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------|---------------|---------------|
| Male | 64.10 | 61.80 |
| Female | 35.90 | 38.20 |
| Total | 100.00 | 100.00 |

Executive by Age Group

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|----------------|---------------|---------------|
| 21 – 30 years | 23.08 | 28.09 |
| 31 – 40 years | 41.03 | 41.57 |
| 41 – 50 years | 12.82 | 11.24 |
| 51 – 60 years | 19.23 | 15.73 |
| Above 60 years | 3.85 | 3.37 |
| Total | 100.00 | 100.00 |

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Diversity (Cont'd)

Our performance (Cont'd)

Non-Executive Profile

The non-executive segment maintained stable gender representation with a dominant presence of employees in the 21–40 age brackets, reflecting a youthful and dynamic operational workforce.

Non-Executive by Gender

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------|---------------|---------------|
| Male | 86.13 | 86.01 |
| Female | 13.87 | 13.99 |
| Total | 100.00 | 100.00 |

Non-Executive by Age Group

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|----------------|---------------|---------------|
| Below 20 years | 1.46 | 0.69 |
| 21 – 30 years | 34.31 | 32.87 |
| 31 – 40 years | 22.63 | 22.38 |
| 41 – 50 years | 25.55 | 28.67 |
| 51 – 60 years | 12.41 | 13.29 |
| Above 60 years | 3.65 | 2.10 |
| Total | 100.00 | 100.00 |

Workforce by Ethnicity

Our workforce composition by ethnicity demonstrates a broad representation of the diverse Malaysian community.

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--------------|---------------|---------------|
| Bumiputera | 45.58 | 48.10 |
| Chinese | 23.68 | 21.45 |
| Indian | 16.96 | 16.61 |
| Foreigner | 10.60 | 11.07 |
| Others | 3.18 | 2.77 |
| Total | 100.00 | 100.00 |

**SUSTAINABILITY STATEMENT
(CONT'D)**

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Health & Safety

Why is this important?

At FITTERS, we regard human capital as our most valuable asset. Operational resilience is intrinsically linked to the physical and mental integrity of our workforce. We recognise that a robust Occupational Health and Safety framework is not merely a statutory obligation but a fundamental driver of business continuity and employee morale. By fostering a secure environment, we mitigate operational risks, eliminate potential liabilities, and create a supportive culture that enhances productivity and reduces absenteeism. Safeguarding our people remains a moral imperative and a cornerstone of our sustainability strategy.

Our approach

FITTERS is committed to maintaining the highest standards of safety through a proactive, systematic strategy anchored in the globally recognised ISO 45001:2018 framework. To mitigate potential hazards, we conduct rigorous risk assessments and regular safety audits, allowing us to identify and address vulnerabilities before they escalate into incidents. These technical measures are complemented by comprehensive training programs designed to ensure our workforce is well-informed, competent, and fully equipped to handle safety-related challenges.

Beyond policies and procedures, we strive to foster a genuine “safety-first” culture that encourages active participation from all levels of the organisation. Employees are empowered to raise concerns and report hazards in an open environment without fear of reprisal. This cultural commitment is reinforced by our safety committee, which continuously monitors performance metrics against regulatory requirements to identify areas for improvement and ensure rapid corrective action is taken when necessary.

Our performance

For the financial year under review, our performance metrics were similar to those of the previous year, reflecting the stable application of our safety protocols. We maintained our ISO 45001:2018 certification and continued our focus on upskilling employees in safety standards.

While we successfully maintained zero fatalities and zero minor injuries, we are pleased to report that the Group recorded zero major injuries in FPE 2025, a critical improvement from the single major injury recorded in the previous year. This achievement reflects the enhanced vigilance and effectiveness of our preventative measures. We remain dedicated to investigating the root causes of all incidents to prevent recurrence.

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|--|----------------|----------------|
| Employees Trained on Health & Safety Standards | 68 | 58 |
| Work-related Fatalities | 0 | 0 |
| Major Injuries | 1 | 0 |
| First-aid Injuries | 0 | 0 |
| Lost Time Incident Rate (LTIR) | 8,560.60 | 0 |
| Certification | ISO 45001:2018 | ISO 45001:2018 |

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Energy Management

Why is this important?

Effective energy management is a key determinant of our corporate sustainability, operational efficiency, and climate resilience. By diligently managing our energy consumption, we achieve significant operational cost reductions and, critically, mitigate our Scope 2 greenhouse gas emissions, thereby contributing to broader climate action goals. Energy efficiency is vital for maintaining compliance with environmental regulations and demonstrating our proactive commitment to resource conservation and environmental stewardship, ensuring the long-term viability of our diversified operations.

Our approach

Energy efficiency is a cornerstone of our commitment to environmental sustainability and operational excellence, driven by systematic management and continuous improvement.

Our approach to managing energy is fully integrated into dual-certified management systems. The ISO 45001:2018 (Occupational Health and Safety) standard ensures that our energy management protocols are implemented safely and systematically, optimising energy use while minimising operational risks across our facilities. Concurrently, the ISO 14001:2015 (Environmental Management) framework guides our efforts to integrate core energy-saving initiatives, providing a structured way to measure and improve our environmental performance related to energy consumption.

Beyond certified systems, we actively implement measures to optimise energy usage across the Group, including significant capital investments. These investments encompass the wide-scale adoption of energy-efficient LED lighting and the integration of advanced, low-consumption waste handling equipment where applicable. Furthermore, we prioritise the cultivation of an energy-conscious culture among our employees through continuous environmental awareness programs. These programs actively educate and remind employees to reduce wasteful electricity consumption and adopt simple but effective practices, such as ensuring all air-conditioners and other electrical appliances are powered off when spaces are not in use. This combination of structural upgrades and behavioural reinforcement ensures that energy conservation is practised at every level of the Group.

Our performance

The total energy consumption for the reporting period increased, reflecting operational growth and increased throughput across the facilities included in the reporting scope. Our focus remains on managing this consumption intensity against production output:

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Total Energy Consumption (kWh/year) | 1,157,262 | 1,685,367 |
| Certification | ISO 45001:2018 and ISO 14001:2015 | ISO 45001:2018 and ISO 14001:2015 |

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Water Management & Effluents

Why is this important?

Water management is a fundamental aspect of environmental stewardship, critical for ensuring the sustainable use of scarce water resources and protecting local ecosystems. Effective governance of water intake and effluent discharge allows us to minimise our environmental footprint, reduce operational costs, and guarantee adherence to all stringent regulatory standards. By adopting sustainable water management practices, we support the health and long-term viability of the communities and environments adjacent to our operations, reinforcing our commitment to environmental responsibility.

Our approach

At FITTERS, responsible water management is an embedded component of our operational strategy, guided by comprehensive, certified environmental standards.

Our standards and framework for environmental management systems, including all water usage and discharge protocols, are systematically managed under the ISO 14001:2015 certification. This framework ensures our approach to water conservation and pollution prevention is systematic, effective, and fully integrated into every facet of our operations. Additionally, our commitment is reinforced by compliance with MS2530-4:2013 standards, underscoring our dedication to high water quality standards and sustainable usage practices, particularly within our palm oil segment.

Regarding effluent treatment and mitigation, we meticulously monitor water consumption to prevent wastage and prioritise water efficiency, particularly at our palm oil mill in Kuala Ketil, Kedah, which is a significant water user. Critically, all wastewater generated undergoes thorough, multi-stage treatment to ensure compliance before discharge. This treatment process involves the use of specialised anaerobic tanks and retention ponds to process the effluent, thereby safeguarding local ecosystems and community water resources against adverse impacts. This stringent process ensures that our effluent discharge meets all mandated Department of Environment standards.

By combining the robustness of the ISO 14001 framework with the specialised requirements of MS2530-4:2013, FITTERS demonstrates leadership in sustainable water management practices and ensures responsible handling of our water cycles.

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Water Management & Effluents (Cont'd)

Our performance

Our performance in FPE 2025 reflects changes in operational dynamics leading to altered usage and discharge figures:

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|---|----------------------------------|----------------------------------|
| Total Volume of Water Used (m ³ /year) | 306,442 | 42,096 |
| Total Volume of Water (Effluent) Discharge (m ³ /year) | 117,000 | 200,567 |
| Certifications | ISO 14001:2015 and MS2530-4:2013 | ISO 14001:2015 and MS2530-4:2013 |

Waste Management

Why is this important?

Effective waste management is a foundational necessity for responsible business and sustainable growth, transcending simple regulatory compliance. For FITTERS, prioritising stringent waste protocols is crucial for achieving three primary outcomes. Firstly, it ensures environmental stewardship by minimising the ecological footprint of our diverse operations, directly reducing pollution, protecting sensitive ecosystems, and promoting resource circularity. Secondly, it guarantees operational resilience by maintaining strict adherence to evolving regulatory standards, mitigating risks, and driving greater efficiency and potential cost savings. Finally, robust waste governance reinforces our commitment to earning community support, safeguarding the health and safety of our employees and neighbouring communities, and strengthening our corporate reputation as a trustworthy and responsible corporate citizen.

Our approach

At FITTERS, we drive a proactive and systematic approach to waste management across our varied business segments, addressing both the volume and the distinct nature of the waste streams, including the high-volume hazardous waste recorded this year. Our commitment is underpinned by robust governance and operational certifications.

Our governance and standards ensure continuous compliance with the ISO 9001:2015 certification, which mandates rigorous quality management standards for our entire waste system. This ensures systematic handling and continuous improvement in managing both hazardous and non-hazardous materials. Furthermore, our dedication to environmental stewardship in palm oil production is affirmed by our adherence to the Malaysian Sustainable Palm Oil (MSPO) standards, including MSPO Part 4 accreditation and the essential MSPO Supply Chain Certification Standard (MSPO SCCS), reinforcing our commitment to traceable and responsible resource utilisation.

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Water Management & Effluents

Our approach

Our core operational philosophy centres on resource efficiency and internal culture by embedding the Reduce, Reuse, Recycle motto into the daily work processes of every employee. This goes beyond simple compliance and focuses on active consumption minimisation. Key internal initiatives include minimising stationery and disposable item usage, such as single-use plastics, while strongly promoting digital storage and double-sided printing to significantly cut paper consumption. These initiatives are designed to align environmental goals with tangible cost savings, thus fostering a unified culture of sustainability and enhancing overall operational efficiency.

Finally, we enforce controlled waste stream management with strict adherence to specialised waste management protocols across our subsidiaries. Solid Orient Holdings Sdn Bhd actively manages the generation of hazardous waste, non-hazardous waste, and effluent, ensuring all materials are processed according to stringent environmental regulations. Future NRG Sdn Bhd focuses specifically on the generation and disposal of non-hazardous waste. By segregating and strictly controlling these streams, we ensure that waste is properly handled, with the goal of maximising diversion for recycling or reuse and ensuring the compliant disposal of remaining materials, thereby contributing directly to the overall sustainability of our Group operations.

Our performance

The management of waste streams in FPE 2025 saw a shift in the composition and volume of waste handled, particularly in our hazardous waste category. Our focus remains on minimising waste generation and maximising waste diversion through established protocols.

| Indicator | FYE 2024 (%) | FPE 2025 (%) |
|---|-----------------------------|-----------------------------|
| Total waste generated (MT/year) | 38,456.4 | 1,866 |
| Hazardous waste generated (MT/year) | 1.4 | 1,771 |
| Non-hazardous waste generated (MT/year) | 38,455 | 95 |
| Total waste diverted from disposal (MT/year) | 1 | 71 |
| Hazardous waste diverted (MT/year) | 1 | 1 |
| Non-hazardous waste diverted (MT/year) | 0 | 70 |
| Total waste directed to disposal (MT/year) | 38,455.4 | 1,795 |
| Hazardous waste directed to disposal (MT/year) | 0.4 | 1,770 |
| Non-hazardous waste directed to disposal (MT/year) | 38,455 | 25 |
| Certifications | ISO 9001:2015 and MSPO SCCS | ISO 9001:2015 and MSPO SCCS |

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

Emissions Management

Why is this important?

Effective management of greenhouse gas (GHG) and air emissions is a non-negotiable component of our long-term sustainability strategy. Emissions management is critical because it is essential for minimising our environmental footprint and mitigating our contribution to climate change. Furthermore, it guarantees stringent regulatory compliance, particularly with national standards, which is crucial for operational health. Ultimately, this focus safeguards our operational continuity and strengthens our standing as a responsible corporate entity committed to global climate action and sustainable business practices.

Our approach

At FITTERS, we adopt a structured, standards-based approach to monitoring, measuring, and managing air emissions across our operations. Our current focus for emissions data collection and mitigation centres on two key subsidiaries: Solid Orient Holdings (which includes palm oil milling operations) and Future NRG.

We integrate rigorous environmental and quality standards to ensure accountability in our processes. For emissions measurement, we strictly adhere to the requirements of MS1073 Part 3:1996, which governs our emissions management practices and ensures a stringent approach to monitoring and mitigating direct emissions from our operational facilities. Furthermore, within the palm oil sector, our subsidiary, Solid Orient Holdings, maintains full compliance with the latest MSPO standards, including the MS2530-4.1: 2022 requirements for General Principles for Palm Oil Mills. This ensures that emissions originating from the palm oil production process are managed sustainably and responsibly.

By aligning with these national and sectoral standards, we demonstrate our commitment to transparency and environmental accountability. Our strategy involves continuous improvement and targeted efforts to reduce emissions intensity, safeguarding environmental integrity while advancing our sustainability goals.

Our performance

In FPE 2025, FITTERS significantly expanded the scope of our emissions reporting and recorded a higher total volume of GHG emissions, reflecting operational growth and more comprehensive measurement. Our emissions are reported in metric tonnes of Carbon Dioxide Equivalent (MT CO₂e) according to the GHG Protocol.

| Indicator | FYE 2024 | FPE 2025 |
|--|--------------------|--|
| Total Air Emissions (Scope 1, 2, 3) (MT CO ₂ e) | 9,549.2 | 20,741 |
| Scope 1 (Direct Emissions) (MT CO ₂ e) | 9,100 | 18,563 |
| Scope 2 (Indirect Emissions from purchased energy) (MT CO ₂ e) | 349.2 | 322 |
| Scope 3 (Other Indirect Emissions) (MT CO ₂ e) | 100 | 1,856 |
| Certifications | MS1073 Part 3:1996 | MS1073 Part 3:1996, MSPO 2530-4.1:2022 |

SUSTAINABILITY STATEMENT (CONT'D)

CONCLUSION

This Statement demonstrates our ongoing efforts to integrate environmental stewardship, social responsibility, and strong governance practices across our core business. We recorded significant social progress, particularly in strengthening human capital through a major uplift in employee training hours and a substantial increase in community investment. Our strong governance framework maintained a clean record of zero confirmed incidents of corruption and zero customer privacy breaches.

Crucially, in safety, we upheld our ISO 45001:2018 certification and are pleased to report zero major injuries in FPE 2025, demonstrating the improved effectiveness of our safety protocols compared to the prior year.

Despite these achievements, we remain dedicated to continuous improvement and addressing challenges. Furthermore, we must operationalise our planned implementation of formal anti-corruption training and risk assessments to further strengthen our proactive governance approach. Environmental metrics reflecting changes in consumption and emissions underscore the operational dynamics of growth, but reaffirm our reliance on certified standards (ISO 14001:2015) for effective resource management.

Statement of Assurance

While the data presented herein has been subject to rigorous internal verification protocols by the Group, this Sustainability Statement has not been subjected to external assurance. As part of our commitment to continuous improvement and enhanced stakeholder trust, the Group remains dedicated to strengthening its reporting processes and intends to formally commence the process of independent external assurance for its Sustainability Statements in future reporting cycles, once sufficient consistent historical data and reporting maturity are achieved.

SUSTAINABILITY STATEMENT (CONT'D)

Fitters Diversified Berhad
IFRS S1
Date & Time: 2025-12-24_17:15:03

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|-------------------------|---|------------------|-------|--------|--------------|
| Supply Chain Management | Proportion of spending on local suppliers | Percentage | 95 | — | No assurance |
| Community Investment | Total amount invested in the community where the target beneficiaries are external to the listed issuer | MRY | 20000 | — | No assurance |
| Community Investment | Total number of beneficiaries of the investment in communities | Number | 16 | — | No assurance |
| Anti-corruption | Percentage of employees who have received training on anti-corruption by employee category Workforce | Percentage | 8.30 | — | No assurance |
| Anti-corruption | Percentage of operations assessed for corruption-related risks | Percentage | 0 | — | No assurance |
| Anti-corruption | Confirmed incidents of corruption and action taken | Number | 0 | — | No assurance |
| Data Privacy & security | Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | Number | 0 | — | No assurance |
| Employee Management | Number of substantiated complaints concerning human rights violations | Number | 0 | — | No assurance |
| Employee Management | Total hours of training by employee category Management Hours 370 Executive Hours 182 Non-executive/Technical Staff Hours | — | — | — | No assurance |
| — | - Management | Hours | 852 | — | No assurance |
| — | - Executive | Hours | 925 | — | No assurance |
| — | - Non-Executive | Hours | 5875 | — | No assurance |
| — | Percentage of employees that are contractors or temporary staff | Percentage | 30 | — | No assurance |
| — | Total number of employee turnover by employee category Workforce | Number | 54 | — | No assurance |
| Diversity | Percentage of directors by gender and age group | — | — | — | No assurance |
| — | Male | Percentage | 80 | — | No assurance |
| — | Female | Percentage | 20 | — | No assurance |
| — | Under 30 | Percentage | 20 | — | No assurance |
| — | Between 31-40 | Percentage | 20 | — | No assurance |
| — | Between 41-50 | Percentage | 20 | — | No assurance |
| — | Between 51-60 | Percentage | 20 | — | No assurance |
| — | Above 60 | Percentage | 20 | — | No assurance |
| — | Percentage of employees by gender and age group, for each employee category | — | — | — | No assurance |
| — | Gender Group by Employee Category | — | — | — | No assurance |
| — | Management Male | Percentage | 75 | — | No assurance |
| — | Management Female | Percentage | 25 | — | No assurance |
| — | Executive Male | Percentage | 61.80 | — | No assurance |
| — | Executive Female | Percentage | 38.20 | — | No assurance |
| — | Non-executive/Technical Staff Male | Percentage | 86.01 | — | No assurance |
| — | Non-executive/Technical Staff Female | Percentage | 13.99 | — | No assurance |

SUSTAINABILITY STATEMENT (CONT'D)

Fitters Diversified Berhad
IFRS S1

Date & Time: 2025-12-24_17:15:03

| Sustainability Matter | Metric | Measurement Unit | 2025 | Target | Assurance |
|--------------------------------|--|------------------|----------|--------|--------------|
| — | Age Group by Employee Category | — | — | — | No assurance |
| — | Management Under 30 | Percentage | 3.85 | — | No assurance |
| — | Management Between 31-40 | Percentage | 26.92 | — | No assurance |
| — | Management Between 41-50 | Percentage | 36.54 | — | No assurance |
| — | Management Between 51-60 | Percentage | 25.00 | — | No assurance |
| — | Management Above 60 | Percentage | 7.69 | — | No assurance |
| — | Executive Under 30 | Percentage | 28.09 | — | No assurance |
| — | Executive Between 31-40 | Percentage | 41.57 | — | No assurance |
| — | Executive Between 41-50 | Percentage | 11.24 | — | No assurance |
| — | Executive Between 51-60 | Percentage | 15.73 | — | No assurance |
| — | Executive above 60 | Percentage | 3.37 | — | No assurance |
| — | Non-executive/Technical Staff Under 30 | Percentage | 33.56 | — | No assurance |
| — | Non-executive/Technical Staff Between 31-40 | Percentage | 22.38 | — | No assurance |
| — | Non-executive/Technical Staff Between 41-50 | Percentage | 28.67 | — | No assurance |
| — | Non-executive/Technical Staff Between 51-60 | Percentage | 13.29 | — | No assurance |
| — | Non-executive/Technical Staff above 60 | Percentage | 2.1 | — | No assurance |
| — | Workforce by Ethnicity | — | — | — | No assurance |
| — | Bumiputera | Percentage | 48.10 | — | No assurance |
| — | Chinese | Percentage | 21.45 | — | No assurance |
| — | Indian | Percentage | 16.61 | — | No assurance |
| — | Foreigner | Percentage | 11.07 | — | No assurance |
| — | Others | Percentage | 2.77 | — | No assurance |
| Health and Safety | Number of employees trained on health and safety standards | Number | 58 | — | No assurance |
| — | Number of work-related fatalities | Number | 0 | — | No assurance |
| — | Lost time incident rate ("LTIR") | Rate | 0 | — | No assurance |
| Energy Management | Total energy consumption | Megawatt | 1685.367 | — | No assurance |
| Water Management and Effluents | Total volume of water used | Megalitres | 42.096 | — | No assurance |
| — | Total volume of water (effluent) discharge | Megalitres | 200.567 | — | No assurance |
| Waster Management | Total waste generated | Metric tonne | 1866 | — | No assurance |
| — | Non-hazardous waste generated/Hazardous waste generated | Metric tonne | 95 | — | No assurance |
| Emissions Management | Total Air Emissions | — | — | — | No assurance |
| — | Scope 1 (direct emissions) | Metric tonne | 18563 | — | No assurance |
| — | Scope 2 (indirect emissions from purchased energy) | Metric tonne | 322 | — | No assurance |
| — | Scope 3 (other indirect emissions) | Metric tonne | 1856 | — | No assurance |

PROFILE OF DIRECTORS

DATO' SOK ONE A/L ESEN

Independent
Non-Executive
Chairman

| Date of Appointment |
|---------------------|
|---------------------|

| |
|------------|
| 1 May 2022 |
|------------|

| Aged |
|------|
|------|

| |
|----|
| 67 |
|----|

| Nationality |
|-------------|
|-------------|

| |
|-----------|
| Malaysian |
|-----------|

| Gender |
|--------|
|--------|

| |
|------|
| Male |
|------|



Dato' Sok One A/L Esen ("Dato' Sok One") was appointed to the Board of the Company on 1 May 2022 as an Independent Non-Executive Chairman. He is a member of the Audit and Risk Management Committee and Nomination and Remuneration Committee of the Company.

Dato' Sok One holds a Bachelor's Degree in Social Science from University Sains Malaysia and a Bachelor's Degree of Jurisprudence from University of Malaya. In 1981, he started his career as an investigation officer under Anti-Corruption Agency which is now known as Malaysian Anti-Corruption Commission ("MACC") serving in various capacities and states including Perak, Kelantan and Sarawak.

Thereafter, he was transferred to the Kuala Lumpur Headquarters in 2005 and eventually, took on various leading roles in the investigation division including as Deputy Director of Intelligence Division, Deputy Director of Special Operations Division and the former Director of MACC in Negeri Sembilan.

In 2015, he was awarded with Darjat Indera Mahkota Pahang and carried the title of Dato' from the Sultan of Pahang for his many years dedicated in the public service. Then in 2018, Dato' Sok One retired from his last position in MACC as the Deputy Director of Special Operations with the rank of Deputy Commissioner in which he has led numerous investigations and special operations to curb the bribery and corruptions among both public and private sectors.

Throughout his thirty-seven (37) years career in MACC specialising in the areas of financial investigation and intelligence, he has worked closely with Independent Commission Against Corruption of Hong Kong (ICAC) in financial investigation. He too works jointly with Corruption Practice Investigation Bureau of Singapore (CPIB), Kapika Indonesia, Anti-Corruption Bureau Brunei (BMR) as well as National Anti-Corruption Commission Thailand (NACC).

Dato' Sok One was also the pioneer of Anti-Money Laundering Investigation in MACC where he had attended courses and conference on money laundering regime in Bangkok, Colombo, Prague and New York, where he devotes his time into training alongside maintaining and strengthening partnerships among numerous anti-corruption agencies in ASEAN.

Currently, he is one of the Directors of a security company known as Special Skills Security Services Sdn. Bhd. which provides various professional and protective security services for his clientele. As the director, he is responsible to oversee and coordinates the operations and business development of the company.

Dato' Sok One presently sits on the Board of MMAG Holdings Berhad as an Independent Non-Executive Director.

He attended all six (6) Board Meetings held during the financial period ended 31 August 2025.

**PROFILE OF DIRECTORS
(CONT'D)**

**DATUK TAN CHOR HOW
CHRISTOPHER**

Executive
Director

Date of Appointment

1 October 2024

Aged

45

Nationality

Malaysian

Gender

Male



Datuk Tan Chor How Christopher (“**Datuk Christopher Tan**”) was appointed to the Board of the Company on 1 October 2024 as an Executive Director.

Datuk Christopher Tan has accumulated over 20 years of working experience with strong understanding of business philosophy, executive leadership, corporate and management functions, across diverse industries, with strategic organizational and transformative initiatives for value creation across complex regulatory environments.

He sits on the Board of Public Interest Companies, M N C Wireless Berhad and PDZ Holdings Bhd., in addition to several private limited companies.

He attended four (4) out of six (6) Board Meetings held during the financial period ended 31 August 2025 since his appointment to the Board on 1 October 2024.

PROFILE OF DIRECTORS (CONT'D)

WONG KOK SEONG

Independent
Non-Executive
Director

| Date of Appointment |
|---------------------|
|---------------------|

| |
|------------------|
| 29 November 2021 |
|------------------|

| Aged |
|------|
|------|

| |
|----|
| 56 |
|----|

| Nationality |
|-------------|
|-------------|

| |
|-----------|
| Malaysian |
|-----------|

| Gender |
|--------|
|--------|

| |
|------|
| Male |
|------|



Mr. Wong Kok Seong (“Mr. Wong”) was appointed to the Board of the Company on 29 November 2021 as an Independent Non-Executive Director. He is the Chairman of the Audit and Risk Management Committee and the Nomination and Remuneration Committee of the Company.

Mr. Wong is a Chartered Account and holds a Masters of Business Administration from Open University, United Kingdom. He is a member of the Malaysian Institute of Accountants (MIA) and also a Fellow Member of the Association of Chartered Certified Accountants (FCCA).

Having spent fifteen (15) years in the United Kingdom (“UK”), Mr. Wong has gained extensive exposure from a United Kingdom accounting firm, Appleby & Wood, where he was an audit partner from 1999 to 2005. His experience extended to multi-national companies where he was appointed as Finance Director for several UK-based companies. During his tenure there and also currently, he is responsible for the preparation of business plans, budgets and organisational financial statements, due diligence, accounting and taxation, management, project financing and implementation.

Over the last few years, he has extensively been involved in a wide range of businesses, such as cross border trading, manufacturing and property development.

On his return to Malaysia in 2006 and upon obtaining his audit license, he joined an audit firm, Messrs. Hasnan THL Wong & Partners, and is currently its Managing Partner. He is also made a partner in another audit firm, McMillan Woods GKJ. Due to his business acumen, he currently sits on the Board of several public listed companies in Malaysia and Singapore.

Mr. Wong presently sit on the Board of M N C Wireless Berhad, PNE PCB Berhad, PDZ Holdings Bhd. and Computer Forms (Malaysia) Berhad.

He attended all six (6) Board Meetings held during the financial period ended 31 August 2025.

**PROFILE OF DIRECTORS
(CONT'D)**

PANG WEI KANG

Executive Director

Date of Appointment

8 January 2024

Aged

26

Nationality

Malaysian

Gender

Male



Mr. Pang Wei Kang (“Mr. Pang”) was appointed to the Board of the Company on 8 January 2024 as a Non-Independent Non-Executive Director.

Mr. Pang has extensive experience in the food and beverage industry, with a strong background and deep knowledge in this field. In his role, he oversees the Japanese fine dining restaurant’s daily operations, leads marketing efforts, and manages finances, ensuring that all activities align with the Japanese fine dining restaurant’s overarching goals.

Beyond operational management, Mr. Pang excels in strategic marketing, creating innovative campaigns to enhance the Japanese fine dining restaurant’s brand presence and engage the audience. His financial expertise is a key asset, as he navigates budgeting, cost control, and comprehensive financial strategies to drive the Japanese fine dining restaurant’s growth and success.

He attended all six (6) Board Meetings held during the financial period ended 31 August 2025.

PROFILE OF DIRECTORS (CONT'D)

| | | | |
|--|----------------------------|--------------------|---------------|
| PANG SIAW SIAN Non-Independent Non-Executive Director | Date of Appointment | | |
| | 15 Oct 2024 | | |
| | Aged | Nationality | Gender |
| | 38 | Malaysian | Female |



Ms. Pang Siaw Sian (“Ms. Pang”) was appointed to the Board of the Company on 15 Oct 2024 as an Independent Non-Executive Director. She was redesignated as a Non-Independent Non-Executive Director on 1 November 2024. She is a member of the Audit and Risk Management Committee and the Nomination and Remuneration Committee of the Company.

Ms. Pang started her career with a public listed company in 2010 as a Personal Assistant to a Managing Director where she supports top-level executive in strategic planning, market analysis, research and business plan to address future prospects of the company.

She later pursued her career with a financial institution in 2012 as the Regional Sales Manager in Mortgage Division. She was awarded with the recognition as the Nationwide Best Award in 2013. She expanded customers and business partners database to overseas by proactively involved in major properties development events. She has also provided credit assessment and professional advices on customers’ investments decisions.

Ms. Pang presently sits on the Board of M N C Wireless Berhad and PDZ Holdings Bhd.

She attended four (4) out of six (6) Board Meetings held during the financial period ended 31 August 2025 since her appointment to the Board on 15 October 2024.

Notes :

- (1) None of the Directors have any family relationship with any other Directors and/or major shareholders of the Company.
- (2) None of the Directors have any conflict of interest with the Company.
- (3) None of the Directors have been convicted of any offences other than traffic offences, if any, within the past five (5) years or been imposed any public sanction or penalty by the relevant regulatory bodies during the financial period ended 31 August 2025.

PROFILE OF KEY SENIOR MANAGEMENT

DATUK TAN CHOR HOW CHRISTOPHER

Executive Director

| Aged | Nationality | Gender |
|------|-------------|--------|
| 45 | Malaysian | Male |

➤ Please refer to the Profile of Directors of Datuk Tan Chor How Christopher.

PANG WEI KANG

Executive Director

| Aged | Nationality | Gender |
|------|-------------|--------|
| 26 | Malaysian | Male |

➤ Please refer to the Profile of Directors of Mr. Pang Wei Kang.

CHIN YONG SHING

Executive Director,
FITTERS Engineering Services Sdn. Bhd.

| Aged | Nationality | Gender |
|------|-------------|--------|
| 57 | Malaysian | Male |

➤ **Mr. Chin Yong Shing** ("Mr. Chin") graduated from Polytechnic of Wales (UK) with a Bachelor of Engineering (Mechanical). He started his career as a Project Engineer at FITTERS Engineering Services Sdn. Bhd., a wholly owned subsidiary of

FITTERS Diversified Berhad, on 15 October 1992. He was promoted to Project Manager in 1998 and to General Manager in 2010. Mr. Chin is currently the Executive Director of FITTERS Engineering Services Sdn. Bhd., a position he holds since 2014.

He does not hold directorship in public company and listed issuer.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

GAN SOON KIEAN

Executive Director,
FITTERS Construction Sdn. Bhd.

| Aged | Nationality | Gender |
|------|-------------|--------|
| 54 | Malaysian | Male |



Mr. Gan Soon Kiean ("Mr. Gan") holds a Bachelor Degree in Civil Engineering from University Teknologi Malaysia.

He started his career as a Planning Engineer at Sunway Construction Sdn. Bhd. in 1995 and subsequently joined a few other companies as Design Engineer, Project Engineer and Project Manager. In 2011, he was engaged as the Resident

Engineer for ZetaPark Development Sdn. Bhd., a wholly-owned subsidiary of FITTERS Diversified Berhad. Mr. Gan is currently the Executive Director of FITTERS Construction Sdn. Bhd., a position he holds since 1 July 2013.

He does not hold directorship in public company and listed issuer.

NGU WANG KEAT

Operation Director,
Solid Orient Holdings Sdn. Bhd.

| Aged | Nationality | Gender |
|------|-------------|--------|
| 34 | Malaysian | Male |



Mr. Ngu Wang Keat ("Mr. Ngu") holds a Bachelor Degree in Chemical Engineering from University Tunku Abdul Rahman and a registered member of the Board of Engineers Malaysia. He also holds a Master of Business Administration from University of Malaya.

Mr. Ngu started his career as a Production Engineer at Sapura Energy Berhad in 2014. In 2016, he joins

FITTERS Diversified Berhad as a Project Engineer for the group renewable energy and palm oil mill division. Subsequently, he was promoted to lead the operation of Solid Orient Holdings Sdn. Bhd., a wholly-owned subsidiary of FITTERS Diversified Berhad in 2020.

He does not hold directorship in public company and listed issuer.

Notes :

- (1) None of the key senior management has any family relationships with any Directors and/or major shareholders of the Company.
- (2) None of the key senior management has any conflict of interests with the Company.
- (3) None of the key senior management personnel have been convicted of any offences in the past five (5) years or been imposed on any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2024, other than traffic offences (if any).

GROUP FINANCIAL SUMMARY

| | Financial Period Ended | Financial Year Ended | Financial Year Ended | Financial Period Ended | Financial Year Ended |
|--|------------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| | 31 Aug 2025 RM'000 | 31 Mar 2024 RM'000 | 31 Mar 2023 RM'000 | 31 Mar 2022 RM'000 | 31 Mar 2020 RM'000 |
| Revenue | 593,055 | 285,889 | 414,912 | 422,772 | 215,713 |
| Profit/(Loss) before tax | 15,532 | (10,514) | (64,863) | (15,489) | (12,887) |
| Taxation | (2,243) | (1,747) | (2,258) | (1,377) | (3,342) |
| Profit/(Loss) for the financial year from continuing operations | 13,289 | (12,261) | (67,121) | (16,866) | (16,229) |
| Profit/(Loss) for the financial year from discontinued operation, net of tax | 355 | (4,163) | (2,004) | - | - |
| Profit/(Loss) for the financial year | 13,644 | (16,424) | (69,125) | (16,866) | (16,229) |
| Non-controlling interests | 4 | (74) | 1,293 | 3,935 | 3,152 |
| Profit/(Loss) attributable to owners of the Company | 13,648 | (16,498) | (67,832) | (12,931) | (13,077) |
| Share capital | 368,220 | 368,220 | 262,157 | 262,157 | 240,662 |
| Treasury shares | (3,912) | (3,912) | (3,912) | (3,912) | (3,912) |
| Other reserves | 37,376 | 39,821 | 35,808 | 35,750 | 35,996 |
| Retained earnings | 2,258 | (12,452) | 4,034 | 71,853 | 84,515 |
| Shareholders' funds | 403,942 | 391,677 | 298,087 | 365,848 | 357,261 |
| Property, plant and equipment | 100,570 | 115,650 | 125,795 | 203,051 | 214,730 |
| Investment properties | 2,251 | 2,335 | 2,397 | 2,458 | 1,949 |
| Right-of-use assets | 3,899 | 5,913 | 5,473 | 12,520 | 12,440 |
| Intangible assets | 4,360 | 4,360 | 4,360 | 5,353 | 5,450 |
| Other investments | 105 | 105 | 105 | 105 | 105 |
| Deferred tax assets | 116 | 171 | 205 | 264 | 196 |
| Non-current trade and other receivables | - | - | - | - | 43,313 |
| Current assets | 344,509 | 339,880 | 311,682 | 284,785 | 229,260 |
| Assets of a disposal group classified as held for sale | 30,707 | 15,000 | 54,363 | - | - |
| Total assets | 486,517 | 483,414 | 504,380 | 508,536 | 507,443 |
| Loans and borrowings | 12,997 | 26,806 | 45,805 | 78,429 | 86,383 |
| Net assets | 403,942 | 391,677 | 298,087 | 365,848 | 357,261 |
| Net assets per share (sen) | 17.25 | 16.73 | 49.03 | 60.17 | 76.39 |
| Weighted average number of ordinary shares in issue ('000) | 2,354,110 | 2,354,110 | 607,983 | 467,680 | 462,247 |
| Basic (loss)/earnings per share (sen) | 0.58 | (0.70) | (11.16) | (2.76) | (2.83) |

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**the Board**”) of FITTERS Diversified Berhad (“**FITTERS**” or “**the Company**”) recognises the importance of maintaining high standards of corporate governance for transparency, accountability, integrity and a well-managed company. As a fundamental part of discharging its duties and responsibilities, the Board is committed towards ensuring good corporate governance practices are implemented and maintained throughout the Company and its subsidiaries (“**Group**”) to enhance shareholders’ value, and to be consistent with the principles and best practices as set out in the Malaysian Code on Corporate Governance (“**MCCG**”).

This Corporate Governance Overview Statement is augmented with a Corporate Governance Report (“**CG Report**”), based on a prescribed format as enumerated in Paragraph 15.25(2) of the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) so as to provide a detailed articulation on the application of the Group’s corporate governance practices as set out in the MCCG throughout the financial period ended 31 August 2025 (“**FYE 2025**”).

The CG Report can be accessed via the Company’s website at www.fittersgroup.com, as well as via an announcement on the website of Bursa Securities.

This Corporate Governance Overview Statement is based on the following three (3) principles of the MCCG: -

- (a) Principle A - Board leadership and effectiveness;
- (b) Principle B - Effective audit and risk management; and
- (c) Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1.1 Board Roles and Responsibilities

The Board is responsible for the performance and affairs of the Group, as well as upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

The Board has the responsibility of leading and directing the Group towards realising long term objectives and shareholders’ value. The Board directs the Company’s risk assessment, strategic planning, succession planning and financial and operational management to ensure that obligations to shareholders and other stakeholders are understood and met.

The Board is also responsible for championing good corporate governance of the Group and for conscientiously weighing and balancing the interests of its shareholders and stakeholders with its own objectives during its decision-making process.

In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter, which outlines the Board’s duties and responsibilities. The Board also delegates certain responsibilities to the following Board Committees, all of which operate within their respective Terms of Reference (“**TOR**”) which can be accessed via the Company’s website at www.fittersgroup.com:

- a. Audit and Risk Management Committee (“**ARMC**”); and
- b. Nomination and Remuneration Committee (“**NRC**”).

Each Committee operates in accordance with clearly defined TOR. These Committees are authorised by the Board to deal with and deliberate on matters delegated to them within their respective TOR and report to the Board on their proceedings and deliberation together with its recommendations to the Board for approval.

Apart from the responsibility of the Board Committees, the Executive Director and other Senior Management are also delegated with certain authority to enable them to effectively discharge their responsibilities on the day-to-day operations of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.2 The Chairman

The Chairman of the Board is led by Dato' Sok One A/L Esen, who is an Independent Non-Executive Chairman of the Company.

The Chairman of the Board is responsible for the leadership, effectiveness, conduct and governance of the Board. The Chairman does not assume the position of chairman of the Board Committees but as a member of the Board Committees. Nevertheless, the Chairman also does not chair these Board Committees. Through his participation and corporate experience, it is believed that the Board's objectivity in receiving or reviewing the committees' reports has not been diminished in any way.

1.3 Separation of positions of the Chairman and Executive Director

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and Executive Director are distinct and separate to accountability and facilitate a clear division of responsibilities for ensuring there is a balance of power and authority in the Company. The segregation of roles also facilitates a healthy, open exchange of views between the Board and the Management in their deliberation of the business, strategic plans and key activities of the Company.

The Chairman is responsible for the orderly conduct and effectiveness of the Board in addition to facilitating constructive deliberation of matters in hand, whilst the Executive Director has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions.

1.4 Qualified and competent Company Secretary

The Board is supported by a qualified and experienced Company Secretary, who are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 ("Act") and also are registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. The new Company Secretary was appointed by the Board on 1 November 2025 for better management of the Company's secretarial and administrative duties. All Directors have access to the advice and services of the Company Secretary.

The Company Secretary has been continuously attending the necessary training programmes, conferences or seminars organised by the relevant authorities and/or professional bodies to keep themselves abreast with the latest developments in the corporate governance realm and changes in regulatory requirements that are relevant to their profession and enable them to provide the necessary advisory role to the Board.

The Board has direct access to the professional advice and services of the Company Secretary when performing their duties and discharging their responsibilities.

During the FYE 2025, all Board and Board Committees meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretary and their team to the Board in the discharge of their duties and functions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.5 Supply and Access to Information

To facilitate the Directors' time planning, an annual meeting calendar is prepared and circulated in advance prior to the new calendar year, to enable the Directors to plan ahead and coordinate their respective schedules. The notice of meetings of the Board and Board Committees are sent to the Directors via emails at least five (5) working days prior to the date of the meetings. Meeting materials are also circulated to Directors at least five (5) business days in advance of the Board and Board Committee meetings to ensure they have been given sufficient time to prepare for the meetings.

The deliberation and decision of matters discussed in the Board and Board Committees' meetings are duly recorded in the minutes of meetings, including whether any Director abstains from voting or deliberating on a particular matter. The minutes of meetings are circulated to the respective Board and Board Committees for review in a timely manner before it is finalised and tabled at the next meeting for confirmation.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.

1.6 Board Charter

The Board Charter sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It serves as a reference point for Board activities and is designed to provide guidance and clarity to Directors with regards to the respective roles and responsibilities of the Board, Board Committees, Chairman and Executive Director, as well as issues and decisions reserved for the Board, the Board's governance structure and Board's authority. This is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities, and the legislations and regulations affecting their conduct.

The Board Charter will be reviewed as and when necessary to ensure that it remains consistent with the Board's objectives and responsibilities, and reflect the latest compliance requirements as a result of changes in the regulatory framework. The Board Charter of the Company is available on the Company's website at www.fittersgroup.com.

1.7 Code of Conduct and Ethics

The Board has adopted a Code of Conduct and Ethics for Directors in order to adhere to the general principles and standards of business conduct and ethical behaviour in the performance and exercise of their responsibilities as Directors of the Company in order to uphold good corporate integrity which ultimately serves as a ground rule to the employees of the Company in their discharge of respective duties and responsibilities. The Code of Conduct and Ethics will be reviewed from time to time to ensure the information remains relevant and appropriate. The Code of Conduct and Ethics is available on the Company's website at www.fittersgroup.com.

1.8 Whistle-Blowing Policy

The Group had adopted a Whistle-Blowing Policy to promote the highest standard of corporate governance and business integrity. The Whistle Blowing Policy is available on the Company's website at www.fittersgroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART I – BOARD RESPONSIBILITIES (CONT'D)

1.9 Anti-Corruption and Bribery Policy (“ABC Policy”)

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“**MACC Act 2018**”), the Company has put in place ABC Policy to encourage a culture of integrity and transparency in all of the Group’s activities. This policy which adheres to the MMLR of Bursa Securities and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, generally set out the responsibilities of the Company, and all individuals who work for the Group, in observing and upholding the Group’s position on bribery and corruption and provides key anti-bribery and corruption principles that apply to all interactions with the Group’s customers, business partners, and other third parties, as well as guidelines for the prevention, management, and remediation of bribery and corruption related risks.

The ABC Policy will be reviewed at least in accordance with the needs of the Company. The ABC Policy is available on the Company’s website at www.fittersgroup.com.

1.10 Directors’ Fit and Proper Policy

The Directors’ Fit and Proper Policy has serves as a guide to the NRC and the Board in their review and assessment of the potential candidates for appointment to the Board of the Group as well as the retiring Directors who are seeking re-election at the annual general meeting in accordance to the Paragraph 15.01A of the MMLR.

The Directors’ Fit and Proper Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary to ensure that they remain consistent with the Board’s objectives, current law and practices. The Directors’ Fit and Proper Policy is published on the Company’s website at www.fittersgroup.com

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NRC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors of the Group.

1.11 Sustainability Governance

The Board recognises that sustainable business practices are essential for long-term value creation and believes that responsible business practices are fundamental to achieving operational excellence.

The Board is committed to overseeing sustainability strategies, priorities, and targets, with management responsibility for the operational execution of Environmental, Social, and Governance (ESG) factors as part of the Group’s corporate strategy. As fiduciaries to the company’s shareholders, the Board is dedicated to upholding exemplary corporate governance practices that prioritize ethics, integrity, and corporate responsibility.

The Board ensures that the Company’s internal and external stakeholders are well-informed about the sustainability strategies, priorities, targets, and overall performance. This Annual Report provides a detailed articulation of the Company’s sustainability efforts.

The annual performance evaluation forms has incorporated an assessment of the understanding of the Board on sustainability issues, which is critical to the Company’s performance. The Board remains committed to continuously reviewing and enhancing its sustainability practices to ensure alignment with best practices and to create long-term value for all stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION

2.1 Board Composition

The current Board composition of the Company represents a mix of knowledge, skills and expertise which assist the Board in effectively discharging its stewardship and responsibilities. The Board currently has five (5) members comprising two (2) Independent Non-Executive Directors, two (2) Executive Director and one (1) Non-Independent Non-Executive Director. The Board composition is as below:

| Name of Board Members | Designation |
|---|--|
| Dato' Sok One A/L Esen | Independent Non-Executive Chairman |
| Hoo Swee Guan <i>(Resigned on 1 October 2024)</i> | Executive Director |
| Datuk Tan Chor How Christopher <i>(Appointed on 15 October 2024)</i> | Executive Director |
| Wong Kok Seong | Independent Non-Executive Director |
| Pang Siaw Sian <i>(Appointed as Independent Non-Executive Director on 15 October 2024)</i> <i>(Redesignated to Non-Independent Non-Executive Director on 1 November 2024)</i> | Non-Independent Non-Executive Director |
| Pang Wei Kang <i>(Redesignated to Executive Director on 1 November 2024)</i> | Executive Director |
| Kho See Yiing <i>(Resigned on 15 October 2024)</i> | Independent Non-Executive Director |

The Company fulfils Paragraph 15.02(1) of the MMLR of Bursa Securities which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.

The presence of Independent Non-Executive Directors ensures that views, consideration, judgement and discretion exercised by the Board in decision making remain objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.

2.2 Tenure of Independent Directors

The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. The Board acknowledges that the tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years pursuant to the Listing Requirements of Bursa Securities. During the financial year under review, none of our Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.

During the financial year under review, none of our Directors has served the Board as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years.

The Company has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years as recommended by the MCCG. Notwithstanding that, the assessment of the independence of Independent Non-Executive Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management. Based on the assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their abilities to act in the best interests of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.3 New Appointment of Board

The appointment to the Board is reviewed by the NRC and is made via a formal, rigorous and transparent process, premised on meritocracy and taking into account objective criteria such as qualification, skills, experience, professionalism, integrity and diversity needed on the Board in the context of the Group's strategic direction. In the case of Independent Directors, the NRC assesses the candidate's ability to bring the element of detached impartiality and objective judgement to the Board deliberation.

In fostering the commitment of the Board to devote sufficient time to carry out their responsibilities, each Director is required to notify the Chairman of the NRC and the Board prior to accepting directorships, his or her directorship in listed issuers other than the Group. All Directors shall not hold more than five (5) directorships in other listed issuers as required under Paragraph 15.06 of the MMLR of Bursa Securities.

The new appointment of Senior Management would be reviewed by the NRC based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

2.4 Gender Diversity

The Board has established and adopted a Gender Diversity Policy to provides a framework for the Company to improve its gender diversity at the Board level.

The objectives/principles and measures as set out in the Gender Diversity Policy are summarised below:-

Objectives/Principles

- a. The Company acknowledges the importance to promote gender diversity at the Board level and will actively work towards having more female Directors on the Board. To avoid any mismatch and ineffective appointment of the female Directors, the Company does not set any specific target for female Directors in this policy.
- b. In assessing the Board composition and Board effectiveness, the Board shall accord due consideration to gender diversity, required mix of skills, experience, independence and other qualities, including core competencies, commitment, integrity and/or other commitments to the Board.

Measures

To pursue the objectives of gender diversity, the Board will take into consideration the following measures:

- a. The NRC and the Board shall nominate or appoint a gender diverse Board with a broad spectrum of perspectives, including but not limited to the education background, age, ethnicity, skills, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board.
- b. The NRC is responsible in ensuring that gender diversity objective is adopted in the Board recruitment and succession planning processes.
- c. The Company shall adopt a more accommodating boardroom culture and environment that is free from discrimination to attract and retain women's participation at the Board level.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.4 Gender Diversity (cont'd)

Measures (cont'd)

To pursue the objectives of gender diversity, the Board will take into consideration the following measures:

- d. The Company will undertake the following strategies to promote gender diversity at the Board level:
- recruiting from a diverse pool of candidates for female Directors and senior management;
 - reviewing succession plans to ensure an appropriate focus on gender diversity;
 - identifying specific factors to take into account the recruitment and selection adopting processes to encourage gender diversity; and
 - any other strategies the Board may develop from time to time.

The Board practises non-gender discrimination, endeavours to promote workplace diversity and supports the representation of women in the composition of Board and Senior Management positions of the Company. The Board currently consists of one (1) female Director in the Board composition who is Ms. Pang Siaw Sian representing 20.00% of the total number of Board members of the Company.

2.5 NRC

The NRC is chaired by Mr. Wong Kok Seong, an Independent Non-Executive Director. The NRC Chairperson has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.

The current members of the NRC comprised of all Non-Executive Directors with a majority of them being Independent Non-Executive Directors as follows:

| Name of Directors | Designation |
|---|--|
| Wong Kok Seong, Chairperson | Independent Non-Executive Director |
| Dato' Sok One A/L Esen, Member | Independent Non-Executive Chairman |
| Pang Siaw Sian, Member (Appointed on 15 October 2024) | Non-Independent Non-Executive Director |
| Kho See Yiing, Chairperson (Resigned on 15 October 2024) | Independent Non-Executive Director |

During the financial year under review, the following is the summary of activities undertaken by the NRC:

- a. Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performances against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether he could devote sufficient time to the role.
- b. Undertaken an effectiveness evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
- c. Reviewed and recommended to the Board the contribution and performance of the ARMC.
- d. Reviewed and recommended to the Board the re-election of the Directors who retired pursuant to the Company's Constitution at the last AGM held on 27 September 2024.
- e. Reviewed and assessed the independence of the Independent Directors of the Company.
- f. Reviewed and recommended to the Board, the remuneration packages (including fees and/or benefits) for all the Directors of the Company for the financial period ending 31 August 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.5 NRC (CONT'D)

During the financial year under review, the following is the summary of activities undertaken by the NRC: (cont'd)

- g. Reviewed and recommended to the Board for approval, the nomination of Datuk Tan Chor How Christopher as the Executive Director of the Company.
- h. Reviewed and recommended to the Board for approval, the nomination of Ms. Pang Siaw Sian as the Independent Non-Executive Director of the Company.
- i. Reviewed and recommended to the Board for approval, the re-designation of Mr. Pang Wei Kang as the Executive Director of the Company.
- j. Reviewed and recommended to the Board for approval, the re-designation of Ms. Pang Siaw Sian as the Non-Independent Non-Executive Director of the Company.

The Terms of Reference of the NRC was revised and updated on 30 May 2022 which incorporated the relevant practices recommended under the MCCG. The Terms of Reference of the NRC is published on the Company's website at www.fittersgroup.com.

2.6 Annual Evaluation of the Board and Board Committees as a whole

The Board has, through the NRC, conducted an annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director in the financial year under review. The process was carried out by sending the following customised assessment forms to Directors in the FYE 2025:

- a. Performance of Executive Directors;
- b. Performance of Non-Executive Directors;
- c. Independence of the Independent Directors;
- d. Performance of the ARMC; and
- e. Effectiveness of the Board and Board Committees as a whole.

Based on the evaluations conducted for the FYE 2025, the NRC and the Board were satisfied with the performance of the individual Directors, the Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.

2.7 Attendance of Board and Board Committees' Meetings

The Board endeavors to meet at least four (4) times a year, at quarterly intervals which are scheduled well in advance before the end of the preceding financial year to facilitate the Directors in planning their meeting schedule for the year. The Board is satisfied with the level of commitment given by the Directors toward fulfilling their roles and responsibilities as Directors of the Company as most of the Directors had attended all the Board Meetings during the financial period review. Additional meetings are convened where necessary to deal with urgent and important matters that require the attention of the Board.

All pertinent issues discussed at the Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretaries.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.7 Attendance of Board and Board Committees' Meetings (cont'd)

The attendance record of each Board member at the Board and Board Committees meetings held during the FYE 2025 are as follows:

| Name of Directors | No. of Meeting Attended | | |
|---|-------------------------|------|-----|
| | Board | ARMC | NRC |
| Dato' Sok One A/L Esen | 6/6 | 6/6 | 1/1 |
| Hoo Swee Guan <i>(Resigned on 1 October 2024)</i> | – | – | – |
| Datuk Tan Chor How Christopher <i>(Appointed on 15 October 2024)</i> | 4/4 | – | – |
| Wong Kok Seong | 6/6 | 6/6 | 1/1 |
| Pang Siaw Sian <i>(Appointed as Independent Non-Executive Director on 15 October 2024)</i> <i>(Redesignated to Non-Independent Non-Executive Director on 1 November 2024)</i> | 4/4 | 4/4 | – |
| Pang Wei Kang <i>(Redesignated to Executive Director on 1 November 2024)</i> | 6/6 | – | – |
| Kho See Yiing <i>(Resigned on 15 October 2024)</i> | – | – | 1/1 |

Overall, the Board is satisfied with the level of time commitment given by the Directors towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out herein above.

To facilitate the Directors' time planning, the annual Board and Board Committees meetings calendar was prepared in advance of each new year by the Company Secretaries. The calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting ("AGM"). The closed period for dealings in securities by Directors and Principal Officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.8 Directors' Training

The Directors are encouraged to attend relevant seminars and training programmes to equip themselves with the knowledge to effectively discharge their duties as Directors. The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programmes to keep abreast of changes in both the regulatory and business environments as well as with new developments within the industry in which the Group operates.

During the financial year under review, the Directors have attended the following training programmes, seminars and/or conferences:

| Name of Directors | Training Programme/Conference/ Seminar |
|---------------------------------------|---|
| Dato' Sok One A/L Esen | <ul style="list-style-type: none"> ▪ Chapter 1, Chapter 9 and Chapter 10 of the Listing Requirement. ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ▪ Key Amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad |
| Wong Kok Seong | <ul style="list-style-type: none"> ▪ Chapter 1, Chapter 9 and Chapter 10 of the Listing Requirement. ▪ Briefing the Companies (Amendment) Act 2024: Guidelines for the Reporting Framework for Beneficial Ownership 2024 ▪ Accounting for financial instruments in accordance with MPERS (Covering section 11, 12 & 22) ▪ Practical implementation of monitoring & remediation process for ISQM 1 ▪ The fundamentals of impairment concept used in IFRS/MFRS including the application of specific impairment models ▪ Key Amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Anti-Bribery and Anti-Corruption ▪ Practical Compliance with Malaysia's Personal Data Protection Act (PDPA): Latest Updates and Corporate Responsibilities ▪ ISQM – Performing Monitoring and Evaluation with new ABOT Function |
| Datuk Tan Chor How Christopher | <ul style="list-style-type: none"> ▪ Briefing the Companies (Amendment) Act 2024: Guidelines for the Reporting Framework for Beneficial Ownership 2024 ▪ Key Amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Anti-Bribery and Anti-Corruption Training ▪ Practical Compliance with Malaysia's Personal Data Protection Act (PDPA): Latest Updates and Corporate Responsibilities ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP)s ▪ The Journey into the AI Age : Change for Your Digital Transformation Era Programme |

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – BOARD COMPOSITION (CONT'D)

2.8 Directors' Training (cont'd)

During the financial year under review, the Directors have attended the following training programmes, seminars and/or conferences: (cont'd)

| Name of Directors | Training Programme/Conference/ Seminar |
|-------------------|--|
| Pang Wei Kang | <ul style="list-style-type: none"> ▪ Mandatory Accreditation Programme (MAP) ▪ Mandatory Accreditation Programme Part II: Leading for Impact (LIP)s ▪ Finance Essentials For Non-Finance Directors ▪ Key Amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad |
| Pang Siaw Sian | <ul style="list-style-type: none"> ▪ Briefing the Companies (Amendment) Act 2024: Guidelines for the Reporting Framework for Beneficial Ownership 2024 ▪ Key Amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ▪ Anti-Bribery and Anti-Corruption Training ▪ Practical Compliance with Malaysia's Personal Data Protection Act (PDPA): Latest Updates and Corporate Responsibilities |

The Board acknowledges that continuous education is essential for the Directors to further enhance their skills and knowledge. The Board shall ensure compliance with the Mandatory Accreditation Programme as required by Bursa Securities for the newly appointed Director.

PART III – REMUNERATION

3.1 Level and Composition of Remuneration

The Board had adopted a formal and transparent Remuneration Policy that sets out the principles and guidelines for the Board and the NRC to determine the remuneration of Directors and Senior Management of the Company, which take into account the demands, complexities and performance of the Company as well as skills and experience required.

The Remuneration Policy is available for reference on the Company's website at www.fittersgroup.com.

The Remuneration Policy is guided by the following key principles in remunerating the Directors of the Company:

- a. fees payable to Directors who hold non-executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- b. fees and/or benefits (including meeting allowance) payable to Directors are subject to annual shareholders' approval at a general meeting, where notice of the proposed fees and/or benefits has been given in the notice convening the meeting;
- c. fees payable to an alternate Director (if any) shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- d. salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in a general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.

The remuneration is reviewed by the NRC on an annual basis prior to making its recommendations to the Board for approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART III – REMUNERATION (CONT'D)

3.2 Directors' Remuneration

The Directors' fees and/or benefits payable to Non-Executive Directors of the Company are subject to the approval of shareholders of the Company. The remuneration payable to the Directors of the Company and the Group for the financial year under review is as follows:

The Company

| Name of Directors | RM'000 | | | | | | Total |
|---|------------|-----------|--------------|----------|------------------|------------|--------------|
| | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Others* | |
| Dato' Sok One A/L Esen | 102 | - | - | - | - | - | 102 |
| Hoo Swee Guan <i>(Resigned on 1 October 2024)</i> | - | - | 300 | - | - | 61 | 361 |
| Datuk Tan Chor How Christopher <i>(Appointed on 15 October 2024)</i> | - | - | 550 | - | - | 111 | 661 |
| Wong Kok Seong | 85 | - | - | - | - | - | 85 |
| Pang Siaw Sian <i>(Appointed on 15 October 2024)</i> | 52 | - | - | - | - | - | 52 |
| Pang Wei Kang | 49 | - | 250 | - | - | 31 | 330 |
| Kho See Yiing <i>(Resigned on 15 October 2024)</i> | 20 | - | - | - | - | - | 20 |
| TOTAL | 308 | - | 1,100 | - | - | 203 | 1,611 |

The Group

| Name of Directors | RM'000 | | | | | | Total |
|---|------------|-----------|--------------|----------|------------------|------------|--------------|
| | Fee | Allowance | Salary | Bonus | Benefits-in-kind | Others* | |
| Dato' Sok One A/L Esen | 102 | - | - | - | - | - | 102 |
| Hoo Swee Guan <i>(Resigned on 1 October 2024)</i> | - | - | 300 | - | - | 61 | 361 |
| Datuk Tan Chor How Christopher <i>(Appointed on 15 October 2024)</i> | - | - | 550 | - | - | 111 | 661 |
| Wong Kok Seong | 85 | - | - | - | - | - | 85 |
| Pang Siaw Sian <i>(Appointed on 15 October 2024)</i> | 52 | - | - | - | - | - | 52 |
| Pang Wei Kang | 49 | - | 250 | - | - | 31 | 330 |
| Kho See Yiing <i>(Resigned on 15 October 2024)</i> | 20 | - | - | - | - | - | 20 |
| TOTAL | 308 | - | 1,100 | - | - | 203 | 1,611 |

* Other benefits include Employees Provident Fund (EPF), Social Security Organisation contribution (SOCSO), and Employment Insurance System contribution.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART III – REMUNERATION (CONT'D)

3.3 Remuneration of Key Senior Management

The Board is of the view that the disclosure of the Top Five (5) Key Senior Management’s remuneration components on a named basis would not be in the best interest of the Company as it may be detrimental to the Company’s human resource management due to the competitive nature of talents within the construction industry.

The Board also took into consideration of sensitivity and security of the remuneration package of the Key Senior Management, hence, opts not to disclose on a named basis the remuneration or in bands of RM50,000.00 for the Key Senior Management.

Alternatively, the Board is of the view that the disclosure of the Key Senior Management’s aggregated remuneration on an unnamed basis in the bands of RM50,000.00 in this Annual Report is adequate.

The aggregate remuneration and benefits paid to the Key Senior Management of the Group for the FYE 2025 are as follows:

| Range of Remuneration | No. of Senior Management Officer |
|------------------------|----------------------------------|
| RM300,001 to RM350,000 | 1 |
| RM350,001 to RM400,000 | 1 |
| RM400,001 to RM450,000 | 1 |
| RM450,001 to RM500,000 | – |
| RM500,001 to RM550,000 | – |
| RM550,001 to RM600,000 | – |
| RM600,001 to RM650,000 | – |
| RM650,001 to RM700,000 | 2 |
| TOTAL | 5 |

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – ARMC

4.1 Effective and Independent ARMC

The positions of Chairman of the Board and Chairman of the ARMC are being held by two different persons. The Chairman of the Board is Dato’ Sok One A/L Esen, an Independent Non-Executive Chairman, while the Chairman of the ARMC is Mr. Wong Kok Seong, also an Independent Non-Executive Director. This separation is to ensure that the Board’s review of the ARMC’s findings and recommendations are not impaired.

The separation had been set out clearly in the TOR of the ARMC which is accessible on the Company’s website at www.fittersgroup.com.

Currently, none of the members of the ARMC were former key audit partners of the present auditors of the Group.

The ARMC has in place a policy that requires a former key partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. The policy had been codified in the Terms of Reference of ARMC of the Company.

The Board had established an External Auditors Assessment Policy which sets out the guidelines and procedures for the ARMC to review, assess and monitor the suitability, objectivity and independence of the External Auditors.

The ARMC obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The ARMC had carry out an annual performance assessment of the External Auditors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II – RISK MANAGEMENT AND INTERNAL CONTROL

5.1 Risk Management and Internal Control Framework

The Board acknowledges its overall responsibility for ensuring that a sound system of risk management and internal control is maintained throughout the Group and the need to review its effectiveness regularly. Risk management and internal control are embedded in various work processes and procedures of the respective operational functions and Management team.

The Board has delegated the responsibility of reviewing the adequacy and effectiveness of the risk management and internal control systems to the ARMC.

The ARMC is assisted by the Management as well as the In-House Internal Auditors to identify and assess the significant risks faced by the Group and to ensure that appropriate risk treatments were in place to mitigate the risks that could be affecting the achievement of the Group's business objectives. The In-House Internal Auditors report directly to the ARMC and the internal audit plans are tabled to the ARMC every quarter for review to ensure adequate coverage.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of this Annual Report.

The scope and function of the ARMC are set out in the Terms of Reference which is available on the Company's website at www.fittersgroup.com.

5.2 Internal Audit Function

The Company has an In-House Internal Audit Function within the Group, where the Head of Internal Audit, who reports directly to the ARMC has undertaken an independent assessment of the internal controls and ensured that no material issue or major deficiency had been noted that would pose a high risk to the overall system of internal control under review.

The Board had established the Internal Auditors Assessment Policy ("IA Assessment Policy") together with an annual performance evaluation form. The IA Assessment Policy is to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the Internal Auditors.

The information on the Group's risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Board values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner, and hence, a Corporate Disclosure Policy had been adopted. A copy of the policy is published on the Company's website at www.fittersgroup.com.

The quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's website at www.fittersgroup.com serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

PART II – CONDUCT OF GENERAL MEETINGS

7.1 Conduct of General Meetings

The AGM provides a valuable opportunity for shareholders to share their views and communicate with the Board. Shareholders attending the AGM will be given a reasonable opportunity to participate in the AGM and vote on matters.

Currently, the Notice of AGM is circulated at least twenty-eight (28) days before the date of the meeting to enable shareholders to go through the Annual Report and explanatory notes/papers supporting the resolutions proposed before making any decision in relation to the resolutions. This is in line with Section 316(2) of Companies Act 2016 and Paragraph 7.15 of MMLR of Bursa Securities which call for a twenty-one (21) days' notice period, and Practice 13.1 of the MCCG which encourages twenty-eight (28) days' notice period for public companies or listed issuers respectively.

In addition to being dispatched individually to shareholders, the Notice of AGM is also circulated in a nationally circulated newspaper alongside an announcement on the website of Bursa Securities. This allows shareholders to have immediate access to the Notice of AGM and make the necessary preparations for the AGM.

ADDITIONAL COMPLIANCE INFORMATION

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS DURING THE FINANCIAL PERIOD ENDED 31 AUGUST 2025

The Company did not raise funds through any corporate proposals during the financial period ended 31 August 2025.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to the Company and the Group for the financial period ended 31 August 2025, are set out below:

| | The Company (RM'000) | The Group (RM'000) |
|---------------|-------------------------|-----------------------|
| Audit Fee | 150 | 595 |
| Non-Audit Fee | 5 | 5 |

3. MATERIAL CONTRACTS INVOLVING THE INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving the interest of Directors and/or substantial shareholders during the financial year nor any whose interest still subsist at the end of the financial period ended 31 August 2025.

4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPTS") OF A REVENUE OR TRADING NATURE

There was no RRPTs of a revenue or trading nature entered by the Group during the financial year under review.

5. SHARE ISSUANCE SCHEME ("SIS")

The Company has established a SIS of up to 15% of the total number of issued shares (excluding treasury shares) of the Company for a period of 5 years from 28 January 2022 and may be extended for up to another 5 years immediately from the expiry of the first 5 years, but will not in aggregate exceed 10 years from 28 January 2022.

There was no SIS option granted as during the financial period ended 31 August 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

IN RESPECT OF FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016, to prepare financial statements for each financial year which have been made out in accordance with the applicable Approved Accounting Standards which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year.

In addition, pursuant to Paragraph 15.26(a) of the Main Market Listing Requirements, the Board of Directors must ensure that an additional statement is included in the Company's annual report explaining the Board of Directors' responsibility for preparing the annual audited financial statements.

In preparing the financial statements, the Directors have:

- selected accepted accounting policies and applied them consistently;
- ensured that all applicable accounting standards have been followed and if there are any material departures, to disclose and explain in the financial statements;
- made judgments and estimates that are reasonable and prudent; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time, the financial position of the Group and of the Company and are in compliance with the provisions of the Companies Act 2016. The Directors have overall responsibilities for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and have taken reasonable steps for the prevention and detection of fraud and other irregularities.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

OBJECTIVES

The Board of Directors (“**the Board**”) of FITTERS Diversified Berhad (“**the Company**”) is pleased to present the Audit and Risk Management Committee Report which lays out the activities held for the financial period ended 31 August 2025 (“**FYE 2025**”). The primary objective of the Audit and Risk Management Committee (“**ARMC**” or “**the Committee**”) is to assist the Board in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference, providing an additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures as well as establishing and maintaining internal controls.

COMPOSITION OF ARMC

The members of the ARMC comprising of all Non-Executive Directors with majority of them being Independent Non-Executive Directors as follows:

| Name of Committee members | Designation |
|---------------------------|--|
| Wong Kok Seong | Chairman, Independent Non-Executive Director |
| Dato’ Sok One A/L Esen | Member, Independent Non-Executive Chairman |
| Pang Siaw Sian | Member, Non-Independent Non-Executive Director |

The Company has complied with Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) as the ARMC members fulfil the requirements as prescribed.

The authorities and duties of the ARMC are clearly governed by the Terms of Reference of the ARMC. The Terms of Reference of the ARMC can be accessed from the Company’s website of the Company at www.fittersgroup.com.

ATTENDANCE OF MEETINGS

During the FYE 2025, six (6) ARMC Meetings were held. The details of attendance of each member at the ARMC meetings are as follows:

| Name of Committee members | Meeting Attendance |
|---------------------------|--------------------|
| Wong Kok Seong | 6/6 |
| Dato’ Sok One A/L Esen | 6/6 |
| Pang Siaw Sian | 4/4 |

The presence of the External Auditors and/or the In-House Internal Auditors at the ARMC meetings can be requested if required by the ARMC. Other members of the Board and the Management of the Company and its subsidiaries (“**the Group**”) may attend the Meeting (specific to the relevant meeting and to the matters being discussed) upon invitation of the ARMC.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORKS FOR THE FYE 2025

The summary of the activities undertaken by the ARMC during FYE 2025, amongst others, included the following:

- (i) Reviewed the unaudited consolidated quarterly financial results and annual audited financial statements of the Company including the announcements pertaining thereto. Discussion focused particularly on any changes in accounting policy and practices, significant issues or adjustments arising from the audit, as well as compliance with accounting standards and other legal requirements before recommending to the Board for approval and release of the announcements to Bursa Securities;
- (ii) Reviewed with LTTH PLT, the External Auditors, the Audit Review Memorandum to update the status of the audit of the Group for the financial period ended 31 August 2025;
- (iii) Reviewed with the LTTH PLT, the External Auditors, the Audit Planning Memorandum for the financial period ending 31 August 2025 covering findings on the results and issues arising from their audit of the financial statements and their resolutions of such issues highlighted in their report to the ARMC;
- (iv) Reviewed with the Group In-House Internal Audit Department on the internal audit plan, work done and reports, for the internal audit function and considered the findings of the internal audit investigations and management responses thereon, and ensure that appropriate actions were taken in addressing the issues reported by the Group In-House Internal Audit Department;
- (v) Reviewed the related party transactions and/or recurrent related party transactions that transpired with the Group to ensure that the transactions entered into were at arm's length basis and on normal commercial terms;
- (vi) Review the Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control and Corporate Governance Overview Statement to ensure adherence to legal and regulatory reporting requirements before recommending to the Board for approval for inclusion in the Company' Annual Report;
- (vii) Self-appraised the performance of the ARMC for the FYE 2025 and submit the evaluation to the Nomination and Remuneration Committee for assessment;
- (viii) Evaluated the performance of the External Auditors and In-House Internal Auditors of the Company;
- (ix) Considered and recommended the re-appointment of LTTH PLT as auditors of the Group to the Board of Directors for approval;
- (x) Reviewed the disclosures of actual, potential or perceived conflict of interest ("COI") involving the Directors and key senior management of the Group and concluded that there were no additional examination or mitigation measures were deemed necessary from the COI disclosed; and
- (xi) Reviewed and recommend to the Board for the adoption of updated Terms of Reference of ARMC, by enhancing and incorporating the sustainability component.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORKS OF THE IN-HOUSE INTERNAL AUDIT FUNCTION

The primary function of the Group In-House Internal Audit Department is to assist the ARMC in discharging its duties and responsibilities. Its role is to undertake systematic and independent review of the following activities:

- (i) The adequacy and integrity of the internal control system, in managing key risk areas, to provide reasonable assurance that the system continues to operate satisfactorily, effectively and in compliance with the Group's established policies and standard operational procedures.
- (ii) Internal controls of each activity based on the risk profiles established under the risk management framework which was approved by the Board.

For the FYE 2025, the Group In-House Internal Audit Department had carried out the following works:

- (i) Tabled the Internal Audit Plan 2025 for the Committee's review and endorsement.
- (ii) Presented the Internal Audit Reports to the Committee for review and discussion. The Internal Audit Reports which incorporated audit recommendations and Management's responses with regards to audit findings were issued to the Committee and the Management of respective operating units. Improved procedures and practices were recommended to strengthen the internal controls and follow-up review were carried out to assess the status of implementation of the agreed audit recommendations by the Management.
- (iii) Carried out audits and follow-up audits on various operating units within the Group on the implementation of audit recommendations.
- (iv) Reviewed the adequacy and effectiveness in managing various risks at Group level via risk management processes, risk management reports and periodic audit reviews.

All members of the Group In-House Internal Audit Department do not have any conflict of interests with the Group and is independent of the activities which were audited during the FYE 2025. The Head of the Group In-House Internal Audit reports directly and functionally to the Committee. The total cost incurred by the In-House Internal Audit Function of the Group amounted to RM187,680.41 during the FYE 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“the Board”) of FITTERS Diversified Berhad (“the Company”) is pleased to provide the Statement on Risk Management and Internal Control (“Statement”) of the Company and its subsidiaries (“the Group”) for financial period ended 31 August 2025 (“FYP 2025”) which outlines the nature and scope of risk management and the internal control systems of the Group. This Statement has been prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Malaysian Code on Corporate Governance 2017.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining the Group’s risk management and internal control system to safeguard shareholders’ investment and the Group’s assets as well as reviewing its effectiveness, adequacy and integrity on a regular basis. The system of internal control covers governance, risk management, strategic direction, organisational, financial, operational and compliance controls. However, due to the limitations that are inherent in any system of internal control, the Group’s system of internal control is designed to manage and control risks to an acceptable level. Accordingly, it should be noted that these systems could only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has received assurance from the Executive Director and the Head of Finance that the Group’s risk management and internal control system is operating adequately and effectively in all material aspects.

RISK MANAGEMENT FRAMEWORK

The Group believes in establishing an effective risk management framework in order to ensure continuity in business growth and enhancement of shareholders’ value.

The Board has put in place a formal Risk Management Framework within the Group as an ongoing process for identifying, documenting, evaluating, monitoring and managing significant risks affecting the achievement of the Group’s business objectives. The process is supported by policies, procedures, methodologies, evaluation criteria and documentation requirements to ensure clarity and consistency of application across the Group.

The Board is assisted by the Audit and Risk Management Committee (“ARMC”) which is chaired by an Independent Director. The ARMC closely monitors the risk management function and there are continuous plans to enhance the level of knowledge of risk management and understanding of risks affecting the Group among senior management and the Board to ensure that it is responsive to the changes in the business environment.

Using a guided risk management framework, the risk rating and mitigating actions are reviewed on a regular basis by the risk owners to identify and evaluate any emerging new risks, update the risk profiles and follow-up with the implementation of the proposed action plans. Periodically, all risks that are rated as “high” and “significant” together with their corrective measures will be summarised and compiled for review by the ARMC and subsequent presentation to the Board. The Board annually reviews and discusses the summary of risk tolerance and additional internal controls to be implemented at Board meeting.

Being an integral part of the Group’s operations, each employee is entrusted with the responsibility for managing or mitigating risks and internal controls associated with operations and ensuring compliance with the applicable laws and regulations. Management is responsible for creating a risk awareness culture and to build the necessary environment for effective risk management. The process requires management to identify and assess all type of risks, magnitude of impact as well as to identify and evaluate the adequacy and application of mechanisms in place to manage, mitigate or eliminate these risks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION

The Group's Internal Audit Function is undertaken by an in-house Group Internal Audit Department, which is independent from the Group's business operations. It reports functionally to the ARMC. The description of the Internal Audit Function's activities is set out in the ARMC Report, which can be found in this Annual Report.

The Internal Audit Function was designated to provide assurance of the effectiveness of the system of internal controls within the Group. The Group's Internal Audit Department conducts independent reviews of key activities within the Group's operating units based on the annual Internal Audit Plan which was approved by the ARMC and the Board. Follow-up audit reviews and deliberation of Internal Audit Reports are performed to ensure that appropriate actions are taken by the Management to address internal control weaknesses that were highlighted. Other internal audit assignments also included ad hoc assessments/ investigations as and when required by the Board or Management.

KEY INTERNAL CONTROL PROCESSES

The Group has an established system of internal control that enables the Management to ensure that established policies, guidelines and procedures are followed and complied with. Some key processes are as follows:

- **Organisation:** The Group's structure is designed to clearly delineate various subsidiaries/divisions, authorisation levels and proper segregation of duties.
- **Authority Level:** The Group has set authority levels for different categories of transactions such as acquisitions, disposals, tenders, capital expenditures and other material/significant transactions. Proper research, assessment and analysis will be carried out by relevant appointed parties for all major business transactions/investment decisions.
- **The Board and the ARMC:** Regular Board and ARMC meetings are held at least six (6) times during a financial year, where information is provided to the Board and the ARMC covering financial results and operational performance, for effective monitoring and decision making. The ARMC has full unrestricted access to any information pertaining to the Group and has direct communication channels with the External and Internal Auditors. The ARMC deliberates the findings and recommendations highlighted in the internal audit reports in quarterly meetings held for the purpose of reviewing the Group's quarterly consolidated results and other issues that warrant the ARMC's attention.
- **Monthly Performance Review:** The monthly management meetings report on the performance and profitability of each business unit through the review of key performance indicators ("KPI"), budgets and management reports. Where it is relevant, the internal audit findings and recommendations will also be communicated to relevant personnel for further actions.
- **Group's Standard Operating Procedures ("SOP"):** The Group's SOP laid down the objectives, scope, policies and operating procedures to be complied by the business units, which are regularly reviewed and updated. Certain companies within the Group have ISO 9001:2015 accreditation for their operational processes.
- **Centralisation of Functions:** Key functions such as accounts, tax, treasury, procurement of materials and human resource are controlled centrally to ensure efficiency and compliance to approved procedures.
- **Anti-Corruption and Bribery Policy:** This policy established by the Board applies to the Directors and employees of the Group to prevent the occurrence of corruption and bribery practice in relation to the business of the Group.
- **Whistle-Blower Policy:** This policy established by the Board to provide an avenue for all employees as well as members of the public a safe channel to raise the concern and disclose about possible improprieties.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

NO MATERIAL LOSSES AS A RESULT OF DEFICIENCIES IN INTERNAL CONTROL

No material losses were incurred by the Group during the FYP 2025 as a result of deficiencies in internal control.

CONCLUSION

For the FYP 2025 and up to the date of issuance of the Financial Statements, the Board is of the opinion that the system of internal controls that are established throughout the Group is effective and manageable. The Board believes that the development of a sound system of internal controls is an ongoing process and continues to take appropriate action plans to improve the Group's system of internal control in order to safeguard the interest of customers, regulators, employees, shareholders' investments and the Group's assets.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in AAPG 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 ("MIA") for inclusion in the annual report of the Group for the FYE 2025 and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is the Statement on Risk Management and Internal Control factually inaccurate.

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

FINANCIAL STATEMENTS

| | | | |
|--------|------------------------------|---------|---|
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| pg. 85 | Statement by Directors | pg. 95 | Statements of Financial Position |
| pg. 85 | Statutory Declaration | pg. 97 | Statements of Changes in Equity |
| pg. 86 | Independent Auditors' Report | pg. 99 | Statements of Cash Flows |
| | | pg. 104 | Notes to the Financial Statements |

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year from 1 April 2024 to 31 August 2025.

CHANGE OF FINANCIAL YEAR

The financial year end of the Company was changed from 31 March to 31 August. Accordingly, the current financial statements are prepared on a 17-month basis from 1 April 2024 to 31 August 2025. As a result, the comparative figures are non-comparable.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the trading of fire safety materials, equipment and fire prevention systems. The principal activities of the subsidiaries are detailed in Note 17 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial period.

RESULTS

| | Group RM'000 | Company RM'000 |
|---|-------------------------|---------------------------|
| Profit/ (loss) for the financial period, net of tax | <u>13,644</u> | <u>(59,139)</u> |
| Attributable to: | | |
| Owners of the Company | 13,648 | (59,139) |
| Non-controlling interests | <u>(4)</u> | <u>-</u> |
| | <u>13,644</u> | <u>(59,139)</u> |

DIVIDENDS

No dividends have been paid or declared by the Company since the end of the previous financial year. The directors do not recommend the payment of any dividend in respect of the current financial period.

RESERVES OR PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

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

**DIRECTORS' REPORT
(CONT'D)****WARRANT 2023/2026**

On 17 April 2023, free detachable warrants were issued pursuant to the renounceable rights issue of up to 1,733,308,505 new ordinary shares at an issue price of RM0.065 per rights shares up to 1,155,538,938 free detachable warrants in the Company on the basis of 3 rights shares together with 2 free warrants for every 1 existing share held by the entitled shareholders

The Warrant is issued in registered form and constituted by the Deed Poll.

The salient features of the Warrants are as follows: -

- (i) The Warrants do not confer on their holders any voting rights or any right to participate in any form of distribution and/or offer to further securities in the Company until and unless such holders of Warrants exercise their Warrants for new Shares in accordance with the provisions of the Deed Poll and such new Shares have been allotted and issued to such holders.
- (ii) The Warrants may be exercised at any time within a period of 3 years commencing from and including the date of issuance of the Warrants to the close of business at 5.00 pm (Malaysia time) on the Market Day immediately preceding the date which is 3rd anniversary from the date of issuance of the Warrants.
- (iii) The exercise price of the Warrants at RM0.07 per Warrant; Entitlement date on 17 March 2023.

Movement in the Warrants since the listing and quotation thereof are as follows:

| | Number of warrants | | | 31.8.2025 Unit'000 |
|-----------------|----------------------|-----------------------|-----------------------|-----------------------|
| | 1.4.2024 Unit'000 | Additions Unit'000 | Exercised Unit'000 | |
| Warrants | 1,155,539 | - | - | 1,155,539 |

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

During the financial period, there was no share buy-back, resale and cancellation of treasury shares.

OPTIONS GRANTED OVER UNISSUED SHARES

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

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

DIRECTORS' REPORT (CONT'D)

DIRECTORS

The directors in office during the financial period and during the period from the end of the financial period to the date of the report are:

Datuk Tan Chor How Christopher* (Appointed on 01 October 2024)
Pang Wei Kang* (Redesignation from Non-Executive Director to Executive Director on 01 November 2024)
Wong Kok Seong
Dato' Sok One A/L Esen
Pang Siaw Sian (Appointed on 15 October 2024)
Datuk Hoo Swee Guan (Resigned on 01 October 2024)
Kho See Yiing (Resigned on 15 October 2024)

* Directors of the Company and certain subsidiaries

The directors who held office in the subsidiary companies (excluding directors who are also directors of the Company) during the financial period until the date of this report are:

Chong Wei Wei (Resigned 17 January 2025)
Teoh Tian Chai (Resigned 17 January 2025)
Gan Soon Kiean (Resigned 17 January 2025)
Chin Yong Shing
Lai Fook Eng (Resigned 17 January 2025)
Ong Lay Cheong
Beh Sui Wei (Resigned 17 January 2025)
Loh Thian Fatt (Resigned 12 June 2024)
Sit Kin Yik (Resigned 17 January 2025)
Ngu Wang Keat (Resigned 17 January 2025)

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia. None of the directors in office at the end of the financial period had any interest in ordinary shares of the Company or its related corporations during the financial period.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as disclosed in directors' remuneration in 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 other than any deemed benefit which may arise from transactions as disclosed in Note 29(b) to the financial statements.

Neither during, nor at the end of the financial period, was the Company a party to any arrangements where the 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.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage and insurance premium paid for all directors and certain officers of the Company were RM10,000,000 and RM18,370 respectively.

DIRECTORS' REMUNERATION

| | Group | | Company | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Executive: | | | | |
| Salaries and other emoluments | 2,235 | 1,914 | 1,100 | 600 |
| Bonus | 451 | 533 | - | 150 |
| Defined contribution plan | 385 | 312 | 200 | 150 |
| Other emoluments | 11 | 10 | 3 | 1 |
| Total executive directors' remuneration | 3,082 | 2,769 | 1,303 | 901 |
| Non-executive: | | | | |
| Fees | 308 | 249 | 308 | 230 |
| Total directors' remuneration | 3,390 | 3,018 | 1,611 | 1,131 |

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REMUNERATION (CONTINUED)

The numbers of directors of the Group whose total remuneration during the financial period fell within the following bands is analysed below:

| | Number of directors | |
|--------------------------|-----------------------------|-----------------------------|
| | 1.4.2024 to 31.8.2025 | 1.4.2023 to 31.3.2024 |
| Executive directors: | | |
| RM200,001 - RM250,000 | - | 1 |
| RM300,001 - RM350,000 | 1 | - |
| RM350,001 - RM400,000 | 2 | - |
| RM400,001 - RM450,000 | 1 | - |
| RM500,001 - RM550,000 | - | 1 |
| RM550,001 - RM600,000 | - | 1 |
| RM650,001 - RM700,000 | 2 | - |
| RM900,001 - RM950,000 | - | 1 |
| Non-executive directors: | | |
| RM1 - RM50,000 | 1 | 4 |
| RM50,001 - RM100,000 | 3 | 2 |
| RM100,001 - RM150,000 | 3 | 2 |
| RM150,001 - RM200,000 | - | 2 |

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and the Company were prepared, the directors took reasonable steps:

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

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

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

**DIRECTORS' REPORT
(CONT'D)****OTHER STATUTORY INFORMATION (CONTINUED)**

At the date of this report, the directors are not aware of any circumstances: (continued)

- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and the Company misleading.

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

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

In the opinion of the directors:

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

In the opinion of the directors, no item, transaction, or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and the Company for the financial period in which this report is made.

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company are amounted to RM595,000 and RM150,000 (31.3.2024: RM240,000 and RM55,000) during the financial period.

SIGNIFICANT EVENT DURING AND SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Details of significant event during and subsequent to the end of the financial period are disclosed in Note 36 and Note 37 to the financial statements.

SUBSIDIARY COMPANIES

The details of the subsidiary companies are disclosed in Note 17 to the financial statements.

DIRECTORS' REPORT (CONT'D)

AUDITORS

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

Signed on behalf of the board of directors in accordance with a resolution of the directors,

.....
DATUK TAN CHOR HOW CHRISTOPHER
Director

.....
WONG KOK SEONG
Director

Date: 29 December 2025 .

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FITTERS DIVERSIFIED BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **FITTERS DIVERSIFIED BERHAD**, which comprise the statements of financial position as at 31 August 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 104 to 226.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 August 2025, and of their financial performance and their cash flows for the period 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.

Emphasis of Matters

We draw attention to Note 20 and 29 to the financial statements, which describes the Company’s payment of deposits amounting to RM150,000,000 to Sanichi Precision Mould Sdn. Bhd. and RM9,150,000 to Metronic Engineering Sdn. Bhd., pursuant to non-binding Expressions of Interest entered into for the proposed acquisition of properties.

**INDEPENDENT AUDITORS' REPORT
(CONT'D)****Emphasis of Matters (Cont'd)**

The Expressions of Interest, dated 28 August 2025 and 29 August 2025 respectively, provide that the deposits are fully refundable in the event that the conditions precedent are not fulfilled, definitive Sale and Purchase Agreements are not executed, or upon unilateral termination by the Company.

As at 31 August 2025, no definitive Sale and Purchase Agreements had been executed and shareholder approval for the proposed transactions had not been obtained. Accordingly, the completion of the proposed acquisitions and the timing of the recovery of the deposits are subject to the fulfilment of various conditions precedent and future events.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

1. Impairment of trade receivables

The Group's trade receivables amounted to RM46 million, representing approximately 10% of the Group's total assets as at 31 August 2025.

The assessment of recoverability involved significant judgement and estimation uncertainty, including analysis of historical bad debts, customer concentration, creditworthiness and payment terms.

Our audit procedures included, amongst others:

- Obtaining an understanding of the Group's credit risk management policies and processes;
- Evaluating management's expected credit loss methodology and key assumptions;
- Assessing recoverability by reviewing historical payment patterns and receipts subsequent to the reporting period; and
- Evaluating the adequacy of the disclosures in the financial statements.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Key Audit Matters (Cont'd)

2. Revenue – Contract services

The Group's contract services revenue amounted to RM165 million, representing approximately 28% of the Group's total revenue for the financial period ended 31 August 2025.

Revenue recognition involves judgement in determining whether the criteria under MFRS 15 Revenue from Contracts with Customers have been met, particularly in relation to the assessment of stage of completion.

Our audit procedures included, amongst others:

- Assessing management's application of MFRS 15 Revenue from Contracts with Customers;
- Evaluating the terms and conditions of selected customer contracts;
- Testing the determination of stage of completion by reference to consultants' certifications; and
- Checking the mathematical accuracy of revenue and cost recognised during the financial period.

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

INDEPENDENT AUDITORS' REPORT (CONT'D)

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current period 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.

**INDEPENDENT AUDITORS' REPORT
(CONT'D)****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. The financial statements of the Group and of the Company for the financial year ended 31 March 2024 are audited by another firm of chartered accountants whose report dated 15 July 2024 expressed an unqualified opinion on these statements.

LTTH PLT
201906001236 (LLP0020047-LCA) & AF 0071
Chartered Accountants

LIM LIP CHIN
01931/02/2027 J
Chartered Accountant

Petaling Jaya

Date: 29 December 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD 1 APRIL 2024 TO 31 AUGUST 2025

(WITH COMPARATIVES FIGURE FROM 1 APRIL 2023 TO 31 MARCH 2024)

| | Note | Group | | Company | |
|---|------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Continuing operations | | | | | |
| Revenue | 5 | 593,055 | 285,889 | - | - |
| Cost of sales | 6 | (538,839) | (255,625) | - | - |
| Gross profit | | 54,216 | 30,264 | - | - |
| Other income | 7 | 7,428 | 8,620 | 10,590 | 6,508 |
| Administrative expenses | | (49,201) | (37,235) | (9,623) | (8,816) |
| Net reversal of impairment / impairment (losses) of financial assets | | 4,560 | (10,664) | (58,681) | (5,623) |
| Operating profit/ (loss) | | 17,003 | (9,015) | (57,714) | (7,931) |
| Finance costs | 8 | (1,471) | (1,499) | (711) | (619) |
| Profit/(loss) before tax | 9 | 15,532 | (10,514) | (58,425) | (8,550) |
| Taxation | 11 | (2,243) | (1,747) | (714) | (592) |
| Profit/(loss) for the financial period/ year from continuing operations | | 13,289 | (12,261) | (59,139) | (9,142) |
| Profit/(loss) for the financial period/ year from discontinued operation, net of tax | | 355 | (4,163) | - | - |
| Profit/(loss) for the financial period/year | | 13,644 | (16,424) | (59,139) | (9,142) |

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

| | Group | | Company | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 1.4.2024 to 31.8.2025 | 1.4.2023 to 31.3.2024 | 1.4.2024 to 31.8.2025 | 1.4.2023 to 31.3.2024 |
| Note | RM'000 | RM'000 | RM'000 | RM'000 |
| Other comprehensive (loss)/income, net of tax | | | | |
| Continuing operations | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | |
| Revaluation (loss)/gain on land and building, net of deferred tax | (1,191) | 187 | - | - |
| Exchange differences on translation of foreign operations | (48) | 57 | - | - |
| Discontinued operations | | | | |
| <i>Items that may be reclassified subsequently to profit or loss</i> | | | | |
| Revaluation (loss)/gain on land and building, net of deferred tax | (44) | - | - | - |
| Other comprehensive income for the financial period/year | (1,283) | 244 | - | - |
| Total comprehensive income/(loss) for the financial period/year | 12,361 | (16,180) | (59,139) | (9,142) |

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

| | Group | | Company | |
|---|------------|-----------|-----------|-----------|
| | 1.4.2024 | 1.4.2023 | 1.4.2024 | 1.4.2023 |
| | to | to | to | to |
| | 31.8.2025 | 31.3.2024 | 31.8.2025 | 31.3.2024 |
| Note | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit/(loss) attributable to: | | | | |
| Owners of the Company | | | | |
| - continuing operations | 13,293 | (12,335) | (59,139) | (9,142) |
| - discontinued operations | 355 | (4,163) | - | - |
| | 13,648 | (16,498) | (59,139) | (9,142) |
| Non-controlling interests | (4) | 74 | - | - |
| | 13,644 | (16,424) | (59,139) | (9,142) |
| Total comprehensive income/(loss) attributable to: | | | | |
| Owners of the Company | | | | |
| - continuing operations | 12,054 | (12,091) | (59,139) | (9,142) |
| - discontinued operations | 311 | (4,163) | - | - |
| | 12,365 | (16,254) | (59,139) | (9,142) |
| Non-controlling interests | (4) | 74 | - | - |
| | 12,361 | (16,180) | (59,139) | (9,142) |
| Basic earning/(loss) per share (sen): | | | | |
| - continuing operations | 12(a) 0.56 | (0.52) | | |
| - discontinued operations | 12(a) 0.02 | (0.18) | | |
| | 0.58 | (0.70) | | |
| Diluted earning/(loss) per share (sen): | | | | |
| - continuing operations | 12(b) 0.38 | (0.35) | | |
| - discontinued operations | 12(b) 0.01 | (0.12) | | |
| | 0.39 | (0.47) | | |

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

| | Note | Group | | Company | |
|--|------|---------------------|---------------------|---------------------|---------------------|
| | | 31.8.2025 RM'000 | 31.3.2024 RM'000 | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| ASSETS | | | | | |
| Non-current assets | | | | | |
| Property, plant and equipment | 13 | 100,570 | 115,650 | 15,923 | 16,082 |
| Investment properties | 14 | 2,251 | 2,335 | - | - |
| Right-of-use assets | 15 | 3,899 | 5,913 | - | - |
| Intangible assets | 16 | 4,360 | 4,360 | - | - |
| Investment in subsidiaries | 17 | - | - | 171,224 | 235,814 |
| Other investments | 18 | 105 | 105 | - | - |
| Deferred tax assets | 19 | 116 | 171 | - | - |
| Total non-current assets | | 111,301 | 128,534 | 187,147 | 251,896 |
| Current assets | | | | | |
| Inventories | 21 | 78,487 | 83,649 | - | - |
| Current tax assets | | 1,622 | 1,594 | - | - |
| Trade and other receivables | 20 | 221,653 | 82,434 | 171,721 | 39,241 |
| Contract assets | 22 | 15,420 | 21,527 | - | - |
| Other investments | 18 | 10 | 1 | - | - |
| Cash and short-term deposits | 23 | 27,317 | 150,675 | 5,691 | 107,396 |
| | | 344,509 | 339,880 | 177,412 | 146,637 |
| Assets of a disposal group classified as held for sale | 28 | 30,707 | 15,000 | - | - |
| Total current assets | | 375,216 | 354,880 | 177,412 | 146,637 |
| TOTAL ASSETS | | 486,517 | 483,414 | 364,559 | 398,533 |

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

STATEMENTS OF FINANCIAL POSITION (CONT'D)

| | Note | Group | | Company | |
|---|-------|---------------------|---------------------|---------------------|---------------------|
| | | 31.8.2025 RM'000 | 31.3.2024 RM'000 | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| EQUITY AND LIABILITIES | | | | | |
| Equity attributable to owners of the Company | | | | | |
| Share capital | 24(a) | 368,220 | 368,220 | 368,220 | 368,220 |
| Treasury shares | 24(b) | (3,912) | (3,912) | (3,912) | (3,912) |
| Other reserves | 25 | 37,376 | 39,821 | 15,004 | 15,004 |
| Retained earnings | | 2,258 | (12,452) | (92,485) | (33,346) |
| | | <u>403,942</u> | <u>391,677</u> | <u>286,827</u> | <u>345,966</u> |
| Non-controlling interests | 17 | 49 | 53 | - | - |
| TOTAL EQUITY | | <u>403,991</u> | <u>391,730</u> | <u>286,827</u> | <u>345,966</u> |
| Non-current liabilities | | | | | |
| Deferred tax liabilities | 19 | 3,510 | 3,965 | 1,325 | 1,307 |
| Loans and borrowings | 26 | 730 | 1,021 | - | - |
| Total non-current liabilities | | <u>4,240</u> | <u>4,986</u> | <u>1,325</u> | <u>1,307</u> |
| Current liabilities | | | | | |
| Loans and borrowings | 26 | 12,267 | 25,785 | 5,700 | 9,466 |
| Current tax liabilities | | 416 | 1,448 | 229 | 1,133 |
| Trade and other payables | 27 | 37,233 | 42,477 | 70,478 | 40,661 |
| Contract liabilities | 22 | 26,348 | 16,988 | - | - |
| | | <u>76,264</u> | <u>86,698</u> | <u>76,407</u> | <u>51,260</u> |
| Liabilities of a disposal group classified as held for sale | 28 | 2,022 | - | - | - |
| Total current liabilities | | <u>78,286</u> | <u>86,698</u> | <u>76,407</u> | <u>51,260</u> |
| TOTAL LIABILITIES | | <u>82,526</u> | <u>91,684</u> | <u>77,732</u> | <u>52,567</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>486,517</u> | <u>483,414</u> | <u>364,559</u> | <u>398,533</u> |

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD 1 APRIL 2024 TO 31 AUGUST 2025

| | ----- Attributable to owners of the Company ----- | | | | | | | | | |
|--|---|----------------------------------|------------------------------|------------------------------|------------------------------|----------------------------------|-----------------|---------------------------|---------------------------|---------------------------|
| | Foreign currency | | | | | Non- controlling interests | | | | |
| | Share capital RM'000 | Revaluation reserve RM'000 | Capital reserve RM'000 | Warrant reserve RM'000 | Treasury shares RM'000 | Retained earnings RM'000 | Total RM'000 | Total equity RM'000 | Total equity RM'000 | Total equity RM'000 |
| Group | | | | | | | | | | |
| At 1 April 2023 | 262,157 | 33,826 | 1,360 | - | 622 | (3,912) | 4,034 | 298,087 | 353 | 298,440 |
| Realisation of revaluation reserve | - | (2,008) | - | - | - | 12 | (1,996) | - | - | (1,996) |
| Total comprehensive loss | - | 187 | - | - | 57 | (16,498) | (16,254) | - | 74 | (16,180) |
| Dividend paid | - | - | - | - | - | - | - | - | (374) | (374) |
| Transactions with owners: | | | | | | | | | | |
| Right Issue of shares | 112,665 | - | - | - | - | - | 112,665 | - | - | 112,665 |
| Warrant | (5,777) | - | - | 5,777 | - | - | - | - | - | - |
| Share issuance expenses | (825) | - | - | - | - | - | (825) | - | - | (825) |
| At 31 March 2024 and At 1 April 2024 | 368,220 | 32,005 | 1,360 | 5,777 | 679 | (3,912) | (12,452) | 391,677 | 53 | 391,730 |
| Realisation of revaluation reserve | - | (431) | - | - | - | 431 | - | - | - | - |
| Adjustment of revaluation reserve | - | - | - | - | - | - | - | - | - | - |
| Adjustment of capital reserve | - | - | (100) | - | - | - | - | (100) | - | (100) |
| Total comprehensive (loss)/income | - | (1,235) | - | - | (48) | - | 13,648 | 12,365 | (4) | 12,361 |
| Transactions with owners: | | | | | | | | | | |
| Reclassification adjustment of exchange translation reserve | - | - | - | - | (631) | - | 631 | - | - | - |
| At 31 August 2025 | 368,220 | 30,339 | 1,260 | 5,777 | - | (3,912) | 2,258 | 403,942 | 49 | 403,991 |

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

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

| | Attributable to owners of the Company | | | | | | | Total equity |
|---|---------------------------------------|---------------------|-----------------|-----------------|-----------------|-------------------|--------|--------------|
| | Share capital | Revaluation reserve | Capital reserve | Warrant reserve | Treasury shares | Retained earnings | | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Company | | | | | | | | |
| At 1 April 2023 | 262,157 | 8,107 | - | - | (3,912) | (24,204) | | 242,148 |
| Realisation of revaluation reserve | - | 1,120 | - | - | - | - | | 1,120 |
| Total comprehensive loss | - | - | - | - | - | (9,142) | | (9,142) |
| Transactions with owners: | | | | | | | | |
| Right Issue of shares | 112,665 | - | - | - | - | - | | 112,665 |
| Warrant | (5,777) | - | - | 5,777 | - | - | | - |
| Share issuance expenses | (825) | - | - | - | - | - | | (825) |
| At 31 March 2024 and At 1 April 2024 | 368,220 | 9,227 | - | 5,777 | (3,912) | (33,346) | | 345,966 |
| Total comprehensive loss | - | - | - | - | - | (59,139) | | (59,139) |
| At 31 August 2025 | 368,220 | 9,227 | - | 5,777 | (3,912) | (92,485) | | 286,827 |

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD 1 APRIL 2024 TO 31 AUGUST 2025
 (WITH COMPARATIVES FIGURE FROM 1 APRIL 2023 TO 31 MARCH 2024)

| | Note | Group | | Company | |
|---|-------|---------------------------------------|---------------------------------------|---------------------------------------|---|
| | | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 Restated |
| Cash flows from operating activities | | | | | |
| Profit/(loss) before tax | | | | | |
| - Continuing operations | | 15,532 | (10,514) | (58,425) | (8,550) |
| - Discontinued operations | | 355 | (4,163) | - | - |
| Adjustments for: | | | | | |
| Depreciation of: | | | | | |
| - property, plant and equipments | | 7,954 | 5,627 | 297 | 192 |
| - investment properties | 14 | 84 | 62 | - | - |
| - right-of-use assets | 15(a) | 820 | 845 | - | - |
| Finance costs | 8 | 1,471 | 1,499 | 711 | 619 |
| (Gain)/ loss on disposal of: | | | | | |
| - property, plant and equipment | 7 | (37) | - | - | (157) |
| - right-of-use assets | | - | (25) | - | - |
| - subsidiaries | | - | 2,335 | - | - |
| - land | | - | 1,937 | - | - |
| - asset held for disposal | | - | 5,495 | - | 763 |
| Interest income | 7 | (6,442) | (4,335) | (5,214) | (3,072) |
| Investment in subsidiaries written off | | - | - | 33 | - |
| Impairment loss on Investment in subsidiaries | | - | - | 63,129 | - |
| Net impairment losses on trade receivables | 20(a) | 1,507 | 3,504 | - | - |
| Impairment losses on property, plant and equipment | | 5,654 | - | - | - |
| Provision for slow moving stocks | | 335 | - | - | - |
| Intangible asset written off | | - | - | - | 87 |
| Inter-company balances written off | | - | - | - | 2,342 |
| Property, plant and equipments written off | 9 | - | 26 | - | - |
| Reversal of revaluation of land | | - | (272) | - | - |
| Operating profit/(loss) before changes in working capital, carried forward | | 27,233 | 2,021 | 531 | (7,776) |

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

STATEMENTS OF CASH FLOWS (CONT'D)

| | Group | | Company | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | 1.4.2024 to 31.8.2025 | 1.4.2023 to 31.3.2024 | 1.4.2024 to 31.8.2025 | 1.4.2023 to 31.3.2024 |
| Note | RM'000 | RM'000 | RM'000 | RM'000 Restated |
| Operating profit/(loss) before changes in working capital, brought forward | 27,233 | 2,021 | 531 | (7,776) |
| Construction contracts | 15,562 | (1,152) | - | - |
| Inventories | (813) | 1,462 | - | - |
| Trade and other receivables | (144,783) | 1,227 | (131,052) | (16,979) |
| Trade and other payables | (3,519) | (100,578) | 29,817 | (86,523) |
| Net cash flows used in operations | (106,320) | (97,020) | (100,704) | (111,278) |
| Interest paid | (1,471) | (1,499) | (711) | (619) |
| Income tax refunded | 175 | 2,638 | 53 | 630 |
| Income tax paid | (3,627) | (2,196) | (1,653) | (552) |
| Net cash flows used in operating activities | (111,243) | (98,077) | (103,015) | (111,819) |
| Cash flows from investing activities | | | | |
| Interest received | 6,442 | 4,335 | 5,214 | 3,072 |
| Proceeds from disposal of | | | | |
| - property, plant and equipment | 752 | 335 | - | 157 |
| - right-of-use assets | - | 135 | - | - |
| - asset held for disposal | - | 21,000 | - | 20,910 |
| - subsidiary | - | 2,762 | - | - |
| Purchase of: | | | | |
| - property, plant and equipment | (a) (1,177) | (3,055) | (138) | (38) |
| - right-of-use assets | (a) (755) | (1,413) | - | - |
| - other investment | (9) | - | - | - |
| Change in pledged deposits | - | (374) | - | - |
| Net cash from investing activities | 5,253 | 23,725 | 5,076 | 24,101 |

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

**STATEMENTS OF CASH FLOWS
(CONT'D)**

| | Note | Group | | Company | |
|--|------|---------------------------------------|---------------------------------------|---------------------------------------|---|
| | | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 Restated |
| Cash flows from financing activities | | | | | |
| Proceeds from issuance of shares | | - | 112,665 | - | 111,840 |
| Share issuance expenses | 24 | - | (825) | - | - |
| Net repayment of: | | | | | |
| - lease liabilities | (b) | (405) | (1,264) | - | - |
| - term loans | (b) | (366) | (6,186) | (1,000) | (500) |
| - revolving credits and bankers' acceptance | (b) | (12,565) | (10,402) | (2,766) | (14,379) |
| Net cash (used in)/from financing activities | | (13,336) | 93,988 | (3,766) | 96,961 |
| Net (decrease)/increase in cash and cash equivalents | | (119,326) | 19,636 | (101,705) | 9,243 |
| Effect of exchange translation differences | | (48) | 57 | - | - |
| Cash and cash equivalents at beginning of the financial period/year | | 150,202 | 130,509 | 107,396 | 98,153 |
| Cash and cash equivalents at end of the financial period/year | 23 | 30,828 | 150,202 | 5,691 | 107,396 |

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

STATEMENTS OF CASH FLOWS (CONT'D)

(a) Purchase of property, plant and equipment and right-of-use assets

| | Group | | Company | |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Purchase of: | | | | |
| - property, plant and equipment | 1,177 | 3,055 | 138 | 38 |
| - right-of-use assets | 755 | 1,413 | - | - |
| Finance by way of lease arrangements | (636) | (1,134) | - | - |
| Cash payments on purchase of property, plant and equipment, investment property and right of use asset | 1,296 | 3,334 | 138 | 38 |

(b) Reconciliation of liabilities arising from financing activities

| | At 1 April RM'000 | Cash flows RM'000 | Non-cash changes RM'000 | At 31 August / 31 March RM'000 |
|---|----------------------|-------------------------|-------------------------------|--------------------------------------|
| Group | | | | |
| 31.8.2025 | | | | |
| Lease liabilities | 1,765 | (405) | - | 1,360 |
| Term loans | 366 | (366) | - | - |
| Revolving credits and bankers' acceptance | 24,202 | (12,565) | - | 11,637 |
| | 26,333 | (13,336) | - | 12,997 |
| 31.3.2024 | | | | |
| Lease liabilities | 3,029 | (1,264) | - | 1,765 |
| Term loans | 6,552 | (6,186) | - | 366 |
| Revolving credits and bankers' acceptance | 34,604 | (10,402) | - | 24,202 |
| | 44,185 | (17,852) | - | 26,333 |

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

**STATEMENTS OF CASH FLOWS
(CONT'D)**
(b) Reconciliation of liabilities arising from financing activities (continued)

| | At 1 April RM'000 | Cash flows RM'000 | Acquisition RM'000 | At 31 August / 31 March RM'000 |
|-------------------|----------------------|-------------------------|-----------------------|--------------------------------------|
| Company | | | | |
| 31.8.2025 | | | | |
| Term loans | 1,000 | (1,000) | - | - |
| Revolving credits | 8,466 | (2,766) | - | 5,700 |
| | 9,466 | (3,766) | - | 5,700 |
| 31.3.2024 | | | | |
| Term loans | 1,500 | (500) | - | 1,000 |
| Revolving credits | 22,845 | (14,379) | - | 8,466 |
| | 24,345 | (14,879) | - | 9,466 |

(c) Total cash outflows for leases as a lessee

During the financial period/year, the Group had total cash outflows for leases of RM406,000 (31.3.2024: RM1,263,000).

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at No. 1, Jalan Tembaga SD 5/2, Bandar Sri Damansara, 52200 Kuala Lumpur and registered office of the Company is located at 13A-3A, Q Sentral, 2A, Jalan Stesen Sentral 2, KL Sentral, 50470 Kuala Lumpur.

The financial year end of the Company has been changed from 31 March to 31 August. Accordingly, the current financial statements are prepared on a 17-month basis from 1 April 2024 to 31 August 2025. As a result, the comparative figures are non-comparable.

The principal activities of the Company are that of investment holding and the trading of fire safety materials, equipment and fire prevention systems. The principal activities of the subsidiaries are detailed in Note 17 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial period.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 29 December 2025.

2. BASIS OF PREPARATION

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

2.1 Basis of measurement

The financial statements, which are presented in Ringgit Malaysia (“RM”), have been prepared under the historical cost except as disclosed in the accounting policies below.

2.2 Adoption of new and amended standards

The Group and the Company has adopted the following MFRS and Interpretations (collectively referred to as “MFRSs”), issued by the Malaysian Accounting Standards Board (“MASB”) and effective for the financial years beginning on or after 1 January 2025:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 9 and MFRS 7, Classification and Measurement of Financial Instruments
- Amendments to MFRS 121, Lack of Exchangeability Amendments to MFRS 17, Insurance Contracts

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

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****2. BASIS OF PREPARATION (CONTINUED)****2.3 Standards issued but not yet effective**

The Company has not adopted the following standards that have been issued as at the reporting date but are not yet effective:

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 7, Financial Instruments: Disclosure
- Amendments to MFRS 9, Financial Instruments
- Amendments to MFRS 10, Consolidated Financial Statements
- Amendments to MFRS 107, Statement of Cash Flows

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 128, Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial period presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries and associates used in the preparation of the consolidated financial statements are prepared for the same reporting period as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

(a) Subsidiaries and business combination

Subsidiaries are entities (including structure entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.1 Basis of consolidation (continued)****(a) Subsidiaries and business combination (continued)**

The accounting policy for goodwill is set out in Note 3.10(a) to the financial statements.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture or a financial asset.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (continued)

(a) Subsidiaries and business combination (continued)

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

(b) Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statements of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

(c) Associates

Associates are entities over which the Group has significant influence, but not control, to the financial and operating policies.

Investment in associates is accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates is initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.1 Basis of consolidation (continued)****(d) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.14(b) to the financial statements.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Foreign currency transactions and operations**(a) Translation of foreign currency transactions**

Foreign currency transactions are translated to the respective functional currencies of the Group entities using the exchange rates prevailing at the transaction dates.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 Foreign currency transactions and operations (continued)

(a) Translation of foreign currency transactions (continued)

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

(b) Translation of foreign operations

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.4 Revenue and other income**

The Group and the Company recognised revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and of the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as goods and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Group and the Company estimate it by using the expected costs plus margin approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Revenue and other income (continued)

(a) Sale of goods

The Group measures revenue from sale of good at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as sales and service tax, adjusted for the effects of any variable consideration.

Revenue from sale of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term range of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised based on the price specified in the contract.

(b) Property development

The Group develops and sell residential properties. Contracts with customers may include multiple distinct promises to customers and therefore accounted for as separate performance obligations. In the contract with customer contains more than one performance obligation, when the stand-alone selling price are not directly observable, they are estimated based on expected cost plus margin.

Revenue from residential properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.4 Revenue and other income (continued)****(b) Property development (continued)**

Revenue from completed properties are recognised at a point in time when the control of the asset is transferred to the customer.

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognises a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

Based on the Group's customary business practice, the customers' legal fees are borne by the Group. Revenue is recognised based on the transaction price agreed in the contracts, net of the customers' legal fees. The Group uses its experience in estimating the legal fees to be incurred. The Group uses the expected value method because it is the method that the Group expects to better predict the amount of consideration to which they will be entitled. The amount of revenue recognised does not include any customers' legal fees which is constrained.

For residential properties, as part of the statutory requirements, the Group's obligations to repair and made good of any defect, shrinkage or other faults in the building or in the common property which have become apparent within a period of 24 months after the customer takes vacant possession of the building.

(c) Construction contracts

Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.4 Revenue and other income (continued)

(c) Construction contracts (continued)

Sales are made with a credit term of 30 to 60 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group become entitled to invoice customers for construction contracts based on achieving a series of performance-related milestones.

The Group recognised a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognises a contract liability for the difference.

(d) Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

(e) Interest income

Interest income is recognised using the effective interest method.

(f) Dividend income

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

(g) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

(h) Management fees

Management fees are recognised over time as services are rendered based on time elapsed.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.5 Income tax**

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

(a) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial year.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.5 Income tax (continued)

(b) Deferred tax (continued)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Where freehold land, long term leasehold land and buildings are carried at fair value in accordance with the accounting policy as disclosed in Note 3.7 and Note 3.9 to the financial statements, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

(c) Sales and services tax

Revenues, expenses and assets are recognised net of amount of sales and services tax ("SST") except:

- where the SST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the SST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of SST included.

The net amount of SST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.6 Financial instruments**

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

(a) Subsequent measurement

The Group and the Company categorise the financial instruments as follows:

(i) Financial assets

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(a) Subsequent measurement (continued)

The Group and the Company categorise the financial instruments as follows:
(continued)

(i) Financial assets (continued)

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- **Amortised cost**

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.14(a) to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

- **Fair value through other comprehensive income ("FVOCI")**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment is in accordance with Note 3.14(a) to the financial statements. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss. The Group and the Company have not designated any financial asset as financial assets at FVOCI.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.6 Financial instruments (continued)****(a) Subsequent measurement (continued)**

The Group and the Company categorise the financial instruments as follows (continued):

(i) Financial assets (continued)Debt instruments (continued)

- **Fair value through profit or loss (“FVPL”)**

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

Equity instruments

Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment. The Group and the Company have not designated any equity instruments designated as FVOCI.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(a) Subsequent measurement (continued)

The Group and the Company categorise the financial instruments as follows (continued):

(ii) Financial liabilities

The Group and the Company classify their financial liabilities in the following measurement categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 *Financial Instruments* are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

(b) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.6 Financial instruments (continued)****(b) Financial guarantee contracts (continued)**

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

(c) Derecognition

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive the cash flows from the financial asset expire; or
- (ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments (continued)

(d) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land and buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation and any accumulated impairment recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold land and buildings do not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.7 Property, plant and equipment (continued)**

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

| | |
|----------------------------------|--------------|
| Buildings | 50 years |
| Plant, equipment and machineries | 5 - 25 years |
| Motor vehicles | 5 years |
| Tools and office equipment | 3 - 10 years |
| Furniture and fittings | 10 years |
| Renovations | 10 years |

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted prospectively, if applicable.

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Leases

(a) Definition of lease

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(b) Lessee accounting

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Right-of-use asset

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.8 Leases (continued)****(b) Lessee accounting (continued)**Right-of-use asset (continued)

Long term leasehold land is measured at fair value, based on valuations by external independent valuers, less accumulated depreciation and any accumulated impairment recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the long term leasehold land does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.8 Leases (continued)

(b) Lessee accounting (continued)

Lease liability (continued)

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(c) Lessor accounting

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group and the Company are intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3.8(b), then it classifies the sub-lease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.9 Investment properties**

Investment properties are properties held to earn rental income or for capital appreciation or both.

The Group and the Company use the cost model to measure its investment properties after initial recognition. Accordingly, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements.

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. The cost of a self-constructed investment property includes the cost of material, direct labour and any other direct attributable costs. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.18 to the financial statements.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follow:

| | |
|--------------------------|----------|
| Buildings | 50 years |
| Long term leasehold land | 91 years |

An investment property is derecognised on their disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gains and losses arising from derecognition of the asset is recognised in the profit or loss.

Transfers are made to or from investment property only when there is a change in use.

3.10 Goodwill and other intangible assets**(a) Goodwill**

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initially recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements.

(b) Computer software

Computer software that are acquired by the Group, which has finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.10 Goodwill and other intangible assets (continued)

(c) Other intangible assets

Intangible assets acquired separately are measured initially at cost.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3.11 Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a first-in first-out basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.11 Inventories (continued)**Property under development

Cost includes:

- freehold and leasehold rights for land
- amounts paid to contractors for construction
- borrowing costs, planning and design costs, costs for site preparation, statutory contribution, professional fees for legal services, property transfer taxes, construction overheads and other related costs

The cost of inventory recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

3.12 Contract assets/(liabilities)

Contract asset is the right to consideration for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Group's future performance).

The policy for the recognition and measurement of impairment losses is in accordance with Note 3.14(a) to the financial statements.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer.

3.13 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts.

3.14 Impairment of assets**(a) Impairment of financial assets and contract assets**

Financial assets measured at amortised cost, lease receivables, contract assets, and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 *Financial Instruments* which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.14 Impairment of assets (continued)

(a) Impairment of financial assets and contract assets (continued)

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.14 Impairment of assets (continued)****(a) Impairment of financial assets and contract assets (continued)**

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.14 Impairment of assets (continued)

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.15 Share capital****(a) Ordinary shares**

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

(b) Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable transaction costs are classified as treasury shares and presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

3.16 Employee benefits**(a) Short-term employee benefits**

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

(b) Defined contribution plans

As required by law, the Group and the Company contribute to the Employees Provident Fund (“EPF”), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

(c) Employee share option plans

Employees of the Group and of the Company receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted. This cost is recognised in profit or loss, with a corresponding increase in the employee share option reserve over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s and the Company’s best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of that period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.16 Employee benefits (continued)

(c) Employee share option plans (continued)

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employee share option reserve is transferred to retained earnings upon expiry of the share options. When the options are exercised, the employee share option reserve is transferred to share capital if new shares are issued, or to treasury shares if the options are satisfied by the reissuance of treasury shares.

3.17 Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

3.18 Borrowing costs

Borrowing costs are interests and other costs that the Group and the Company incur in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.18 Borrowing costs (continued)

The Group and the Company begin capitalising borrowing costs when the Group and the Company have incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

3.19 Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.20 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The management of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

3.21 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

There were no transfers between levels of the fair value hierarchy during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.22 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

3.23 Contract costs

(a) Recognition and measurement

Contract costs include costs of obtaining and fulfilling a contract.

The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer which they would not have incurred if the contract had not been obtained. The incremental costs of obtaining a contract with a customer are recognised as part of contract costs when the Group expects those costs are recoverable.

The costs incurred in fulfilling a contract with a customer which are not within the scope of another MFRSs, such as MFRS 102 *Inventories*, MFRS 116 *Property, Plant and Equipment* or MFRS 138 *Intangible Assets*, are recognised as part of contract costs when all of the following criteria are met:

- (i) the costs relate directly to a contract or to an anticipated contract that can be specifically identified;
- (ii) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (iii) the costs are expected to be recovered.

(b) Amortisation

The costs of obtaining and fulfilling a contract are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The amortisation shall be updated subsequently to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the asset relates in accordance with MFRS 108 *Accounting Policies, Changes in Accounting Estimate and Errors*.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)****3.23 Contract costs****(c) Impairment**

Impairment loss are recognised in profit or loss to the extent that the carrying amount of the contract cost exceeds:

- (i) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- (ii) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

Before an impairment loss is recognised for contract costs, the Group shall recognise any impairment loss for assets related to the contract that are recognised in accordance with another MFRSs, such as MFRS 102, MFRS 116 and MFRS 138. The Group shall include the resulting carrying amount of the contract costs in the carrying amount of the cash-generating unit to which it belongs for the purpose of applying MFRS 136 *Impairment of Assets* to that cash-generating unit.

An impairment loss is reversed when the impairment conditions no longer exist or have improved. Such reversal is recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Construction revenue (Note 5 and 22)

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(b) Impairment of property, plant and equipment (Note 13)

The Group assesses impairment of property, plant and equipment whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount.

Recoverable amount is measured at the higher of the fair value less costs of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. The Group uses its judgement to decide the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial positions and results if the actual cash flows are less than the expected.

(c) Impairment of goodwill and licenses (Note 16(b))

Goodwill and licenses are tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value-in-use of the cash generating units to which goodwill is allocated. When value-in-use calculations are undertaken, the Group uses its judgement to decide the discount rates to be applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Group's financial position and results if the actual cash flows are less than the expected.

(d) Impairment in investment in subsidiaries (Note 17)

The Company determines whether there is any indication of impairment in investment in a subsidiary. If any of such indication exist, the Company makes an estimate of the recoverable amount of the investment in subsidiaries.

The recoverable amount of investment in a subsidiary was determined based on value-in-use which involves exercise of significant judgement on the discount rates applied and the assumptions supporting the underlying cash flow projections which include future revenue, gross profit margin and operating expenses.

(e) Impairment of trade and other receivables (Note 20)

The impairment provisions for trade and other receivables are based on assumptions about risk of default and expected loss rate. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS
(CONTINUED)****(e) Impairment of trade and other receivables (Note 20) (cont'd)**

The Group uses a provision matrix to calculate expected credit losses for trade receivables. The provision rates are depending on the number of days that a trade receivable is past due. The Group uses the grouping according to the customer segments that have similar loss patterns. The criteria include product type, customer type and rating.

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

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the financial assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(f) Discount rate used in leases

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

(g) Measurement of income taxes

Significant judgement is required in determining the Group's provision for current and deferred taxes because the ultimate tax liability for the Group is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amount might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the financial period when such determination is made. The Group will adjust for the differences as over- or under- provision of current or deferred taxes in the current financial period in which those differences arise.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)

(h) Useful lives of property, plant and equipment, right of use assets and investment properties

The Group regularly reviews the estimated useful lives of property, plant and equipment, ROU assets and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, ROU assets and investment properties would increase the recorded depreciation and decrease the value of property, plant and equipment, ROU assets and investment properties. The carrying amount at the reporting date for the property, plant and equipment, ROU assets and investment properties are disclosed in Notes 13, 14 and 15 respectively.

5. REVENUE

| | Group | | Company | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Revenue from contract customers: | | | | |
| Sale of fire-fighting equipment | 26,874 | 28,243 | - | - |
| Sale of palm oil | 393,234 | 164,557 | - | - |
| Rendering of services | 3,134 | 6,225 | - | - |
| Contract revenue | 164,548 | 83,211 | - | - |
| Renewable energy | 5,265 | 3,653 | - | - |
| | 593,055 | 285,889 | - | - |

(a) Disaggregation of revenue

The Group reports the following major segments: fire services, property development and construction, renewable and waste-to-energy and green palm oil mill and investment holding and others in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into major goods or services and timing of revenue recognition.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

5. REVENUE (CONTINUED)

(a) Disaggregation of revenue (continued)

| Group | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Total RM'000 |
|---------------------------------------|----------------------------------|---|---|-----------------|
| 31.8.2025 | | | | |
| <i>Major goods or services</i> | | | | |
| Fire materials and equipment | 26,874 | - | - | 26,874 |
| Palm oil | - | - | 393,234 | 393,234 |
| Rendering of services | 2,279 | 855 | - | 3,134 |
| Contract services | 160,605 | 3,943 | - | 164,548 |
| Renewable energy | - | - | 5,265 | 5,265 |
| | 189,758 | 4,798 | 398,499 | 593,055 |
| <i>Timing of revenue recognition:</i> | | | | |
| At a point in time | 26,874 | - | 398,499 | 425,373 |
| Over time | 162,884 | 4,798 | - | 167,682 |
| | 189,758 | 4,798 | 398,499 | 593,055 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
5. REVENUE (CONTINUED)
(a) Disaggregation of revenue (continued)

| | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Total RM'000 |
|---------------------------------------|--|---|--|-----------------|
| Group | | | | |
| 31.3.2024 | | | | |
| <i>Major goods or services</i> | | | | |
| Fire materials and equipment | 28,243 | - | - | 28,243 |
| Palm oil | - | - | 164,557 | 164,557 |
| Rendering of services | 2,175 | 4,050 | - | 6,225 |
| Contract services | 68,379 | 14,832 | - | 83,211 |
| Renewable energy | - | - | 3,653 | 3,653 |
| | 98,797 | 18,882 | 168,210 | 285,889 |
| <i>Timing of revenue recognition:</i> | | | | |
| At a point in time | 28,243 | - | 168,210 | 196,453 |
| Over time | 70,554 | 18,882 | - | 89,436 |
| | 98,797 | 18,882 | 168,210 | 285,889 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. REVENUE (CONTINUED)

(b) Transaction price allocated to the remaining performance obligations

As of 31 August 2025, the aggregate amount of the transaction price allocated to the remaining performance obligation is RM94,891,608 (31.3.2024: RM144,483,356) and the entity will recognise this revenue as the contract project is completed, which is expected to occur over the next 24 months (31.3.2024: 12 to 18 months).

Remainng performance obligation

| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
|----------------------------|---------------------------------------|---------------------------------------|
| Next 12 months | 39,162 | 4,504 |
| Between 1 year and 2 years | 55,730 | 139,979 |
| | 94,892 | 144,483 |

6. COST OF SALES

| | Group | |
|--------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Cost of fire-fighting equipment sold | 22,394 | 19,885 |
| Cost of palm oil sold | 370,582 | 158,880 |
| Cost of services rendered | 950 | 2,774 |
| Contract costs | 141,600 | 71,367 |
| Cost of renewable energy | 3,313 | 2,719 |
| | 538,839 | 255,625 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. OTHER INCOME

Included in other income of the Group and of the Company are:

| | Group | | Company | |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Administrative fee from subsidiaries | - | - | 2,748 | 2,022 |
| Administrative fee | - | 420 | - | 22 |
| Interest income | 6,442 | 4,335 | 5,214 | 3,072 |
| Gain on disposal of property, plant and equipment | 37 | - | - | - |
| Reversal of impairment losses on interco debts | - | 17 | 987 | - |
| Rental income | 716 | 706 | 1,641 | 1,392 |
| Forfeiture of deposit received | 9 | 2,900 | - | - |
| Miscellaneous income | 224 | 242 | - | - |
| | <u>7,428</u> | <u>8,620</u> | <u>10,590</u> | <u>6,508</u> |

8. FINANCE COSTS

| | Group | | Company | |
|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Interest expense on: | | | | |
| - bankers' acceptances | 553 | 517 | - | - |
| - bank overdrafts | - | 14 | - | - |
| - lease liabilities | 207 | 178 | - | - |
| - revolving credits | 707 | 560 | 707 | 560 |
| - term loans | 4 | 230 | 4 | 59 |
| Total finance costs | <u>1,471</u> | <u>1,499</u> | <u>711</u> | <u>619</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. PROFIT/ (LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following amounts have been included in arriving at loss before taxation:

| | Note | Group | | Company | |
|---|-------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Auditors' remuneration: | | | | | |
| - statutory audits | | 595 | 240 | 150 | 55 |
| - under provision in prior year | | (1) | 3 | - | - |
| - non statutory audits | | 5 | 5 | 5 | 5 |
| Depreciation of: | | | | | |
| - property, plant and equipment | 13 | 7,954 | 5,627 | 297 | 192 |
| - investment properties | 14 | 84 | 62 | - | - |
| - right-of-use assets | 15(a) | 820 | 845 | - | - |
| Employee benefits expenses | 10 | 26,218 | 19,037 | 3,754 | 2,565 |
| Impairment losses on property, plant and equipment | 13(c) | 5,654 | - | - | - |
| Net impairment losses on trade receivables | 20(a) | 1,507 | 3,504 | - | - |
| Net (reversal) of impairment / impairment losses of term deposits | 23 | (6,067) | 7,242 | (4,448) | 5,623 |
| Loss on disposal of: | | | | | |
| - subsidiary | | - | 2,335 | - | - |
| - land | | - | 1,937 | - | - |
| - asset held for disposal | | - | 5,495 | - | - |
| Provision for slow moving stocks | | 337 | - | - | - |
| Investment in subsidiaries written off | 17 | - | - | 33 | - |
| Impairment loss on Investment in subsidiaries | | - | - | 63,129 | - |
| Property, plant and equipments written off | 13 | - | 26 | - | - |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. EMPLOYEE BENEFITS EXPENSES

| | Group | | Company | |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Wages and salaries | 22,455 | 16,269 | 3,030 | 2,038 |
| Social security contributions | 293 | 212 | 26 | 17 |
| Contributions to defined contribution plan | 2,349 | 1,737 | 420 | 315 |
| Other benefits | 1,121 | 819 | 278 | 195 |
| | <u>26,218</u> | <u>19,037</u> | <u>3,754</u> | <u>2,565</u> |

Included in employee benefits expense of the Group and the Company are executive directors' remuneration amounting to RM3,082,000 and RM1,303,000 (31.3.2024: RM2,769,000 and RM901,000) respectively.

11. TAXATION

The major components of taxation are as follows:

| | Group | | Company | |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Malaysian income tax: | | | | |
| - Current period/ year | 2,897 | 2,588 | 1,105 | 1,334 |
| - (Over)/under provision in prior year | (459) | 96 | (409) | (3) |
| | <u>2,438</u> | <u>2,684</u> | <u>696</u> | <u>1,331</u> |
| Malaysian income tax: Deferred tax: | | | | |
| - Current period/ year | (195) | (937) | 18 | (739) |
| Income tax recognised in profit or loss | <u>2,243</u> | <u>1,747</u> | <u>714</u> | <u>592</u> |

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (31.3.2024: 24%) of the estimated assessable profit for the financial period/year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. TAXATION (CONTINUED)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

| | Group | | Company | |
|--|---|---|---|---|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Profit/ (loss) before tax | 15,532 | (10,514) | (58,425) | (8,550) |
| Tax at Malaysian statutory tax rate of 24% (31.3.2024: 24%) | 3,728 | (2,523) | (14,022) | (2,052) |
| Expenses not deductible for tax purposes | 5,308 | 7,030 | 16,429 | 3,394 |
| Income not subject to tax | (1,575) | (166) | (1,284) | - |
| Crystallisation of deferred tax liabilities arising from revaluation | (110) | (713) | - | (739) |
| Deferred tax assets not recognised | 343 | 625 | - | (8) |
| (Over)/Under provision of income tax in prior years | (459) | 96 | (409) | (3) |
| Utilisation of previous year unabsorbed tax losses | (67) | (1,569) | - | - |
| Utilisation of previous year unabsorbed capital allowances | (4,925) | (1,033) | - | - |
| Income tax expense for the financial year/period | 2,243 | 1,747 | 714 | 592 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. TAXATION (CONTINUED)

The amounts of temporary differences for which no deferred tax assets have been recognised in the statement of financial position are as follows:

| | Group | |
|--------------------------------------|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| Unused tax losses | 55,652 | 50,599 |
| Other taxable temporary differences: | | |
| Property, plant and equipment | 1,513 | 10,328 |
| Revaluation reserve | (18,673) | (3,421) |
| Provisions | 137 | - |
| | 38,629 | 57,506 |
| | 9,271 | 13,801 |

Any unutilised business losses brought forward from year of assessment 2024 can be carried forward for another 10 consecutive years of assessment.

The unutilised tax losses are available for offset against future taxable profits of the Group up to the following financial years:

| | Group | |
|------|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| 2025 | - | 5,580 |
| 2026 | - | 6,984 |
| 2027 | - | 2,616 |
| 2028 | 10,562 | 1,967 |
| 2029 | 1,207 | 153 |
| 2030 | 3,750 | 1,435 |
| 2031 | 1,333 | 1,471 |
| 2032 | 2,454 | 2,454 |
| 2033 | 29,320 | 27,939 |
| 2034 | 5,446 | - |
| 2035 | 1,580 | - |
| | 55,652 | 50,599 |
| | 55,652 | 50,599 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. PROFIT/(LOSS) PER SHARE

(a) Basic profit/(loss) per ordinary share

Basic earnings/(loss) per share are based on the profit/(loss) for the financial period/year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial period/year, calculated as follows:

| | Group | |
|---|------------------|------------------|
| | 1.4.2024 | 1.4.2023 |
| | to | to |
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| Profit/(loss) attributable to owners of the Company: | | |
| - continuing operations | 13,293 | (12,335) |
| - discontinued operations | 355 | (4,163) |
| | 13,648 | (16,498) |
| | | |
| Weighted average number of ordinary shares for basic earning per share (unit '000) | 2,354,110 | 2,354,110 |
| | | |
| Basic earning/(loss) per ordinary share (sen) | | |
| - continuing operations | 0.56 | (0.52) |
| - discontinued operations | 0.02 | (0.18) |
| | 0.58 | (0.70) |

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

12. PROFIT/(LOSS) PER SHARE (CONTINUED)

(b) Diluted profit/(loss) per ordinary share

Diluted earnings/(loss) per share are based on the profit/(loss) for the financial period/year attributable to owners of the Company and the weighted average number of ordinary outstanding during the financial period/year plus the weighted average number of ordinary shares that would be issued on conversion of the warrants outstanding.

| | Group | |
|--|---|---|
| | 1.4.2024 to 31.8.2025 RM'000 | 1.4.2023 to 31.3.2024 RM'000 |
| Weighted average number of ordinary shares for basic earning per share (unit '000) | 2,354,110 | 2,354,110 |
| Effect of dilution from conversion of warrants | 1,155,539 | 1,155,539 |
| Weighted average number of ordinary shares for diluted earning per share (unit '000) | 3,509,649 | 3,509,649 |
| | | |
| Diluted earning/(loss) per ordinary share (sen) | | |
| - continuing operations | 0.38 | (0.35) |
| - discontinued operations | 0.01 | (0.12) |
| | 0.39 | (0.47) |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
13. PROPERTY, PLANT AND EQUIPMENT

| Group Cost, unless otherwise stated: | Freehold | Buildings | Plant, equipment and machineries | Motor vehicles | Tools and office equipment | Furniture and fittings | Renovation | Capital work-in- progress | Total |
|---|--------------------------------|------------------------|---|-------------------|----------------------------------|------------------------------|------------|---------------------------------|---------|
| | land at valuation RM'000 | at valuation RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 April 2024 | 21,450 | 16,984 | 111,106 | 4,941 | 3,357 | 425 | 466 | 5,308 | 164,037 |
| Additions | - | - | 465 | 4 | 702 | 6 | - | - | 1,177 |
| Disposals | (700) | - | (20) | - | - | - | - | - | (720) |
| Write off | - | - | - | - | (5) | - | - | - | (5) |
| Transfer to disposal group classified as held for sale | - | (324) | (486) | (78) | (180) | (4) | (283) | (5,308) | (6,663) |
| Revaluation deficit | (1,400) | (363) | - | - | - | - | - | - | (1,763) |
| Impairment | - | (1,737) | (3,917) | - | - | - | - | - | (5,654) |
| Reclassification of account | 150 | 6,501 | (8,458) | 1,221 | 562 | 34 | (10) | - | - |
| At 31 August 2025 | 19,500 | 21,061 | 98,690 | 6,088 | 4,436 | 461 | 173 | - | 150,409 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | Freehold land at valuation RM'000 | Buildings at valuation RM'000 | Plant, equipment and machineries RM'000 | Motor vehicles RM'000 | Tools and office equipment RM'000 | Furniture and fittings RM'000 | Renovation RM'000 | Capital work-in- progress RM'000 | Total RM'000 |
|--|--|-------------------------------------|---|-----------------------------|--|--|----------------------|---|-----------------|
| Group (continued) | | | | | | | | | |
| Accumulated depreciation and impairment losses | | | | | | | | | |
| At 1 April 2024 | - | 834 | 35,648 | 2,570 | 3,206 | 384 | 437 | 5,308 | 48,387 |
| Depreciation for the financial period | - | 762 | 5,948 | 937 | 291 | 8 | 8 | - | 7,954 |
| Disposals | - | - | (6) | - | - | - | - | - | (6) |
| Write off | - | - | - | - | (5) | - | - | - | (5) |
| Elimination of accumulated depreciation on revaluation | - | (363) | - | - | - | - | - | - | (363) |
| Transfer to disposal group classified as held for sale | - | 176 | (481) | (78) | (150) | (4) | (283) | (5,308) | (6,128) |
| Reclassification of account | - | (431) | (896) | 997 | 290 | 42 | (2) | - | - |
| At 31 August 2025 | - | 978 | 40,213 | 4,426 | 3,632 | 430 | 160 | - | 49,839 |
| Net carrying amount | | | | | | | | | |
| At 31 August 2025 | 19,500 | 20,083 | 58,477 | 1,662 | 804 | 31 | 13 | - | 100,570 |

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | Freehold land at valuation RM'000 | Buildings at valuation RM'000 | Plant, equipment and machineries RM'000 | Motor vehicles RM'000 | Tools and office equipment RM'000 | Furniture and fittings RM'000 | Renovation RM'000 | Capital work-in-progress RM'000 | Total RM'000 |
|--|-----------------------------------|-------------------------------|---|-----------------------|-----------------------------------|-------------------------------|-------------------|---------------------------------|--------------|
| Group (continued) | | | | | | | | | |
| Cost, unless otherwise stated: | | | | | | | | | |
| At 1 April 2023 | 37,700 | 10,179 | 108,555 | 5,210 | 3,105 | 411 | 466 | 5,308 | 170,934 |
| Additions | - | - | 2,129 | 659 | 253 | 14 | - | - | 3,055 |
| Disposals | - | - | (51) | (1,025) | - | - | - | - | (1,076) |
| Write off | - | - | (37) | - | (1) | - | - | - | (38) |
| Reclassification from right-of-use asset | - | - | 510 | 97 | - | - | - | - | 607 |
| Transfer to disposal group classified as held for sale | (15,000) | 7,705 | - | - | - | - | - | - | (7,295) |
| Revaluation deficit | (1,250) | (900) | - | - | - | - | - | - | (2,150) |
| At 31 March 2024 | 21,450 | 16,984 | 111,106 | 4,941 | 3,357 | 425 | 466 | 5,308 | 164,037 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | Freehold land at valuation RM'000 | Buildings at valuation RM'000 | Plant, equipment and machineries RM'000 | Motor vehicles RM'000 | Tools and office equipment RM'000 | Furniture and fittings RM'000 | Renovation RM'000 | Capital work-in- progress RM'000 | Total RM'000 |
|--|--|-------------------------------------|---|-----------------------------|--|--|----------------------|---|-----------------|
| Group (continued) | | | | | | | | | |
| Accumulated depreciation and impairment losses | | | | | | | | | |
| Group (continued) | 546 | 1,322 | 31,471 | 2,622 | 3,065 | 376 | 429 | 5,308 | 45,139 |
| Depreciation for the financial year | - | 599 | 4,150 | 720 | 142 | 8 | 8 | - | 5,627 |
| Disposals | - | (52) | (18) | (869) | - | - | - | - | (939) |
| Write off | - | - | (11) | - | (1) | - | - | - | (12) |
| Reclassification from right-of-use asset revaluation | (546) | (1,355) | - | - | - | - | - | - | (1,901) |
| Transfer to disposal group classified as held for sale | - | 320 | - | - | - | - | - | - | 320 |
| At 31 March 2024 | - | 834 | 35,648 | 2,570 | 3,206 | 384 | 437 | 5,308 | 48,387 |
| Net carrying amount | | | | | | | | | |
| At 31 March 2024 | 21,450 | 16,150 | 75,458 | 2,371 | 151 | 41 | 29 | - | 115,650 |

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| Company | Freehold land at valuation RM'000 | Building at valuation RM'000 | Tools and office equipment RM'000 | Furniture and fittings RM'000 | Total RM'000 |
|---|-----------------------------------|------------------------------|-----------------------------------|-------------------------------|--------------|
| Cost, unless otherwise stated: | | | | | |
| At 1 April 2024 | 7,500 | 8,500 | 511 | 340 | 16,851 |
| Additions | - | - | 138 | - | 138 |
| At 31 August 2025 | 7,500 | 8,500 | 649 | 340 | 16,989 |
| Accumulated depreciation and impairment losses | | | | | |
| At 1 April 2024 | - | - | 430 | 339 | 769 |
| Depreciation for the financial period | - | 241 | 56 | - | 297 |
| At 31 August 2025 | - | 241 | 486 | 339 | 1,066 |
| Net carrying amount | | | | | |
| At 31 August 2025 | 7,500 | 8,259 | 163 | 1 | 15,923 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

| | Freehold land at valuation RM'000 | Building at valuation RM'000 | Motor vehicles RM'000 | Tools and office equipment RM'000 | Furniture and fittings RM'000 | Total RM'000 |
|---|--|------------------------------------|-----------------------------|--|--|-----------------|
| Company (continued) | | | | | | |
| Cost, unless otherwise stated: | | | | | | |
| At 1 April 2023 | 7,500 | 8,500 | 840 | 473 | 340 | 17,653 |
| Additions | - | - | - | 38 | - | 38 |
| Disposals | - | - | (840) | - | - | (840) |
| At 31 March 2024 | 7,500 | 8,500 | - | 511 | 340 | 16,851 |
| Accumulated depreciation impairment losses | | | | | | |
| At 1 April 2023 | - | 960 | 840 | 398 | 339 | 2,537 |
| Depreciation for the financial year | - | 160 | - | 32 | - | 192 |
| Disposals | - | - | (840) | - | - | (840) |
| Elimination of accumulated depreciation on revaluation | - | (1,120) | - | - | - | (1,120) |
| At 31 March 2024 | - | - | - | 430 | 339 | 769 |
| Net carrying amount | | | | | | |
| At 31 March 2024 | 7,500 | 8,500 | - | 81 | 1 | 16,082 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) The property, plant and equipment of the Group and of the Company stated at valuation are based on independent professional valuation carried out on an open market basis.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amount would have been as follows:

| | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|---------------------------------------|-------------------------------------|-----------------------------|-------------------------|
| Group | | | |
| Cost | | | |
| At 1 April 2024 and 31 August 2025 | 8,472 | 30,420 | 38,892 |
| Accumulated depreciation | | | |
| At 1 April 2024 | - | 8,770 | 8,770 |
| Depreciation for the financial period | - | 861 | 861 |
| At 31 August 2025 | - | 9,631 | 9,631 |
| Net carrying amount | | | |
| At 31 August 2025 | 8,472 | 20,789 | 29,261 |
| Cost | | | |
| At 1 April 2023 and 31 March 2024 | 8,472 | 30,420 | 38,892 |
| Accumulated depreciation | | | |
| At 1 April 2023 | - | 8,162 | 8,162 |
| Depreciation for the financial year | - | 608 | 608 |
| At 31 March 2024 | - | 8,770 | 8,770 |
| Net carrying amount | | | |
| At 31 March 2024 | 8,472 | 21,650 | 30,122 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) Had the revalued assets been carried at cost less accumulated depreciation, the carrying amount would have been as follows: (continued)

| | Freehold land RM'000 | Buildings RM'000 | Total RM'000 |
|--------------------------|-------------------------------------|-----------------------------|-------------------------|
| Company | | | |
| 31.8.2025 | | | |
| Cost | 622 | 7,937 | 8,559 |
| Accumulated depreciation | - | (7,091) | (7,091) |
| Carrying amount | 622 | 846 | 1,468 |
| 31.3.2024 | | | |
| Cost | 622 | 7,937 | 8,559 |
| Accumulated depreciation | - | (6,529) | (6,529) |
| Carrying amount | 622 | 1,408 | 2,030 |

(b) **Fair value information**

Fair value of the land and buildings are categorised under Level 3 of fair value. Fair value is determined by external, independent property valuers, PA International, CCO & Associates, KGV International, VPC Alliance (Alor Star) and Laurel Cap (Sel) having appropriate recognised professional qualifications and recent experience in the location and category of property being valued on 31 August 2025. The valuation method used was combination of Cost and Comparison Method that makes reference to replacement cost of similar assets and recent transactions and sales evidences involving other similar properties in the vicinity. The most significant input to this valuation approach is cost per square feet and price per square feet of comparable properties.

(c) **Capital work in progress and impairment loss**

The amount included in the capital work in progress of the Group represents the cost of a gasifier plant under construction located in Sendayan, Negeri Sembilan.

The gasifier plant under construction is not ready for its intended use in the previous financial years. Following to challenging economic conditions, the management has reassessed its future economic benefit and determined the recoverable amount to be Nil. Hence, a full impairment loss of RM5,308,000 was recognised in profit or loss under administrative expenses in previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(d) Assets pledged as security

Included in property, plant and equipment of the Group and of the Company are assets pledged to licensed banks to secure credit facilities granted to the Group and the Company as disclosed in Note 26 to the financial statements with the following carrying amounts:

| | 31.8.2025 | 31.3.2024 |
|----------------------------------|------------------|------------------|
| | RM'000 | RM'000 |
| Group | | |
| Freehold land | 13,500 | 13,500 |
| Buildings | 13,083 | 13,481 |
| Plant, equipment and machineries | 58,692 | 63,807 |
| | 85,275 | 90,788 |
| Company | | |
| Freehold land | 7,500 | 7,500 |
| Buildings | 8,259 | 8,500 |
| | 15,759 | 16,000 |

14. INVESTMENT PROPERTIES

| | Buildings | Total |
|--|------------------|---------------|
| | RM'000 | RM'000 |
| Group | | |
| Cost | | |
| At 1 April 2023, 31 March 2024, 1 April 2024 and 31 August 2025 | 3,300 | 3,300 |
| Accumulated depreciation | | |
| At 1 April 2023 | 903 | 903 |
| Depreciation charge for the financial year | 62 | 62 |
| At 31 March 2024 and 1 April 2024 | 965 | 965 |
| Depreciation charge for the financial period | 84 | 84 |
| At 31 August 2025 | 1,049 | 1,049 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

14. INVESTMENT PROPERTIES (CONTINUED)

| | Buildings RM'000 | Total RM'000 |
|----------------------------|-----------------------------|-------------------------|
| Group | | |
| Net carrying amount | | |
| At 31 March 2024 | 2,335 | 2,335 |
| At 31 August 2025 | 2,251 | 2,251 |
| | Buildings RM'000 | Total RM'000 |
| Group | | |
| Fair value | | |
| At 31 March 2024 | 4,213 | 4,213 |
| At 31 August 2025 | 4,213 | 4,213 |

As at reporting date, titles to investment properties with carrying amount of RM1,588,000 (31.3.2024: RM1,839,000) have yet to be registered in the subsidiaries' name.

The investment properties of the Group comprise of long term leasehold building. The rental income earned by the Group from its investment properties amounted to RM23,800 (31.3.2024: RM16,800) respectively. Direct operating expenses from property that generated rental income amounted to RM9,186 (31.3.2024:RM5,206). Direct operating expenses from property that did not generate rental income amounted to RM10,211 (31.3.2024:RM21,666).

Fair value information

Fair value of investment properties is categorised as follows:

| | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 |
|------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Group | | | | |
| 31.8.2025 | | | | |
| Buildings | - | - | 4,213 | 4,213 |
| 31.3.2024 | | | | |
| Buildings | - | - | 4,213 | 4,213 |

The fair value of the investment properties of the Group are categorised under Level 3 of fair value. Fair value is determined by external, independent property valuers, Izrin & Tan Properties Sdn Bhd having appropriate recognised professional qualifications and recent experience in the location and category of property being valued on 31 August 2025. The valuation method used was combination of Cost and Comparison Method that makes reference to replacement cost of similar assets and recent transactions and sales evidences involving other similar properties in the vicinity. The most significant input to this valuation approach is cost per square feet and price per square feet of comparable properties.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. RIGHT-OF-USE ASSETS

The Group and the Company lease several assets including long term leasehold land, plant, machineries and equipment, buildings and motor vehicles.

Information about leases of the Group and of the Company as lessees are presented below:

| | Long term leasehold land at valuation RM'000 | Plant, machineries and equipment RM'000 | Buildings RM'000 | Motor vehicles RM'000 | Total RM'000 |
|---|---|--|-----------------------------|--------------------------------------|-------------------------|
| Group | | | | | |
| Cost, unless otherwise stated: | | | | | |
| At 1 April 2023 | 1,690 | 2,798 | 888 | 1,147 | 6,523 |
| Additions | - | 572 | - | 841 | 1,413 |
| Disposal | - | - | - | (173) | (173) |
| Reclassification to property, plant and equipment | - | (510) | - | (97) | (607) |
| Revaluation surplus | 436 | - | - | - | 436 |
| At 31 March 2024 and 1 April 2024 | 2,126 | 2,860 | 888 | 1,718 | 7,592 |
| Additions | - | - | - | 755 | 755 |
| Transfer to disposal group classified as held for sale | (2,126) | - | - | - | (2,126) |
| At 31 August 2025 | - | 2,860 | 888 | 2,473 | 6,221 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. RIGHT-OF-USE ASSETS (CONTINUED)

Information about leases of the Group and of the Company as lessees are presented below:
(continued)

(a) Lease terms

The Group leases land and building for its office space and operation site. The lease of office space and operation site generally have lease term between 1 to 98 years.

The Group leases plant, machineries and equipment and motor vehicles with lease term between 2 to 6 years and have option to purchase the assets at the end of the contract term.

| | Long term leasehold land at valuation RM'000 | Plant, machineries and equipment RM'000 | Buildings RM'000 | Motor vehicles RM'000 | Total RM'000 |
|---|---|--|-----------------------------|--------------------------------------|-------------------------|
| Group (continued) | | | | | |
| Accumulated depreciation | | | | | |
| At 1 April 2023 | 143 | 43 | 418 | 446 | 1,050 |
| Depreciation charge for the financial year | 34 | 80 | 431 | 300 | 845 |
| Adjustment | - | - | - | (63) | (63) |
| Reclassification to property, plant and equipment | - | (56) | - | (97) | (153) |
| At 31 March 2024 and 1 April 2024 | 177 | 67 | 849 | 586 | 1,679 |
| Depreciation charge for the financial period | - | 162 | 39 | 619 | 820 |
| Transfer to disposal group classified as held for sale | (177) | - | - | - | (177) |
| At 31 August 2025 | - | 229 | 888 | 1,205 | 2,322 |
| Net carrying amount | | | | | |
| At 31 March 2024 | 1,949 | 2,793 | 39 | 1,132 | 5,913 |
| At 31 August 2025 | - | 2,631 | - | 1,268 | 3,899 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. RIGHT-OF-USE ASSETS (CONTINUED)

- (b) The right of use assets of the Group stated at valuation are based on independent professional valuation carried out on an open market basis.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amount would have been as follows:

| | Long term leasehold land RM'000 |
|--|--|
| Group | |
| At 1 April 2024 | 169 |
| Transfer to disposal group classified as held for sale | (169) |
| At 31 August 2025 | - |
| | |
| At 1 April 2023 | 171 |
| Depreciation | (2) |
| At 31 March 2024 | 169 |

(c) **Fair value information**

Fair value of the long term leasehold land is categorised under Level 3 of fair value. Fair value is determined by external, independent property valuers, PA International, CCO & Associates and KGV International having appropriate recognised professional qualifications and recent experience in the location and category of property being valued on 31 August 2025. The valuation method used was combination of Cost and Comparison Method that makes reference to replacement cost of similar assets and recent transactions and sales evidence involving other similar properties in the vicinity. The most significant input to this valuation approach is cost per square feet and price per square feet of comparable properties.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

16. INTANGIBLE ASSETS

The carrying amount of the intangible assets of the Group are as follows:

| | Note | Group | |
|-------------------|------|---------------------|---------------------|
| | | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Computer software | (a) | # | # |
| Goodwill | (b) | 4,360 | 4,360 |
| | | <u>4,360</u> | <u>4,360</u> |

RM1

(a) Computer software

The computer software is amortised over 3 years on straight-line basis.

(b) Goodwill

Management reviews the business performance based on the type of products and services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the following Group's cash generating units ("CGU") which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amounts of goodwill allocated to the CGU are as follows:

| | Group | |
|------------------------|---------------------|---------------------|
| | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Malaysia - contracting | <u>4,360</u> | <u>4,360</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. INTANGIBLE ASSETS (CONTINUED)

(c) Impairment testing of goodwill

The recoverable amount of CGUs has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a five-year period. The same method has also been used in the previous financial period.

The value-in-use calculations are based on cash flow projections derived from financial budgets approved by management and discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

The key assumptions used for value-in-use calculations are:

| | Group | |
|----------------------|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| Gross margin | | |
| Contracting | 13% | 18% |
| Growth rate | | |
| Contracting | 5% | 5% |
| Discount rate | | |
| Contracting | 19% | 19% |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. INTANGIBLE ASSETS (CONTINUED)

(c) Impairment testing of goodwill (continued)

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill and license:

(i) Gross margin

The gross margins are the average gross margins experienced over the last year, adjusted for market and economic conditions and internal resource efficiency based on both external and sources, including accounting for near-term cost impact.

(ii) Growth rate

Growth rate is the forecasted annual growth rate over the three to five year projection period. It is based on weighted average growth rate experienced over the past three to five years, and market outlook over the forecasted years.

The weighted average growth rates used are consistent with the long-term growth rate for the industry. Long term growth rate does not exceed the long-term average growth rates for the industries relevant to the CGU. Cash flows beyond the five-year projection period are extrapolated using the long-term growth rates.

(iii) Discount rate

Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGU at the date of assessment.

Sensitivity to changes in assumptions

Based on the sensitivity analysis performed, management believes that there is no reasonably possible change in key assumptions that would cause the carrying value of the CGUs to exceed its recoverable amount. The estimated recoverable amount exceeds that of the carrying amount of the CGUs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. INVESTMENT IN SUBSIDIARIES

| | Company | |
|--|-----------|-----------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| Unquoted shares, at cost | | |
| In Malaysia | 58,425 | 58,425 |
| Outside Malaysia | - | 33 |
| | 58,425 | 58,458 |
| Loans that are part of net investments | 200,824 | 202,252 |
| | 259,249 | 260,710 |
| Less: Accumulated impairment losses | (88,025) | (24,896) |
| | 171,224 | 235,814 |

Loans that are part of net investments represent amount owing by subsidiaries which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the Company's net investment in the subsidiaries, it is stated at cost less accumulated impairment loss, if any.

At the end of the reporting period, the Company assessed its investment in subsidiaries and advances to subsidiaries for indicators of impairment in accordance with MFRS 136 Impairment of Assets. Where such indicators existed, the recoverable amounts of the respective subsidiaries were determined based on value in use, using discounted cash flow projections derived from management-approved budgets.

As a result of this assessment, a partial impairment loss was recognised during the financial period in respect of certain subsidiaries where the carrying amounts exceeded their recoverable amounts. The impairment loss was recognised in profit or loss. Advances to subsidiaries that are not expected to be settled in the foreseeable future were considered, in substance, as part of the Company's net investment in subsidiaries and were included in the impairment assessment.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

| Name | Principal place of business/ Country of incorporation | Principal activities | Ownership interest | |
|----------------------------|--|--|--------------------|----------------|
| | | | 31.8.2025 % | 31.3.2024 % |
| Direct subsidiaries | | | | |
| FITTERS Sdn. Bhd. | Malaysia | Trading and installation of fire safety materials and equipment, manufacture and assembly of fire fighting protection and prevention systems and equipment | 100 | 100 |
| Master Pyrodor Sdn. Bhd. | Malaysia | Property holdings | 100 | 100 |
| FITTERS (S) Pte Ltd ^ | Singapore | Trading and installation of fire safety materials and equipment | - | 100 |

**NOTES TO THE FINANCIAL STATEMENTS
 (CONT'D)**
17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

| Name | Principal place of business/ Country of incorporation | Principal activities | Ownership interest | |
|--|--|---|--------------------|----------------|
| | | | 31.8.2025 % | 31.3.2024 % |
| Direct subsidiaries (continued) | | | | |
| FITTERS Engineering Services Sdn. Bhd. | Malaysia | Design, manufacture, assemble, supply and installation of fire fighting protection and prevention systems and equipment | 100 | 100 |
| FITTERS Marketing Sdn. Bhd. | Malaysia | Manufacturing and marketing of fire resistant doorsets and general building materials | 100 | 100 |
| FITTERS Building Services Sdn. Bhd. | Malaysia | Property development | 100 | 100 |
| FITTERS-MPS Sdn. Bhd. ("FMPS") | Malaysia | Design, installation and maintenance of fire protection systems | 51 | 51 |
| Armatrade Sdn. Bhd. | Malaysia | Construction of civil work, residential and commercial building | 100 | 100 |
| Wintip Sdn. Bhd. | Malaysia | Ceased operations | 100 | 100 |
| FITTERS GIM Sdn. Bhd. ("FGSB") | Malaysia | Investment holding | 100 | 100 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

| Name | Principal place of business/ Country of incorporation | Principal activities | Ownership interest | |
|--|--|---|--------------------|----------------|
| | | | 31.8.2025 % | 31.3.2024 % |
| Direct subsidiaries (continued) | | | | |
| Master Pyroserve Sdn. Bhd. | Malaysia | Install and operate the computerised fire alarm monitoring and communication systems for Jabatan Perkhidmatan Bomba dan Penyelamat Malaysia | 100 | 100 |
| Future NRG Sdn. Bhd. | Malaysia | Renewable energy development | 100 | 100 |
| Premier Equity Holdings Limited ** # | British Virgin Island | Investment holding | - | 100 |
| FITTERS Property Development Sdn. Bhd. | Malaysia | Property development | 100 | 100 |
| Subsidiaries of FITTERS Sdn. Bhd. | | | | |
| FITTERS (Sarawak) Sdn. Bhd. | Malaysia | Trading of fire safety materials and equipment | 100 | 100 |
| AHT NRG Asia Sdn. Bhd. | Malaysia | Dormant | 100 | 100 |

**NOTES TO THE FINANCIAL STATEMENTS
 (CONT'D)**
17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

| Name | Principal place of business/ Country of incorporation | Principal activities | Ownership interest | |
|---|--|---|--------------------|----------------|
| | | | 31.8.2025 % | 31.3.2024 % |
| Subsidiaries of FITTERS Sdn. Bhd. (continued) | | | | |
| Modular Floor Systems (M) Sdn. Bhd. | Malaysia | Ceased operations | 100 | 100 |
| Subsidiary of FITTERS Building Services Sdn. Bhd. | | | | |
| Pyro-Tech Systems Sdn. Bhd. | Malaysia | Ceased operations | 100 | 100 |
| Subsidiaries of FITTERS Engineering Services Sdn. Bhd. | | | | |
| FITTERS Engineering Services (Johor) Sdn. Bhd. | Malaysia | Ceased operations | 100 | 100 |
| FITTERS Construction Sdn. Bhd. | Malaysia | Construction of civil work, residential and commercial building | 100 | 100 |
| FITTERS-MCCT Sdn. Bhd. ("FMCCT") | Malaysia | Mechanical engineering works contractors and fabricators | 55 | 55 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

| Name | Principal place of business/ Country of incorporation | Principal activities | Ownership interest | |
|---|--|----------------------------|--------------------|----------------|
| | | | 31.8.2025 % | 31.3.2024 % |
| Subsidiaries of Future NRG Sdn. Bhd. | | | | |
| Solid Orient Holdings Sdn. Bhd. | Malaysia | Operation of palm oil mill | 100 | 100 |
| Subsidiaries of FITTERS Property Development Sdn. Bhd. | | | | |
| ZetaPark Development Sdn. Bhd. | Malaysia | Property development | 100 | 100 |
| Superior Villa Sdn. Bhd. | Malaysia | Property development | 100 | 100 |
| Rasa Anggun Development Sdn. Bhd. | Malaysia | Property development | 100 | 100 |

** Not required to be audited in their countries of incorporation. The financial statements have been reviewed for consolidation purpose.

^ FITTERS (S) Pte Ltd had been struck off from the Accounting and Corporate Regulatory Authority of Singapore on 20 February 2025.

Premier Equity Holdings Limited had been deregistered from the Register of Companies of The British Virgin Islands on 31 March 2025.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
17. INVESTMENT IN SUBSIDIARIES (CONTINUED)
Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

| | FMPS RM'000 | FMCCT RM'000 | Total RM'000 |
|---|----------------|-----------------|-----------------|
| 31.8.2025 | | | |
| NCI percentage of ownership interest and voting interest | | | |
| | 49% | 45% | |
| Carrying amount of NCI | - | 49 | 49 |
| Loss allocated to NCI | - | (4) | (4) |
| Summarised statements of financial position | | | |
| As at 31 August 2025 | | | |
| Non-current assets | 189 | - | 189 |
| Current assets | 2,179 | 140 | 2,319 |
| Current liabilities | (2,515) | (32) | (2,547) |
| Net (liabilities)/assets | (147) | 108 | (39) |
| Summarised statements of comprehensive income | | | |
| Financial period ended 31 August 2025 | | | |
| Revenue | 427 | - | 427 |
| Profit/(loss) for the financial period | 84 | (8) | 76 |
| Total comprehensive income/(loss) | 84 | (8) | 76 |
| Summarised cash flows information | | | |
| Financial period ended 31 August 2025 | | | |
| Cash flows (used in)/from operating activities | 404 | (10) | 394 |
| Cash flows from investing activities | - | - | - |
| Cash flows from financing activities | - | - | - |
| Net increase/(decrease) in cash and cash equivalents | 404 | (10) | 394 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries (continued)

The Group’s subsidiaries that have material non-controlling interests (“NCI”) are as follows:
(continued)

| | FMPS RM'000 | FMCCT RM'000 | Total RM'000 |
|---|------------------------|-------------------------|-------------------------|
| 31.3.2024 | | | |
| NCI percentage of ownership interest and voting interest | 49% | 45% | |
| Carrying amount of NCI | 1 | 52 | 53 |
| Profit/(loss) allocated to NCI | 78 | (4) | 74 |
| Summarised statements of financial position | | | |
| As at 31 March 2024 | | | |
| Non-current assets | 194 | - | 194 |
| Current assets | 2,336 | 150 | 2,486 |
| Current liabilities | (2,761) | (34) | (2,795) |
| Net (liabilities)/assets | (231) | 116 | (115) |
| Summarised statements of comprehensive income | | | |
| Financial year ended 31 March 2024 | | | |
| Revenue | - | - | - |
| Loss for the financial year | (72) | (9) | (81) |
| Total comprehensive loss | (72) | (9) | (81) |
| Summarised cash flows information | | | |
| Financial year ended 31 March 2024 | | | |
| Cash flows (used in)/from operating activities | (32) | 776 | 744 |
| Cash flows used in investing activities | - | (830) | (830) |
| Net decrease in cash and cash equivalents | (32) | (54) | (86) |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. INVESTMENT IN SUBSIDIARIES (CONTINUED)

On 12 January 2023, FITTERS had entered into a Sale and Purchase Agreement with KAB Energy Holdings Sdn. Bhd for the sale of whole of the issued share capital of Future Biomass Gasification Sdn Bhd at a consideration of RM15,000,000.

The disposal has been completed on 15 November 2023.

Effect of the disposal on the financial position of the Group are as follows:

| | At date of disposal RM'000 |
|--|---|
| Property, plant and equipment | 17,053 |
| Trade and other receivables | 312 |
| Cash and short-term deposits | 938 |
| Trade and other payables | (11,907) |
| Deferred taxation | (361) |
| Net Assets disposed of | 6,035 |
| Gain on disposal of a subsidiary company | (2,335) |
| Proceeds from disposal | 3,700 |
| Cash and cash equivalents disposed off | (938) |
| | 2,762 |

18. OTHER INVESTMENTS

| | Group | |
|--|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| Non-current | | |
| Fair value through profit or loss | | |
| Corporate membership in golf club | 105 | 105 |
| Current | | |
| Fair value through profit or loss | | |
| Quoted shares in Malaysia | 10 | 1 |

The fair value of other investments are disclosed in Note 33(b) to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

19. DEFERRED TAX ASSETS/(LIABILITIES)

| | 31.8.2025 | 31.3.2024 |
|--|------------------|------------------|
| | RM'000 | RM'000 |
| Group | | |
| Deferred tax assets: | | |
| At 1 April | 171 | 205 |
| Transfer from profit or loss | (55) | (34) |
| At 31 August / 31 March | <u>116</u> | <u>171</u> |
| Deferred tax liabilities: | | |
| At 1 April | 3,965 | 4,936 |
| Reclassified as assets held for disposal | (205) | - |
| Transfer from profit or loss | (250) | (971) |
| At 31 August / 31 March | <u>3,510</u> | <u>3,965</u> |
| Company | | |
| Deferred tax liabilities: | | |
| At 1 April | 1,307 | 2,046 |
| Transfer to profit or loss | 18 | (739) |
| At 31 August / 31 March | <u>1,325</u> | <u>1,307</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

The components and movements of deferred tax assets during the financial period/year prior to offsetting are as follows:

| | Contract liabilities RM'000 | Total RM'000 |
|-----------------------------------|--|-------------------------|
| Group | | |
| At 1 April 2023 | (205) | (205) |
| Recognised in profit or loss | 34 | 34 |
| At 31 March 2024 and 1 April 2024 | (171) | (171) |
| Recognised in profit or loss | 55 | 55 |
| At 31 August 2025 | (116) | (116) |

The components and movements of deferred tax liabilities during the financial period/year prior to offsetting are as follows:

| | Revaluation on property, plant and equipment RM'000 | Temporary differences between net carrying amounts and corresponding tax written down values RM'000 | Total RM'000 |
|--|--|--|-------------------------|
| Group | | | |
| At 1 April 2023 | 3,454 | 1,482 | 4,936 |
| Recognised in profit or loss | (739) | (232) | (971) |
| At 31 March 2024 and 1 April 2024 | 2,715 | 1,250 | 3,965 |
| Reclassified as assets held for disposal | - | (205) | (205) |
| Recognised in profit or loss | (140) | (110) | (250) |
| At 31 August 2025 | 2,575 | 935 | 3,510 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

19. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

The components and movements of deferred tax liabilities during the financial period/year prior to offsetting are as follows: (continued)

| Company | Revaluation on property, plant and equipment RM'000 | Temporary differences between net carrying amounts and corresponding tax written down values RM'000 | Total RM'000 |
|--------------------------------------|--|--|-------------------------|
| At 1 April 2023 | 1,079 | 967 | 2,046 |
| Recognised in profit or loss | (739) | - | (739) |
| At 31 March 2024 and 1 April 2024 | 340 | 967 | 1,307 |
| Recognised in profit or loss | 18 | - | 18 |
| At 31 August 2025 | 358 | 967 | 1,325 |

20. TRADE AND OTHER RECEIVABLES

| | Note | Group 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|--|-------------|---------------------------------------|-----------------------------|
| Current | | | |
| Trade | | | |
| Trade receivables | | 35,317 | 40,888 |
| Less: Impairment for trade receivables | | (10,477) | (9,055) |
| | | 24,840 | 31,833 |
| Retention sum on contracts | | 21,634 | 17,249 |
| Trade receivables, net | (a) | 46,474 | 49,082 |
| Non-trade | | | |
| Other receivables | | 9,434 | 29,929 |
| Refundable deposits | (b) | 163,497 | 2,335 |
| Prepayments | | 2,195 | 941 |
| GST refundable | | 53 | 147 |
| | | 175,179 | 33,352 |
| Total trade and other receivables | | 221,653 | 82,434 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

| | Note | Company | |
|---|------|---------------------|---------------------|
| | | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Non-trade | | | |
| Other receivables | | 8,957 | 8,911 |
| Refundable deposits | (b) | 159,195 | 45 |
| Prepayments | | 975 | - |
| Amounts owing by subsidiaries | (c) | 3,458 | 31,149 |
| Less: Impairment on amounts owing by subsidiaries | (c) | (864) | (864) |
| | | 171,721 | 39,241 |
| | | 171,721 | 39,241 |

(a) Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 90 days (31.3.2024: 30 to 90 days) terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The information about the credit risk exposure of the Group's trade receivables is as follows:

| | Group | |
|--|---------------------|---------------------|
| | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Neither past due nor impaired ** | 41,246 | 35,718 |
| 1 to 30 days past due not impaired | 2,065 | 6,983 |
| 31 to 60 days past due not impaired | 1,220 | 1,218 |
| 61 to 90 days past due not impaired | 413 | 677 |
| 91 to 120 days past due not impaired | 706 | 1,075 |
| More than 121 days past due not impaired | 824 | 3,411 |
| | 5,228 | 13,364 |
| Individually impaired | 10,477 | 9,055 |
| | 56,951 | 58,137 |
| | 56,951 | 58,137 |

** Included in neither past due nor impaired are retention sums amounted to RM21,634,126 (31.3.2024: RM17,249,161).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (continued)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement for the impairment of trade receivables are as follows:

| Group | Lifetime allowances RM'000 | Credit impaired RM'000 | Credit impaired RM'000 |
|--|---|---------------------------------------|---------------------------------------|
| At 1 April 2023 | 4,446 | 1,105 | 5,551 |
| Impairment loss recognised | 67 | 3,459 | 3,526 |
| Reversal of impairment losses | (7) | (10) | (17) |
| Written off of provision of doubtful debts | (5) | - | (5) |
| At 31 March 2024 and 1 April 2024 | 4,501 | 4,554 | 9,055 |
| Impairment loss recognised | 1,724 | - | 1,724 |
| Reversal of impairment losses | - | (6) | (6) |
| Written off of provision of doubtful debts | (140) | (71) | (211) |
| Reclassified as assets held for disposal | - | (85) | (85) |
| At 31 August 2025 | <u>6,085</u> | <u>4,392</u> | <u>10,477</u> |

(b) Refundable deposits

Included in refundable deposits are RM159,150,000 as a result of Proposed Acquisition of Properties from Related Parties as follows:

- (i) RM150,000,000 paid to Sanichi Precision Mould Sdn Bhd, a wholly-owned subsidiary of Sanichi Technology Berhad (a related party by virtue of common directorship and/or substantial shareholding), for the proposed acquisition of SOHO and retail units at a mixed-development at Klebang, Melaka.

The Company placed a refundable deposit of RM150,000,000 pursuant to an Expression of Interest ("EOI") to secure the rights to purchase 196 units of SOHO and 66 retail units at a mixed-development in Klebang, Melaka ("the proposed acquisition"), with prominent landmarks within its immediate vicinity.

The proposed acquisition is subject to further due diligence and relevant approvals, prior to the execution of definitive agreements, with the Company having a unilateral option to terminate the proposed acquisition for a full refund of the refundable deposit.

A formal valuation report dated 31 July 2025 ascribed an "as-is" basis value of RM160,000,000 and a value of RM168,000,000 upon issuance of the Certificate of Completion and Compliance ("CCC").

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****20. TRADE AND OTHER RECEIVABLES (CONTINUED)****(b) Refundable deposits (continued)**

The project has been completed and is pending issuance of CCC, with targeted vacant possession in the first quarter of 2026.

- (ii) RM9,150,000 paid to Metronic Engineering Sdn Bhd, a wholly-owned subsidiary of Metronic Global Berhad, for the proposed acquisition of a freehold 3-storey detached factory at Bukit Jelutong, Shah Alam, Selangor.

The Company placed a refundable deposit of RM9,150,000 pursuant to an Expression of Interest to secure the rights to purchase a freehold 3-storey semi-detached factory (“the proposed acquisition”) located within the established industrial area of Bukit Jelutong, Shah Alam, Selangor.

The proposed acquisition is subject to further due diligence and relevant approvals, prior to the execution of definitive agreements, with the Company having a unilateral option to terminate the proposed acquisition for a full refund of the refundable deposit.

A formal valuation report dated 10 August 2025 ascribed an “as-is” basis value of RM9,500,000.

The property is presently owner-occupied.

The payments were made during the period pursuant to separate Expressions of Interest dated 28 August 2025 (Klebang, Melaka) and 29 August 2025 (Bukit Jelutong, Selangor), respectively. The funds were remitted directly from Koperasi Maal Nizami Negeri Selangor Berhad (KOMANI), which is licensed by Suruhanjaya Koperasi Malaysia, upon the Company’s written instruction, utilising amounts previously placed with them.

Under the terms of both EOIs, the deposits are fully refundable in the event of non-fulfilment of conditions precedent, failure to transfer ownership with valid Certificate of Completion and Compliance (“CCC”) and delivery of vacant possession, or upon unilateral termination by the Company. The EOIs are non-binding except for clauses relating to the deposit, representations by the vendor, confidentiality, governing law, and termination. Completion of the proposed acquisitions is conditional upon, inter alia, satisfactory due diligence, obtaining all requisite corporate and shareholder approvals (where applicable), issuance of CCC, clean title, and execution of definitive Sale and Purchase Agreements within specified periods (or such extended periods as mutually agreed).

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

20. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Refundable deposits (continued)

Management has obtained independent valuation reports indicating that the market values of the properties support the respective proposed considerations and a legal opinion confirming the binding nature of the refund obligations under Malaysian law.

As at the reporting date, no definitive Sale and Purchase Agreements have been executed for either transaction and both remain subject to fulfilment of the conditions precedent. In the event either or both transactions do not proceed, the full amounts are contractually refundable. As at the reporting date, there was no indication of default or dispute in respect of the refund of the deposits. Management is of the view that no impairment is required under MFRS 9 Financial Instruments, as the expected credit loss is assessed as negligible given the enforceable refund rights.

These transactions have been disclosed in accordance with MFRS 124 Related Party Disclosures in Note 29.

(c) Amount owing by subsidiaries

Amount owing by subsidiaries are unsecured, are recoverable on demand and are expected to be settled in cash.

Amount owing by subsidiaries that are impaired at the reporting date and the movement of the impairment of amount owing by subsidiaries is as follow:

| | Company | |
|--|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| At 1 April | 864 | 13,608 |
| Written off of provision of doubtful debts | - | (12,744) |
| At 31 August / 31 March | 864 | 864 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. INVENTORIES

| | Group | |
|------------------------------------|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| At cost: | | |
| Property under development | | |
| - Leasehold land at cost | 29,892 | 29,952 |
| - Freehold land with strata titles | 29,080 | 29,080 |
| - Development costs | 10,619 | 9,523 |
| Completed properties | 1,008 | 1,008 |
| Raw materials | 4,756 | 5,668 |
| Work-in-progress | - | 544 |
| Finished goods | 2,251 | 7,156 |
| Consumable tools | 881 | 718 |
| | 78,487 | 83,649 |

- (a) The cost of inventories of the Group recognised as an expense in cost of sales during the financial period/year in respect of continuing operations was RM22,393,599 (31.3.2024: RM24,067,918).
- (b) Borrowing costs amounting to RM12,277,316 were capitalised to inventories during the period from September 2013 to August 2022, being costs directly attributable to the development of the property under development. No borrowing costs were capitalised during the current financial period.

22. CONTRACT ASSETS/(LIABILITIES)

| | Group | |
|--|------------------|------------------|
| | 31.8.2025 | 31.3.2024 |
| | RM'000 | RM'000 |
| Contract assets relating to construction service contracts | 15,420 | 21,527 |
| Total contract assets | 15,420 | 21,527 |
| Contract liabilities relating to construction service contract | (26,348) | (16,988) |
| Total contract liabilities | (26,348) | (16,988) |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

22. CONTRACT ASSETS/(LIABILITIES) (CONTINUED)

Construction activities

The contract assets and liabilities represent timing differences in revenue recognition and the milestone billings in respect of the construction activities.

(a) Significant changes in contract balances

| | Group | | | |
|--|--|---|--|---|
| | Contract assets Increase/ (Decrease) 31.8.2025 RM'000 | Contract liabilities (Increase)/ Decrease 31.8.2025 RM'000 | Contract assets Increase/ (Decrease) 31.3.2024 RM'000 | Contract liabilities (Increase)/ Decrease 31.3.2024 RM'000 |
| Revenue recognised that was included in contract liability at the beginning of the financial period/year | - | 2,981 | - | 7,575 |
| Increases due to consideration received from customers, but revenue not recognised | - | (12,341) | - | (2,729) |
| Transfers from contract assets recognised at the beginning of the period/ year to receivables | (6,107) | - | 5,998 | - |
| | <u>(6,107)</u> | <u>-</u> | <u>5,998</u> | <u>-</u> |

Revenue recognised in relation to contract balances

| | Group | |
|--|-----------------------------|-----------------------------|
| | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Revenue recognised that was included in contract liability at the beginning of the financial period/year | <u>2,981</u> | <u>7,575</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. CASH AND SHORT-TERM DEPOSITS

| | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|---|---------------------|---------------------|
| Group | | |
| Cash and bank balances | 15,501 | 11,803 |
| Cash held under Housing Development Accounts | 517 | 681 |
| Deposits placed with licensed banks | 6,600 | 648 |
| Term deposits placed with non-financial institution | 5,874 | 144,785 |
| Less: Expected credit loss | (1,175) | (7,242) |
| | 27,317 | 150,675 |
| Company | | |
| Cash and bank balances | 992 | 560 |
| Term deposits placed with non-financial institution | 5,874 | 112,459 |
| Less: Expected credit loss | (1,175) | (5,623) |
| Cash and bank balances | 5,691 | 107,396 |

- (a) Cash at banks earns interest at floating rates based on daily bank deposit rates.
- (b) Included in deposits with licensed banks of the Group and of the Company are short-term deposits made for varying periods of between 1 and 30 days depending on the immediate cash requirements of the Group and earn interests at the respective short-term deposit rates. The interest rate is 1% to 2.5% (31.3.2024: 1.0% to 2.5%) per annum at the end of the reporting date.
- (c) Included in cash and bank balances of the Group is an amount of RM517,320 (31.3.2024: RM680,031) deposited into Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers and interest credited thereon, are restricted for the payment of property development expenditure incurred and fulfilment of all relevant obligations to the purchasers. The surplus monies, if any, will be released to the Group upon the completion of the particular property development projects.
- (d) Term deposits are presented as cash equivalents if they have a maturity of 3 months or less and are repayable within 24 hours' notice. Fixed deposits placed have maturity periods which range from 3 month (31.3.2024: 3 month). Term deposit is being placed to approve non-financial institution. The interest rate is 3% to 3.1% (31.3.2024: 2.75 to 3%) per annum at the end of the reporting date.
- (e) Except as disclosed in Note 20(b) to the financial statements, the remaining term deposits from Komani were fully withdrawn subsequent to the financial period. In the previous financial year ended 31 March 2024, the Term deposits was disclosed as deposits placed with licensed banks. This had been amended to reflect the actual position.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. CASH AND SHORT-TERM DEPOSITS (CONTINUED)

Movements of the expected credit loss (lifetime ECL):

| | Group | | Company | |
|--|---------------------|---------------------|---------------------|---------------------|
| | 31.8.2025 RM'000 | 31.3.2024 RM'000 | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| At 1 April | 7,242 | - | 5,623 | - |
| Charge for the financial period/year | - | 7,242 | - | 5,623 |
| Reversal of impairment for the financial period | (6,067) | - | (4,448) | - |
| At 31 August / 31 March | <u>1,175</u> | <u>7,242</u> | <u>1,175</u> | <u>5,623</u> |

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

| | Note | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|------------------------------|------|---------------------|---------------------|
| Group | | | |
| Cash and short-term deposits | | 27,317 | 150,675 |
| Bank overdrafts | 26 | - | (473) |
| | | <u>27,317</u> | <u>150,202</u> |
| Add: Assets held for sales | 28 | 3,511 | - |
| | | <u>30,828</u> | <u>150,202</u> |
| Company | | | |
| Cash and short-term deposits | | 5,691 | 107,396 |
| | | <u>5,691</u> | <u>107,396</u> |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. SHARE CAPITAL AND TREASURY SHARES

| | Group and Company | | | | |
|--|--|------------------------------------|--|-------------------------------------|------------------------------|
| | Number of ordinary share | | Amount | | |
| | Share capital (Issued and fully paid with no par value) Units ('000) | Treasury shares Units ('000) | Share capital (Issued and fully paid with no par value) RM'000 | Total share capital RM'000 | Treasury shares RM'000 |
| At 1 April 2023 | 620,801 | 12,817 | 262,157 | 262,157 | (3,912) |
| Share issued pursuant to Right issue | 1,733,309 | - | 112,665 | 112,665 | - |
| Warrant | - | - | (5,777) | (5,777) | - |
| Share issuance expenses | - | - | (825) | (825) | - |
| At 31 March 2024 , 1 April 2024 , and 31 August 2025 | 2,354,110 | 12,817 | 368,220 | 368,220 | (3,912) |

(a) Share capital

The holders of ordinary shares of the Company, which are issued with no par value (excluding treasury shares), are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with respect to the Company's residual assets.

(b) Treasury shares

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The Company's share buyback scheme was first approved by the Company's shareholders in the Annual General Meeting held on 11 June 2008 for the Company to repurchase 10% of its issued ordinary shares. The directors of the Company believe that the repurchase plan are applied in the best interests of the Company and its shareholders. The mandate for share buybacks was renewed in each subsequent Annual General Meeting of shareholders. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no cancellation of treasury shares during the financial period.

In previous financial year, the Company held 12,817,648 treasury shares out of its 620,800,959 issued and paid-up ordinary shares. Such treasury shares are held at a carrying amount of RM3,911,977.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. OTHER RESERVES

| Group | Revaluation reserve RM'000 | Capital reserve RM'000 | Warrant reserve RM'000 | Foreign currency translation reserve RM'000 | Total RM'000 |
|--|---|---------------------------------------|---------------------------------------|--|-------------------------|
| At 1 April 2023 | 33,826 | 1,360 | - | 622 | 35,808 |
| Realisation of revaluation reserve | (2,008) | - | - | - | (2,008) |
| Revaluation gain on land and buildings | 187 | - | - | - | 187 |
| Effects differences on translation of foreign operations | - | - | - | 57 | 57 |
| Warrants C reserve | - | - | 5,777 | - | 5,777 |
| At 31 March 2024 and 1 April 2024 | 32,005 | 1,360 | 5,777 | 679 | 39,821 |
| Realisation of revaluation reserve | (431) | - | - | - | (431) |
| Revaluation loss on land and buildings | (1,235) | - | - | - | (1,235) |
| Adjustment of capital reserve | - | (100) | - | - | (100) |
| Effects differences on translation of foreign operations | - | - | - | (48) | (48) |
| Reclassification adjustment of exchange translation reserve | - | - | - | (631) | (631) |
| At 31 August 2025 | 30,339 | 1,260 | 5,777 | - | 37,376 |
| Company | | | | | |
| At 1 April 2023 | 8,107 | - | - | - | 8,107 |
| Revaluation gain on land and buildings | 1,120 | - | - | - | 1,120 |
| Warrants C reserve | - | - | 5,777 | - | 5,777 |
| At 31 March 2024 , 1 April 2024 and 31 August 2025 | 9,227 | - | 5,777 | - | 15,004 |

The nature and purpose of each category of reserve are as follows:

(a) Revaluation reserve

Asset revaluation reserve represents the cumulative net change in fair value of land and buildings, net of deferred tax.

(b) Capital reserve

Included in the capital reserve, RM1,260,010 (31.3.2024: RM1,360,010) represents a reserve set aside for bonus issues made by subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. OTHER RESERVES (CONTINUED)

(c) Warrant reserve

Free detachable warrants issued pursuant to the renounceable rights issue of up to 1,733,308,505 new ordinary shares at an issue price of RM0.065 per rights shares up to 1,155,538,938 free detachable warrants in the Company on the basis of 3 rights shares together with 2 free warrants for every 1 existing share held by the entitled shareholders.

| | Number of warrants | | | 31.8.2025 |
|-----------------|---------------------------|------------------|------------------|------------------|
| | 1.4.2024 | Additions | Exercised | |
| | Unit'000 | Unit'000 | Unit'000 | Unit'000 |
| Warrants | 1,155,539 | - | - | 1,155,539 |

(d) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. LOANS AND BORROWINGS

| | Note | Maturity | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|----------------------------|------|----------|---------------------|---------------------|
| Group | | | | |
| Non-current | | | | |
| <u>Secured:</u> | | | | |
| Lease liabilities | (a) | 2028 | 730 | 1,021 |
| | | | <u>730</u> | <u>1,021</u> |
| Current | | | | |
| <u>Secured:</u> | | | | |
| Lease liabilities | (a) | 2025 | 630 | 744 |
| Term loans | (b) | 2025 | - | 366 |
| Bankers' acceptances | (d) | 2025 | 5,937 | 13,848 |
| Revolving credit | (e) | 2025 | 5,700 | 9,100 |
| | | | <u>12,267</u> | <u>24,058</u> |
| <u>Unsecured:</u> | | | | |
| Bank overdrafts | (c) | 2025 | - | 473 |
| Bankers' acceptances | (d) | 2025 | - | 1,254 |
| | | | <u>-</u> | <u>1,727</u> |
| | | | <u>12,267</u> | <u>25,785</u> |
| Total loans and borrowings | | | <u>12,997</u> | <u>26,806</u> |

**NOTES TO THE FINANCIAL STATEMENTS
 (CONT'D)**
26. LOANS AND BORROWINGS (CONTINUED)

| | Note | Maturity | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|----------------------------|------|----------|---------------------|---------------------|
| Company | | | | |
| Current | | | | |
| <u>Secured:</u> | | | | |
| Term loans | (b) | 2025 | - | 366 |
| Revolving credit | (e) | 2025 | 5,700 | 9,100 |
| | | | <hr/> | <hr/> |
| | | | 5,700 | 9,466 |
| Total loans and borrowings | | | <hr/> <hr/> | <hr/> <hr/> |
| | | | 5,700 | 9,466 |

The maturities of the loans and borrowings at end of the reporting period are as follows:

| | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|--|---------------------|---------------------|
| Group | | |
| On demand or within 1 year | 12,267 | 25,785 |
| More than 1 year and less than 2 years | 404 | 333 |
| More than 2 year and less than 5 years | 326 | 688 |
| | <hr/> | <hr/> |
| | 12,997 | 26,806 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Company | | |
| On demand or within 1 year | 5,700 | 9,466 |
| | <hr/> <hr/> | <hr/> <hr/> |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

26. LOANS AND BORROWINGS (CONTINUED)

(a) Lease liabilities

| | 31.8.2025 | 31.3.2024 |
|---|---------------------|---------------------|
| | RM'000 | RM'000 |
| Group | | |
| Future minimum lease payments: | | |
| Not later than 1 year | 713 | 884 |
| Later than 1 year and not later than 2 years | 420 | 398 |
| Later than 2 years and not later than 5 years | 316 | 718 |
| Total minimum lease payments | <u>1,449</u> | <u>2,000</u> |
| Less: Future finance charges | (89) | (235) |
| Present value of lease liabilities | <u><u>1,360</u></u> | <u><u>1,765</u></u> |

| | 31.8.2025 | 31.3.2024 |
|---|-------------------|---------------------|
| | RM'000 | RM'000 |
| Group | | |
| Analysis of present value of lease liabilities | | |
| Not later than 1 year | 630 | 744 |
| Later than 1 year and not later than 2 years | 404 | 333 |
| Later than 2 years and not later than 5 years | 326 | 688 |
| | <u>1,360</u> | <u>1,765</u> |
| Less: Amount due within 12 months | (630) | (744) |
| Amount due after 12 months | <u><u>730</u></u> | <u><u>1,021</u></u> |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****26. LOANS AND BORROWINGS (CONTINUED)****(a) Lease liabilities (continued)****Group**

The weighted average effective interest rate implicit in the at 5.65% (31.3.2024: 4.90%) per annum. These obligations are denominated in the respective functional currencies of the relevant entities in the Group.

(b) Term loans**Group**

(a) The term loans of the Group bear a weighted average effective interest rate ranging of 6.80% (31.3.2024: 7.04%) per annum.

(b) The term loans of the Group are secured by way of:

- (i) a first party first legal charge over a freehold land and all the plant and machineries on the said land of the Group at Baling, Kedah;
- (ii) corporate guarantees provided by the Company;
- (iii) first party first legal charge over a freehold land and building of the Company at Sri Damansara, Kuala Lumpur;

Company

(a) The term loans of the Company bear a weighted average effective interest rate ranging of 6.80% (31.3.2024: 6.80%) per annum.

(b) The term loans of the Company are secured by way of:

- (i) first party first legal charge over a freehold land and building of the Company at Sri Damansara, Kuala Lumpur;

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. LOANS AND BORROWINGS (CONTINUED)

(c) Bank overdrafts

Group

- (a) Bank overdrafts are denominated in RM, bear interests ranging from 7.57% to 7.89% (31.3.2024: 7.82% to 8.14%) per annum.
- (b) The bank overdrafts of the Group are secured by way of:
 - (i) corporate guarantees provided by the Company

(d) Bankers' acceptances

Group

- (a) The bankers' acceptance of the Group bear interests ranging from 4.45% to 5.36% (31.3.2024: 4% to 5.58%) per annum.
- (b) The bankers' acceptance of the Group is secured by way of
 - (i) corporate guarantees by the Company; and
 - (ii) a first party first legal charge over a freehold land and all the plant and machineries on the said land of the Group at Baling, Kedah;

(e) Revolving credits

Group and Company

The revolving credits of the Group and Company are secured by way of:

- (i) corporate guarantees provided by the subsidiaries;
- (ii) second charge over a freehold land of the Group at Baling Kedah; and
- (iii) first party first legal charge over a freehold land and building of the Company at Sri Damansara, Kuala Lumpur;

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
27. TRADE AND OTHER PAYABLES

| | Note | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
|--------------------------------|------|---------------------|---------------------|
| Group | | | |
| Trade | | | |
| Trade payables | (a) | 23,611 | 30,360 |
| | | 23,611 | 30,360 |
| Non-trade | | | |
| Other payables | (c) | 2,517 | 2,710 |
| Deposits received | | 4,940 | 4,917 |
| Accruals | | 6,165 | 4,490 |
| | | 13,622 | 12,117 |
| Total trade and other payables | | 37,233 | 42,477 |
| Company | | | |
| Non-trade | | | |
| Other payables | | 724 | 68 |
| Deposits received | | 330 | 330 |
| Accruals | | 145 | 186 |
| Amount owing to subsidiaries | (b) | 69,279 | 40,077 |
| Total other payables | | 70,478 | 40,661 |

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group ranging from 30 to 90 days (31.3.2024: 30 to 90 days). The retention sum is payable upon the expiry of defect liability period.

(b) Amounts owing to related parties and subsidiaries

The amount owing to related parties and subsidiaries are unsecured, repayable on demand and are expected to be settled in cash.

(c) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term of 3 months (31.3.2024: average term of 3 months).

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

28. DISPOSAL GROUP AND NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

| | Note | Group | |
|---|------|---------------------|---------------------|
| | | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Assets of a disposal group classified as held for sales | (a) | 15,707 | - |
| Freehold land held for sale | (b) | 15,000 | 15,000 |
| | | <u>30,707</u> | <u>15,000</u> |
| Liabilities of a disposal group classified as held for sales | (a) | <u>2,022</u> | <u>-</u> |

(a) Disposal group classified as held for sale

During the financial period, the Company entered into an Exchange Agreement dated 6 May 2025 (as amended on 7 July 2025) with Cyclacel Pharmaceuticals Inc. (subsequently renamed Bio Green Med Solution, Inc.) for the disposal of its wholly-owned subsidiary, Fitters Sdn. Bhd., together with its subsidiaries, namely AHT NRG Asia Sdn. Bhd., Fitters (Sarawak) Sdn. Bhd., and Modular Floor Systems (M) Sdn. Bhd. (collectively referred to as the “Disposal Group”).

The Disposal Group was classified as a disposal group held for sale from May 2025 in accordance with MFRS 5 – Non-current Assets Held for Sale and Discontinued Operations. The disposal was completed on 12 September 2025. The consideration comprised 699,158 new ordinary shares of Cyclacel Pharmaceuticals Inc. at an issue price of USD7.12 per share, amounting to approximately USD4,978,005, representing approximately 19.99% of the issued and outstanding shares of Cyclacel Pharmaceuticals Inc. as at 9 September 2025.

The disposal Group was measured at the lower of its carrying amount and fair value less cost to sell. The completion of the disposal represents a non-adjusting event after the reporting period and, accordingly, no adjustment has been made to the financial statements for the financial period ended 31 August 2025.

The completion of the disposal is expected to result in a gain on disposal in the subsequent financial period, calculated as the difference between the fair value of the consideration received and the carrying amount of the Disposal Group’s net assets at the date of disposal.

The Disposal Group primarily operated in the fire services segment, engaging in the trading and installation of fire safety materials and equipment

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

28. DISPOSAL GROUP AND NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE (CONTINUED)

(a) Disposal group classified as held for sale (continued)

The major classes of assets and liabilities of Disposal Group classified as held for sale as at 31 August 2025 are as follows:

| | RM'000 |
|---|---------------|
| Assets | |
| Property, plant and equipment | 2,410 |
| Inventories | 5,637 |
| Current tax assets | 93 |
| Trade and other receivables | 4,056 |
| Cash and bank balances | 3,511 |
| Total assets held for sales | 15,707 |
| Liabilities | |
| Trade and other payables | 1,817 |
| Other liabilities | 205 |
| Total liabilities associates with assets held for sales | 2,022 |

(b) Land held for sale

On 26 October 2023, Master Pyrodor Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a conditional sale and purchase agreement with Cameron Highlands Floriculture Sdn. Bhd. for the disposal of the freehold land at a cash consideration of RM15,000,000. The land title is currently registered in the name of a third party.

As at 31 August 2025 the conditions precedent under the agreement, including the approval from the State land office and removal of the existing Registrar's Caveat registration of title in company name, had not been fulfilled. Accordingly, the proposed disposal has not been completed as at the reporting date.

The land is classified as a non-current asset held for sale and is measured at the lower of its carrying amount and fair value less costs to sell. The land does not form part of the disposal group as it is not intended to be disposed of together with other assets or liabilities in a single transaction.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. RELATED PARTY DISCLOSURES

(a) Identification of related parties

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

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associates;
- (iii) Entities in which directors have substantial financial interest; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

In addition to the related parties information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

| | 31.8.2025 | 31.3.2024 |
|--------------------------------------|------------------|------------------|
| | RM'000 | RM'000 |
| Company | | |
| Transaction with subsidiaries | | |
| - administrative income | (2,748) | (2,022) |
| - rental income | <u>(1,513)</u> | <u>(1,090)</u> |

The Group and the Company have entered into the following significant related party transactions during the financial period ended 31 August 2025.

RM 150,000,000 paid to Sanichi Precision Mould Sdn Bhd (a wholly-owned subsidiary of Sanichi Technology Berhad, a related party by virtue of common directorship and/or substantial shareholding), for the proposed acquisition of completed apartment blocks at Marina Point Klebang, Melaka.

As at 31 August 2025, the above amounts are recognised as deposits in the statements of financial position (2024: Nil).

(c) Compensation of key management personnel

The Group considers the directors to be the key management personnel. Disclosure of their remuneration is made in Directors' remuneration to the Directors' report.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****30. CAPITAL COMMITMENT**

There were no commitments for the purchase of property, plant and equipment for the financial statement as at 31 August 2025.

31. CONTINGENT LIABILITY

During the financial period, the Group terminated a proposed disposal of a piece of land located at Rawang following the non-fulfilment of certain conditions and the non-finalisation of the sale and purchase agreement. The Group was informed that the purchaser may initiate claim against the Group for the aborted disposal. As at the reporting date, no formal legal proceedings have been commenced against the Group.

Management, after consultation with the Group's legal advisers, is of the view that the Group has valid contractual grounds to terminate the proposed disposal and to refund the deposits in accordance with the agreed terms. Based on the legal advice obtained, Management considers that the likelihood of an outflow of economic resources arising from any such claim is not probable.

Accordingly, no provision has been recognised in the financial statements as at the reporting date. The matter has been disclosed as a contingent liability as the outcome of any potential claim remains uncertain. The Group will continue to monitor developments relating to this matter.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

32. MATERIAL LITIGATIONS

As at the reporting date, the Group is involved in the following material litigations:

- (a) Kuala Lumpur High Court Civil Suit No.: WA-22NCC-175-03/2023
Fitters Diversified Berhad v. Suite Trade Sdn Bhd & Hew Chee Seng

Fitters Diversified Berhad (“FDB”) commenced legal proceedings against Suite Trade Sdn Bhd and Hew Chee Seng, claiming a sum of RM8,091,443.00 arising from an alleged breach of a settlement agreement, as well as fraud and forgery. The trial has been concluded and the matter is currently fixed for post-trial hearing before the High Court on 30 January 2026.

- (b) Shah Alam High Court Civil Suit No.: BA-22NCC-104-08/2021
AHT Syngas Technology NV v. Future NRG Sdn Bhd

AHT Syngas Technology NV (“AHT”) commenced proceedings against Future NRG Sdn Bhd (“FNRG”), a wholly-owned subsidiary of FDB, claiming €1,783,809.88 in respect of allegedly outstanding invoices for the construction of a coal gasification system. FNRG denied the claim and counterclaimed for €200,000.00, being monies allegedly loaned to AHT.

AHT’s claim was struck out and dismissed by the High Court on 8 September 2025 due to non-compliance with an order to provide security for costs. The trial for FNRG’s counterclaim proceeded and was concluded, and the matter is currently fixed for decision on 1 December 2025.

AHT has filed an appeal against the striking out and dismissal of its claim, which is pending before the Court of Appeal under Civil Appeal No. B-02(IM)(NCC)-1992-10/2025. The appeal is currently fixed for case management on 19 January 2026.

- (c) Shah Alam High Court Civil Suit No.: BA-22NCC-57-04/2022
AHT Syngas Technology NV v. Future NRG Sdn Bhd

AHT also commenced a separate action against FNRG, claiming €342,857.14, allegedly being unpaid amounts under a sale and purchase contract for the construction of a biomass gasification plant. FNRG denies the claim on the basis that AHT did not complete the said plant and has counterclaimed for €949,000.00, being alleged overpayment to AHT. The matter is currently fixed for trial from 2 to 5 March 2026.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost (“AC”)
- (ii) Fair value through profit or loss (“FVPL”)

| | Carrying amount RM'000 | AC RM'000 | FVPL RM'000 |
|--|---------------------------------------|----------------------|------------------------|
| 31.8.2025 | | | |
| Financial assets | | | |
| Group | | | |
| Trade and other receivables (exclude GST refundable and prepayments) | 219,405 | 219,405 | - |
| Other investments | 115 | - | 115 |
| Cash and short-term deposits | 27,317 | 27,317 | - |
| | 246,837 | 246,722 | 115 |
| Company | | | |
| Trade and other receivables (exclude prepayments) | 170,746 | 170,746 | - |
| Cash and short-term deposits | 5,691 | 5,691 | - |
| | 176,437 | 176,437 | - |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

33. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

| | Carrying amount RM'000 | AC RM'000 | FVPL RM'000 |
|--|---------------------------------------|----------------------|------------------------|
| 31.3.2024 | | | |
| Financial assets | | | |
| Group | | | |
| Trade and other receivables (exclude GST refundable and prepayments) | 81,346 | 81,346 | - |
| Other investments | 106 | - | 106 |
| Cash and short-term deposits | 150,675 | 150,675 | - |
| | 232,127 | 232,021 | 106 |
| Company | | | |
| Trade and other receivables (exclude prepayments) | 39,241 | 39,241 | - |
| Cash and short-term deposits | 107,396 | 107,396 | - |
| | 146,637 | 146,637 | - |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

| | Carrying amount RM'000 | Amortised cost RM'000 |
|--|---------------------------------------|--------------------------------------|
| 31.8.2025 | | |
| Financial liabilities | | |
| Group | | |
| Loans and borrowings | 12,997 | 12,997 |
| Trade and other payables (exclude SST/GST payable) | 37,233 | 37,233 |
| | 50,230 | 50,230 |
| | 50,230 | 50,230 |
| Company | | |
| Loans and borrowings | 5,700 | 5,700 |
| Trade and other payables | 70,478 | 70,478 |
| | 76,178 | 76,178 |
| | 76,178 | 76,178 |
| 31.3.2024 | | |
| Group | | |
| Loans and borrowings | 26,806 | 26,806 |
| Trade and other payables (exclude SST/GST payable) | 42,477 | 42,477 |
| | 69,283 | 69,283 |
| | 69,283 | 69,283 |
| Company | | |
| Loans and borrowings | 9,466 | 9,466 |
| Trade and other payables | 40,661 | 40,661 |
| | 50,127 | 50,127 |
| | 50,127 | 50,127 |

(b) Fair value measurement

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

There is no transfer between levels of fair values hierarchy during the financial period/year.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

33. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value measurement (continued)

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:

| Carrying amount | Fair value of financial instruments carried at fair value | | | | Fair value of financial instruments not carried at fair value | | | |
|-------------------------|---|-------------------|-------------------|-----------------|---|-------------------|-------------------|-----------------|
| | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 |
| Total RM'000 | | | | | | | | |
| 115 | 10 | - | 105 | 115 | - | - | - | - |
| Financial assets | | | | | | | | |
| Other investments | | | | | | | | |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value measurement (continued)

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows: (continued)

| | Carrying amount | Fair value of financial instruments carried at fair value | | | | Fair value of financial instruments not carried at fair value | | | |
|----------------------------|-----------------|---|-------------------|-------------------|-----------------|---|-------------------|-------------------|-----------------|
| | | Fair value | | | | Fair value | | | |
| | | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total RM'000 |
| Group | | | | | | | | | |
| 31.3.2024 | | | | | | | | | |
| Financial assets | | | | | | | | | |
| Other investments | 106 | 1 | - | 105 | 106 | - | - | - | - |
| Financial liability | | | | | | | | | |
| Term loans | 366 | - | - | - | - | - | - | 366 | 366 |
| Company | | | | | | | | | |
| 31.3.2024 | | | | | | | | | |
| Financial liability | | | | | | | | | |
| Term loans | 366 | - | - | - | - | - | - | 366 | 366 |

The fair values of bank overdrafts, bankers' acceptances, revolving credit facilities and term loan approximate their carrying amounts as these financial liabilities bear interest at variable rate which are repriced frequently to market rates and have short remaining maturities. Accordingly, no fair value hierarchy disclosure is provided for these financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Fair value measurement (continued)

Fair value of financial instruments carried at fair value

The fair value of quoted equity investments is determined by reference to quoted prices (unadjusted) in active markets for identical instruments at the reporting date. Accordingly, the fair value measurement of these quoted equity investments is categorised within Level 1 of the fair value hierarchy.

Fair value of financial instruments not carried at fair value

The Group's and the Company's financial instruments that are measured at amortised cost comprise mainly other receivables and loans and borrowings. The fair values of other receivables and loans and borrowings are estimated using discounted cash flow techniques based on observable market inputs, including interest rates that reflect the counterparties' or the Group's current borrowing rates as at the reporting date. However, as these financial instruments are predominantly short-term in nature and/or bear interest at variable rates which are repriced frequently to market rates, the directors are of the view that their fair values approximate their carrying amounts. Accordingly no fair value hierarchy disclosure is presented for these financial assets and financial liabilities, as their carrying amounts are reasonable approximations of fair value.

(c) Financial risk management objectives and policies

The Group's and the Company's activities are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholder.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current and previous financial period, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

(i) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous period.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables and contract assets as at the end of the reporting period by geographic region are as follows:

| | Group | | | |
|--------------------|------------------|------------|------------------|------------|
| | 31.8.2025 | | 31.3.2024 | |
| | RM'000 | % of total | RM'000 | % of total |
| By country: | | | | |
| Malaysia | 61,894 | 100% | 70,609 | 100% |
| | 61,894 | 100% | 70,609 | 100% |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Concentration of credit risk (continued)

The exposure of credit risk for trade receivables and contract assets as at the end of the reporting period by industry sectors are as follows:

| | Group | | | |
|---|-----------|------------|-----------|------------|
| | 31.8.2025 | | 31.3.2024 | |
| | RM'000 | % of total | RM'000 | % of total |
| By industry sectors: | | | | |
| Fire services division | 51,938 | 84% | 56,655 | 80% |
| Property development and construction | 2,451 | 4% | 7,878 | 11% |
| Renewable and waste-to-energy and green palm oil mill | 7,505 | 12% | 6,076 | 9% |
| | 61,894 | 100% | 70,609 | 100% |

Included in trade receivables of the Group is an amount of RM17,054,416 (31.3.2024: RM3,192,080) due from 4 (31.3.2024: 1) of its significant receivables.

Recognition and measurement of impairment loss

The Group applies the simplified approach to provide for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit characteristics and the days past due. The impairment losses also incorporate forward-looking information.

The Group does not have any significant credit risk as its services and products are engage in a wide spectrum of activities and sell in a variety of end markets and their operations are with financing facilities from reputable end-financiers. The Group's historical credit loss experience does not show significantly different loss patterns and the collection of accounts receivable falls within the recorded allowances.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****33. FINANCIAL INSTRUMENTS (CONTINUED)****(c) Financial risk management objectives and policies (continued)****(i) Credit risk (continued)*****Recognition and measurement of impairment loss (continued)***

The information about the movements in allowance for impairment and ageing of trade receivables as at 31 August 2025 are disclosed in Note 20(a) to the financial statements.

The Group also assessed the risk of loss of its major customers individually based on their financial information, past trend of payments and external credit ratings, where applicable.

Inter-company loans and advances

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, expected credit losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other receivables and other financial assets

For other receivables and other financial assets (including other investments and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets are represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

Other than the credit-impaired other receivables, the Group and the Company consider these financial assets to have low credit risk. As at the reporting date, the Group and the Company did not recognise any loss allowance for impairment for other receivables and other financial assets other than as disclosed in Note 20 to the financial statements.

Refer to Note 3.14(a) for the Group's and the Company's other accounting policies for impairment of financial assets.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The nominal amount relating to the corporate guarantee provided by the Company is as follow:

| | 31.8.2025 | 31.3.2024 |
|---|------------------|------------------|
| | RM'000 | RM'000 |
| Secured | | |
| Corporate guarantee given to banks for credit facilities granted to subsidiaries | 36,115 | 37,360 |
| Unsecured | | |
| Corporate guarantee given to banks for credit facilities granted to subsidiaries | 28,000 | 29,000 |
| Corporate guarantee given to corporations for credit facilities granted to subsidiaries | 5,100 | 139,100 |
| | <u>69,215</u> | <u>205,460</u> |

As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee. The financial guarantees have not been recognised since the fair value on initial recognition was not material.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****33. FINANCIAL INSTRUMENTS (CONTINUED)****(c) Financial risk management objectives and policies (continued)****(ii) Liquidity risk**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

| | Carrying amount RM'000 | Contractual cash flows | | | Total RM'000 |
|--|---------------------------|---|------------------------------------|--------------------------------|-----------------|
| | | On demand or within 1 year RM'000 | Between 1 and 5 years RM'000 | More than 5 years RM'000 | |
| Group | | | | | |
| 31.8.2025 | | | | | |
| Loans and borrowings | 12,997 | 12,350 | 736 | - | 13,086 |
| Trade and other payables | 37,233 | 37,233 | - | - | 37,233 |
| Total undiscounted financial liabilities | 50,230 | 49,583 | 736 | - | 50,319 |
| 31.3.2024 | | | | | |
| Loans and borrowings | 26,806 | 25,925 | 1,116 | - | 27,041 |
| Trade and other payables | 42,477 | 42,477 | - | - | 42,477 |
| Total undiscounted financial liabilities | 69,283 | 68,402 | 1,116 | - | 69,518 |

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (continued)

| | Carrying amount RM'000 | Contractual cash flows | | | | Total RM'000 |
|--|---------------------------|---|------------------------------------|--------------------------------|---|-----------------|
| | | On demand or within 1 year RM'000 | Between 1 and 5 years RM'000 | More than 5 years RM'000 | | |
| Company | | | | | | |
| 31.8.2025 | | | | | | |
| Loans and borrowings | 5,700 | 5,700 | - | - | - | 5,700 |
| Trade and other payables | 70,478 | 70,478 | - | - | - | 70,478 |
| Financial guarantee contracts | - | 69,215 | - | - | - | 69,215 |
| Total undiscounted financial liabilities | 76,178 | 145,393 | - | - | - | 145,393 |
| 31.3.2024 | | | | | | |
| Loans and borrowings | 9,466 | 9,466 | - | - | - | 9,466 |
| Trade and other payables | 40,661 | 40,661 | - | - | - | 40,661 |
| Financial guarantee contracts | - | 205,460 | - | - | - | 205,460 |
| Total undiscounted financial liabilities | 50,127 | 255,587 | - | - | - | 255,587 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

33. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management objectives and policies (continued)

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings with floating interest rates. The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

| | 31.8.2025 | 31.3.2024 |
|------------------------------------|------------------|------------------|
| | RM'000 | RM'000 |
| Group | | |
| Fixed rate | | |
| <i>Financial asset</i> | | |
| Fixed deposits with licensed banks | 6,600 | 648 |
| <i>Financial liabilities</i> | | |
| Lease liabilities | 1,360 | 1,765 |
| Bank borrowings | 11,637 | 24,675 |
| | <u>12,997</u> | <u>26,440</u> |
| Floating rate | | |
| <i>Financial liability</i> | | |
| Bank borrowings | - | 366 |
| Company | | |
| Fixed rate | | |
| <i>Financial asset</i> | | |
| Fixed deposits with licensed banks | - | - |
| <i>Financial liabilities</i> | | |
| Bank borrowings | 5,700 | 9,100 |
| | <u>5,700</u> | <u>9,100</u> |
| Floating rate | | |
| <i>Financial liability</i> | | |
| Bank borrowings | - | 366 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****33. FINANCIAL INSTRUMENTS (CONTINUED)****(c) Financial risk management objectives and policies (continued)****(iii) Interest rate risk**Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM Nil respectively (31.3.2024: RM695 respectively) higher/lower, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. The Group's and the Company's equity would have been RM Nil respectively (31.3.2024: RM695 respectively) higher/lower, arising mainly as a result of lower/higher profit net of tax. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(iv) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily United States Dollar ("USD"), and European Dollar ("EURO"), Singapore Dollar ("SGD").

Approximately 0.01% (31.3.2024: 0.01%) of the Group's sales are denominated in foreign currencies whilst almost 1.64% (31.3.2024: 1.56%) of costs are denominated in the respective functional currencies of the Group entities. The Group's trade receivable and trade payable balances at the reporting date have similar exposures.

The Group also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the reporting date, such foreign currency balances of the Group mainly in SGD amount to RM Nil (31.3.2024: RM95,182).

Sensitivity analysis for foreign currency risk

A sensitivity analysis had been performed to determine the sensitivity of the Group's profit net of tax and equity to a reasonably possible change in the foreign exchange rates against the respective functional currencies of the Group's entities. This analysis assumes that all other variables, in particular interest rates, remain constant. Based on the analysis, there is no material impact on the Group's profit net of tax and equity on potential fluctuation of foreign currencies relevant to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

34. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial period ended 31 August 2025 and financial year ended 31 March 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by capital. Net debt includes loans and borrowings, less cash and bank balances. Capital includes equity attributable to the owners of the parent.

| | 31.8.2025 | 31.3.2024 |
|--|------------------|------------------|
| | RM'000 | RM'000 |
| Group | | |
| Loans and borrowings | 12,997 | 26,806 |
| Less: Cash and bank balances | (27,317) | (150,675) |
| Net cash | <u>(14,320)</u> | <u>(123,869)</u> |
| Equity attributable to the owners of the Company | <u>403,942</u> | <u>391,677</u> |
| Gearing ratio | <u>N/A</u> | <u>N/A</u> |
| Company | | |
| Loans and borrowings | 5,700 | 9,466 |
| Less: Cash and bank balances | (5,691) | (107,396) |
| Net debt/ (cash) | <u>9</u> | <u>(97,930)</u> |
| Equity attributable to the owners of the Company | <u>349,956</u> | <u>345,966</u> |
| Gearing ratio | <u>0%</u> | <u>N/A</u> |

There was no change in the Group's and the Company's approach to capital management during the financial period/year.

The Group and the Company are required to comply with certain debts equity ratios in respect of its credit facilities.

Gearing ratios are not governed by the MFRSs and their definitions and calculations may vary between reporting entities.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****35. SEGMENT INFORMATION**Factors used to identify reportable segments

For management purposes, the Group is organised into business units based on their products and services, and has five reportable operating segments as follows:

(i) Fire services division

Manufacturing and trading of safety, fire fighting equipment, industrial products, installation and maintenance of the Fire Department's privatised Computerised Fire Alarm Monitoring System ("CMS"), contract for mechanical and electrical engineering works, corrective and preventive maintenance within the fire industry and speciality construction industry.

(ii) Property development and construction

Development and construction in the property industry.

(iii) Renewable and waste-to-energy and green palm oil mill

Providing renewable, alternative and waste-to-energy, and operation of palm oil mill for the purposes of treatment, cure and extraction of palm oil.

(iv) Investment holding

The investment segment is in the business of investment holding.

The fire services division is involved in the manufacturing, trading and specialised installation of firefighting materials and equipment as well as the supply of fire safety protection services and products. It also manages and operates the Fire Department's privatised computerised fire alarm monitoring system. The division also provides mechanical and electrical services related to fire protection, gas supply, electrical power, air conditioning, ventilation and water supply. These operating segments are aggregated into the reportable fire services segment due to the similarity of the nature of business. The performance of these operations is evaluated internally as a single business unit.

Property development and construction segment are aggregated into one reportable segment due to the regulatory environments in which the businesses operate. The performance of these operations is evaluated internally as a single business unit.

The renewable and waste-to-energy operating segment and the green palm oil mill operating segment are aggregated into one reportable segment due to similar construction technology and business objectives. The two operating segments are evaluated internally as a single business unit.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. SEGMENT INFORMATION (CONTINUED)

Factors used to identify reportable segments (continued)

Segment profit

Segment performance is used to measure performance as Group's Managing Director believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total of segment asset is measured based on all assets (excluding investment in associate) of a segment, as included in the internal reports that are reviewed by the Group's Managing Director.

Segment liabilities

Segment liabilities are not included in the internal reports that are reviewed by the Group's Managing Director, hence no disclosures are made on segment liabilities.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

35. SEGMENT INFORMATION (CONTINUED)

| | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Investment holding and others RM'000 | Elimination RM'000 | Total RM'000 |
|---------------------------------|----------------------------------|---|---|---|-----------------------|-----------------|
| 31.8.2025 | | | | | | |
| Revenue | | | | | | |
| External sales | 189,758 | 4,798 | 398,499 | - | - | 593,055 |
| Inter-segment sales | 1,258 | - | - | - | (1,258) (a) | - |
| | 191,016 | 4,798 | 398,499 | - | (1,258) | 593,055 |
| Results | | | | | | |
| Segment results | 6,162 | 505 | 6,505 | 5,348 | (1,162) (b) | 17,358 |
| Finance costs | (7) | (110) | (643) | (711) | - | (1,471) |
| Taxation | (1,511) | (159) | 32 | (605) | - | (2,243) |
| Profit for the financial period | 4,644 | 236 | 5,894 | 4,032 | (1,162) | 13,644 |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
35. SEGMENT INFORMATION (CONTINUED)

| | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Investment holding and others RM'000 | Elimination RM'000 | Total RM'000 |
|---|-------------------------------------|--|--|---|-----------------------|-----------------|
| 31.8.2025 (continued) | | | | | | |
| Assets | | | | | | |
| Segment assets | 148,939 | 102,706 | 120,022 | 449,198 | (336,087) (c) | 484,778 |
| Unallocated assets | 642 | 1,087 | 10 | - | - | 1,739 |
| Total assets | 149,581 | 103,793 | 120,032 | 449,198 | (336,087) | 486,517 |
| Other information: | | | | | | |
| Capital expenditure | 643 | 5 | 1,146 | 138 | - | 1,932 |
| Depreciation and amortisation | 344 | 325 | 7,892 | 297 | - | 8,858 |
| Net impairment losses on trade receivables | 1,303 | - | 204 | - | - | 1,507 |
| Reversal of impairment of financial assets | - | (1,619) | - | (4,448) | - | (6,067) |
| Loss/(gain) on disposal of property, plant and equipment | 13 | - | - | (50) | - | (37) |
| Impairment losses on property, plant and equipment | - | - | 5,654 | - | - | 5,654 |

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

35. SEGMENT INFORMATION (CONTINUED)

| | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Investment holding and others RM'000 | Elimination RM'000 | Total RM'000 |
|--------------------------------------|----------------------------------|---|---|---|-----------------------|-----------------|
| 31.3.2024 | | | | | | |
| Revenue | | | | | | |
| External sales | 98,797 | 18,882 | 168,210 | - | - | 285,889 |
| Inter-segment sales | 4,589 | - | - | - | (4,589) (a) | - |
| | 103,386 | 18,882 | 168,210 | - | (4,589) | 285,889 |
| Results | | | | | | |
| Segment results | 1,764 | 841 | (9,722) | (8,002) | 1,941 (b) | (13,178) |
| Finance costs | (157) | (240) | (483) | (619) | - | (1,499) |
| Taxation | (1,148) | 5 | (14) | (590) | - | (1,747) |
| Profit/(loss) for the financial year | 459 | 606 | (10,219) | (9,211) | 1,941 | (16,424) |

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**
35. SEGMENT INFORMATION (CONTINUED)
31.3.2024 (continued)

| | Fire services division RM'000 | Property development and construction RM'000 | Renewable and waste-to-energy and green palm oil mill RM'000 | Investment holding and others RM'000 | Elimination RM'000 | Total RM'000 |
|---|----------------------------------|---|---|---|-----------------------|-----------------|
| Assets | | | | | | |
| Segment assets | 144,499 | 219,162 | 154,667 | 420,238 | (456,916) | 481,650 |
| Unallocated assets | 622 | 1,088 | 54 | - | - | 1,764 |
| Total assets | 145,121 | 220,250 | 154,721 | 420,238 | (456,916) | 483,414 |
| Other information: | | | | | | |
| Capital expenditure | 301 | 726 | 5,536 | 38 | - | 6,601 |
| Depreciation and amortisation | 280 | 167 | 5,834 | 253 | - | 6,534 |
| Net impairment losses on trade receivables | 3,359 | - | 145 | - | - | 3,504 |
| Impairment of financial assets | - | 1,618 | - | 5,624 | - | 7,242 |
| Net (gain)/loss on disposal of property, plant and equipment and right of use asset | (3) | - | (10) | 554 | - | 541 |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. SEGMENT INFORMATION (CONTINUED)

Notes

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

- (a) Inter-segment revenues are eliminated on consolidation.
- (b) Profit from inter-segment sales are eliminated on consolidation.
- (c) Reconciliation of assets

| | 31.8.2025 | 31.3.2024 |
|-------------------------|------------------|------------------|
| | RM'000 | RM'000 |
| Non-reportable segments | - | - |
| Inter-segment assets | (336,087) | (456,916) |
| | (336,087) | (456,916) |

Segment assets comprise total current and non-current assets, less current tax assets and deferred tax assets.

Information about major customers

Major customers' information is revenue from transactions with a single external customer amount to ten percent or more of the Group's revenue. A group of entities known to a reporting entity to be under common control shall be considered a single customer, and a government and entities known to the reporting entity to be under the control of that government shall be considered a single customer.

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

| | 31.8.2025 | 31.3.2024 | Segments |
|------------|------------------|------------------|---------------------------------------|
| | RM'000 | RM'000 | |
| Customer A | 127,867 | 42,593 | Renewable and waste-to-energy |
| Customer B | 95,727 | 33,838 | Renewable and waste-to-energy |
| Customer C | 64,207 | - | Renewable and waste-to-energy |
| Customer D | - | 14,837 | Property development and construction |
| | - | 14,837 | |

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

35. SEGMENT INFORMATION (CONTINUED)

Geographical information

The following is an analysis of the carrying amount of segment assets and capital expenditure, analysed by geographical segments:

| | Segments assets | | Capital expenditure | |
|-----------------------|---------------------|---------------------|---------------------|---------------------|
| | 31.8.2025 RM'000 | 31.3.2024 RM'000 | 31.8.2025 RM'000 | 31.3.2024 RM'000 |
| Malaysia | 486,517 | 482,165 | 1,932 | 6,601 |
| Singapore | - | 1,111 | - | - |
| British Virgin Island | - | 138 | - | - |
| | <u>486,517</u> | <u>483,414</u> | <u>1,932</u> | <u>6,601</u> |

36. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

- (a) On 19 April 2024, FITTERS Engineering Services Sdn. Bhd., a wholly-owned subsidiary of the Company had accepted a letter of acceptance for subcontract works (“LOA”) from IJM Construction Sdn. Bhd. for the fire protection services on the proposed phase 1A consists of a 4-storey logistic hub, 4-storey multilevel parking with 1-storey office, and ancillary buildings at PT846 (formerly Lot 10980, PT757 & PT758, Persiaran Selangor, Seksyen 16, 40000 Shah Alam, Selangor Darul Ehsan for Messrs. Global Vision Logistics Sdn. Bhd. for a subcontract sum of RM26,100,000.00 as prescribed in the LOA.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)****36. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR (CONTINUED)**

- (b) On 4 April 2025, FITTERS had entered into a Non-Binding Letter of Intent with Cyclacel Pharmaceuticals, Inc. ("Cyclacel") for a negotiation in relation to the proposed disposal of 3,000,000 ordinary shares, representing the entire interest in FITTERS Sdn Bhd ("FSB"), a wholly-owned subsidiary of FITTERS, to Cyclacel.

On 6 May 2025, FITTERS had entered into an Exchange Agreement with Cyclacel for the disposal of FSB, to be satisfied entirely via the issuance of 19.99% of common stock of Cyclacel, completion is subject to terms and conditions of the agreement.

Subsequently, the Parties had on 7 July 2025 entered into an Amendment No 1 to the Exchange Agreement to revise on certain terms, whereby in addition to the original consideration mentioned above, Cyclacel will also pay USD1 million or such other amount mutually agreed upon at closing as consideration. The Final Date of completion was extended to 30 September 2025 to allow for sufficient time to satisfy the conditions precedent and obtain the necessary approvals.

The disposal was completed on 12 September 2025 with the final disposal consideration satisfied through issuance of 699,158 new shares of Cyclacel's common stock at an issue price of USD7.12 per share amounting to approximately USD4,978,005 based on the 5-days VWAP. These shares represent approximately 19.99% of Cyclacel's issued and outstanding shares as at 9 September 2025. No cash consideration was received.

- (c) Application had been submitted to the Accounting and Corporate Regulatory of Singapore to voluntary strike off FITTERS (S) Pte. Ltd., a wholly owned subsidiary of FITTERS Group, the struck off had been approved on 20 February 2025.
- (d) Premier Equity Holdings Limited had been deregistered from the Register of Companies of The British Virgin Islands on 31 March 2025.

37. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 3 October 2025, Solid Orient Holdings Sdn. Bhd., a wholly-owned subsidiary of the Company had entered into the Memorandum of Understanding with Interchcity Bioenergy Sdn. Bhd. for the utilisation of palm oil mill waste (Empty Fruit Bunch Fibre and Palm Kernel Shell) for sustainable waste valorisation collaboration.

**NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)**

38. COMPARATIVE

During the current financial period, the Company reviewed the classification of certain cash flow items in the comparative statement of cash flows for the financial year ended 31 March 2024. Following a reassessment and reclassification, the comparative totals for cash flows from operating, investing and financing activities differ from those previously reported in the prior year audited financial statements. These reclassifications affect presentation only and have no impact on the net change in cash and cash equivalents, nor on the cash and cash equivalents at the beginning and end of the financial year.

Comparative figures have been restated accordingly to conform with the current financial period's presentation.

| | As previously reported (31.3.2024) RM'000 | Reclassification RM'000 | As restated (31.3.2024) RM'000 |
|--|--|------------------------------------|---|
| Net cash used in operating activities | (87,469) | (24,350) | (111,819) |
| Net cash (used in)/from investing activities | (38) | 24,139 | 24,101 |
| Net cash from financing activities | 96,750 | 211 | 96,961 |

LIST OF MATERIAL PROPERTIES HELD BY THE GROUP

AS AT 31 AUGUST 2025

| | Description | Address | Net Book Value RM'000 | Tenure | Date of last valuation / acquisition | Existing Use | Age Of Building (Year) |
|----|--|--|--------------------------|--------------------------------------|--------------------------------------|--------------|------------------------|
| 1 | 5-storey office block 1,779.20 m ² | No. 1 Jalan Tembaga SD 5/2 Bandar Sri Damansara 52200 Kuala Lumpur | 15,759 | Freehold | 31-03-2024 | Office | 31 |
| 2 | Land 20.23 hectares | HS(D) 15865, Lot 18059 Mukim Rawang District of Gombak Selangor Darul Ehsan | 29,892 | Leasehold expire on 26-10-2102 | 27-11-2012 | Development | – |
| 3 | 18-storey office tower 290,798 sq ft | No. 2 Jalan Tun Razak 50400 Kuala Lumpur | 29,207 | Freehold | 28-08-2015 | Commercial | 42 |
| 4 | 1-storey factory & 2-storey office 4,155.878 m ² | Lot PT 6127 Jalan Tech Valley 3A/1 Sendayan Tech Valley Bandar Sri Sendayan 71950 Negeri Sembilan Darul Khusus | 13,000 | Freehold | 31-03-2024 | Industrial | 9 |
| 5 | Land 8.094 hectares (20 acres) | HS(D) 34685, Lot 5585 Mukim of Ulu Telom District of Cameron Highlands Pahang Darul Makmur | 15,000 | Freehold | 05-10-2023 | Agriculture | – |
| 6 | Factory complex 125,130 m ² | No. 3998, Batu 5 Jalan Baling 09300 Kuala Ketil Kedah Darul Aman | 10,824 | Freehold | 09-03-2022 | Industrial | 19 |
| 7 | 3-storey shop house 143.07 m ² | 66 Lintang Angsana Bandar Baru Ayer Itam 11500 Pulau Pinang | 1,749 | Leasehold expire in 2093 | 10-06-2024 | Office | 30 |
| 8 | Condominium 218.5 m ² | 1-23-07, Zeta Deskye Residence Jalan 1/12D, Off Jalan Ipoh 51100 Kuala Lumpur | 1,007 | Freehold | 20-10-2016 | Residential | 9 |
| 9 | Condominium 70.24 m ² | A-06-13A, Block A The Azure @ Paradigm Petaling Jaya, Selangor Darul Ehsan | 663 | Leasehold expire in 2111 | 20-05-2015 | Residential | 9 |
| 10 | 2-storey shop office 130 m ² | 13 & 13A Jalan Dato Haji Megat Khas Taman Bandaraya Utama 31400 Ipoh, Perak | 637 | Leasehold expire in 2093 | 26-06-2024 | Office | 30 |

ANALYSIS OF SHAREHOLDINGS

AS AT 28 NOVEMBER 2025

| | | |
|-------------------------------|---|--|
| Total number of issued shares | : | 2,354,109,464 ordinary shares |
| Treasury Shares | : | 12,817,648 treasury shares held by the Company |
| Class of Shares | : | Ordinary Shares ("Shares") |
| Voting Rights by poll | : | One (1) vote for every Share held |

DISTRIBUTION OF SHAREHOLDINGS AS AT 28 NOVEMBER 2025

| Size of Shareholdings | No. of Shareholders | % | No. of Shares Held [#] | % |
|--|---------------------|---------------|---------------------------------|---------------|
| Less than 100 | 1,034 | 15.65 | 51,402 | 0.00 |
| 100 to 1,000 | 584 | 8.84 | 250,976 | 0.01 |
| 1,001 to 10,000 | 1,439 | 21.78 | 8,203,234 | 0.35 |
| 10,001 to 100,000 | 2,549 | 38.59 | 93,792,042 | 4.01 |
| 100,001 to less than 5% of issued shares | 997 | 15.09 | 1,830,632,624 | 78.19 |
| 5% and above of issued shares | 3 | 0.05 | 408,361,538 | 17.44 |
| Total | 7,088 | 100.00 | 2,341,291,816 | 100.00 |

Excluding a total of 12,817,648 shares bought back and retained as treasury shares.

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 28 NOVEMBER 2025

(As per the Register of Substantial Shareholders)

| Substantial Shareholders | Direct Interest | | Indirect Interest | |
|-----------------------------|--------------------|------|--------------------|---|
| | No. of Shares Held | % | No. of Shares Held | % |
| Ho Jien Shiung | 232,211,492 | 9.96 | – | – |
| Dato' Sri Dr Pang Chow Huat | 195,699,800 | 8.36 | – | – |
| Florence Wong Wei Wei | 184,353,846 | 7.88 | – | – |
| Doris Wong Sing Ee | 158,900,000 | 6.79 | – | – |
| Tan Kok Hui | 147,957,461 | 6.32 | – | – |

DIRECTORS' SHAREHOLDINGS AS AT 28 NOVEMBER 2025

(As per the Register of Directors' Shareholdings)

| Directors | Direct Interest | | Indirect Interest | |
|--------------------------------|--------------------|---|--------------------|---|
| | No. of Shares Held | % | No. of Shares Held | % |
| Dato' Sok One A/L Esen | – | – | – | – |
| Datuk Tan Chor How Christopher | – | – | – | – |
| Wong Kok Seong | – | – | – | – |
| Pang Siaw Sian | – | – | – | – |
| Pang Wei Kang | – | – | – | – |

ANALYSIS OF SHAREHOLDINGS (CONT'D)

TOP THIRTY (30) LARGEST SECURITIES HOLDERS AS AT 28 NOVEMBER 2025
(without aggregating the securities from different securities account belonging to the same Depositor)

| No. | Name | No. of Shares | % |
|-----|---|---------------|------|
| 1. | APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR HO JIEN SHIUNG | 146,707,692 | 6.27 |
| 2. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT for FLORENCE WONG WEI WEI (MARGIN) | 136,153,846 | 5.82 |
| 3. | TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT | 125,500,000 | 5.36 |
| 4. | CHONG KWANG FOCK | 115,384,615 | 4.93 |
| 5. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR DORIS WONG SING EE (MARGIN) | 98,900,000 | 4.21 |
| 6. | APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR TAN KOK HUI | 88,000,000 | 3.76 |
| 7. | KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ARENA EVOLUSI SDN BHD | 75,498,115 | 3.23 |
| 8. | KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CITA REALITI SDN BHD | 69,092,200 | 2.95 |
| 9. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT (MARGIN) | 63,199,800 | 2.70 |
| 10. | APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR DORIS WONG SING EE | 60,000,000 | 2.56 |
| 11. | APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR CHEN HUEI PING | 60,000,000 | 2.56 |
| 12. | APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR HO KEE WEE | 60,000,000 | 2.56 |
| 13. | TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR M N C WIRELESS BERHAD | 56,000,000 | 2.39 |
| 14. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HO KEE WEE (MARGIN) | 54,868,500 | 2.34 |
| 15. | RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HO JIEN SHIUNG | 46,503,800 | 1.99 |
| 16. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHEN HUEI PING (MARGIN) | 43,255,500 | 1.85 |
| 17. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG KING SENG (MY4735) | 40,343,100 | 1.72 |

ANALYSIS OF SHAREHOLDINGS (CONT'D)

TOP THIRTY (30) LARGEST SECURITIES HOLDERS AS AT 28 NOVEMBER 2025 (CONT'D)

(without aggregating the securities from different securities account belonging to the same Depositor)

| No. | Name | No. of Shares | % |
|--------------|--|----------------------|--------------|
| 18. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HO JIEN SHIUNG (MARGIN) | 40,000,000 | 1.71 |
| 19. | APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KOK HUI (MARGIN) | 37,538,461 | 1.60 |
| 20. | FLORENCE WONG WEI WEI | 34,500,000 | 1.47 |
| 21. | TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CITA REALITI SDN BHD | 27,213,000 | 1.16 |
| 22. | AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG | 26,742,078 | 1.14 |
| 23. | KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KIAM LAM (001) | 18,765,800 | 0.80 |
| 24. | TAN KOK HUI | 18,000,000 | 0.77 |
| 25. | SURIA SUKSES ENGINEERING SDN.BHD. | 17,500,000 | 0.75 |
| 26. | NEWACTION MARKETING SDN. BHD. | 15,400,000 | 0.66 |
| 27. | TAN SUONG CHAI | 14,700,000 | 0.63 |
| 28. | RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KAK SENG | 14,253,000 | 0.61 |
| 29. | RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FLORENCE WONG WEI WEI | 13,700,000 | 0.59 |
| 30. | TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SUONG CHAI | 12,000,000 | 0.51 |
| Total | | 1,629,719,507 | 69.60 |

ANALYSIS OF WARRANTS HOLDINGS

AS AT 28 NOVEMBER 2025

| | | |
|---------------------------------|---|--------------------------------|
| Type of Securities | : | Warrants C 2023/2026 |
| Total Number of Warrants Issued | : | 1,155,538,938 |
| Exercise Price | : | RM0.07 |
| Exercise Period | : | 11 April 2023 to 10 April 2026 |

DISTRIBUTION OF SCHEDULE OF WARRANTS HOLDERS AS AT 28 NOVEMBER 2025

| Size of Shareholdings | No. of Shareholders | % | No. of Warrants Held# | % |
|--|---------------------|---------------|-----------------------|---------------|
| Less than 100 | 36 | 1.78 | 1,365 | 0.00 |
| 100 to 1,000 | 65 | 3.21 | 21,990 | 0.00 |
| 1,001 to 10,000 | 155 | 7.65 | 986,130 | 0.09 |
| 10,001 to 100,000 | 787 | 38.85 | 42,326,265 | 3.66 |
| 100,001 to less than 5% of issued shares | 983 | 48.52 | 1,112,203,188 | 96.25 |
| 5% and above of issued shares | 0 | 0.00 | 0 | 0.00 |
| Total | 2,026 | 100.00 | 1,155,538,938 | 100.00 |

DIRECTORS' WARRANTS HOLDINGS AS AT 28 NOVEMBER 2025

(As per the Register of Directors' Shareholdings)

| Directors | Direct Interest | | Indirect Interest | |
|--------------------------------|----------------------|---|----------------------|---|
| | No. of Warrants Held | % | No. of Warrants Held | % |
| Dato' Sok One A/L Esen | - | - | - | - |
| Datuk Christopher Tan Chor How | - | - | - | - |
| Wong Kok Seong | - | - | - | - |
| Pang Siaw Sian | - | - | - | - |
| Pang Wei Kang | - | - | - | - |

TOP THIRTY (30) LARGEST WARRANTS HOLDERS AS AT 28 NOVEMBER 2025

(without aggregating the securities from different securities account belonging to the same Depositor)

| No. | Name | No. of Warrants | % |
|-----|---|-----------------|------|
| 1. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG KING SENG | 42,987,800 | 3.72 |
| 2. | FOO FOOK MIN | 38,800,000 | 3.36 |
| 3. | AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEONG KIM FONG | 27,012,200 | 2.34 |
| 4. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR BU YAW SENG (MY3086) | 27,000,000 | 2.34 |
| 5. | AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG | 17,828,052 | 1.54 |
| 6. | HEE YUEN SANG | 16,000,000 | 1.38 |
| 7. | TEY SAY EK | 15,135,200 | 1.31 |

ANALYSIS OF WARRANTS HOLDINGS (CONT'D)

TOP THIRTY (30) LARGEST WARRANTS HOLDERS AS AT 28 NOVEMBER 2025 (CONT'D)

(without aggregating the securities from different securities account belonging to the same Depositor)

| No. | Name | No. of Shares | % |
|-----|---|--------------------|--------------|
| 8. | CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HEE YUEN SANG (MY2105) | 14,500,000 | 1.26 |
| 9. | WONG LEE SWEE | 14,384,900 | 1.24 |
| 10. | AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE CHONG PA | 13,500,000 | 1.17 |
| 11. | CHAN KENG MUN | 11,000,000 | 0.95 |
| 12. | KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM KIAM LAM (001) | 10,825,400 | 0.94 |
| 13. | YUSMIE BIN ABDUL RANI | 10,696,000 | 0.93 |
| 14. | LIM CHUI THENG | 10,110,300 | 0.88 |
| 15. | KOAY BEE LI | 10,000,000 | 0.87 |
| 16. | LIAU TAM SANG | 10,000,000 | 0.87 |
| 17. | NG KHENG LEONG | 10,000,000 | 0.87 |
| 18. | TIE TECK CHUNG | 10,000,000 | 0.87 |
| 19. | CHIA CHENG GUANG | 8,156,500 | 0.71 |
| 20. | MAYBANK NOMINEES (TEMPATAN) SDN BHD FUA KIA PHA | 8,055,300 | 0.70 |
| 21. | NEWACTION MARKETING SDN. BHD. | 7,700,000 | 0.67 |
| 22. | GAN FOO YEW | 7,000,000 | 0.60 |
| 23. | GOH SENG HUAT | 7,000,000 | 0.60 |
| 24. | LAM KAM MOI | 7,000,000 | 0.60 |
| 25. | LEE CHEE KIAN | 7,000,000 | 0.60 |
| 26. | NG KIM HOCK | 7,000,000 | 0.60 |
| 27. | TAN TEOH AIK | 6,500,000 | 0.56 |
| 28. | PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW CHING CHING (E-TAI) | 6,043,000 | 0.52 |
| 29. | LIEW SHER VY | 6,000,000 | 0.51 |
| 30. | WONG KAM SANG | 5,700,000 | 0.49 |
| | Total | 392,934,652 | 34.00 |

NOTICE OF 39TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 39th Annual General Meeting (“AGM” or “Meeting”) of **FITTERS DIVERSIFIED BERHAD** (“Company”) will be held at Wisma FITTERS, No. 1, Jalan Tembaga SD 5/2, Bandar Sri Damansara, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia on Friday, 27 February 2026 at 10:00 a.m. or at any adjournment thereof, to transact the following businesses:

A G E N D A

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial period ended 31 August 2025 together with the Reports of the Directors and Auditors thereon. ***Please refer to Explanatory Note 1***
2. To approve the payment of Directors’ fees and benefits of up to RM300,000 for the period commencing from the date immediately after the 39th AGM until the next AGM of the Company ***Ordinary Resolution 1***
3. To re-elect Dato’ Sok One A/L Esen who retires by rotation pursuant to Clause 87 of the Company’s Constitution and who being eligible offers himself for re-election. ***Ordinary Resolution 2***
4. To re-elect the following Directors who retire pursuant to Clause 93 of the Company’s Constitution and who being eligible offers themselves for re-election:
 - (a) Datuk Tan Chor How Christopher; and ***Ordinary Resolution 3***
 - (b) Ms. Pang Siaw Sian. ***Ordinary Resolution 4***
5. To re-appoint LTTH PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration ***Ordinary Resolution 5***

AS SPECIAL BUSINESS

To consider and if thought fit, pass with or without any modifications, the following resolution:

6. **General authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”)** ***Ordinary Resolution 6 (Please refer to Explanatory Note 11)***

“THAT subject always to the Constitution of the Company, the Act, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“Shares”) to such persons, at any time, 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 shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time (“Mandate”) AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND the Mandate shall continue in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier;

NOTICE OF 39TH ANNUAL GENERAL MEETING (CONT'D)

AND FURTHER THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

7. To transact any other business of the Company for which due notice shall have been given in accordance with the Act and the Company's Constitution.

By order of the Board

Chang Ngee Chuang
SSM PC No. 201908001421, MAICSA 7077854
Company Secretary

Kuala Lumpur
31 December 2025

Notes:

- (a) A member who is entitled to be present, participate, speak and vote at the Meeting shall be entitled to appoint not more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (b) A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised 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 the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (f) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's Constitution to issue the General Meeting Record of Depositors as at 19 February 2026. Only members whose names appear in the General Meeting Record of Depositors as at 19 February 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

NOTICE OF 39TH ANNUAL GENERAL MEETING (CONT'D)

Notes: (cont'd)

- (g) The instrument appointing a proxy may be made in the following manner and must be deposited not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned thereof at which the person named in the appointment proposes to vote:
- (i) In hard copy form
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with Share Registrar's office, Sctrars Management Sdn Bhd at Lot 9-7, Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
 - (ii) By electronic form
The Proxy Form can be electronically lodged by email to dvoteservice@gmail.com. Kindly refer to the Administrative Notes on the procedures for electronic lodgement of the Proxy Form.
- (h) All the resolutions as set out in this Notice of the Meeting will be put to vote by poll.
- (i) Kindly check Bursa Malaysia Securities Berhad's website and the Company's website at <http://www.fittersgroup.com/> for the latest updates on the status of the Meeting.

EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS

(1) Item 1 of the Agenda – Audited Financial Statements for the financial period ended 31 August 2025

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders for the audited financial statements. Hence, this Agenda is not put forward for voting.

(2) Item 2 of the Agenda – Directors' Fees and/or Benefits

Pursuant to Section 230(1) of the Act, the directors' fees and/or any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting. This resolution is to facilitate payment of Directors' fees and/or benefits for the period commencing from the date immediately after the 39th AGM until the date of the next AGM of the Company.

In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for such shortfall.

(3) Items 3 and 4 of the Agenda – Re-election of Directors

Clause 87 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS THAT all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

Clause 93 of the Company's Constitution provides that any Director appointed either to fill a casual vacancy or as an additional Director shall hold office only until the next AGM and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors to retire by rotation at such meeting.

Dato' Sok One A/L Esen will retire by rotation pursuant to Clause 87 of the Company's Constitution whereas Datuk Tan Chor How Christopher who was appointed on 1 October 2024 and Ms. Pang Siaw Sian who was appointed on 15 October 2024 will retire pursuant to Clause 93 of the Company's Constitution (collectively referred to as "the Retiring Directors"). The Retiring Directors, being eligible, have offered themselves for re-election at the 39th AGM.

NOTICE OF 39TH ANNUAL GENERAL MEETING (CONT'D)

EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS (CONT'D)

(3) Items 3 and 4 of the Agenda – Re-election of Directors (cont'd)

The Board has endorsed the Nomination and Remuneration Committee's recommendation to seek shareholders' approval to re-elect all the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the said Retiring Directors are provided in the Profile of Directors of the Company's Annual Report 2025.

(4) Item 6 of the Agenda – General Authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 6 proposed under item 6 of the Agenda, is to seek a general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Act. This Ordinary Resolution, if passed, will provide flexibility for the Company and empower the Directors to issue and allot new Shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued Shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve the issuance and allotment of such Shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This general mandate will provide flexibility to the Company for issuance and allotment of Shares for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

As at the date of this Notice, no new Shares in the Company were issued and allotted pursuant to the mandate granted to the Directors at the last AGM held on 27 September 2024 which will lapse at the conclusion of the Meeting.

ADMINISTRATIVE DETAILS

FOR THE THIRTIETH ANNUAL GENERAL MEETING (“39TH AGM”)

| | | |
|---------------|---|--|
| Date and Time | : | Friday, 27 February 2026 at 10:00 a.m. |
| Venue | : | Wisma FITTERS, No. 1, Jalan Tembaga SD 5/2, Bandar Sri Damansara, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia |

ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

1. Only members whose names appear on the **Record of Depositors as at 19 February 2026** shall be entitled to participate in the 39th AGM or appoint proxy(ies)/authorised representative/attorney to participate on their behalf.
2. Members who are unable to participate in the 39th AGM may appoint the Chairperson of the Meeting as his/her proxy and indicate the voting instructions in the Proxy Form.
3. The appointment of a proxy/authorised representative/attorney for the 39th AGM may be made in hard copy form or by electronic means. The instrument appointing a proxy/authorised representative/attorney must be deposited or submitted in the following manner, no later than **10:00 a.m. on Wednesday, 25 February 2026**.

(i) In hard copy form

In the case of an appointment made in hard copy form, the Proxy Form must be deposited at the Share Registrar’s Office at Lot 9-7, Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.

(ii) By electronic means

The proxy form can be electronically lodged with the Poll Administrator of the company via Dvote Online website at <https://www.dvote.my>. The procedure to submit your Proxy Form electronically is outlined below under “**Procedures to Register and Participate at the AGM**”. The electronically Proxy Form submission applicable for the individual shareholders only and corporation required to send hard copy Proxy Form.

REVOCAION OF PROXY

1. If you have submitted the Proxy Form and subsequently decide to change your proxy(ies) or revoke your appointment(s) to personally participate in the 39th AGM, please write in to the Company’s Poll Administrator at dvoteservice@gmail.com no later than **10:00 a.m. on Wednesday, 25 February 2026**.
2. Upon revocation, your proxy(ies) will not be allowed to participate in the 39th AGM. Please advise your proxy(ies) accordingly.

ADMINISTRATIVE DETAILS (CONT'D)

VOTING PROCEDURES

The voting at the 39th AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

FITTERS Diversified Berhad has appointed Dvote Services Sdn. Bhd. as the Poll Administrator to conduct the poll by way of (“e-Voting”) via its **Dvote Online** website at <https://www.dvote.my> and Scrutineer namely Coopers Professional Scrutineers Sdn Bhd as Independent Scrutineers to verify the poll results.

Members can proceed to vote on the resolutions any time from the commencement of the 39th AGM at 10:00 a.m. and before the end of the voting session which will be announced by the Chairperson of the Meeting. Kindly refer to “**Procedures to Register and Participate at the AGM**” provided below for guidance on how to vote during the Meeting Day.

For the purpose of the 39th AGM, e-Voting will be carried out via personal smart mobile phones or kiosk provided.

Upon completion of the voting session for the 39th AGM, the Independent Scrutineers will verify the poll results followed by the Chairperson’s declaration whether the resolution(s) tabled for voting is carried or otherwise.

PROCEDURES TO REGISTER AND PARTICIPATE AT THE AGM

Member(s)/proxy(ies)/authorised representative(s)/attorney(s) who wish to participate in the 39th AGM are to follow the requirements and procedures as summarised below:

| BEFORE THE 39 TH AGM DAY | |
|--|---|
| Procedure | Action |
| (a) Sign-up as a user with Dvote Online | <p>Note: If you are already a user with Dvote Online, you are not required to sign-up again. You may proceed to sign-in using your email address and password.</p> <p>Please check your spam mailbox if you do not receive emails from us.</p> <div style="text-align: center;">  Scan QR Code </div> <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> • Access the website at https://www.dvote.my. • Click on “Sign up” to register as a new user with Dvote Online. • Complete registration and upload a softcopy of Malaysia Identification card or passport (foreigner(s)). <p>You will be notified via email once your user registration is accepted/rejected by Dvote Online.</p> |
| (b) Register with Dvote Online | <ul style="list-style-type: none"> • Registration is open from Friday, 20 February 2026 until the commencement of the polling at the 39th AGM. • Login to https://www.dvote.my with your email address and password. • Select event: “FITTERS Diversified Berhad – 39th Annual General Meeting”. • Click “Register”. • You will receive an email notifying that your registration is received for verification. |

ADMINISTRATIVE DETAILS (CONT'D)

PROCEDURES TO REGISTER AND PARTICIPATE AT THE AGM (CONT'D)

| BEFORE THE 39 TH AGM DAY | | |
|--|--|--|
| Procedure | Action | |
| (c) Submission of Proxy Form | <ul style="list-style-type: none"> • Login with your email address and password. Submission of e-proxy form will be available from Friday, 20 February 2026 until 10:00 a.m. on 25 February 2026. • Select the corporate event: "FITTERS Diversified Berhad – 39th Annual General Meeting" and click "e-proxy" under "Pre-Meeting Submission. • Select Security Account by click on "Select" under the Action column. • Appoint your proxy(ies) and insert the required details of your proxy (ies) or appoint Chairperson as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. • Review and submit your proxy(s) appointment. | |
| ON THE DAY OF THE 39 TH AGM | | |
| Procedure | Action | |
| (a) Mark Attendance | <ul style="list-style-type: none"> • Scan the QR Code provided by the Poll Administrator at the meeting site. • Access Dvote Platform with your email address and password. • Click on "Mark Attendance" on the screen to Mark your attendance. • You will get an e-pass after marking your attendance. • Show your e-pass to the Poll Administrator, and get collect your wristband. | |
| (b) Voting on Site | <ul style="list-style-type: none"> • Click on "Poll Station" to view and select your Security Account(s) to vote. • Click on "Vote", to cast your votes for each resolution(s). • Review your casted votes, confirm and submit your votes. | |
| (c) Post Questions | <ul style="list-style-type: none"> • If you have any question(s) for the Board of Directors, you may use the "Question" box to transmit your question(s). | |

Note:

WE STRONGLY ENCOURAGE ALL MEMBERS AND PROXIES TO REGISTER FOR THE EVENT PRIOR TO THE MEETING DAY AS THERE WILL BE HELP DESK COUNTER ONLY AT THE MEETING VENUE. THIS WILL ALLOW THE COMPANY TO HAVE THE NECESSARY INFORMATION TO PREPARE THE MEETING VENUE AND THE NECESSARY ARRANGMENTS.

MEMBER(S) OR PROXY (IES HOLDER(S) WHO HAVE NOT REGISTER BEFORE THE MEETING DAY WILL BE REQUIRED TO SPEND MORE TIME TO DO THE ONLINE REGISTRATION ON-SITE (USING YOUR OWN DEVICE) BEFORE YOU ARE ALLOWED TO ENTER THE MEETING VENUE.

ADMINISTRATIVE DETAILS (CONT'D)

NO DOOR GIFTS OR VOUCHERS

There will be no distribution of vouchers or door gifts for the 39th AGM.

NO RECORDING OR PHOTOGRAPHY

Strictly no recording or photography of the 39th AGM proceedings is allowed.

ENQUIRIES FOR 39TH AGM

If you have any enquiry(ies) on the above, please contact the **Poll Administrator** during office hours on Mondays to Fridays from 9.00 a.m. to 5.00 p.m. (except on public holidays):

DVOTE SERVICES SDN. BHD.

Lot 9-7, Menara Sentral Vista,
No.150, Jalan Sultan Abdul Samad,
Brickfields, 50470 Kuala Lumpur

| | | |
|-----------------------|---|------------------------------|
| Contact Person | : | Ms. Sangetha / Mr. Hugo Wong |
| Email | : | dvoteservice@gmail.com |
| General Line | : | +603-2276 6138 / 6139 / 6130 |

| | |
|---------------------------|--|
| CDS Account No. | |
| No. of Shares Held | |

I/We, Tel. No. :
(Full name as NRIC/Passport and NRIC No. / Registration No.)

of
(Address)

being a member of FITTERS DIVERSIFIED BERHAD, hereby appoint(s):

| | | | |
|--------------------------------|-------------------|-----------------------------|---|
| Full Name as per NRIC/Passport | NRIC/Passport No. | Proportion of Shareholdings | |
| | | No. of Shares | % |
| Address | Email address | | |

and / or*

| | | | |
|--------------------------------|-------------------|-----------------------------|---|
| Full Name as per NRIC/Passport | NRIC/Passport No. | Proportion of Shareholdings | |
| | | No. of Shares | % |
| Address | Email address | | |

or failing him/her*, the Chairman of the meeting as my/our* proxy to vote for me/us* on my/our* behalf at the 39th General Meeting of the Company ("AGM" or "Meeting") to be held at Wisma FITTERS, No. 1, Jalan Tembaga SD 5/2, Bandar Sri Damansara, 52200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia on Friday, 27 February 2026 at 10:00 a.m. or at any adjournment thereof, and to vote as indicated below:

| No. | Ordinary Resolutions | For | Against |
|-----|---|-----|---------|
| 1. | To approve the payment of Directors' fees and/or benefits of up to RM300,000.00 for the period commencing from the date immediately after the 39th AGM until the next AGM of the Company. | | |
| 2. | To re-elect Dato' Sok One A/L Esen as a Director of the Company. | | |
| 3. | To re-elect Datuk Tan Chor How Christopher as a Director of the Company. | | |
| 4. | To re-elect Ms. Pang Siaw Sian as a Director of the Company. | | |
| 5. | To re-appoint LTTH PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. | | |
| 6. | To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016. | | |

* delete whichever is not applicable

Dated this day of 2026

.....
Signature of Member(s) / Common Seal

NOTES:

- A member who is entitled to be present, participate, speak and vote at the Meeting shall be entitled to appoint not more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- A proxy may, but need not, be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised 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 the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's Constitution to issue the General Meeting Record of Depositors as at 19 February 2026. Only members whose names appear in the General Meeting Record of Depositors as at 19 February 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- The instrument appointing a proxy may be made in the following manner and must be deposited not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned thereof at which the person named in the appointment proposes to vote:-
 - In hard copy form
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with Share Registrar's office, Sctrars Management Sdn Bhd at Lot 9-7, Menara Sentral Vista, No. 150, Jalan Sultan Abdul Samad, Brickfields, 50470 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
 - By electronic form
The Proxy Form can be electronically lodged by email to dvotesevice@gmail.com. Kindly refer to the Administrative Notes on the procedures for electronic lodgement of the Proxy Form
- All the resolutions as set out in this Notice of the Meeting will be put to vote by poll.
- Kindly check Bursa Malaysia Securities Berhad's website and the Company's website at <http://www.fittersgroup.com/> for the latest updates on the status of the Meeting.



Fold this flap for sealing

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AFFIX
STAMP

THE SHARE REGISTRAR OF
FITTERS Diversified Berhad 198601000595 (149735-M)
Sectrars Management Sdn. Bhd.
Lot 9-7, Menara Sentral Vista
No. 150, Jalan Sultan Abdul Samad, Brickfields
50470 Kuala Lumpur
Wilayah Persekutuan

1st fold here



Wisma FITTERS,
No. 1, Jalan Tembaga SD 5/2, Bandar Sri Damansara
52200 Kuala Lumpur, Malaysia

Tel +(603) 6276 7155 (General) **Fax** +(603) 6275 8692 **Email** fdb@fittersgroup.com

www.fittersgroup.com