



# **MAGNI-TECH INDUSTRIES BERHAD**

Registration No. 199701007089 (422585-V)  
(Incorporated in Malaysia)

## **Annual Report 2025**



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## Corporate Information

### Board of Directors

#### Tan Sri Dato' Seri Tan Kok Ping

Executive Chairman

#### Tan Poay Seng

Managing Director

#### H'ng Cheok Seng

Non-Independent Non-Executive Director

#### Tan Poh Heng

Independent Non-Executive Director

#### Fera Fizani Binti Ahmad Fizri

Independent Non-Executive Director

### Audit and Risk Management Committee

Chairman	Tan Poh Heng
Members	H'ng Cheok Seng Fera Fizani Binti Ahmad Fizri

### Nomination Committee

Chairman	Tan Poh Heng
Members	H'ng Cheok Seng Fera Fizani Binti Ahmad Fizri

### Remuneration Committee

Chairman	Tan Poh Heng
Members	Fera Fizani Binti Ahmad Fizri Tan Poay Seng

### Company Secretaries

Lee Peng Loon (MACS 01258)  
SSM PC No. 201908002340  
P'ng Chiew Keem (MAICSA 7026443)  
SSM PC No. 201908002334

### Auditors

Grant Thornton Malaysia PLT  
Level 5, Menara BHL, 51 Jalan Sultan Ahmad Shah,  
10050 Penang.  
Tel: 04-2287828 Fax: 04-2279828

### Registered Office

51-21-A, Menara BHL,  
Jalan Sultan Ahmad Shah,  
10050 Penang.  
Tel: 04-2108833 Fax: 04-2108831  
Email: corporatenet21@gmail.com

### Share Registrar

Plantation Agencies Sdn. Berhad  
3<sup>rd</sup> Floor, 2 Lebuhr Pantai,  
10300 Penang.  
Tel: 04-2625333 Fax: 04-2622018  
Email: sharereg@plantationagencies.com.my

### Bankers

CIMB Bank Berhad  
Malayan Banking Berhad  
AmBank Islamic Berhad  
RHB Bank Berhad

### Stock Exchange Listing

Main Market, Bursa Malaysia Securities Berhad  
Sector : Consumer Products and Services  
Stock Short Name : MAGNI  
Stock Number : 7087

### Date and Place of Incorporation

Incorporated in Malaysia on 12 March 1997

### Principal Activities

Magni Group is primarily involved in investment holding; manufacturing and sale of garments, a wide range of corrugated and flexible plastic packaging products

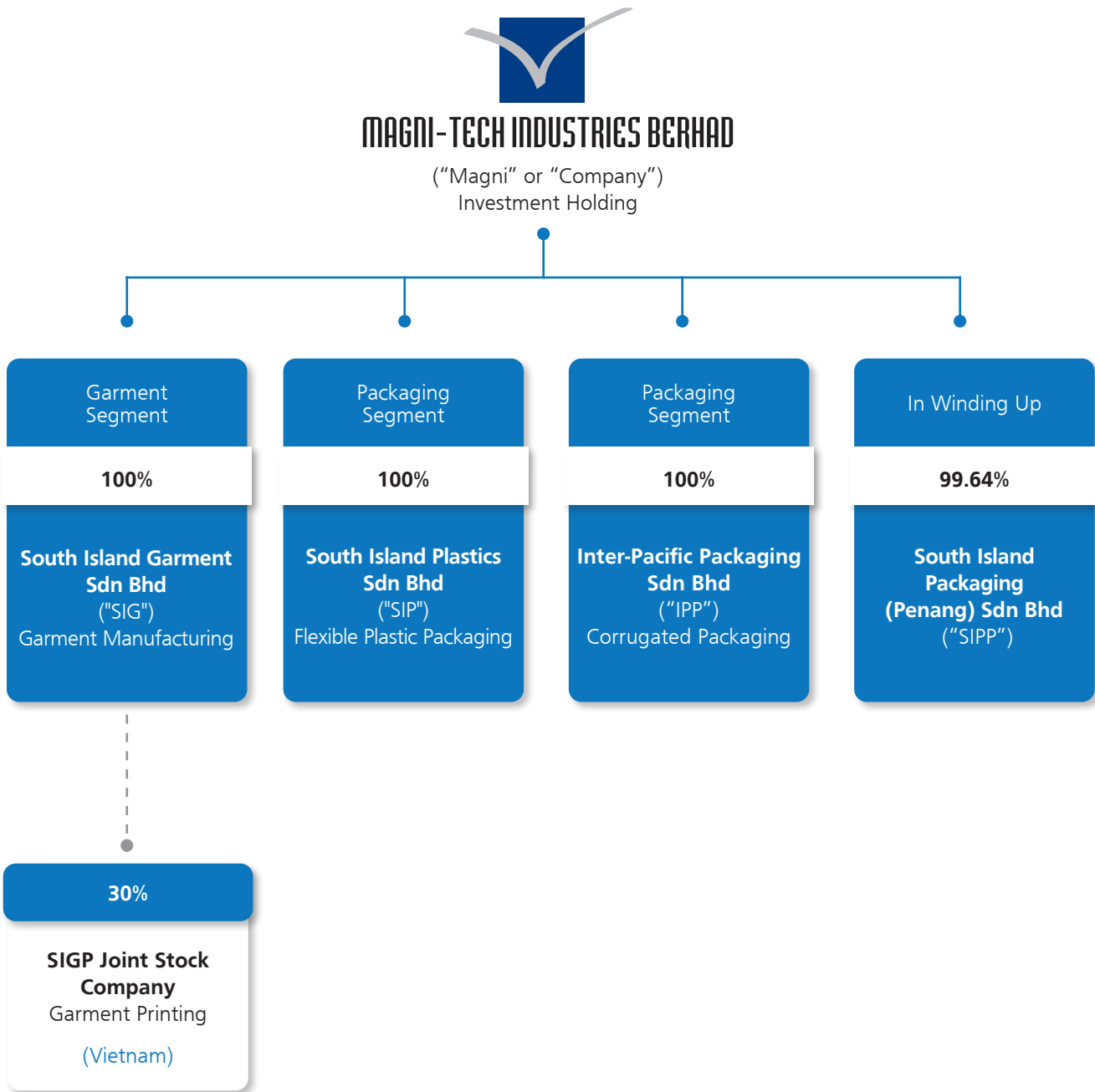
### Market Capitalization

RM920 million as at the end of the financial year on 30 April 2025

### Corporate Website

<https://magni-tech.com.my>

Corporate Structure  
Subsidiaries as at 12 August 2025



## Financial Highlights

Financial Results (RM'000) <sup>(N5)</sup>	FYR 2021	FYR 2022	FYR 2023	FYR 2024	FYR 2025
Revenue	1,226,453	988,971	1,212,385	1,341,096	1,485,511
EBITDA	171,529	122,713	131,252	174,532	188,853
Profit Before Tax	165,314	117,010	125,504	168,623	182,664
Profit After Tax	127,186	91,692	95,371	128,410	138,773
<b>Statement of Financial Position (RM'000)</b>					
Issued and Paid-Up Share Capital	216,975	216,975	216,975	216,975	216,975
Weighted Average number of Shares ('000) <sup>(N1)</sup>	433,951	433,951	433,951	433,951	433,951
Shareholders' Equity	693,170	762,177	812,156	894,774	882,284
Total Assets	789,231	864,797	881,815	1,055,146	1,051,333
Cash and Cash Equivalents <sup>(N2)</sup>	340,943	401,435	425,237	538,692	414,195
Loans and Borrowings	Nil	Nil	Nil	Nil	Nil
<b>Key Financial Indicators</b>					
Net Assets Per Share (RM) <sup>(N3)</sup>	1.60	1.76	1.87	2.06	2.04
Return on average Shareholders' Equity (%)	19.5%	12.6%	12.1%	15.1%	15.6%
Basic Earnings Per Share (Sen) <sup>(N4)</sup>	29.3	21.2	22.0	29.6	32.0
Net Dividend Per Share (Sen) <sup>(N4) (N6)</sup>	11.1	6.5	9.0	11.8	34.8

Notes to the financial highlights:

(N1) Total no. of shares with voting rights as at the end of FYR 2025 was 433.451 million shares.

(N2) Cash and bank balances, fixed deposits and short-term money market deposits.

(N3) Based on total no. of shares in issue net of treasury shares. The comparatives were adjusted to reflect the subdivision of shares and bonus issue, ie. 1 share became 2.666 shares on 15 October 2019.

(N4) Based on weighted average no. of shares in issue net of treasury shares. The comparatives were adjusted to reflect the subdivision of shares and bonus issue, ie. 1 share became 2.666 shares on 15 October 2019.

(N5) FYR = Financial year ended 30 April.

(N6) A special single tier dividend of 20 Sen per share was declared and paid in FYR 2025.

## Corporate History

Date	Description	Issued and Paid-Up Share Capital	
		No. of Share	Amount (RM)
12 March 1997	Incorporation of the Company	2	2
17 February 2000	Completed acquisition of IPP, SIP & SIPP via issue of new shares at RM1.36 each	31,649,998	31,649,998
11 April 2000	Public issue at RM1.50 each	8,600,000	8,600,000
18 April 2000	Listed on the then 2 <sup>nd</sup> Board	40,250,000	40,250,000
	ESOS for the period to 22 January 2003	734,000	734,000
22 January 2003	Bonus issue on the basis of 1 for 2	20,492,000	20,492,000
8 April 2003	Transferred to the then Main Board	61,476,000	61,476,000
	ESOS for the period to 1 November 2006	99,000	99,000
1 November 2006	Diversification – acquisition of 20 million SIG shares for RM42 million via issue of new shares at an issue price of RM1.00 each	42,000,000	42,000,000
1 November 2006	Issued share capital after the above issue	103,575,000	103,575,000
	ESOS for the period to 15 July 2011	4,912,900	4,912,900
15 July 2011	Issued share capital	108,487,900	108,487,900
12 November 2015	Bonus issue on the basis of 1 for 2	54,243,942	54,243,942
	Issued share capital	162,731,842	162,731,842
15 October 2019	Share split on the basis of 1 into 2	162,731,842	-
15 October 2019	Bonus issue on the basis of 1 for 3	108,486,895	54,243,447
Enlarged Issued share capital as at 30 April 2020		433,950,579	216,975,289
Movement from 1 May 2020 to 12 August 2025		Nil	Nil
Enlarged Issued share capital as at 12 August 2025		433,950,579	216,975,289
Enlarged Issued shares with voting rights as at 12 August 2025		433,450,579	

## Profile of Directors

### Tan Sri Dato' Seri Tan Kok Ping

Executive Chairman  
Appointed to the Board of Directors (Board) on 18-2-2000  
Malaysian, Aged 78, Male  
Bachelor Degree in Commerce, Nanyang University Singapore  
Occupation : Company Director

He has more than 40 years of experience in various business sectors which include property development, manufacturing of consumer electronics, garment, corrugated and plastic packaging products.

He also sits on the Board of a subsidiary of Berjaya Land Berhad as well as in several private limited companies. He is the Life Honorary President of Penang Chinese Chamber of Commerce ("PCCC").

He was previously the Managing Director, Chairman, and Deputy Chairman, member of Audit Committee, Nomination Committee, and Remuneration Committee of Berjaya Sports Toto Berhad, Non-Executive Chairman of Berjaya Retail Berhad, President of PCCC, Chairman of Penang Joint Chambers of Commerce, and Deputy President of The Associated Chinese Chambers of Commerce and Industry of Malaysia.

He attended all five (5) Board Meetings held during the FYR 2025.

### Tan Poay Seng

Managing Director  
Member of the Remuneration Committee  
Appointed to the Board on 18-2-2000  
Malaysian, Aged 58, Male  
Diploma in Hotel Management, Switzerland  
Occupation : Company Director

He is the Managing Director of Magni since 2000. He has more than 30 years of experience in various business sectors which include manufacturing, housing development, marketing, retailing and healthcare services. He also sits on the Board of several private limited companies.

He attended all five (5) Board Meetings held during the FYR 2025.

### H'ng Cheok Seng

Non-Independent Non-Executive Director  
Member of Audit and Risk Management Committee and Nomination Committee  
Appointed to the Board on 18-2-2000  
Malaysian, Aged 67, Male  
Fellow Member, Association of Chartered Certified Accountants, UK  
Occupation : Company Director

He has over 35 years' experience in financial, corporate and accounting related positions with investment holding, garment manufacturing, local and multi-national electronic manufacturing companies. Prior to his Pre-U studies, he had 6 years of audit and taxation working experience with a local public accounting firm.

He attended all five (5) Board Meetings held during the FYR 2025.

## Profile of Directors

### Tan Poh Heng

Independent Non-Executive Director  
Chairman/Member of Audit and Risk Management Committee, Nomination Committee and Remuneration Committee  
Appointed to the Board on 20-11-2014  
Malaysian, Aged 68, Male  
Member of both the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants  
Occupation : Company Director

He has 9 years of auditing experience beginning in early 1978 with Price Waterhouse & Co and was later attached to Peat Marwick, Michelle & Co and JB Lau & Associates.

He has 25 years of commercial working experience in several companies involved in garments, precision tools manufacturing, and provision of sale and service of technology products and holding various positions as Chief Accountant, Financial Controller, Senior General Manager and Chief Financial Officer.

He was an independent non-executive director of Scope Industries Berhad commencing May 2008 and did not offer himself for re-election after holding the position for 12 years.

He attended all five (5) Board Meetings held during the FYR 2025.

### Fera Fizani Binti Ahmad Fizri

Independent Non-Executive Director  
Member of Audit and Risk Management Committee, Nomination Committee and Remuneration Committee  
Appointed to the Board on 10-8-2023  
Malaysian, Aged 48, Female  
Bachelor of Applied Science (Hons.), Universiti Sains Malaysia and Masters in Environmental Management, Universiti Kebangsaan Malaysia  
Occupation: Company Director

She currently serves as the Head of the Corporate Advisory and Legal Unit, with oversight of the Stakeholders portfolio, at a local consulting firm based in Cyberjaya, which has been in operation for over 25 years and focuses on technology and innovation.

In this role, she leads the organisation's corporate advisory, legal, and stakeholder functions, while also acting as the primary liaison between the firm and its key stakeholders — including both local and international entities from the industry, government, and academia. Her responsibilities span planning, supporting, and developing a range of programmes and initiatives related to sustainable development, science and technology for socio-economic well-being, science diplomacy, and diplomacy for science.

She attended all five (5) Board Meetings held during the FYR 2025.

### Family Relationship and Other Disclosure - Directors

Tan Sri Dato' Seri Tan Kok Ping is the father of Tan Poay Seng. Except for these Directors, none of the other Directors has any family relationship with any other Director and/or major shareholder of the Company.

None of the Directors has:

- (i) any conflict of interest or potential conflict of interest in any competing business with Magni and its subsidiaries;
- (ii) been convicted of any offence (other than traffic offences) within the past five (5) years; and
- (iii) been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2025.

Directors' remunerations are disclosed in the Corporate Governance Overview Statement and Note 21 of the Financial Statements. The related party transactions are disclosed on Note 27 of the Financial Statements.



## Profile of Key Senior Management

### Lee Koong Chen @ Lee Kong Chew

Malaysian, Aged 84, Male  
Managing Director of IPP, a wholly owned subsidiary of Magni  
Mechanical Engineering Degree from National Taiwan University

He was one of the pioneers in the corrugated line having more than 40 years of experience in printing and packaging. He was the Works Manager in Federal Paper Products, Shah Alam for 18 years, General Manager in Pan Asian Paper Product Sdn Bhd, Penang for 4 years and Federal Printing & Packaging Sdn Bhd for one year.

He set up IPP in early 1990 and was appointed to the Board of IPP on 2 August 1993. He steered IPP to become a leader in the industrial packaging industry. He was the Executive Director of Magni from 18 February 2000 to 23 September 2008. He is currently a member of the Board of Engineers Malaysia.

### Yap Yong Teck

Malaysian, Aged 58, Male  
Managing Director of SIG and Director of SIP,  
Both SIG and SIP are wholly owned subsidiaries of Magni  
Chartered Accountant, Malaysian Institute of Accountants  
Fellow Member, Chartered Institute of Management Accountants, UK

He has been serving as the Managing Director of SIG since 6 June 2017. He was appointed to the Board of SIP on 8 July 2021.

He joined Tai Wah Garments Industry Sdn Bhd ("TWA") as a Finance Manager in May 1995. From 1997 to 2000 he was seconded to Ramatex Berhad as Deputy General Manager (Corporate Finance) to support various corporate activities. In mid 2000, he was transferred back to TWA as General Manager and worked his way up to Managing Director with his responsibilities to manage and lead the business of TWA. Prior to joining TWA, he had worked as Internal Auditor and Accountant for a listed company for a period of 5 years.

### Lim Eng Chuan

Malaysian, Aged 57, Male  
General Manager of SIG, a wholly owned subsidiary of Magni  
Graduate of the Association of Chartered Certified Accountants (UK)

He joined SIG as an Assistant Accountant in April 1994 and had worked his way up to Finance Manager. In May 2005, he was promoted to Assistant General Manager with his responsibilities extended to oversee certain operational aspects of SIG. He was subsequently promoted to General Manager in October 2011. Prior to joining SIG, he had worked with a local audit firm for a period of 2 years.

### Family Relationship and Other Disclosure – Key Senior Management

None of the Key Senior Management has:

- (i) family relationship with any Director and/or major shareholder of Magni;
- (ii) any conflict of interest or potential conflict of interest in any competing business with Magni and its subsidiaries;
- (iii) been convicted of any offence (other than traffic offences) within the past five (5) years; and
- (iv) been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 April 2025.

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 28<sup>th</sup> Annual General Meeting (“**AGM**”) of the Company will be held at Berjaya 1, 7<sup>th</sup> Floor, Berjaya Penang Hotel, 1-Stop Midlands Park Centre, Jalan Burmah, 10350 Penang on Wednesday, 08 October 2025 at 10.30 a.m. for the following purposes:-

### AGENDA

#### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 April 2025 together with the Reports of the Directors and Auditors thereon. [Please refer to Note 8](#)
2. To re-elect Tan Sri Dato’ Seri Tan Kok Ping, a Director who retires by rotation in accordance with Article 126 of the Company’s Constitution and who, being eligible, offers himself for re-election. [Resolution 1](#)
3. To re-elect Mr. Tan Poh Heng, a Director who retires by rotation in accordance with Article 126 of the Company’s Constitution and who, being eligible, offers himself for re-election. [Resolution 2](#)
4. To approve the payment of Directors’ Fees of not exceeding RM145,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 April 2025. [Resolution 3](#)
5. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. [Resolution 4](#)

#### Special Business

To consider and if thought fit, to pass with or without any modifications the following ordinary resolutions:-

6. **AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** [Resolution 5](#)

“THAT, pursuant to Sections 75 and 76 of the Companies Act 2016 and subject always to the approval of the relevant authorities, the Directors be hereby authorised to allot and issue new shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company.

THAT any one of the Executive Directors and/or Secretary of the Company be empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and to do all such acts and things necessary to give full effect to such transactions as authorised by this resolution.

AND THAT, such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”

## Notice of Annual General Meeting

### 7. **PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY** **Resolution 6**

"THAT, subject to the Companies Act, 2016, the Company's Constitution and the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and all other applicable laws, guidelines, rules and regulations, the Directors of the Company be hereby authorised to purchase such number of ordinary shares ("**Magni Shares**") comprised in the total number of issued shares of the Company as may be determined by the Directors from time to time through Bursa Securities subject further to the following:

- (a) the aggregate number of Magni Shares which may be purchased or held by the Company shall not exceed 10% of the total number of issued shares of the Company ("**Proposed Share Buy-Back**"), subject to the restriction that the issued shares of the Company does not fall below the minimum share capital requirements of the MMLR of Bursa Securities that the Company continues to maintain a shareholding spread that is in compliance with the MMLR after the share purchase;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Magni Shares under the Proposed Share Buy-Back shall not exceed the retained profits of the Company;
- (c) the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until;
  - (i) the conclusion of the next AGM of the Company at which such resolution was passed at the which time the authority would lapse unless by ordinary resolution passed at the next AGM, the authority is renewed either unconditionally or subject to conditions; or
  - (ii) the expiration of the period within the next AGM of the Company after that date is required by law to be held; or
  - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company of the Magni Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
- (d) upon completion of the purchase(s) of the Magni Shares by the Company, the Directors be hereby authorised to retain the Magni Shares so purchased as treasury shares, which may be distributed as dividends to shareholders, cancel and/or resold on Bursa Securities, in the manner as prescribed by the Companies Act 2016, rules, regulations and orders made pursuant to the Act and the MMLR of Bursa Securities and any other relevant authority for the time being in force,

AND THAT, the Directors be hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company to give full effect to and to complete the purchase of Magni Shares."

## Notice of Annual General Meeting

### 8. **PROPOSED CONTINUATION OF MR. TAN POH HENG IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY** **Resolution 7**

"THAT authority be and is hereby given to Mr. Tan Poh Heng who had served as an Independent Director of the Company for a cumulative term of not more than 12 years to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company."

9. To transact any other business of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act 2016.

By Order of the Board,

**LEE PENG LOON (MACS 01258)**  
**SSM PC NO. 201908002340**

**P'NG CHIEW KEEM (MAICSA 7026443)**  
**SSM PC NO. 201908002334**  
 Company Secretaries

Penang

Date : 29 August 2025

### NOTES ON APPOINTMENT OF PROXY

- (1) For the purpose of determining a member who shall be entitled to attend the 28<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 01 October 2025. Only a depositor whose name appears on the Record of Depositors as at 01 October 2025 shall be entitled to attend the AGM or to appoint proxies to attend and/or vote on his/her behalf.
- (2) A proxy may but need not be a member of the Company.
- (3) A member shall be entitled to appoint up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (4) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (5) Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.
- (6) In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

## Notice of Annual General Meeting

### NOTES ON APPOINTMENT OF PROXY (CONT'D)

- (7) For a proxy to be valid, the instrument appointing a proxy duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the proxy form shall not be treated as valid.

### NOTES ON ORDINARY BUSINESS

(8) **Agenda 1 – Audited Financial Statements**

The Audited Financial Statements for the financial year ended 30 April 2025 will be laid to shareholders at the forthcoming 28<sup>th</sup> AGM of the Company pursuant to Section 340(1)(a) of the Companies Act 2016. Hence, the Agenda 1 is not put forward for voting.

(9) **Agenda 2 and Agenda 3 – Re-election of Directors**

The Nomination Committee had assessed the performance and contribution of each of the retiring Directors seeking for re-election in accordance with the Directors' Fit & Proper Policy and was satisfied therewith. The Board had endorsed the Nomination Committee's recommendation to seek shareholders' approval for the re-election of the retiring Directors at the forthcoming 28<sup>th</sup> AGM of the Company. The retiring Directors had abstained from deliberations and decisions on their respective re-election at the Nomination Committee and Board meetings. The details and profiles of the Directors who are standing for re-election at the forthcoming 28<sup>th</sup> AGM are provided in the Company's Annual Report 2025.

(10) **Agenda 4 – Directors' Fees**

The Resolution 3, if passed, will enable the Company to pay Directors' fees to the Non-Executive Directors of the Company for the financial year ended 30 April 2025 in accordance with Section 230(1) of the Companies Act 2016.

(11) **Agenda 5 – Re-appointment of Auditors**

The Audit and Risk Management Committee and the Board had considered the re-appointment of Messrs. Grant Thornton Malaysia PLT as Auditors of the Company. The Audit and Risk Management Committee and the Board collectively agreed and are satisfied that Messrs. Grant Thornton Malaysia PLT meets the relevant criteria prescribed in Paragraph 15.21 of the MMLR of Bursa Securities.

## Notice of Annual General Meeting

### NOTES ON SPECIAL BUSINESS

(12) **Agenda 6 - Authority to issue shares pursuant to Companies Act 2016**

The Resolution 5, if passed, will enable the Directors to allot and issue new shares in the Company up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider will be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting will expire at the conclusion of the next AGM.

The proposed renewal of general mandate for issuance of shares will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares for the purpose of funding future investment, working capital and/or acquisition.

As at the date of this notice, the Directors have not issued any shares pursuant to the general mandate granted at the last AGM of the Company.

(13) **Agenda 7 - Proposed Share Buy-Back Authority**

The Resolution 6, if passed, will enable the Directors of the Company to purchase the Company's shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM. Further information on the Proposed Share Buy-Back Renewal is set out in Share Buy-Back Statement dated 29 August 2025, a copy of which can be downloaded from the Company's website at <https://magni-tech.com.my>

(14) **Agenda 8 - Proposed continuation as Independent Director**

The Resolution 7, is to seek shareholders' approval through a two tier voting process and, if passed, will enable Mr. Tan Poh Heng, an Independent Director of the Company who had served for a cumulative term of not more than 12 years to be retained and continued to act as an Independent Director of the Company until the conclusion of the next AGM. The Nomination Committee had assessed the independence of Mr. Tan Poh Heng and recommended him to continue in office as he has demonstrated complete independence in character and judgement. The Board having considered the recommendation of the Nomination Committee proposed that Mr. Tan Poh Heng be remained as an Independent Director of the Company until the conclusion of the next AGM of the Company.

## **Statement Accompanying Notice of Annual General Meeting** **(Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements Of Bursa Securities)**

- 1) No individuals are standing for election as Directors at the forthcoming 28<sup>th</sup> Annual General Meeting of the Company.
- 2) The Resolution 5 tabled under Special Business as per the Notice of 28<sup>th</sup> Annual General Meeting of the Company dated 29 August 2025 is a renewal of general mandate granted by shareholders of the Company at the last Annual General Meeting held on 02 October 2024.

The proposed renewal of general mandate for issuance of new shares will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares for the purpose of funding future investment, working capital and/or acquisition.

As at the date of notice of meeting, the Directors have not issued any shares pursuant to the general mandate granted at the last Annual General Meeting of the Company.

# Management Discussion and Analysis

## Quick Overview of Business Segments

Magni Group operates two core business segments: garment and packaging. Through our subsidiary companies, SIG, SIP, and IPP which are involved in the manufacturing and sale of garments, flexible plastic packaging, and corrugated cartons respectively.

The garment segment spans operations in Vietnam and Malaysia, while flexible plastic packaging is based in Prai, Penang, and corrugated packaging operates in Selangor, Malaysia. These two segments bring with them extensive industry experience and proven track records of over 45 years in garments and 30 years in packaging.

In FYR 2025, the garment segment continued to be the Group's primary revenue driver, contributing 94.7% of total Group revenue and 98.4% of operating profit (before unallocated corporate expenses). Notably, the garment segment's revenue is derived entirely from export activities.

Our packaging products support a broad spectrum of manufacturing sectors including Food and beverage, Healthcare, Rubber-based products, Consumer household goods and Electronics sub-sectors. These customers typically operate within free industrial zones and licensed manufacturing warehouses, reflecting the strategic industrial relevance of our packaging solutions.

For further details on the Group's subsidiary companies and segment information, please refer to the Corporate Structure, as well as Notes 6 and 26 of the Financial Statements for FYR 2025 in this Annual Report.

## Geographical Markets

The top five markets for the Group's products have generated 90.7% of the Group total sales during FYR 2025: United States of America (26.7%), European Countries (25.5%), China (19.1%), other Asian Countries (13.3%), and Malaysia (6.1%).

For further details, please refer to Note 18.1 of the financial statements for FYR 2025 in this Annual Report.

## Group's Overall and Segmental Performance

Despite continued global economic volatility and rising geopolitical tensions, Magni Group achieved a record-high revenue of RM1.486 billion for FYR 2025, marking a 10.8% increase compared to RM1.341 billion in FYR 2024.

The garment segment led the growth with an 11.8% increase in revenue, reaching RM1.407 billion from RM1.259 billion in FYR 2024. This improvement was largely driven by stronger sales orders, supported by ongoing strategic initiatives to enhance sales and production capabilities throughout FYR 2025.

Group profit before tax ("PBT") rose by 8.3% to RM182.664 million, up from RM168.623 million in FYR 2024.

Garment segment's PBT grew by 8.5% to RM171.071 million, compared to RM157.721 million in the FYR 2024, driven by stronger revenue performance. This growth was achieved despite a RM10.526 million increase in foreign exchange losses resulting from a net loss of RM3.850 million in FYR 2025 versus a net gain of RM6.676 million in FYR 2024.

Conversely, the packaging segment experienced a 4.7% decrease in revenue to RM78.141 million from RM81.976 million in FYR 2024, due to reduced sales orders. Correspondingly, packaging PBT fell by 55.6%, impacted by lower revenue, increased raw material costs, reduced other income, and a provision for compensation related to the former Managing Director of a subsidiary.

## Profit Attributable to Owners of the Company

The Group's profit attributable to owners of the Company for FYR 2025 rose by 8.1% to RM138.771 million, compared to RM128.410 million in FYR 2024. This increase led to higher earnings per share of 32.0 sen, up from 29.6 sen in the previous financial year.

The net return on average shareholders' equity improved to 15.6% in FYR 2025 (FYR 2024: 15.1%), driven by stronger profitability despite a larger equity base resulting from the accumulation of retained earnings.



## Management Discussion and Analysis

### Financial Position

#### **(i) Total Assets**

The Group's total assets saw a slight decrease of 0.4% to RM1.051 billion as at FYR 2025, compared to RM1.055 billion at the close of FYR 2024.

#### **(ii) Non-Current Assets**

Investment securities surged by 94.6% to RM39.148 million (FYR 2024: RM20.115 million), primarily due to additional investments of RM18.154 million in unquoted shares and fair value gain of RM0.879 million on equity investments.

#### **(iii) Net Assets**

Net assets decreased by RM12.490 million to RM882.284 million in FYR 2025, from RM894.774 million in FYR 2024. This reduction stemmed mainly from higher dividends paid to shareholders and a lower fair value gain on equity investments.

#### **(iv) Cash and Liquidity**

As at the end of FYR 2025, the Group maintained strong liquidity, with a healthy current ratio of 5.8 and a quick ratio of 4.0. Despite a reduction in cash and cash equivalents to RM414.195 million (FYR 2024: RM538.692 million), largely due to higher dividends declared during the year, the Group's financial position remains solid.

This strength is underpinned by prudent financial management and zero gearing, ensuring the Group's capacity to meet both short-term and long-term commitments. The robust cash balance also positions the Group to capitalise on emerging opportunities that support sustainable growth.

### Cash Flow

#### **(i) Operating Activities**

Net cash generated from operating activities dropped significantly by 72.4% to RM40.159 million in FYR 2025, down from RM145.646 million in FYR 2024. This decline was primarily attributed to an increase in receivables during the financial year.

#### **(ii) Investing Activities**

Net cash used in investing activities totalled RM24.630 million in FYR 2025, compared to RM0.757 million in FYR 2024. The significant increase was primarily due to additional investments in unquoted shares and higher capital expenditure during FYR 2025.

### Capital Expenditure

Capital expenditures for FYR 2025 were evaluated through a Lean lens to maximise return on investment. During the year, the Group incurred a total capital expenditure of RM16.357 million, fully funded through internal resources.

Segment-wise breakdown of investments: Garment: RM13.872 million; Corrugated Packaging: RM2.448 million; Flexible Plastic Packaging: RM0.037 million. The majority of capital spending in the garment segment was directed toward upgrading plant and machinery, computer systems, and other equipment aimed at enhancing operational efficiency.

## Management Discussion and Analysis

### Risks and Strategies to Mitigate Risks

#### **(i) Customer Concentration Risk - Garment Segment**

The Group's strategic partnership with a key customer continues to yield meaningful benefits. This collaboration enables a deep understanding of customer expectations, supporting the targeted allocation of resources to consistently exceed performance standards in innovation, product quality, service excellence, and sustainability. Such alignment strengthens long-term commercial relationships while unlocking growth opportunities and improving operational efficiency.

To mitigate customer concentration risk, the Group is actively pursuing mergers and acquisitions of businesses with diversified brand portfolios. These efforts are aimed at broadening the revenue base, reducing dependency, and enhancing long-term resilience.

#### **(ii) Foreign Currency Exchange Risk – Garment Segment**

The Group actively mitigates foreign currency exchange risk within the garment segment through natural hedging strategies. As garment revenue is predominantly denominated in USD, and a substantial portion of raw materials and manufacturing costs are incurred in foreign currencies, the Group offsets its exposure by settling import payments directly with the USD proceeds received.

To manage any residual foreign exchange risk arising from the net USD revenue (i.e. revenue after accounting for import and manufacturing expenses), the Group also utilises forward foreign currency contracts. This dual approach provides stability against currency fluctuations and enhances financial predictability for the segment.

#### **(iii) General Risks**

##### ➤ **Higher Labour Costs**

Labour market constraints and escalating wage levels continue to shape the business landscape, prompting us to reevaluate how we enhance productivity and control costs. In response, we have adopted a strategic approach that blends targeted skill development, robust performance management, and selective automation to optimise output while maintaining costs effectively.

Through the integration of digital solutions across key operational areas, we are steadily reducing manual dependencies and fostering a more agile and adaptable workforce. These focused initiatives not only address current cost pressures but also strengthen our readiness to seize emerging growth opportunities with greater speed and resilience.

##### ➤ **Rising Operation Costs**

To address the impact of rising operational costs, we will intensify our cost rationalisation and optimisation efforts. This includes enhancing operational efficiency through modernisation, automation, and digitalisation, while embedding a stronger Lean culture and continuous improvement mindset across the organisation.

We will also drive margin improvements by optimising procurement processes, strengthening inventory and resource management, and identifying additional efficiency levers. These initiatives aim to build greater cost resilience and ensure sustainable operational excellence amidst a challenging cost environment.

## Management Discussion and Analysis

### Moving Forward

#### **(i) Garment and Packaging Focuses**

We will continue to strengthen our garment manufacturing capabilities to drive operational excellence, efficiency, cost competitiveness, and faster end-to-end lead times. Our focus areas include strategic investment in modernisation, automation, and digitalisation, along with waste elimination, process streamlining, and deeper adoption of Lean practices to maximise productivity and value delivery.

We are also committed to developing future-ready talent, advancing product innovation, and diversifying production locations and our customer portfolio to mitigate concentration risk and enhance long-term business resilience.

Packaging segment will work further inroads to expand the customer base in the food industry to improve its performance. Although the weakened market scenario, fierce competition, inflationary pressure and caution consumer spending have affected the revenue and profitability of the packaging segment, supplies to food industry remain our key focus.

#### **(ii) Building Future-Ready Capabilities**

Empowering our people remains a cornerstone of the Group's long-term strategy. We recognise that a capable and agile workforce is fundamental to sustainable growth, and we continue to invest in nurturing future-ready talent. During FYR 2025, we placed strong emphasis on purposeful development through targeted learning journeys, hands-on project experiences, and meaningful career pathways that align individual aspirations with organisational goals.

Understanding that expertise drives innovation, we actively collaborated with industry specialists and strategic partners to expand our knowledge base and enhance our product development capabilities. These partnerships foster cross-learning and creative thinking across our teams, enabling us to respond swiftly to market dynamics and reinforcing our position as a trusted and forward looking organisation.

#### **(iii) Business Outlook**

The global operating environment remains complex and fluid, shaped by persistent inflationary pressures, cautious consumer sentiment, evolving trade policies, and heightened geopolitical tensions. These factors continue to weigh on global investment confidence and disrupt supply chain stability.

Despite these headwinds, the Group remains cautiously optimistic about the business outlook for FYR 2026. Vietnam and Malaysia's garment manufacturing sectors continue to demonstrate resilience and the demand for sustainable and traceable production.

The Group will continue to prioritise strategic cost optimisation through automation, digitalisation, and process innovation. These initiatives are designed to enhance operational agility, safeguard margins, and strengthen long-term competitiveness in an increasingly volatile macroeconomic landscape.

## Management Discussion and Analysis

### Dividends

In line with the stronger attributable profits for the financial year ended 30 April 2025 (FYR 2025) and in appreciation of shareholders' continued support, the Board declared and paid four dividends totalling 34.8 sen per share for FYR 2025. This reflects a substantial increase of 23.0 sen compared to the four interim dividends amounting to 11.8 sen per share paid for FYR 2024.

Notably, this includes a special dividend of 20.0 sen per share, underscoring the Group's robust financial performance, healthy cash generation, and strong balance sheet. The special dividend marks a significant milestone in the Group's capital management strategy and reaffirms the Board's commitment to delivering enhanced shareholder value when conditions permit.

The latest and fourth single-tier interim dividend of 3.0 sen per share for FYR 2025 was paid on 25 July 2025.

Total cash returned to shareholders in FYR 2025 amounted to RM150.841 million, nearly triple the RM51.147 million distributed in FYR 2024. This surge was primarily attributable to the declaration of the special dividend during the year. Since FYR 2021, cumulative returns to shareholders have reached RM317.286 million.

The dividends paid for FYR 2025 were fully supported by both net profit and strong operating cash flows. The payout ratio (before special dividend), based on profit attributable to owners of the Company, stood at 46.2% (FYR 2024: 39.8%). Meanwhile, the payout ratio based on free cash flow, defined as net cash generated from operating activities less capital expenditure and investment in an associate, exceeded 100%, up from 36.1% in FYR 2024. This reflects the Company's confidence in its liquidity position and cash-generating capability.

While the Company has not formalized a dividend policy, it has consistently maintained a payout ratio (before special dividend) between 30.7% and 46.2% over the past five financial years.

### Note of Appreciation

We extend our heartfelt gratitude to all shareholders, customers, suppliers, and the wider public for your continued support of the Group.

To our employees, we offer our deepest thanks. Your unwavering commitment and hard work are fundamental to the Group's ongoing success.

## Sustainability Statement

### Overview

We are pleased to present the Sustainability Statement of Magni-Tech Industries Berhad ("Magni") for FYR 2025, as part of our Annual Report. Prepared in line with Bursa Malaysia's sustainability reporting requirements, this statement outlines our environmental, social, and governance ("ESG") practices and performance. It reflects our commitment to responsible business conduct and the creation of stakeholder value across our garment, flexible plastic packaging, and corrugated packaging operations.



### Key Frameworks Applied and Scope of the Report

This report has been prepared in accordance with Bursa's 11 Common Sustainability Matters ("Common Sustainability Matters"), as outlined in Paragraph 6.0, Practice Note 9, covering Risk Management and Internal Control, Corporate Governance, and the Sustainability Statement pursuant to the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

It presents the Group's sustainability performance and practices, with a primary focus on its operations in Malaysia, for the period from 1 May 2024 to 30 April 2025, unless otherwise specified. Only the Malaysian subsidiaries are included within the scope of this report, in accordance with the Malaysian Financial Reporting Standards ("MFRS") and the Companies Act 2016 of Malaysia. It provides a comprehensive overview of the Group's overall operations.

### Assurance

This report has not been subjected to independent third-party assurance. However, the information disclosed has been internally reviewed and validated by the relevant departments to ensure accuracy and consistency. As part of the Group's commitment to continuous improvement and transparency, external assurance may be considered in future reporting cycles.

### Materiality

This report highlights key sustainability matters relevant to the Group's business and stakeholders. To identify and prioritise these important matters, we apply a structured four-step materiality assessment process. The report details our approach to managing eleven (11) material matters that have a significant impact on business performance and stakeholder value. We remain committed to improving the quality of our disclosures and invite stakeholders to share feedback to support our ongoing enhancement efforts.

### Disclaimer

This report may contain forward-looking statements based on current assumptions and expectations, which are subject to risks and uncertainties. Actual outcomes may differ materially due to various factors beyond the Group's control. These statements reflect management's views as of the reporting date and may be updated as necessary.

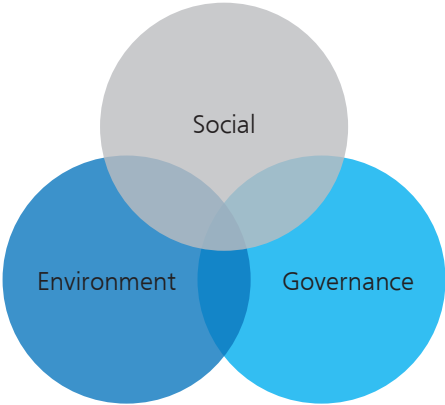
Sustainability Statement

Sustainability

Sustainability Strategy

Our business operations and management are guided by a deep commitment to sustainability, with the goal of creating lasting value for people and the planet. We are especially focused on contributing to the global transition toward a low-carbon economy, in line with the United Nations’ Net Zero Carbon Emissions 2050 Roadmap.

Sustainability is at the core of our business strategy, embedded across the organisation through a comprehensive framework built on three key pillars: ESG. This approach addresses a range of priority areas and aligns with nine (9) selected United Nations Sustainable Development Goals (“UN SDGs”), which are integrated across all three ESG pillars.



Environment

As part of our commitment to Environmental Stewardship and in support of our Sustainability Strategy, we have embraced green energy solutions and introduced waste management initiatives. This integrated approach enables us to address critical environmental priorities within our broader sustainability framework. In response to increasing stakeholder expectations, we are also focused on reducing Scope 1 and Scope 2 emissions—reinforcing our pledge to achieve Net-Zero Carbon Emissions by 2050. Emphasising emissions reduction is essential to combating climate change and advancing a sustainable future. Our Environmental pillar covers several key focus areas and aligns with three (3) of the UN SDGs, as outlined below.



Social

The Group is dedicated to cultivating an inclusive workplace grounded in mutual respect, fairness, and equality for all employees. We acknowledge the critical contribution of our workforce to our success and place strong emphasis on providing training and development opportunities. Our goal is to empower employees to grow their capabilities and achieve their full potential. This commitment underpins our second pillar, which addresses several key focus areas and aligns with four (4) selected UN SDGs, as outlined below.



Governance

The Group is fully dedicated to complying with all applicable laws and regulations, including the Malaysian Code of Corporate Governance (“MCCG”) 2021 and the MMLR. Our management team closely monitors legislative and regulatory developments to ensure ongoing compliance. Relevant updates are shared with employees, and established systems are in place to consistently track activities and performance. Additionally, the Board is regularly briefed on legal, accounting, and regulatory issues, with the Company Secretary disseminating pertinent articles, reports, and press releases from Bursa Securities.

By complying with these regulations, we reinforce our dedication to best practices and sustainability. This commitment enables us to identify areas for improvement and implement targeted, effective strategies. Through this approach, we continuously strengthen our sustainability initiatives and maintain alignment with leading industry standards. The third pillar of our sustainability framework highlights several key focus areas and corresponds with two (2) selected UN SDGs, as outlined below.

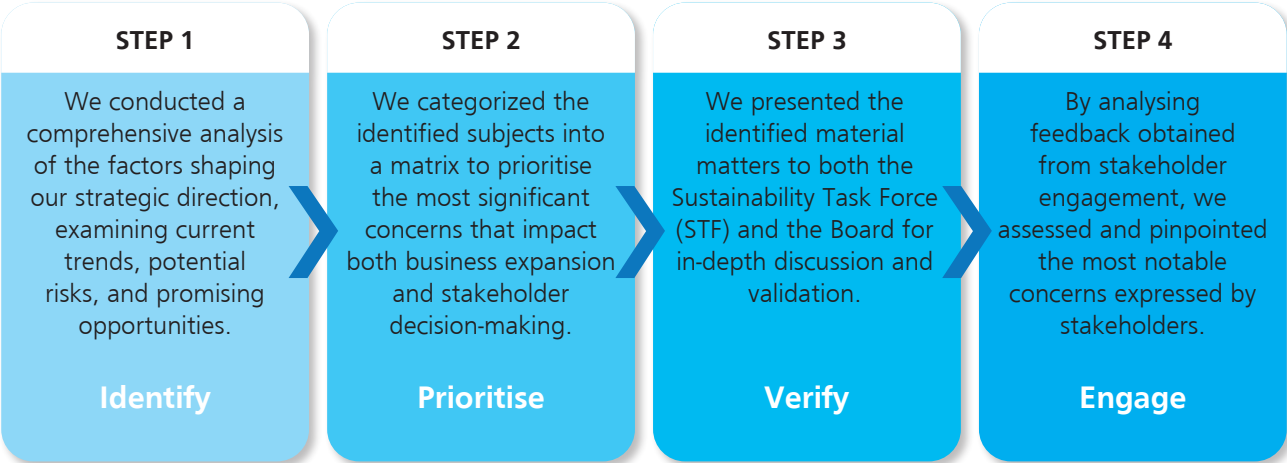




## Sustainability Statement

### Methodology

The materiality assessment for FYR 2025 was performed in four distinct stages:



### Identification: Materiality Assessment

We underscore the importance of conducting regular materiality assessments to ensure our sustainability efforts current and aligned with Business Continuity Planning. In FYR 2025, the Group streamlined its materiality assessment by consolidating eighteen (18) previously identified material matters into eleven (11), in line with Bursa Securities 11 Common Sustainability Indicators. This refinement enhances the clarity, consistency, and relevance of our ESG disclosures, ensuring they reflect evolving stakeholder expectations and regulatory priorities. The realignment also strengthens our strategic focus on sustainability, enabling more effective resource allocation and performance tracking.

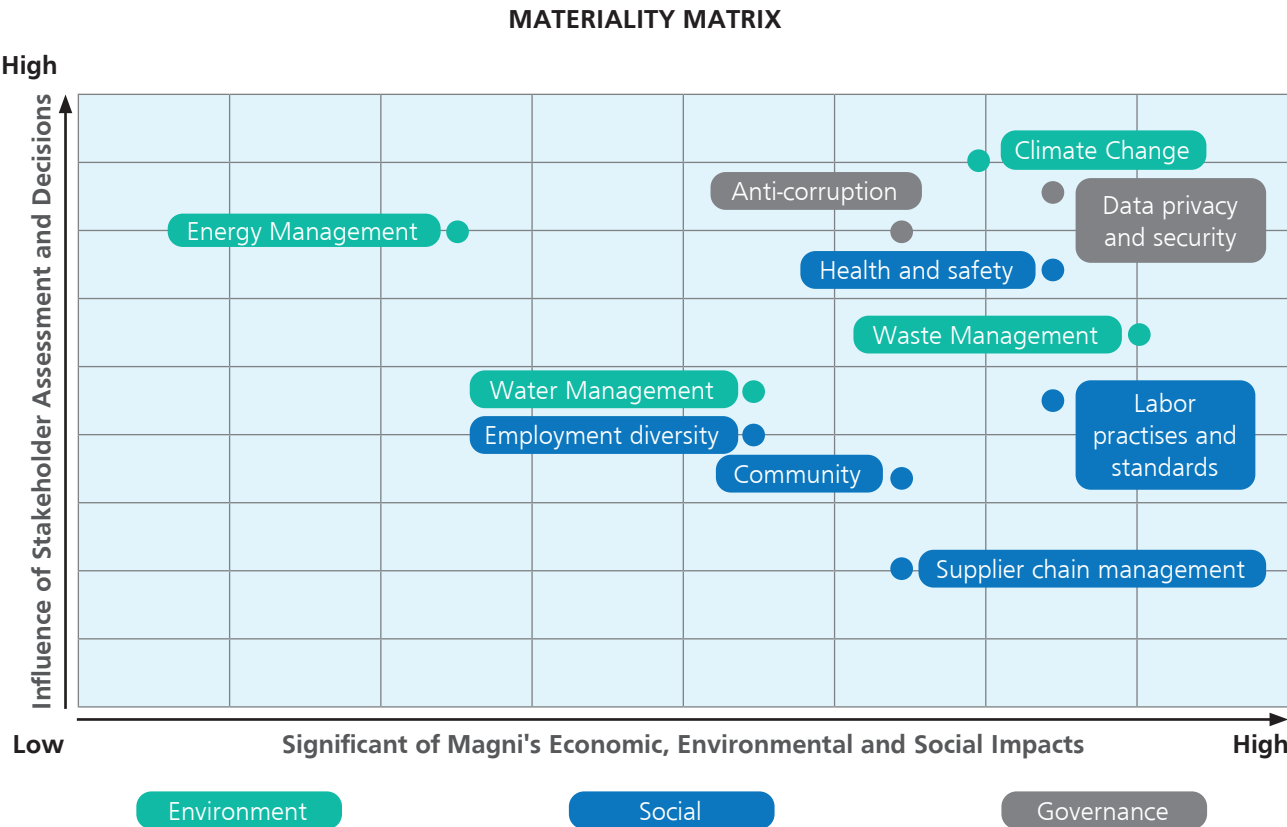
The materiality matrix below illustrates the relevance and impact of these matters on our sustainability strategy. Our objective is to focus on the most significant and impactful areas to effectively meet the expectations and needs of our stakeholders.

Environmental	Social	Governance
<p><b>Climate change</b> GRI 102: Climate Change ✓ Climate risk and assessment GRI 305: Emissions ✓ Air emission ✓ GHG emission</p> <p><b>Energy management</b> GRI 302: Energy management ✓ Energy use</p> <p><b>Water management</b> GRI 303: Water and effluents</p> <p><b>Waste management</b> GRI 306: Waste ✓ Waste and effluents</p>	<p><b>Community</b> GRI 413: Local communities ✓ Community relations</p> <p><b>Employment diversity</b> GRI 405: Diversity and equal opportunity ✓ Employment practices</p> <p><b>Labour practices and standards</b> GRI 401: Labour practices and standards ✓ Employment practices ✓ Human rights GRI 404: Training and education ✓ Training and development</p> <p><b>Health and safety</b> GRI 403: Occupational health and safety ✓ Occupational health and safety GRI 416: Customer health and safety ✓ Product safety ✓ Innovation and technology</p> <p><b>Supplier chain management</b> GRI 204: Procurement Practices ✓ Supplier assessment</p>	<p><b>Data privacy and security</b> GRI 418: Data privacy and security ✓ Legal compliance</p> <p><b>Anti-corruption</b> GRI 205: Anti-corruption ✓ Anti bribery and corruption ✓ Business ethics GRI 2: General disclosures ✓ Governance structure ✓ Transparency</p>

## Sustainability Statement

### Prioritisation: Mapping of Material Matters

It is essential for both our business and stakeholders to recognise and address key sustainability challenges across the ESG pillars, as these issues influence our understanding of industry trends and support the evaluation of related risks and opportunities. In FYR 2025, we carried out a thorough review of all eleven (11) Common Sustainability Matters to ensure alignment with current industry standards and best practices, forming the basis of our three sustainability pillars. We also mapped these material issues to the UN SDGs, reinforcing a structured and globally relevant approach. The matrix below illustrates the alignment of these eleven (11) materials issues.












### Verification: Material Matters

Following a thorough evaluation and validation process, we have decided to retain the four (4) prioritised material matters across the three (3) sustainability pillars, as outlined below. We have also illustrated their impacts on the relevant stakeholders to provide a comprehensive perspective on each issue. Furthermore, the materiality mapping has been enhanced to incorporate associated risks, responses, and opportunities.

Environmental	Social	Governance
<b>Climate change</b> GRI 102: Climate Change ✓ Climate risk and assessment GRI 305: Emissions ✓ Air emission ✓ GHG emission	<b>Health and safety</b> GRI 403: Occupational health and safety ✓ Occupational health and safety GRI 416: Customer health and safety ✓ Product safety ✓ Innovation and technology	<b>Data privacy and security</b> GRI 418: Data privacy and security ✓ Legal compliance <b>Anti-corruption</b> GRI 205: Anti-corruption ✓ Anti bribery and corruption ✓ Business ethics GRI 2: General disclosures ✓ Governance structure ✓ Transparency









## Sustainability Statement

Pillars	Prioritised Material Matters	Risks	Opportunities & responses	Policy	Stakeholders	UN SDGs
Environmental	1: Climate change	Extreme weather, water scarcity, and resource shortages, and rising energy costs can disrupt production and increase operational costs. Failure to adopt low-carbon practices may lead to reputational and regulatory challenges.	<p><b>Opportunity:</b> Using sustainable materials, improving energy and resource efficiency, and offering recyclable or biodegradable product options can boost efficiency, appeal to eco-conscious markets, and strengthen stakeholder relationships.</p> <p><b>Response/Strategy:</b> The Group aims to enhance supply chain sustainability, adopt renewable energy where possible, apply eco-design principles, and engage stakeholders through transparent ESG practices.</p>	Climate change policy	Vendors & Regulators	  
	2: Health and safety	Employees face risks injuries, chemical hazards, ergonomic strain and heat stress. Poor safety compliance may result in legal issues and reputational damage.	<p><b>Opportunity:</b> Improved workplace safety boosts well-being, productivity and while reducing downtime and supporting ESG goals.</p> <p><b>Response/Strategy:</b> The Group continues to strengthen safety practices to enhance employee well-being, ensure compliance, and meet ESG expectations.</p>	Health and safety policy	Employees Customers Regulators Shareholders & Investors	   
Governance	3: Data privacy and security	Cyber threats and data privacy breaches can lead to fines, loss of trust, and operational disruption, especially involving customer and employee data.	<p><b>Opportunity:</b> Strong data privacy and security build stakeholder trust, protect sensitive information and support regulatory compliance.</p> <p><b>Response/Strategy:</b> The Group upholds data governance policies, strengthens cybersecurity, trains employees, and monitor data risks effectively.</p>	Personal Data Protection Policy	Employees Vendors Customers Regulators Shareholders & Investors	
	4: Anti-corruption	Misuse of funds, procurement fraud, and corruption can cause financial loss, legal penalties, and reputational harm, eroding stakeholder trust and ethical culture.	<p><b>Opportunity:</b> Ethical practices strengthen integrity, enhance reputation, and build stakeholder trust, while supporting ESG and compliance.</p> <p><b>Response/Strategy:</b> The Group enforces anti-corruption policies, conducts regular reviews, trains employees and promotes secure reporting to prevent unethical behaviour.</p>	Anti-bribery and corruption policy		

## Sustainability Statement

### Engagement: Stakeholders

The Group acknowledges that achieving sustainable growth depends on meeting or surpassing the reasonable expectations of key stakeholders. To stay attuned to their main concerns, we maintain active and meaningful engagement, including participation in industry and governmental forums. Our stakeholders comprise groups that influence or are affected by our operations. The following table outlines our key stakeholders, methods of engagement, and their key areas of concern.

Who	Why	When	How	What issues
Employees 	Drive quality, efficiency, and growth	Yearly	Meetings, evaluations, official notices, occasional surveys, social, and charity events	Well-being, job satisfaction, fair and competitive compensation, a safe working environment, career growth, and comprehensive benefits offerings
Vendors 	Ensure smooth operations and reduce environmental impact	Ad-hoc	Meetings, audit, visits, and assessments	Timely payments, trust and long-term collaboration
Communities 	Operate responsibly without harming local communities	Ad-hoc	Community service, and sponsorship	Environmental impact and social development
Customers 	Align on quality, delivery, and compliance	Ongoing	Business reviews, audits, visits, technical meetings, and customer satisfaction evaluations.	Products quality, timely delivery, compliance sustainability
Regulators 	Ensure compliance and support policy development	Yearly	Annual reports, sustainability reports, formal meetings, and site surveillance.	Transparency, accountability, regulatory alignment. and sustainability
Shareholders and investors 	Support strategy, governance, and long-term value creation	Mix	Annual reports, quarterly reports, investor relations management, annual general meetings.	Financial returns, growth plans, governance, transparency and accountability

## Sustainability Statement

### Sustainability Framework

#### Governance Structure

The Group's sustainability governance framework ensures clear accountability and alignment with strategic objectives. Key roles across the Board of Directors ("Board"), Managing Director ("MD"), and Heads of Operating Units or Department Head ("HODs") collaborate to integrate ESG principles into operations, manage risks and opportunities, and meet stakeholder expectations.



The Board holds ultimate responsibility for overseeing the sustainability strategic and ensuring it aligns with corporate goals and responsible business practices. It also reviews and approves the Sustainability Statement, to ensure transparency and accuracy in disclosures. This oversight role reinforces accountability and supports long-term value creation for stakeholders.

The MD leads the execution of sustainability initiatives, embedding ESG considerations into operations and aligning them with stakeholder and regulatory expectations. Regular updates to the Board ensure effective oversight and informed decision-making.

The HODs support sustainability efforts at the departmental level by engaging stakeholder, identifying material issues and tracking progress of initiatives. Their active involvement ensures that sustainability is integrated into daily operations and decision-making processes, fostering a culture of accountability and continuous improvement.

#### Risk Management

We adopt a proactive approach to identifying and managing risks, including those related to sustainability. ESG considerations are central to enhancing business resilience and maintaining stakeholder trust. Our strategy reflects the interconnected nature of risks, opportunities, the three sustainability pillars, and the UN SDGs. The four (4) prioritised material matters are fully embedded in our risk management framework, reinforcing our commitment to sustainable business practices (Refer to pages 24).

#### Sustainability Policy

The Group's sustainability policy outlines key principles that promote responsible ESG practices. It supports long-term value creation while minimising adverse impacts on the environment, society, and climate (Refer to pages 24).

### Sustainability Scoreboard

Magni's sustainability scoreboard is structured into two categories: prioritised material matters and other material matters. This structure helps highlight the Group's key focus areas, with prioritised matters are aligned to strategic goals, while other matters are disclosed for reporting purposes.

This clear structure helps stakeholders including investors, partners, and regulators to easily understand the Group's strategic sustainability priorities, while still recognising other important issues. It reflects the Group's commitment to transparency and well-informed ESG decision-making.

All material matters are organised under the three core ESG pillars, aligning Magni's sustainability efforts with global best practices, providing a comprehensive view of its key impacts and initiatives.

The scoreboard also includes a dedicated climate change disclosure that outlines Magni's approach for mitigating and adapting to climate-related risks. This section reinforces the Group's commitment to addressing global climate challenges and supporting long-term environmental goals.

Sustainability Statement

Environmental Scoreboard

Prioritised Material Matter: Climate change (GRI 102-1)

We recognise the importance of addressing climate change and are strengthening our environmental management practices in line with regulatory requirements and stakeholder expectations. Our efforts focus on improving energy and resource efficiency within our operations and exploring opportunities to reduce greenhouse gas emissions where practicable.

We actively engage with customers, suppliers, and industry groups to promote responsible environmental practices across our value chain. We also remain committed to complying with relevant environmental standards and improving transparency through regular environmental performance disclosures.

Material Matter: Energy use (GRI 302) and Emission (GRI 305)

As a business, we recognise the importance of maintaining environmentally responsible practices across our operations. We continue to enhance operational efficiency, comply with relevant environmental standards and pursue opportunities to optimise energy use and manage emissions.

The Group’s energy and emissions management efforts focus on monitoring energy consumption and identifying practical ways to improve resource efficiency within our facilities. We also collaborate with our customers and suppliers to promote responsible practices throughout our supply chain. These initiatives support our ongoing commitment to environmental stewardship and align with stakeholder expectations.

	FYR 2024 (RM million)	FYR 2025 (RM million)
Revenue	1,341	1,486

Greenhouse gas (“GHG”) emissions are a key indicator of environmental impact. In line with the widely recognised GHG Protocol, emissions are classified into three scopes:

Scope 1: direct emissions from operations under the Group’s control, (e.g., use of fossil fuels).

Scope 2: indirect emissions from purchased electricity.

Scope 3: other indirect emissions, including employee commuting, especially where fossil fuels are used.

This classification provides a clear framework for developing targeted emissions reduction strategies and making informed, data driven decisions.

In FYR 2025, the Group continues to report on Scope 1, 2, and 3 emissions across all business divisions, reinforcing a comprehensive and transparent approach to sustainability.

Scope 1: The Fossil Energy

Scope 1 emissions primarily from the Group’s passenger and delivery vehicles, these emissions arise from the combustion of petrol and diesel, which contribute to our overall carbon footprint. We actively monitor these emissions to identify reduction opportunities and improve operational efficiency, reflecting our commitment to responsible business practices and environmental stewardship.

In FYR 2025, the Group recorded consumption of 24,950 litres of petrol and 54,956 litres of diesel, generating total emissions of 204.99 tonnes CO<sub>2</sub>e. Emissions were calculated using United Kingdom (UK) emission factors in accordance with ISO 14064-1 standards to ensure transparency and accuracy. Through continuous tracking and sustainability initiatives, we remain commitment to reducing our carbon footprint and promoting responsible business practices.

## Sustainability Statement

### Scope 1: The Fossil Energy (Cont'd)

Scope 1 emissions data for IPP subsidiary was not available this cycle due to the absence of tracking systems; steps are being taken to include it in future reporting as part of our goal for full environmental disclosure.

Fuel Consumption	FYR 2024	FYR 2025
Petrol (litres)	29,544	24,950
Total Petrol Usage (litres/RM million)	22.031	16.790
Diesel (litres)	54,427	54,956
Total Diesel Usage (litres/RM million)	40.587	36.983

Scope 1 emissions (tonnes CO <sub>2</sub> e)	FYR 2024	FYR 2025
Total Scope 1 emissions (tonnes CO <sub>2</sub> e)	217.37	204.99
Total Scope 1 emission intensity/revenue (tonnes CO <sub>2</sub> e/RM million)	0.162	0.138

Note: The calculation of Scope 1 emissions for FYR 2025 is based on the Suruhanjaya Tenaga power grid data in 2022. Whereas FYR 2024 was based on power grid in 2019.

### Scope 2: The Electric Energy

Scope 2 emissions are indirect greenhouse gas emissions from the electricity purchased and consumed at our facilities. Although generated by external electricity providers, these emissions significantly contribute to our environmental footprint. The Group actively monitor and manage Scope 2 emissions as part of our commitment to responsible energy use.

In FYR 2025, electricity consumption and Scope 2 emissions decreased slightly compared to FYR 2024. These reductions reflect the Group's ongoing commitment to energy efficiency and responsible environmental practices. We continue to implement energy-saving initiatives and explore renewable energy opportunities to further minimise our environmental footprint while enhancing the accuracy and transparency of our sustainability disclosures.

Electricity Consumption (kWh)	FYR 2024	FYR 2025
Electricity (kWh)	4,072,620	4,004,489
Electricity intensity/revenue (kWh/RM million)	3,037.002	2,694.811

Scope 2 emissions (tonnes CO <sub>2</sub> e)	FYR 2024	FYR 2025
Total Scope 2 emissions	3,176.64	3,099.48
Total Scope 2 Emission intensity/revenue (tonnes CO <sub>2</sub> e/RM million)	2.369	2.086

Note: The calculation of Scope 2 emissions for FYR 2025 is based on the Suruhanjaya Tenaga power grid data in 2022. Whereas FYR 2024 was based on power grid in 2019.

## Sustainability Statement

### Solar Energy

In FYR 2025, the Group continued to utilise rooftop solar photovoltaic ("PV") systems at SIG and SIP as part of its ongoing sustainability efforts. Although solar energy generation declined slightly from the previous financial year due to seasonal and operational factors, the initiative still contributed meaningfully to reducing Scope 2 emissions. The Group remains committed to optimising renewable energy initiatives to further reduce its environmental footprint and improve energy performance across its facilities.

Solar Generation (tonnes CO <sub>2</sub> e)	FYR 2024	FYR 2025
Solar Generation (kWh)	1,501,881	1,379,439
Emission (tonnes CO <sub>2</sub> e)	1,171.47	1,067.68
Emission intensity/revenue (tonnes CO <sub>2</sub> e/RM million)	0.874	0.718

### Scope 3: Employee Commuting and Business Travelling

The Group recognises that employee commuting and business travel contribute to its Scope 3 emissions. As part of our ESG commitment, we have started tracking these activities to better understand and manage their impact. Key focus area including commuting patterns, transport mode, and travel frequency. We aim to reduce avoidable travel through digital collaboration tools and encourage low-emission commuting options such as carpooling, public transport, and virtual meetings. These initiatives support our broader goal of reducing indirect emissions and promote a more sustainable, responsible business model.

Scope 3 emissions (tonnes CO <sub>2</sub> e)	FYR 2024	FYR 2025
Employee commuting	No Data	609,113.21
Business travelling	No Data	73,358.87
Total Scope 3 emissions	No Data	682,472.08
Scope 3 Emission intensity/revenue (tonnes CO <sub>2</sub> e/RM million)	No Data	459.268

### GHG Intensity

GHG emissions, or carbon intensity measure the amount of greenhouse gases emissions per unit of output or activity, acting as a key indicator of environmental impact. The Group uses this metric to assess performance and identify opportunities for improvement and support progress toward carbon reduction goals. Key focus areas include increased adoption of renewable energy sources such as solar power.

In FYR 2025, the Group's GHG intensity increased significantly due to the inclusion of Scope 3 emissions data covering employee commuting and business travelling. Additionally, the scope of reporting was expanded to cover more operations within the subsidiaries. This enhanced data collection reflects our ongoing commitment to transparency and a more accurate evaluation of our environmental footprint.

Total emissions (tonnes CO <sub>2</sub> e)	FYR 2024	FYR 2025
Scope 1 : Direct emissions	217.37	204.99
Scope 2: Indirect emissions	3,176.64	3,099.48
Scope 3: Indirect emissions	Not available	682,472.08
Total emissions	3,394.01	685,776.55
Total emission intensity/revenue (tonnes CO <sub>2</sub> e/RM billion)	2.531	461.492

## Sustainability Statement

### Material Matters: Water management (GRI 303)

The Group recognises the important of responsible water management, particularly in water-stressed regions like Malaysia. We are committed to sustainable practices that protect the environment, enhance operational efficiency and reduce costs. Water is sourced from a public utility and primarily used for manufacturing and sanitation.

As part of our ongoing sustainability efforts, we are implementing a rainwater harvesting system at one of the SIG buildings to collect rainwater for non-operational general use. This initiative supports our long-term sustainability goals by reducing reliance on local water resources.

Water Supply and Treatment (cubic metres)	FYR 2024	FYR 2025
Water supply and treatment (cubic metres)	35,141	37,570
Water usage/revenue (cubic metre/ RM million)	26.205	25.283

### Material Matter: Waste management (GRI 306)

As part of our commitment to environmental stewardship, we focus on reducing, reusing, and recycling waste across all our operations. Our waste management practices strictly comply with regulatory requirements for handling, labelling, storage, and disposal. Both scheduled and non-scheduled waste are managed by licensed contractors, with our environmental team actively monitoring scheduled waste processes to ensure full compliance.

Our manufacturing processes generate various types of non-hazardous waste, such as fabric, paper, and plastic. Non-recyclable waste is collected weekly by local municipal councils. Meanwhile, our recycling initiatives demonstrate our commitment to minimising landfill contributions and promoting a circular economy.

We also manage hazardous waste with care and in line with environmental regulations. This includes sludge from the Industrial Effluent Treatment System ("IETS"), a by-product of wastewater treatment. For safe and compliant disposal, we work exclusively with contractors approved by the Department of Environment.

Waste Generation (tonnes)	FYR 2024	FYR 2025
Waste generation (tonnes)	691.80	762.12
Waste diverted from disposal (percentage)	No data	73.66%
Waste directed to disposal (percentage)	No data	26.34%
Waste generation/revenue (tonnes/RM million)	0.516	0.513

## Social Scoreboard

### Material Matter: Community (GRI 413)

The Group remains committed to cultivating positive and sustainable relationships with local communities across our areas of operation. In line with internationally recognised sustainable development standards, we continue to support initiatives that promote education and socio-economic growth.

While community contributions in FYR 2025 were more limited compared to the previous year, we remained focused on selected Corporate Social Responsibility ("CSR") initiatives aimed at addressing specific local needs and uplifting underserved communities.

We also encourage employee involvement in charitable activities through partnerships with reputable organisations supporting lower-income groups. These efforts help cultivate a culture of empathy and social responsibility within our workforce, while promoting our commitment to sustainable values.

## Sustainability Statement

### Material Matter: Community (GRI 413) (Cont'd)

In FYR 2025, we focused on the following CSR initiatives to support our communities:

CSR Events	Purpose	Impact	Amount (RM)
Medical Assistance Donation	To support individuals and communities in need of medical aid	Promotes community well-being, and a compassionate culture	64,000
Donation to Differently Abled Society	To empower individuals with disabilities	Promotes equality and inclusion; enhances quality of life	28,500
Donation to Support Group	To assist with essential services, emotional support, and community programs	Strengthen social well-being, and supportive environment	148,218
Donation to Environment Society	To protect and conserve natural resources	Contribute to sustainability through awareness and education	30,180
Donation to Education Society	To improve access to quality education	Empower individuals through learning and promotes educational equity	10,500
Donation to Religious Centre	To support spiritual, cultural and community activities	Enables outreach and foster social harmony	7,500
Donation to Old Folks Home	To enhance the well-being of elderly residents	Provide dignity and care to the ageing population	14,000
Donation to Orphanage	To support the basic needs, and education, for orphans	To uplifting underprivileged children and fostering equal opportunities	12,000
Donation to House of Hope	To provide care, and shelter to vulnerable individuals	Promote dignity, compassion, and social inclusion	20,000
CSR Sport Activities Participation	To foster community spirit, and social inclusion	Encourages wellness and strengthens community bonds	20,000

The total number of beneficiaries in FYR 2025 is 4,432 individuals.

### Material Matter: Employment diversity (GRI 405)

The Group remains committed to fostering an inclusive and equitable workplace, free from discrimination. We expressly prohibit any form of unlawful discrimination based on race, colour, gender, or other protected characteristics and promote fair employment practices that ensure equal opportunities for all, regardless of gender, age, ethnicity, or background. Embracing diversity not only reflects our values but also drives innovation and sustainable progress throughout the Group.

We are committed to equal pay and strictly comply with Malaysian laws, including the Employment Act 1955. We conduct annual salary reviews and market surveys to identify and address any wage disparities. Pay is based on job responsibilities, qualifications, and performance, not gender, race, or background. Fair and equitable compensation is part of our Group's culture and a key part of how we support a respectful and inclusive workplace.



## Sustainability Statement

### Material Matter: Employment diversity (GRI 405) (Cont'd)

During FYR 2025, our workforce totalled 1,070 full-time employees (FYR 2024: 1,085), comprising 545 males (FYR 2024: 563) and 525 females (FYR 2024: 522). Detailed gender and age distribution data are provided in the accompanying table, underscoring our commitment to transparency. We continue to prioritise gender balance by promoting female representation across all roles and leadership levels. Our diversity and inclusion initiatives are designed to ensure that every employee feels valued, respected, and empowered to thrive.

Beyond gender, we value diverse perspectives shaped by different ages, experiences, and cultural backgrounds. Our focus on diversity, equity, and inclusion aligns with our broader mission of building a supportive, forward thinking and high performing workplace for long term growth.

	Social Data	FYR 2024		FYR 2025	
		%	no.	%	no.
Diversity	Number of employees		1,085		1,070
	Employees that are contractors or temporary staff	3	31	3	33
	Number of employees with disabilities		1		1
	Percentage of employees with tertiary education	27		28	
	Number of foreign employees		415		430
	Number of female managers		22		24
	<b>Gender Group by Employee Category</b>				
	<b>Management:</b>				
	Male (Manager)	3	36	3	35
	Female (Manager)	2	22	2	24
	<b>Executive:</b>				
	Male	4	45	4	45
	Female	10	112	11	114
	<b>Non-executive/Technical Staff:</b>				
	Male	17	183	16	174
	Female	21	223	20	212
	<b>General Workers:</b>				
	Male	28	299	27	291
	Female	15	165	17	175
	<b>Total Employees</b>	<b>1,085</b>		<b>1,070</b>	

## Sustainability Statement

### Material Matter: Employment diversity (GRI 405) (Cont'd)

	Social Data	FYR 2024		FYR 2025	
		%	no.	%	no.
Diversity	<b>Age Group by Employee Category</b>				
	<b>Management:</b>				
	Under 30 (Manager)	0	0	0	0
	Between 30-50 (Manager)	1	15	2	18
	Above 50 (Manager)	4	43	4	41
	<b>Executive:</b>				
	Under 30	1	15	2	21
	Between 30-50	8	90	8	89
	Above 50	5	52	4	49
	<b>Non-executive/Technical Staff:</b>				
	Under 30	11	119	11	121
	Between 30-50	20	219	19	199
	Above 50	6	68	6	66
	<b>General Workers:</b>				
	Under 30	15	159	15	156
	Between 30-50	21	222	21	227
	Above 50	8	83	8	83
	<b>Total Employees</b>	<b>1,085</b>		<b>1,070</b>	
	<b>Managers by gender and age group</b>				
	Male	62	36	59	35
	Female	38	22	41	24
	Under 30	0	0	0	0
	Between 30-50	26	15	31	18
	Above 50	74	43	69	41
	Percentage of female managers (%)	2		2	
	Percentage of female Key Management Members (%)	2		2	

## Sustainability Statement

### Material Matter: Labour Practices and Standards (GRI 401)

The Group remains committed to upholds fair and ethical labour practices while fostering a diverse and inclusive workforce. While our gender composition continues to reflect a male dominated industry, we actively promote gender diversity through inclusive recruitment and targeted development initiatives, aiming to create a respectful and empowering workplace for all. Although the gender distribution remains largely male—reflecting industry trends—we are actively implementing initiatives to promote greater gender diversity. Our efforts focus on creating an inclusive environment where every employee feels respected and empowered. Through targeted programmes and inclusive recruitment strategies, the Group remains dedicated to building a more balanced workforce and providing equal opportunities for all.

In FYR 2025, the Group's workforce slightly declined from 1,085 to 1,070 full time employees. We recorded a turnover rate of 9%, with equal representation of 9% for both male and female employee departures.

Diversity Data		FYR 2024			FYR 2025		
Gender		Female	Male		Female	Male	
Current employee	%	48	52		49	51	
New hires	%	21	19		9	6	
New hires	no.	112	106		52	30	
Separation	no.	68	71		49	48	
Employee at the start of the period	no.	478	528		522	563	
Employee at the end of the period	no.	522	563		525	545	
Turnover	%	14	13		9	9	
Age-based Diversity		< 30	30 – 50	>= 50	< 30	30 – 50	>= 50
Current employee	%	29	48	23	28	50	22
New hires	%	10	7	3	5	2	1
New hires	no.	105	78	35	53	23	6
Separation	no.	48	63	28	32	42	23
Employee at the start of the period	no.	263	505	238	320	520	245
Employee at the end of the period	no.	320	520	245	298	533	239
Turnover	%	16	12	12	10	8	10
Employment		FYR 2024			FYR 2025		
Separation	no.	139			97		
Turnover	%	13			9		
Total employee	no.	1,085			1,070		
Development & Training		Female	Male		Female	Male	
Training hours	Hrs	6,420	4,431		6,530	5,765	
Average training hours/employee	Hrs/no.	12.30	7.87		12.44	10.58	
Average training hours/employee	Hrs/no.	10.00			11.49		
Labour Practices and Standards		FYR 2024			FYR 2025		
Total training hours	no.	10,851			12,295		

## Sustainability Statement

### Material Matter: Labour Practices and Standards (GRI 401) (Cont'd)

The Group continues to uphold its strong commitment to human rights, maintaining strict policies against human trafficking, forced labour, child labour, and all forms of human rights violations. This includes respecting the right to freedom of association and collective bargaining, in line with local laws and regulations. The Board provides clear oversight, supporting compliance teams to ensure adherence across all operations.

We maintain a zero-tolerance policy toward any form of harassment, abuse, or violence against workers within our operations and across our supply chain. During the reporting period, no instances of worker threats or violence were reported to or identified by our management. Our focus on employee well-being, fair employment practices, and inclusive workplace culture remains unchanged as we navigate workforce adjustments aligned with operational needs.

Labour practices and standards	FYR 2024	FYR 2025
Number of substantiated complaints concerning human rights violations	0	0

### Training and Education (GRI 404)

Enrolling in certification courses provides substantial advantages for Magni, especially in strengthening employee competency and raising safety awareness. These programmes equip staff with essential knowledge and industry best practices, enabling them to perform duties safely and effectively. By prioritising employee training, Magni reinforces its commitment in high safety standards, minimising workplace risks, and cultivating a safety-first culture throughout the organisation.

Comprehensive training programmes also enhances productivity and reducing workplace incidents. Through structured learning, employees gain the skills to identify and manage risks, helping to create a safer and more efficient work environment. Well-trained staff improve task accuracy and operational performance. By promoting safety awareness and personal accountability, the Group supports a secure and productive workplace. In FYR 2025, Magni recorded 12,295 training hours (FYR 2024: 10,851 training hours), reflecting its continued commitment in employee development and workplace safety.

Development & Training		FYR 2024		FYR 2025	
		Female	Male	Female	Male
Training hours	Hrs	6,420	4,431	6,530	5,765
Average training hours/employee	Hrs/no.	12.30	7.87	12.44	10.58
Average training hours/employee	Hrs/no.	10.00		11.49	

Below is various training programs conducted in FYR 2025.

Training Category	Training Hours
Compliance and Regulatory	3,504
Environmental Management	160
Financial Management	52
Health and Safety	3,103
Human Resource	518
Information System	1,263
Leadership and Management Development	104
Orientation	306
Social Compliance	164
Soft Skills Development	511
Technical Skills Development	2,610
Total	12,295

## Sustainability Statement

### Prioritised Material Matter: Health and Safety (GRI 403 & GRI 416)

#### Occupational Health and Safety (GRI 403)

The health and safety of our employees, contractors, visitors, and surrounding communities are of utmost importance to our organisation. We are committed to preventing workplace accidents, occupational illnesses, and the spread of infectious diseases through comprehensive and proactive health and safety management.

Our commitment is outlined in our Integrated Management System ("IMS") Policy, supported by Health and Safety Committee, comprising both management and employees' representatives. The committee operates in full compliance with the Occupational Safety and Health Act 1994 ("OSHA 1994").

Workplace Safety and Health Risk	
	Number
Fatalities as a result of work-related injury	0
High-consequence work-related injuries (Excluding fatalities)	0
Recordable work-related injuries	10
Fatalities as a result of work-related ill health	0
Recordable work-related health	0
Number of employees trained on health and safety standards	827
Lost time incident rate ("LTIR")	0.818

During FYR 2025, 10 recordable work-related injuries were reported. Each incident was thoroughly investigated, with root causes identified and corrective actions implemented to prevent recurrence. These incidents underscore the importance of on-going improvements of our safety protocols, employee training, and hazard identification. We continue to prioritise safety awareness, reinforce the use of personal protective equipment ("PPE") and strengthen workplace safety culture to ensure a secure working environment for all.

#### Customer Health and Safety (GRI 416)

Magni is committed to ensuring product safety as a fundamental part of our ESG responsibilities. We prioritise the development, manufacturing, and delivery of products that stringent quality and safety standards to protect end users, maintaining customer trust, and meeting all regulatory compliance. Our safety protocols include rigorous quality control, traceability mechanisms, and on-going product testing to minimise risks throughout the product lifecycle.

By embedding safety considerations into design and production, we reduce environmental impact, avoid health hazards, and reinforce ethical business conduct. This proactive approach supports customer satisfaction, regulatory adherence, and long-term sustainability goals.

#### Material Matter: Supplier Chain Management (GRI 204)

As part of our commitment to sustainability, Magni upholds responsible business practices across the value chain by fostering strong collaborations with suppliers. Our business model allows customers to select primary suppliers based on their specific needs, including product quality, service standards, cost-effectiveness, delivery reliability, and delivery reliability. We trust that our customers apply stringent criteria to ensure supplier reliability and performance.

Although supplier selection is customer driven, Magni remains committed to supporting sustainability within our supply network. We focus on strengthening supplier engagement through open communication and shared expectations around environmental and social standards. While no formal assessments were conducted in FYR 2025, we continue to prioritise aligning supplier practices with our sustainability goals, and we promote responsible sourcing as part of our long-term strategy.

Total local suppliers spending	FYR 2024	FYR 2025
Total local purchases (RM'000)	61,803	57,558
Total Purchases (RM'000)	808,868	839,772
Total spending on local supplier (percentage)	7.6%	6.9%

Sustainability Statement

Governance Scoreboard

Prioritised Material Matter: Data Privacy and Security (GRI 418)

The Group has implemented a robust policy to safeguard the security and confidentiality of personal data belonging to employees, clients, vendors, and trainees. Our core objective is to ensure responsible data handling, supported by strict controls that demonstrate our strong commitment to data protection.

As part of our onboarding process, all new employees and trainees attend an orientation program that includes a briefing on our Personal Data Protection (“PDP”) and Confidentiality Policy. They are required to review and sign the policy, confirming their understanding and agreement to comply. This proactive measure helps instil a strong culture of data protection throughout the organisation.

We also extended our data privacy expectations to vendors. Key vendors are subject to an annual assessment process, during which they must sign a Non-Disclosure Agreement to affirm their responsibility to uphold the same high standards when handling personal data on our behalf.

Our commitment to protecting personal data goes beyond regulatory compliance, it reflects our core values and commitment to stakeholder trust. We regularly review and update our PDP policy to stay aligned with changing legal requirements and industry best practices. By placing data protection at the forefront, we continue to uphold the highest standards of confidentiality and ethical data use.

Data Privacy and Security	FYR 2024	FYR 2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0

Prioritised Material Matters: Anti-Corruption (GRI 205 & GRI 2)

Anti-Corruption (GRI 205)

The Group maintains a zero-tolerance policy toward corruption, upholding ethical business practices through robust anti-bribery controls, mandatory conflict-of-interest declarations, and a confidential whistleblowing channel. Senior management leads by example, ensuring compliance with applicable laws and internal policies, while Human Resource (“HR”) department actively monitors and enforces these standards. All new employees are briefed on the Group’s ethical code of conduct during onboarding, fostering a culture of integrity from the outset.

In FYR 2025, 72% of office staff completed anti-corruption training indicating progress but also identifying the need for broader coverage. Additionally, 80% of departments have undergone corruption-related risk assessments. No confirmed incidents of corruption were reported in FYR 2025, reflecting the overall strength of the Group’s governance framework and internal control, while also highlighting the need to increase training coverage to ensure consistent awareness and accountability across all levels.

Anti-bribery Related Training	Percentage
Percentage of employees who have received training on anti-corruption*	69
Percentage of risk assessment related to corruption by department	80
Confirmed incidents of corruption and action taken**	N.M.

\*Training was conducted for office staff only  
\*\*None of corruption incident occurred during the year

## Sustainability Statement

### Governance Structure (GRI 2)

The Group embeds strong governance principles across all levels of the organisation, from the Board of Directors to day-to-day operations, to promote ethical leadership, transparency, and accountability. This structured approach ensures that governance practices are not only policy-driven but also full integrated into the Group's strategic and operational framework.

The Board, which consists predominantly of independent non-executive directors, provides objective oversight through its Audit and Risk Management Committee, Nomination Committee, and Remuneration Committees. The clear separation of responsibilities between the Chairman and Executive Director enhances leadership transparency and reduce the risks of power concentration. With a 40% board independence ratio and the inclusion of one female board member, the Group reaffirms its commitment to balanced, diverse, and responsible governance, as highlighted in Corporate Governance Overview Statement in this Annual Report. These initiatives underpin sustainable growth and reinforce stakeholder confidence in the Group's ethical standards.

Board Diversity	Number	%
Independent Non-Executive Directors	2	40%
Executive Directors	2	40%
Non-Independent Non-Executive Directors	1	20%
Foreign Independent Non-Executive Directors	0	N.M.*
Foreign Executive Directors	0	N.M.*
Foreign Non-Independent Non-Executive Directors	0	N.M.*
<30 years old	0	N.M.*
30-50 years old	1	20%
>50 years old	4	80%
Male	4	80%
Female	1	20%
PhD	0	N.M.*
Master	1	20%
Degree	1	20%
Other (e.g., Diploma / Professional Qualifications)	3	60%

\* Not meaningful

The Group has implemented a comprehensive grievance reporting and Whistleblowing Policy as part of its commitment to transparency, accountability, and ethical governance. This secure and confidential channel empowers employees and other stakeholders to report any unethical or unlawful conduct without fear of retaliation. By encouraging openness and accountability, the Group strengthens trust and fosters a culture where misconduct is addressed responsibly and in a timely manner.

Reports can be submitted via our dedicated whistleblowing email channel at [admin@magni-tech.com.my](mailto:admin@magni-tech.com.my), which is closely monitored to ensure prompt and discreet handling of all disclosures. For more information on our Whistleblowing Policy or to access the reporting platform, please visit <https://magni-tech.com.my>. We remain committed to promoting a culture of integrity, accountability, and ethical behaviour across all levels of our organization.

## Sustainability Statement

### Task Force on Climate-related Financial Disclosures

The Task Force on Climate-related Financial Disclosures (“TCFD”) provides standardised guidelines for disclosing forward-looking climate-related information alongside financial reports. These recommendations help companies identify and assess transition risks, physical risks, and climate-related opportunities, enabling stakeholders to make informed comparisons and decisions while enhancing transparency and climate risk preparedness.

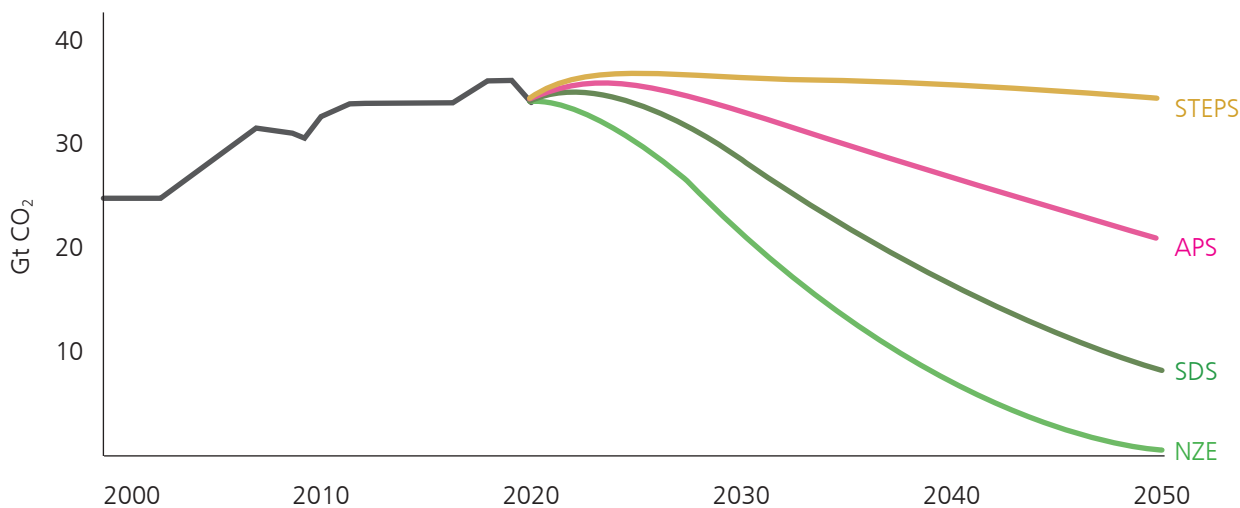
The TCFD Recommendations are organised around four key pillars that reflect core components of business operations: Governance, Strategy to Combat Climate Change, Risk Management, and Metrics and Targets.

#### Governance

This section focuses on how the Group incorporates climate-related issues into its governance structure. It outlines the roles of the Board and management in overseeing climate risks and opportunities, as well as how these factors are embedded into the Group’s strategic direction. For more information, please refer to Governance Structure at page 37 to 38.

#### Strategy to Combat Climate Change

The Group’s climate strategy demonstrates resilience by proactively adapting to a range of climate scenarios, in line with global efforts to limit temperature rise to 2°C or lower—an increasingly critical benchmark for the garment industry. Grounded in thorough climate risk assessments, the strategy enables the Group to navigate challenges while seizing opportunities related to sustainability. Core initiatives include the adoption of energy-efficient manufacturing practices, the use of sustainable and recycled materials, and collaboration with supply chain partners to reduce environmental impact. Innovation and digital technologies play a vital role in optimising production efficiency and enabling real-time environmental monitoring. The Group also supports regulatory compliance and low-carbon initiatives, reinforcing its commitment to sustainable transformation across the apparel value chain. This strategic focus positions the Group as a responsible and forward-looking leader within the garment industry.



Note:

- STEPS: Stated Policies Scenario (current policies continue).
- APS: Announced Pledges Scenario (countries implement their climate pledges).
- SDS: Sustainable Development Scenario (aligned with well below 2°C Paris goals).
- NZE: Net Zero Emissions by 2050 Scenario (aligned with limiting warming to 1.5°C).

This chart illustrates global CO<sub>2</sub> emission pathways under different climate scenarios. It highlights the emission reductions needed to align with international climate goals, underscoring the importance of continued efforts towards energy efficiency and lower-carbon operations across industries.







Sustainability Statement

Risk Management

We proactively manage risks with a strong focus on sustainability, integrating ESG considerations to strengthen resilience and stakeholder confidence. Our strategy aligns material matters with the UN SDGs and embeds four prioritised issues into our risk management framework. Please refer to page 24 of this report.

Target and Sustainability Performance

Targets and sustainability performance aligned with the Global Reporting Initiative (“GRI”) standards are vital for organisations seeking to transparently communicate their sustainability commitments. These standards encompass a broad range of ESG indicators, guiding organisations to set clear goals and report progress consistently. Transparent disclosure allows stakeholders to evaluate the organisation’s sustainability performance, recognise areas for improvement, and make informed decisions regarding engagement and investment. By adhering to the GRI standards, organisations strengthen stakeholder trust, enhance risk management, and contribute to long-term value creation for both society and shareholders.

Pillars	Prioritized Material Matters	Target			Performance	
		Short-term (FY2025)	Medium-term (FY2026-2029)	Long-term (>FY2030)	FYR 2024	FYR 2025
Environmental	1: Climate change 	Net zero 2050			Refer Scope 1 to 3	Refer Scope 1 to 3
Social	2: Health and Safety 	Zero incidents			Met	Met
	3: Data privacy and security 	Zero complaints			Met	Met
Governance	4: Anti-corruption 	Zero cases			Met	Met

## Sustainability Statement

### Performance Data Table from Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
<b>Bursa (Anti-corruption)</b>			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	85.00	85.00
Executive	Percentage	91.00	92.00
Non-executive/Technical Staff	Percentage	65.00	61.00
General Workers	Percentage	97.00	66.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	20.00	80.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
<b>Bursa (Community/Society)</b>			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	279,886.00	354,898.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4,270	4,432
<b>Bursa (Diversity)</b>			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	1.00 *	2.00
Management Above 50	Percentage	4.00 *	4.00
Executive Under 30	Percentage	1.00 *	2.00
Executive Between 30-50	Percentage	8.00 *	8.00
Executive Above 50	Percentage	5.00 *	4.00
Non-executive/Technical Staff Under 30	Percentage	11.00 *	11.00
Non-executive/Technical Staff Between 30-50	Percentage	20.00 *	19.00
Non-executive/Technical Staff Above 50	Percentage	6.00 *	6.00
General Workers Under 30	Percentage	15.00 *	15.00
General Workers Between 30-50	Percentage	21.00 *	21.00
General Workers Above 50	Percentage	8.00 *	8.00
Gender Group by Employee Category			
Management Male	Percentage	3.00 *	3.00
Management Female	Percentage	2.00 *	2.00
Executive Male	Percentage	4.00 *	4.00
Executive Female	Percentage	10.00 *	11.00
Non-executive/Technical Staff Male	Percentage	17.00 *	16.00
Non-executive/Technical Staff Female	Percentage	21.00 *	20.00
General Workers Male	Percentage	28.00 *	27.00
General Workers Female	Percentage	15.00 *	17.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	80.00 *	80.00
Female	Percentage	20.00 *	20.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	20.00 *	20.00
Above 50	Percentage	80.00 *	80.00
<b>Bursa (Energy management)</b>			
Bursa C4(a) Total energy consumption	Megawatt	4,072.62 *	4,004.49
<b>Bursa (Health and safety)</b>			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.81 *	0.82
Bursa C5(c) Number of employees trained on health and safety standards	Number	712	827

Internal assurance   External assurance   No assurance

(\*)Restated

## Sustainability Statement

### Performance Data Table from Bursa Malaysia ESG Reporting Platform (Cont'd)

Indicator	Measurement Unit	2024	2025
<b>Bursa (Labour practices and standards)</b>			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	1,534	1,538
Executive	Hours	4,798	3,848
Non-executive/Technical Staff	Hours	3,516	4,008
General Workers	Hours	1,003 *	2,901
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	3.00 *	3.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	3	6
Executive	Number	19	16
Non-executive/Technical Staff	Number	64	42
General Workers	Number	53	33
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
<b>Bursa (Supply chain management)</b>			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	7.60 *	6.90
<b>Bursa (Data privacy and security)</b>			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
<b>Bursa (Water)</b>			
Bursa C9(a) Total volume of water used	Megalitres	35.141000 *	37.570000
<b>Bursa (Waste management)</b>			
Bursa C10(a) Total waste generated	Metric tonnes	691.80 *	762.12
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	471.51
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	168.61
<b>Bursa (Emissions management)</b>			
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	217.37 *	204.99
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	3,176.64 *	3,099.48
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	682,472.08

Internal assurance

External assurance

No assurance

(\*)Restated

## Corporate Governance Overview Statement

The Board recognises that good corporate governance is essential to sustaining long-term value for all stakeholders. To this end, the Board remains steadfast in upholding sound governance practices to ensure that the Group's business is managed with transparency, integrity, and accountability, in compliance with applicable laws and regulations.

This Corporate Governance Overview Statement is provided in accordance with Paragraph 15.25(1) of the Main Market Listing Requirements ("MMLR") issued by Bursa Malaysia Securities Berhad ("Bursa Securities"). The Board is pleased to present this Statement, which outlines the Group's corporate governance practices during FYR 2025. These practices are guided by the three core principles of the Malaysian Code on Corporate Governance 2021 ("MCCG") namely board Leadership and effectiveness, effective audit and risk management, and integrity in corporate reporting and meaningful stakeholder engagement.

This Statement should also read in conjunction with the Corporate Governance Report 2025 of the Company which is available at our website, <https://magni-tech.com.my> and the website of Bursa Securities.

### Principle A : Board Leadership and Effectiveness

#### I. Board Responsibilities

The Board has the responsibility for the oversight and overall management, the long-term success of the Group, and the delivery of sustainable value to stakeholders.

##### The responsibilities of the Board include :

- (a) Formulating the Group's strategic plans and where appropriate, to include strategies on economic, environmental, and social considerations underpinning sustainability;
- (b) Carrying out periodic review of the Group's financial and operating results;
- (c) Identifying principal risks and ensure the implementation of appropriate systems to manage those risks;
- (d) Overseeing the conduct of the Group's business; and
- (e) Ensuring that the Group's management information and internal controls system are in place and properly implemented.

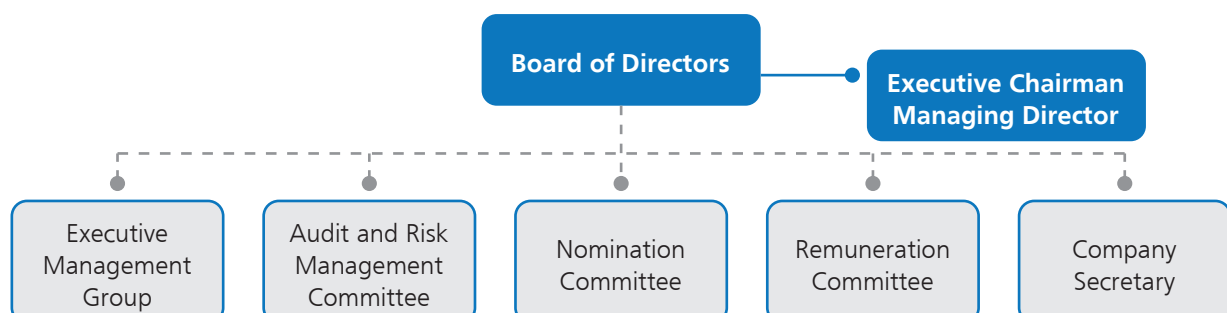
The Boards are supported by various Board Committees in the execution of its responsibilities, and the roles and responsibilities of the latter are outlined in their terms of reference.

Significant matters reserved for the Board's consideration include the Group strategies, approval of financial results, declaration of dividends, approval of directors' fees, major capital commitments, and material corporate or financial exercises.

The Chairman leads the Board and is responsible for the effective performance of the Board.

Supported by the Heads of the operating units, the Managing Director is responsible for the day-to-day management of the business and operations of the Group within the policies, strategies and decisions adopted by the Board, and is accountable to the Board.

The governance structure of the Board is as follows:



## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### I. Board Responsibilities (cont'd)

##### Code of Conduct

The Code of Ethics ("COE") provides guidelines on permissible or non-permissible conducts in Group's business practices. The COE promotes integrity and ethical conduct in all aspects of the Group operations. The areas covered in the COE include dealings in securities, confidentiality of information, conflict of interest, bribery and corruption, gifts, and dealings with business partners.

In line with the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) ("MACC Act"), the Group maintains a strict zero-tolerance policy towards bribery and corruption. This reflects the Group's to maintain the highest ethical standards across all levels of the organisation, helping to prevent unethical practices and supporting the Group's long-term sustainable success. To reinforce this commitment, the Board has adopted an Anti-Bribery and Anti-Corruption Policy ("ABACP") to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group.

The COE and ABACP can be accessed on the Company's corporate website at <https://magni-tech.com.my>.

##### Whistleblowing Channel

The Group has in place an avenue for disclosure of the relevant improper conduct as stated in the Sustainability Statement contained in this Annual Report. The Group upholds strict confidentiality in handling all whistleblowing reports and ensures that genuine whistleblowers are safeguarded from any reprisals arising from their disclosures. There was no whistleblowing incidents reported during FYR 2025.

##### Sustainability

The Board views the commitment towards sustainability in addressing the impacts of our business operations towards the environment, social and governance as part of its broader responsibility to all its various stakeholders and the communities in which it operates. For further details, please refer to the Sustainability Statement contained in this Annual Report.

##### Access to Information and Advice

The Board is supplied with, on a timely basis, information in a form and of quality appropriate to enable it to discharge its duties.

Board papers with sufficient notice are distributed to Directors before Board meetings to enable the Directors to peruse and seek additional information or to obtain further explanation on matters to be deliberated.

Every Director has also access to the advice and services of the Company Secretaries and may obtain independent professional advice at the Company's expense in furtherance of their duties.

##### Meeting Convened and Company Secretaries

The Board and its Committees meet regularly to deliberate on matters within their respective scopes of responsibility. During the financial year under review, the Directors of Magni dedicated the necessary time and effort to prepare for and actively participate in, Board and Committee meetings.

The Board deliberated on key matters, including the Company's annual business plan, budget, and key performance indicators.

For the financial year ended 30 April 2025, the Company held a total of five (5) Board meetings, five (5) Audit and Risk Management Committee ("ARMC") meetings, one (1) Nomination Committee ("NC") meeting and one (1) Remuneration ("RC") meeting.

All Directors attended more than 50% of the Board meetings held during the year, in compliance with Paragraph 15.05(3)(c) of the MMLR and the relevant provisions of the Company's Constitution.

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### I. Board Responsibilities (cont'd)

##### Meeting Convened and Company Secretaries (cont'd)

The attendance record of each Director for the financial year ended 30 April 2025 is set out below:

Directors	Board	ARMC	NC	RC
Tan Sri Dato' Seri Tan Kok Ping Executive Chairman	5/5	-	-	-
Tan Poay Seng Managing Director	5/5	-	-	1/1
H'ng Cheok Seng Non-Independent Non-Executive Director	5/5	5/5	1/1	-
Tan Poh Heng Independent Non-Executive Director	5/5	5/5 Chairman	1/1 Chairman	1/1 Chairman
Fera Fizani Binti Ahmad Fizri Independent Non-Executive Director	5/5	5/5	1/1	1/1

To facilitate the effective discharge of its responsibilities, the Board is provided with access to independent professional advice and the guidance of the Company Secretaries. The Board is supported by two competent Company Secretaries who are qualified to act as company secretary under Section 235 of the Companies Act 2016. The Company Secretaries are responsible for advising the Board, particularly with regard to governance matters, the Company's Constitution, Board policies and procedures, and applicable rules and regulations.

In addition to advising the Board, the Company Secretaries also perform other routine company secretarial duties including maintenance of the relevant statutory records and lodgement of forms and returns to the Companies Commission of Malaysia.

#### Board Charter

The Company's Board Charter sets out the duties, responsibilities, and functions of the Board in accordance with the principles of good corporate governance. The Board Charter will be periodically reviewed and published on the Company's corporate website at <https://magni-tech.com.my>.

#### Board Committees

The Chairman of the Board is not a member of any Board Committees and does not participate in their decision-making processes. This separation helps preserve the objectivity and independence of the Committees' observations and recommendations presented to the Board. The Board has delegated the specific responsibilities to 3 Board Committees, namely the ARMC, NC and RC, all of which have terms of reference to govern their responsibilities. The Board Committees will deliberate on and examine issues within their terms of reference and report to the Board.

#### Nomination Committee ("NC")

NC comprises entirely on Non-Executive Directors with the majority being Independent Non-Executive Directors.

NC leads the process for board appointments and the annual assessment of Directors and makes recommendation to the Board.

NC reviews candidates for directorship based on criteria such as their qualifications, skills, experience, wisdom, and competency. The ultimate goal is to ensure that the Board as a whole has the appropriate balance of skills, experience, independence, and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively. NC also ensures a proper balance of Executive Directors and Independent Non-Executive Directors.

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### I. Board Responsibilities (cont'd)

##### Board Committees (cont'd)

##### Nomination Committee ("NC") (cont'd)

The composition of NC during FYR 2025 was:

- 1) Chairman - Tan Poh Heng (Independent Non-Executive Director)
- 2) Member - Fera Fizani Binti Ahmad Fizri (Independent Non-Executive Director)
- 3) Member - H'ng Cheok Seng (Non-Independent Non-Executive Director)

The NC met once during FYR 2025. All the members of the NC were present at the said meeting.

In June 2025, NC carried out the annual assessments internally via questionnaires as follows:

- (a) On effectiveness of the Board as a whole based on criteria covering areas such as Board responsibilities and composition, meeting process, conduct, time commitment and Board/management relationship.
- (b) On effectiveness of the Board Committees in terms of their responsibilities, composition, process, and time commitment.
- (c) On contribution of individual Directors based on criteria which include responsibilities, strength, and ability to act in the best interests of the Company in decision making and the training needs.
- (d) On independence of all Independent Directors based on criteria including the criteria of independence as per MMLR of Bursa Securities.
- (e) On the effectiveness of the ARMC and individual Committee members.
- (f) On the financial literacy of the ARMC members.

NC was satisfied with the results of the above assessments and the recommendations were endorsed by the Board.

NC also reviewed and recommended to the Board on the retention of Independent Director who has served the Company for more than nine years.

The following Directors are subject to retirement at the forthcoming AGM in accordance with the provisions of the Constitutions of the Company and the relevant provisions of the Companies Act 2016 and are eligible to stand for re-election:

No.	Name of Director	Type of retirement
1.	Tan Sri Dato' Seri Tan Kok Ping	By Rotation as per Article 126 of the Company's Constitution
2.	Tan Poh Heng	By Rotation as per Article 126 of the Company's Constitution

During the same month, NC also conducted an assessment of the said two Directors. NC was satisfied with their various skill sets and competencies that would add value to the mix of skills and composition of the Board. Accordingly, the Board recommends the re-election of Tan Sri Dato' Seri Tan Kok Ping and Tan Poh Heng as directors of the Company at the forthcoming 28<sup>th</sup> AGM of the Company.

All the said two Directors have expressed their intention to seek for re-election.

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### I. Board Responsibilities (cont'd)

##### Board Committees (cont'd)

##### Remuneration Committee ("RC")

RC comprises 2 Independent Non-Executive Directors and 1 Executive Director.

The remunerations for Directors and key management personnel should be determined so as to ensure the Company attracts and retains them in order to drive the long-term success of the Company. The remunerations for Executive Directors and key management personnel are structured so as to link reward to corporate and individual performance.

The Remuneration Policy of Directors and Key Senior Management is available for reference on the Company's website at <https://magni-tech.com.my>.

RC makes recommendations to the Board on the remuneration packages of Executive Directors and key management personnel. RC is responsible for reviewing the remuneration packages of the Executive Directors and key management personnel and recommend to the Board for approval.

The composition of RC during FYR 2025 was:

- 1) Chairman - Tan Poh Heng (Independent Non-Executive Director)
- 2) Member - Fera Fizani Binti Ahmad Fizri (Independent Non-Executive Director)
- 3) Member - Tan Poay Seng (Managing Director)

One of RC's members, Tan Poay Seng is an executive director and as such RC has not complied with Practice 7.2 of the Principles of Corporate Governance as contained in MCCG whereby RC should only consist of non-executive directors. However, the Chairman of RC and the majority of its members are Independent Non-Executive Directors.

To ensure that the remuneration decisions are made through an independent process, Tan Poay Seng has abstained from deliberating and determining his own remuneration and also those of any persons connected to him during the RC and Board Meetings.

The RC met once during FYR 2025. All the members of the RC were present at the said meeting.

The activities of RC during FYR 2025 include the review of the remunerations of the executive directors and key management personnel. NC was satisfied with the results of the review and the recommendations were endorsed by the Board.

#### II Board Composition

The Board currently has five (5) members, two (2) of whom are Executive Directors, two (2) of whom are Independent Non-Executive Directors whilst the remaining one (1) is a Non-Independent Non-Executive Director. This is in compliance with Paragraph 15.02 of the MMLR, which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors and at least one (1) out of five (5) members is a woman Director. The details of directors' background, experiences and qualifications are set out in the Profile of Directors in this Annual Report.

##### The Board Diversity

The Board acknowledges the need to enhance board diversity, as it is essential to the efficient functioning of the Board and indicates good governance practices.

The Board is mindful of the need for board diversity in terms of experience, skills, expertise, competencies, gender, and age to enable the Group to enhance its business and governance performance.



## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### II Board Composition (cont'd)

##### The Board Diversity (cont'd)

The Executive Directors possess experience in consumer electronics, property development, marketing, retailing, healthcare services, and administration as well as the Group's manufacturing businesses. The Executive Directors are complemented by the experience and independent views of the Non-Executive Directors who have a wealth of experience in administration, audit, corporate, finance and accounting mainly under electronic and garment manufacturing environment.

The mix skills and experience are vital in directing and supervising the Group's overall business activities in light of the increasing challenging economic and operating environment in which the Group operates.

The Board has no immediate plan to implement any gender diversity policy but encourages female candidates to take up board position in order to promote gender equality. In the event a vacancy arises, the Board will consider gender diversity in its nomination process.

Currently, there is one woman Director on the Board, Fera Fizani Binti Ahmad Fizri holding 20.0% of the Board's seats.

##### Appointment and Re-election of Directors

Appointments of Director to the Board shall be made and carried out based on the recommendation of the NC.

The Board shall comprise members who collectively have the right mix of qualifications, skills, competencies, and other complimentary attributes that will best serve the needs of the Company.

Time commitment will also be obtained from a director at the time of appointment. Additionally, all Board members should notify the Chairman of the Board before accepting any new directorship outside the Group.

In accordance with the Company's Constitution, at least one-third (1/3) of the Directors shall retire from office every year provided always that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election at the AGM. No Director stays in office for more than three (3) years without being subject to re-election by shareholders.

Eligible directors may seek re-election at the AGM. NC is responsible for recommending to the Board those Directors who are eligible to stand for re-election. The recommendation is based on the reviews of their performance taking into consideration their contribution to the Board through their skills, experience, qualities, and ability to act in the best interests of the Company in decision making.

In reviewing and assessing candidates that are to be appointed as Directors as well as Directors who are seeking re-election, NC and the Board are guided by the Directors' Fit and Proper policy. This will ensure that a person to be appointed or elected/re-elected as Director possesses the necessary quality and character as well as integrity, competency, and commitment.

##### Annual Assessment of Independent Directors

The Board has 2 Independent Non-Executive Directors out of 5 Board members and complies with MMLR of Bursa Securities that at least 1/3 of the Board are Independent Directors.

However, the Group has not complied with Practice 5.2 of the Principles of Corporate Governance as contained in MCCG whereby at least half of the board comprises independent directors. The explanation for departure is disclosed in the Corporate Governance Report.

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### II Board Composition (cont'd)

##### Annual Assessment of Independent Directors (cont'd)

The Board through NC carries out an annual assessment of the Independent Directors with the aim of strengthening the role of independent directors to facilitate independent and objective decision making in the Company, free from undue influence and bias. The assessment is carried out by way of self and peer evaluation through the completion of questionnaires.

Criteria have been set to assess the independence of Independent Directors which are in line with MMLR of Bursa Securities.

MCCG recommends that the tenure of an independent director should not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to his re-designation as a Non-Independent Director if it is so determined that the expertise and experience of a Non-Independent Director is still relevant to the Company. If a Director is to be retained as an Independent Director beyond the prescribed tenure, the Director or the Board must provide appropriate justification and obtain annual shareholders' approval via a two-tier voting process.

##### Shareholders' Approval for Independent Director

Tan Poh Heng, the Independent Director has served more than a cumulative term of nine years.

The Board is of the view that the independence of the Independent Director should not be determined solely or arbitrarily by his tenure of service. The Board are confident that he can be tasked to discharge his duties and responsibilities independently and objectively notwithstanding his tenure on the Board.

Following an assessment and recommendation by the NC, the Board concluded that Tan Poh Heng had remained independent and pursuant to Practice 4.2 of the MCCG, the Board will seek approval from the shareholders of the Company through a two-tier voting process at the forthcoming AGM to support the Board's decision to retain him as an Independent Non-Executive Director of the Company until the conclusion of the next AGM.

##### Chairman and Managing Director to be held by different individuals

These top two positions are held by two different individuals. There is a clear division of responsibility between the Executive Chairman and the Managing Director to ensure that there is a balance of power and authority so that no one individual has unfettered powers of decision.

The Chairman leads the board of directors in providing governance and oversight as well as guidance on strategic matters. The Chairman presides at the Board meetings and general meetings.

##### Statement on Corporate Governance

The Managing Director's responsibility is to focus on the business and operations of the Group, ensuring that it is run efficiently and effectively and in accordance with the strategic decisions of the Board.

##### Foster Commitment

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company.

In order to enable Directors to discharge their duties effectively by ensuring that their commitment, resources, and time are more focused, a new director must not hold more than five (5) directorships in public listed companies.

The Board meets at least 5 times a year. During FYR 2025, the Board held 5 meetings and the details of each Director's attendance are set out in the section on Profile of Directors in this Annual Report.

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### II Board Composition (cont'd)

##### Directors' Training

In compliance with the MMLR of Bursa Securities, all Directors have completed the Mandatory Accreditation Programme ("MAP") Part I, which covers corporate governance, director's roles, duties and liabilities, and Part II which focuses on sustainability and the integration of environmental, social, and governance ("ESG") factors. This ensures that the Board is fully equipped to meet both governance and sustainability standards. Furthermore, the Board through the NC, has assessed the training needs of each director and recommended relevant training programs to enhance their knowledge and contribution to the Board.

Details of the training programmes attended by the Directors during FYR 2025 are as follows:

No.	Name of Director	Seminar / Training Programmes attended
1.	Tan Sri Dato' Seri Tan Kok Ping	a) Market Strategy: Trumps's Tariff Tantrum Has Markets on The Back Foot on 17 April 2025
2.	Tan Poay Seng	a) Market Strategy: Trumps's Tariff Tantrum Has Markets on The Back Foot on 17 April 2025
3.	H'ng Cheok Seng	a) Business Valuation Masterclass on 1 May 2025 b) Mandatory Accreditation Programme Part II: Leading for Impact on 21-22 April 2025 c) Market Strategy: Trumps's Tariff Tantrum Has Markets on The Back Foot on 17 April 2025 d) Making AI work for sustainability on 29 April 2025 e) Implementing sustainability reporting on 30 April 2024
4.	Tan Poh Heng	a) Tax Seminar on Budget 2025 on 11 November 2024
5.	Fera Fizani Binti Ahmad Fizri	a) Mandatory Accreditation Programme Part II: Leading for Impact on 9-12 December 2024

#### III. Remuneration

##### Company or Magni

At the Holding Company level, none of the executive directors have received fees or salary related benefits. The amount of directors' fee receivable by each of the Company's Non-Executive Directors for FYR 2025 is the same as those disclosed in the second table below.

##### Group (Company and Subsidiaries)

Executive Directors						
Name	Fees	Salaries	Bonuses / Incentives	Statutory Contributions	Other Benefits	Total
	RM'000					
TTKP	-	720	1,250	1	60	2,031
TPS	-	804	5,054	357	28	6,243
Total	-	1,524	6,304	358	88	8,274

## Corporate Governance Overview Statement

### Principle A : Board Leadership and Effectiveness (cont'd)

#### III. Remuneration (cont'd)

##### Group (Company and Subsidiaries) (cont'd)

Non-Executive Directors						
Name	Fees	Salaries	Bonuses / Incentives	Statutory Contributions	Other Benefits	Total
	RM'000					
HCS	48	-	-	-	-	48
TPH	48	-	-	-	-	48
FF	48	-	-	-	-	48
Total	144	-	-	-	-	144

TTKP, TPS, HCS, TPH, and FF denote Tan Sri Dato' Seri Tan Kok Ping, Tan Poay Seng, H'ng Cheok Seng, Tan Poh Heng and Fera Fizani Binti Ahmad Fizri respectively.

The Board is of the view that disclosure of key management personnel's remuneration on a named basis and in bands of RM50,000 each may not be in the best interest of the Group due to confidentiality and the sensitive nature of the information. The total amount of compensation for key management personnel is disclosed in Note 27(c) of the audited financial statements.

### Principle B – Effective Audit and Risk Management

#### Audit and Risk Management Committee ("ARMC")

The ARMC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. During FYR 2025, five (5) ARMC meetings were held.

ARMC's performance is reviewed annually by the NC. The evaluation covered key aspects such as the members' financial literacy levels and ability to discharge their duties under its terms of reference.

Based on the assessment for FYR 2025, the Board was satisfied with the performance of ARMC. ARMC members had also attended various training programmes and seminars to enhance their knowledge and contributions to the Board.

The full duties and responsibilities of the ARMC are outlined in its Terms of Reference, which is available for reference on the Company's website at <https://magni-tech.com.my>. A detailed disclosure of the ARMC's roles and activities during the financial year is provided in the ARMC Report section of this Annual Report.

#### Compliance with Applicable Financial Reporting Standards

The financial statements of the Company and of the Group were prepared in accordance with the Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016.

The Board is committed to provide a fair assessment of the Group's performance, position and prospects primarily through the annual reports, quarterly financial reports and corporate announcements on significant developments to the shareholders.

ARMC, which assists the Board in discharging its duties on financial reporting is to ensure that the financial statements of the Company and of the Group comply with the Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016.

## Corporate Governance Overview Statement

### Principle B – Effective Audit and Risk Management (cont'd)

#### Assessment of Suitability and Independence of External Auditors

ARMC assesses the suitability and independence of the external auditors on an annual basis. The external auditors have provided written assurance that they have complied with the relevant ethical requirements regarding professional independence.

ARMC is satisfied with the performance, competence and independence of the external auditors and has recommended to the Board their re-appointment as external auditors for shareholders' approval at the forthcoming AGM.

#### Risk Framework

The Board has established an appropriate framework to manage risks. An overview of the Group's risk management and internal control are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

#### Internal Audit Function

The internal audit work of the Group is outsourced to a professional internal audit service provider firm. Further details of the activities of the internal audit function are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

### Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Shareholders

#### Communication with Stakeholders

The Board is committed to use its best endeavour to provide accurate and complete information on a timely and even basis to enable shareholders to make informed investment decision.

The information published at the Company's website, <https://magni-tech.com.my> and announcements made to Bursa Malaysia's website, [www.bursamalaysia.com](http://www.bursamalaysia.com) serves as a key communication platform for shareholders, investors and the general public. It provides access to corporate information, as well as the Company's annual reports and quarterly financial results.

The Board has established the Corporate Disclosure Policy which applies to all Directors, management and employees of the Group. It outlines the Group's approach toward the determination and dissemination of material information, the circumstances under which the confidentiality of information will be maintained, and restrictions on insider trading. It also provides guidelines to facilitate implementation and consistent disclosure practice across the Group.

The Corporate Disclosure Policy is available for reference on the Company's website at <https://magni-tech.com.my>.

## Corporate Governance Overview Statement

### Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Shareholders (cont'd)

#### Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with the shareholders of the Company.

The Board conducted its 27<sup>th</sup> AGM held on 02 October 2024 on a fully virtual basis through live streaming and online remote voting via the online meeting platform provided by Propoll Solutions Sdn Bhd. The Notices of this AGM were served to the shareholders of the Company at least 28 days prior to the meeting. Such facilities allow shareholders to submit any questions in advance on matters pertaining to the resolutions proposed as well as those relating to the Group's operations in general, attend the meeting remotely, and pose questions to the Board and Management. All the directors together with executives participated in the 27<sup>th</sup> AGM.

The minutes of AGM including the list of attendance of Directors and outcome of the voting results, pertinent questions raised by shareholders and the respective responses are made available to shareholders and the public for reference on the Company's website at <https://magni-tech.com.my>.

#### Compliance Statement

Save as disclosed above and in Corporate Governance Report, the Board considers that the Company has complied with the MCCG throughout FYR 2025.

This Statement was made in accordance with a resolution of the Board of Directors dated 12 August 2025.

## Statement on Risk Management and Internal Control

### Introduction

The Board of Directors ("the Board") of Magni-Tech Industries Berhad is pleased to present the Statement on Risk Management and Internal Control ("the Statement"), which outlines the Group's risk management and internal control framework and its scope for the financial year ended 30 April 2025 ("FYR 2025").

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") and Practice 10.2 of the Malaysian Code on Corporate Governance ("MCCG"). In its preparation, reference was made to the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, as endorsed by Bursa Securities.

### Board Responsibility

The Board is responsible for the overall governance of the Group's risk management and internal control, ensuring they are effective in supporting the achievement of its business objectives. These systems are embedded within the Group's operations and designed to manage risks within acceptable levels, recognising that they can only provide reasonable, not absolute, assurance against material misstatements, frauds or losses and unforeseen emerging risks.

ARMC is to assist the Board in discharging its responsibilities for risk governance by overseeing the Group's material risks areas and evaluating the effectiveness of the risk management and internal control framework. This includes ensuring that Management has implemented appropriate processes and controls to manage risks within acceptable levels. For FYR 2025, the Board received assurance from the Managing Director and the Heads of operating subsidiaries that the Group's risk management and internal control systems were functioning adequately and effectively.

### Risk Management Framework

The Group is committed to maintaining an effective risk management framework by integrating risk management into all business processes to support sustainable growth. Risks are identified and managed across the organisation to protect stakeholder interests, including customers, employees, communities, and shareholders.

The framework recognises that risks ranging from strategic and financial to operational and compliance related, which are inherent in business activities. Effective risk management ensures the safeguarding of assets, operational efficiency, and achievement of corporate objectives.

The Group's risk management framework is summarised below:

- 1) Board of Directors: Responsible for key strategies for significant risks control issues.
- 2) ARMC: Responsible for assisting the Board in fulfilling their risk oversight function. ARMC reviews the risk management reports prepared by the operating subsidiaries periodically and reports to the Board of any significant issues for the Board's deliberation and direction.

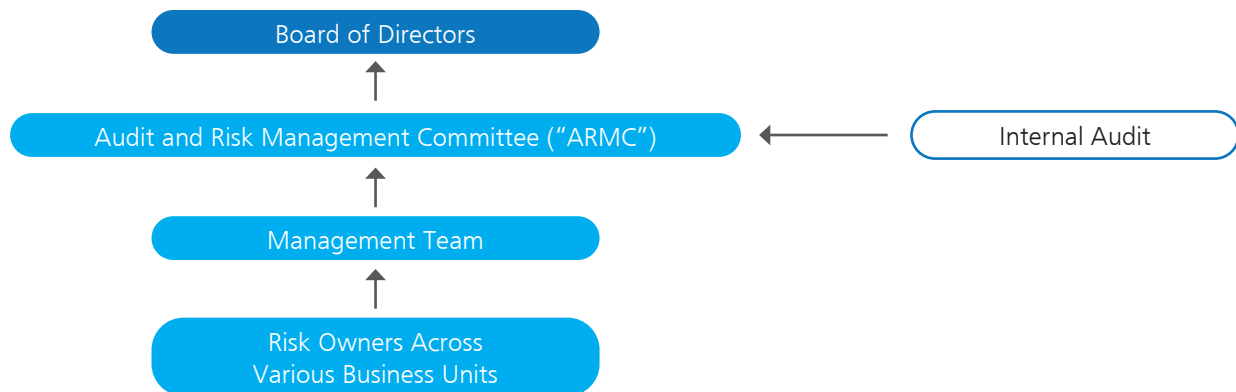
A summary of the activities undertaken by ARMC during FYR 2025 are set out in the ARMC's Report in this Annual Report.

- 3) The operating subsidiaries play a pivotal role in continuous monitoring and management of the risks. Risk assessments are performed periodically by the operating subsidiaries to identify, assess, and manage the risks faced by their respective business units and reports are made to the ARMC for deliberation.

## Statement on Risk Management and Internal Control

### Risk Management Framework (cont'd)

The Group's risk management structure, which outlines the delegation of responsibilities and facilitates the identification, assessment, and communication of risk matters from operational levels up to the Board, is summarised in the diagram below:



Heads of operating subsidiaries are responsible for and work closely with their subordinates on the risk management activities within their business units. The risks are identified through management meetings, operations meetings, desktop reviews, deliberations, or communications with the risk owners, ie. key management staff of the operating subsidiaries in relation to the objectives of the business functions concerned.

The risk identification process also takes into consideration both internal and external environment factors. Internal factors include changes in key personnel, policies, and procedures. External environmental factors include changes in economic and political landscape, changes in competitive actions of business rivals, and changes in laws / regulations and technology.

The potential impact and likelihood of the risks identified are assessed to gauge their risk levels. Significant risks identified are documented, reviewed and control procedures are re-evaluated accordingly in order to ensure that the significant risks are mitigated to an acceptable level.

The significant risks for FYR 2025 identified by operating subsidiaries and reviewed by ARMC and the Board included Customer Concentration Risk, Foreign Currency Exchange Risk and rising operating costs. Further details of these significant risks and the strategies to mitigate these risks are set out in the Management Discussion and Analysis in this Annual Report.

### Internal Control Framework

The Group's internal control framework is designed to manage and mitigate risks to an acceptable level and to support the achievement of business objectives. The key processes of the internal control framework include the following:

#### Governance and Delegation Authority

- Clearly defined delegation of responsibilities to the Board Committees, Managing Director and heads of operating subsidiaries, as set out in the Company organizational structure.

#### Strategic Planning, Budgeting and Financial Management

- An established annual budgeting process is in place, whereby each operating unit prepares budget, which are reviewed by the respective heads of subsidiaries and approved by the Management.
- Reports on financial performance and variance analysis are reviewed by Management monthly and by the Board at least on a quarterly basis.
- Adoption and consistent application of appropriate accounting policies in the financial statements, and prudence judgements and reasonable estimates, are made in compliance with applicable approved Malaysian accounting standards to give a true and fair view of the Group's financial position and performance.



## Statement on Risk Management and Internal Control

### Risk Management and Insurance

- Annual review of insurance coverage and physical safeguards is performed to ensure adequate protection of the Group's business operations, major assets and employees against potential material losses.
- Risk identification and assessment processes are in place, with updates to the risks register conducted as part of continuous review. Further details of the Group's risks strategy are disclosed in the forgoing Management Discussion and Analysis.

### Operational Controls and Quality Management

- Credit control and debt collection procedures are in place and monitored through credit reviews and account receivables aging analysis within each of the operating subsidiaries.
- Quality improvement initiatives are in place across subsidiaries to minimizing wastage, improving productivity and product quality, enhance customer service, and promote environmental sustainability.
- Our subsidiaries adhere to certified management systems, including:
  - (i) Garment subsidiary has been accredited to ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, and ISO 45001:2018 Occupational Health & Safety Management System at workplace.
  - (ii) Plastic packaging subsidiary has been accredited to ISO 22000:2018 Food Safety Management System.
- Scheduled on-site audits by accredited ISO auditors to ensure compliance with the relevant industry standards and the results of which are reported to the Management.

### Internal and External Audit

- The internal audit function prepares an annual audit plan, which is tabled to the ARMC for approval. Ongoing internal audits are conducted based on this plan. Further details of the internal audit function are provided in the in following section of this Statement.
- The external audit strategy, scope of work and plan are reviewed and endorsed by the ARMC to ensure adequacy of external audit coverage.

### Human Resource Management and Development

- Employees performance is monitored through annual performance appraisal.
- Training and development programmes, whether in house or outsourced, are conducted to meet staff learning needs across all levels.

### Health, Safety and Sustainability Practices

- An Occupational Safety and Health ("OSH") policy is in place at all operating subsidiaries. The OSH Committee promotes safety, health and environmental awareness while ensuring regulatory compliance.
- The Group adheres to local and international sustainability frameworks and standards, including the Bursa Malaysia's Sustainability Reporting Guide and Global Reporting Initiative Sustainability Reporting Standards: Core Option ("GRI Standards"). Sustainability related activities are detailed in the Sustainability Statement in this Annual Report.

### Integrity and Whistleblowing Mechanism

- A formal whistleblowing process has been established, providing a confidential channel for individuals to report concerns related to integrity and misconduct.

## Statement on Risk Management and Internal Control

### Internal Audit Function

The Group has outsourced its Internal Audit Function ("IAF") to BCG Consultancy Sdn. Bhd., led by Mr. Jeremy Kong June Hon, a seasoned audit professional with over 20 years of experience across various industries, including property development, construction, power, timber, manufacturing, trading, and retail.

Mr. Jeremy is a Fellow of the Association of Chartered Certified Accountants ("FCCA"), a member of the Malaysian Institute of Accountants ("MIA"), and a Chartered Member of the Institute of Internal Auditors Malaysia ("IIA"). He also holds valid practicing certificates from the Ministry of Finance Malaysia and ACCA, and is an ASEAN Chartered Professional Accountant.

The internal auditors conduct independent reviews of the Group's internal controls and procedures, reporting directly to the ARMC. They are free from any conflicts of interest and have unrestricted access to the ARMC Chairman on internal audit matters.

The ARMC receives regular reports on internal audit activities, reviews key findings, and ensures that management takes appropriate action on audit recommendations. Follow up audits are conducted to monitor the implementation of these recommendations.

A risk-based audit is adopted in planning the audit assignments, considering industry specific risks and a rotation cycle for auditable areas. Significant findings, recommendations, and management responses are escalated to the Board, as appropriate.

### Review of the Statement by External Auditors

This Statement has been reviewed by the external auditors in compliance with Paragraph 15.23 of MMLR of Bursa Securities and pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for FYR 2025.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control systems of the Group.

### Conclusion

The Board has received assurance from the Managing Director and Heads of operating subsidiaries that the risk management and internal control system of the Group are operating adequately and effectively.

The Board is of the view that the risk management and internal control system are satisfactory and effective and there was no material losses incurred during the year under review as a result of internal control weaknesses or non-compliance events. The Management shall continue to take the appropriate measures to improve the Group's risk management and internal controls systems to ensure that the ongoing risk management processes effectively identify, analyse, evaluate, and manage significant risks that may impede the achievement of business and corporate objectives.

This Statement was made in accordance with a resolution of the Board of Directors dated 12 August 2025.

## Audit and Risk Management Committee's Report

The Board of Directors (the "Board") of Magni-Tech Industries Berhad and its subsidiaries ("Magni" or the "Company") is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the financial year ended 30 April 2025 in compliance with Paragraph 15.15 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

### Composition and Meetings

There were 5 meetings held during FYR 2025, with full attendance by all committee members. The details of each member and their attendance are as follows:

Members	Number of Meetings	
	Held	Attended
Tan Poh Heng (Chairman) Independent Non-Executive Director	5	5
Fera Fizani Binti Ahmad Fizri Independent Non-Executive Director	5	5
H'ng Cheok Seng Non-Independent Non-Executive Director	5	5

The ARMC members shall comprise at least 3 Non-Executive Directors, a majority of whom, including the Chairman, shall be Independent Directors.

Mr. Tan Poh Heng is the member of the Malaysian Institute of Accountants. Therefore, the ARMC meets the requirement of Paragraph 15.09(1)(c) of the MMLR.

### Terms of Reference of ARMC

ARMC is guided by its terms of reference as set out in the Company's corporate website at <https://magni-tech.com.my>.

### Summary of Work of the ARMC held during FYR 2025

The said ARMC meetings were mainly for the purpose of discharging its oversight role on the Company's financial reporting, risk management, external audit and internal audit.

#### Financial Reporting

- 1) ARMC reviewed the unaudited quarterly results to ensure compliance with the Malaysian Financial Reporting Standards ("MFRS") 134 - Interim Financial Reporting and the latest requirements under the MMLR, before recommending them to the Board for approval and announcement to Bursa Securities.
- 2) Reviewed the audited financial statements for FYR 2025 to ensure it presented a true and fair view of the Group's financial position and performance for the year and complied with all relevant disclosure and regulatory requirements, before presenting to the Board for approval.
- 3) Reviewed the recurrent related party transactions entered by the Group and the relevant procedures to ensure that recurrent related party transactions are undertaken on normal commercial terms and at arm's length.

#### Risk Management

Reviewed the risk management reports of the Group and the adequacy and integrity of the risk management and internal control systems in mitigating significant risks.

## Audit and Risk Management Committee's Report

### Summary of Work of the ARMC held during FYR 2025 (cont'd)

#### External Audit

- 1) Reviewed with the external auditors, Grant Thornton Malaysia PLT ("Grant Thornton"), their audit plan, audit approach and reporting requirements and proposed fee for the external audit.  
  
Assessed the suitability and independence of the external auditors taking into consideration the information contained in their annual transparency report and various key aspects of the audit service including, the quality of the audit staff, their resources, firm organization, and audit team structures.  
  
Assessed whether they have carried out the audit as per audit plan, and the interaction with the audit team on key audit findings including technical issues. The effect of non-audit services on their independence and objectivity of external audit was also considered. Please refer to the relevant fees as disclosed in Other Corporate Disclosure in this Annual Report.
- 2) Of the five ARMC meetings held during the financial year, two sessions were held with the external auditors without the presence of the Executive Directors and other employees of the Group.
- 3) Recommended for the Board approval on Grant Thornton Malaysia PLT re-appointment as the Company's auditors and for the same to be put forward for shareholders' approval at the forthcoming AGM.

#### Internal Audit

- 1) Reviewed the internal audit plan presented by the internal auditors to ensure the adequacy of the audit scope, the timeline, and resources necessary to achieve the plan.
- 2) Reviewed the internal audit reports presented by the internal auditors on audit areas which include production planning and procurement, and ensure recommendations therefrom are acted upon by the Management.
- 3 Assessed and reviewed the following in respect of internal audit:
  - (a) Of the scope, functions, competency, and resources of the internal audit functions and that it has the necessary authority to carry out its work;
  - (b) The internal audit process and results of the internal audit; and
  - (c) The adequacy and independence of the Group's internal audit function, and any potential weaknesses which may undermine its effectiveness.

ARMC also reviewed and assessed the financial literacy of its members for FYR 2025.

#### Internal Audit Function

The Group has outsourced the internal audit work to a professional internal audit service provider firm. Further details of the internal audit function are set out in the Statement on Risk Management and Internal Control in this Annual Report.

#### Summary of Work of Internal Audit Function

During FYR 2025, the internal auditors carry out the internal audits as per the audit plan on key business process of the operating subsidiaries to assess the adequacy and effectiveness of their systems of internal control and compliance with the relevant policies and procedures.

The Internal Auditors reported the results of internal audits and made recommendations for improvement to the ARMC. Audit reports that were presented to the ARMC were also forwarded to the management concerned for their attention and necessary actions. Significant findings, recommendations and management responses were brought to the attention of the Board. The internal auditors carried out periodic follow up on the implementation of the audit recommendations.

The internal audit costs incurred during FYR 2025 was RM23,600.

## Statement on Directors' Responsibility

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of each financial year and of their results and cash flows for the financial year.

In preparing the financial statements, the Directors consider that all applicable accounting standards have been followed, appropriate accounting policies have been adopted and applied consistently and the financial statements have been prepared on a going concern basis. In cases where judgment and estimates were made, they were based on reasonableness and prudence.

The Directors are responsible for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy at any time the financial position of the Company and of the Group, and which enable them to ensure that the financial statements comply with the Companies Act 2016, Malaysian Financial Reporting Standards and International Financial Reporting Standards.

The Directors are also responsible for taking such steps that are reasonably available to them to safeguard the assets of the Company and the Group and to prevent and detect fraud and other irregularities.

## Other Corporate Disclosure

### Utilisation of Proceeds Raised from Corporate Proposals

Not applicable as there were no fund raising corporate proposals during FYR 2025.

### Non-Audit Fees

The amount of non-audit fees incurred for services rendered to the Company and to the Group for the financial year ended 30 April 2025 by the Company's external auditors, Grant Thornton Malaysia PLT amounted to RM3,000 and RM3,000 respectively. There are also other fees in relation to services comprising tax compliance and advisory services incurred by the Company and the Group to a corporation affiliated to Grant Thornton Malaysia PLT amounted to RM4,000 and RM22,700 respectively.

### Material Contracts or Contract Relating to Loans

During FYR 2025, other than those disclosed in Note 27 to the Financial Statements, there were no material contracts or contract relating to loans with the Company and its subsidiaries involving the interest of Directors and major shareholders.

### Recurrent Related Party Transactions of a Revenue or Trading Nature

Details of such transactions are disclosed in Note 27 to the financial statements.

### Conflict of Interest

Save as disclosed, none of the Directors have any conflict of interest with the Company.

## Directors' Report

### For The Financial Year Ended 30 April 2025

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **30 April 2025**.

#### PRINCIPAL ACTIVITIES

The principal activities of the Company consist of investment holding and the provision of management services.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

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

#### RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	<b><u>138,772,567</u></b>	<b><u>155,859,751</u></b>
Attributable to:		
Owners of the Company	<b>138,771,400</b>	<b>155,859,751</b>
Non-controlling interests	<b><u>1,167</u></b>	<b><u>-</u></b>
	<b><u>138,772,567</u></b>	<b><u>155,859,751</u></b>

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 April 2025** have not been substantially affected by any item, transaction or event of a material and unusual nature.

#### DIVIDENDS

Since the end of the previous financial year, the Company had paid the following dividends:

	RM
In respect of financial year ended 30 April 2025:	
- First single tier interim dividend of approximately 5.0 sen per share	<b>21,672,529</b>
- Second single tier interim dividend of approximately 3.0 sen per share	<b>13,003,517</b>
- Third single tier interim dividend of approximately 3.8 sen per share	<b>16,471,127</b>
- Special single tier dividend of approximately 20.0 sen per share	<b>86,690,116</b>
In respect of financial year ended 30 April 2024:	
- Fourth single tier interim dividend of approximately 3.3 sen per share	<b><u>14,303,864</u></b>
	<b><u>152,141,153</u></b>

## Directors' Report

### For The Financial Year Ended 30 April 2025

#### DIVIDENDS (cont'd)

On 23 June 2025, the Company has declared a fourth single tier interim dividend of approximately 3.0 sen per share amounting to RM13,003,517 in respect of the financial year ended 30 April 2025 and paid on 25 July 2025. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 April 2026.

The directors do not recommend any final dividend payment for the financial year.

#### RESERVES AND PROVISIONS

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

#### SHARE CAPITAL AND DEBENTURE

During the financial year, the Company did not issue any share or debenture.

#### TREASURY SHARES

During the financial year, the Company did not repurchase or distribute any of its treasury shares.

As at 30 April 2025, the Company held 500,000 treasury shares out of the total 433,950,579 issued ordinary shares. Further relevant details are disclosed in Note 13 to the financial statements.

#### DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

##### *Directors of the Company:*

- \* Tan Sri Dato' Seri Tan Kok Ping
- \* Tan Poay Seng
- H'ng Cheok Seng
- Tan Poh Heng
- Fera Fizani Binti Ahmad Fizri

##### *Directors of the Subsidiaries:*

- Lee Koong Chen @ Lee Kong Chew
- Yap Yong Teck

\* The directors are also directors of the Company's subsidiaries.



## Directors' Report

### For The Financial Year Ended 30 April 2025

#### DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares of the Company during the financial year are as follows:

	Number of ordinary shares			
	Balance at 1.5.2024	Bought	Sold	Balance at 30.4.2025
<b>The Company</b>				
<b>Direct Interest:</b>				
Tan Sri Dato’ Seri Tan Kok Ping	29,700,000	2,577,000	(10,000,000)	22,277,000
Tan Poay Seng	125,088,000	4,992,000	-	130,080,000
H’ng Cheok Seng	3,472,800	-	-	3,472,800
Fera Fizani Binti Ahmad Fizri	4,000	-	-	4,000
<b>Indirect Interest:</b>				
* Tan Sri Dato’ Seri Tan Kok Ping	17,800,300	10,370,000	-	28,170,300
<b>Deemed Interest:</b>				
** Tan Sri Dato’ Seri Tan Kok Ping	57,800,000	2,200,000	-	60,000,000

\* Disclosure pursuant to Section 59(11)(c) of the Companies Act 2016.

\*\* Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of his shareholdings in KP Holdings Sdn. Bhd.

By virtue of their shareholding in the Company, **Tan Sri Dato' Seri Tan Kok Ping** and **Mr. Tan Poay Seng** are also deemed interested in the shares of all the subsidiaries of the Company, to the extent that the Company has interests.

#### DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company are as follows:

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	144,000	-	144,000
Salaries, allowances, bonus and performance incentives	-	7,888,000	7,888,000
Defined contribution plan	-	354,210	354,210
Social security contribution and employment insurance scheme	-	3,421	3,421
Benefits-in-kind	-	28,000	28,000
	<b>144,000</b>	<b>8,273,631</b>	<b>8,417,631</b>

## Directors' Report

### For The Financial Year Ended 30 April 2025

#### DIRECTORS' REMUNERATION AND BENEFITS (cont'd)

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown above) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member or with a company in which the director has a substantial financial interests, other than those related party transactions disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM7,813.

#### OTHER STATUTORY INFORMATION

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

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and no provision for doubtful debts was required; and
- (ii) to ensure that any current assets which were unlikely to realise as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

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

- (i) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

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

## Directors' Report

### For The Financial Year Ended 30 April 2025

#### OTHER STATUTORY INFORMATION (cont'd)

In the opinion of the directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

#### EVENT AFTER THE REPORTING PERIOD

The details of the event after the reporting period are disclosed in Note 31 to the financial statements.

#### AUDITORS

The auditors, **Grant Thornton Malaysia PLT**, have expressed their willingness to continue in office.

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 30 April 2025 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	147,000	32,000
Assurance related and non-audit services	25,700	7,000
Total	<u>172,700</u>	<u>39,000</u>

The Company has agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors:

.....  
**Tan Sri Dato' Seri Tan Kok Ping**

**Penang,**

**Date: 12 August 2025**

.....  
**Tan Poay Seng**

## Directors' Statement

In the opinion of the directors, the financial statements set out on pages 72 to 119 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **30 April 2025** and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors:

.....  
**Tan Sri Dato' Seri Tan Kok Ping**

.....  
**Tan Poay Seng**

**Date: 12 August 2025**

## Statutory Declaration

I, **Tan Poay Seng**, the director primarily responsible for the financial management of **Magni-Tech Industries Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 72 to 119 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by        )  
the abovenamed at Penang, this **12th**        )  
day of **August 2025**.                                )

.....  
**Tan Poay Seng**

**Before me,**

.....  
**Goh Suan Bee**  
**P125**  
**Commissioner for Oaths**

# Independent Auditors' Report to the Members of Magni-Tech Industries Berhad

Registration No. 199701007089 (422585-V)  
(Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **Magni-Tech Industries Berhad**, which comprise the statements of financial position as at **30 April 2025** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 72 to 119.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **30 April 2025**, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

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

### Key Audit Matters

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

## Independent Auditors' Report to the Members of Magni-Tech Industries Berhad (cont'd)

Registration No. 199701007089 (422585-V)  
(Incorporated in Malaysia)

### Key Audit Matters (cont'd)

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
<p><b>Revenue recognition</b> (Note 18 to the financial statements)</p> <p>The Group's revenue is mainly derived from the manufacturing and sales of garments and packaging materials.</p> <p>We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised.</p>	<p>Our audit procedures in relation to the revenue recognition included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Group's revenue recognition process and application and thereafter tested controls on the occurrence of revenue.</li> <li>• Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities.</li> <li>• Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers.</li> <li>• Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transactions taking place at either side of the reporting date as well as reviewed credit notes and sales returns issued after the reporting date.</li> <li>• Reviewed the sales ledger to identify any sales transactions that were entered using journals or non-sales invoices references and evaluated the nature of the transactions to determine whether they were <i>bona fide</i> transactions.</li> </ul>
<p><b>Existence and gross valuation of inventories</b> (Note 9 to the financial statements)</p> <p>The Group holds significant inventories as at 30 April 2025 which comprise of mainly raw materials and work-in-progress from the manufacturing and sales of garments segment. The composition of these inventories are mainly fabric and accessories associated to manufacture the garments. These inventories are mainly located at the Group's sub-contractors' premises based in Vietnam.</p> <p>We focus on this area as the existence and gross valuation of the inventories is quantitatively material to the financial statements and the risk of the unit price and quantities being incorrectly inputted in deriving the value of inventory balance as at the end of reporting period is reasonably possible.</p>	<p>Our audit procedures in relation to the existence and gross valuation of inventories included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of: <ul style="list-style-type: none"> <li>- how the Group account for its inventories, particularly for inventories located at sub-contractors' premises and designated warehouse;</li> <li>- how the Group identifies and assesses inventories write-downs; and</li> <li>- how the Group makes the accounting estimates for inventories write-downs.</li> </ul> </li> <li>• Reviewed the valuation of inventories in accordance with <i>MFRS 102 Inventories</i>.</li> <li>• Reviewed and tested the net realisable value of inventories on sampling basis.</li> <li>• Reviewed management's assessment on the allowance for slow moving/obsolete inventories.</li> <li>• Obtained external confirmations from the garment manufacturing sub-contractors to confirm the inventory balance at their location by job order code as at the end of the reporting period.</li> <li>• Attended the year end physical inventory counts.</li> <li>• Checked the raw materials in sub-contractors' warehouse right up to the job order assigned to the sub-contractors to ensure the effectiveness of the inventory management system.</li> </ul>

There is no key audit matters to be communicated in the audit of the separate financial statements of the Company.

## Independent Auditors' Report to the Members of Magni-Tech Industries Berhad (cont'd)

Registration No. 199701007089 (422585-V)  
(Incorporated in Malaysia)

### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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.

## Independent Auditors' Report to the Members of Magni-Tech Industries Berhad (cont'd)

Registration No. 199701007089 (422585-V)  
(Incorporated in Malaysia)

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 financial statements of the Group. 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 financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 6 to the financial statements.

### Other Matter

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.

**Grant Thornton Malaysia PLT**  
**AF: 0737**  
**201906003682 (LLP0022494-LCA)**  
**Chartered Accountants**

**Penang**

**Date: 12 August 2025**

**Teh Khang Xuen**  
**No. 03805/12/2025 J**  
**Chartered Accountant**



## Statements of Financial Position

As At 30 April 2025

		GROUP		COMPANY	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	63,945,040	53,963,368	88,434	368,508
Investment properties	5	999,473	1,019,086	-	-
Investment in subsidiaries	6	-	-	78,124,389	78,124,389
Investment in an associate	7	828,421	622,190	-	-
Investment securities	8	39,148,493	20,115,206	-	-
		104,921,427	75,719,850	78,212,823	78,492,897
Current assets					
Inventories	9	306,127,917	316,332,800	-	-
Trade and other receivables	10	224,699,797	123,528,566	8,053,156	7,300,934
Current tax assets		1,388,861	872,745	-	-
Cash and cash equivalents	11	414,194,609	538,692,053	155,879,836	152,505,895
		946,411,184	979,426,164	163,932,992	159,806,829
TOTAL ASSETS					
		1,051,332,611	1,055,146,014	242,145,815	238,299,726
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	216,975,289	216,975,289	216,975,289	216,975,289
Treasury shares	13	(686,119)	(686,119)	(686,119)	(686,119)
Other reserves	14	3,174,975	2,295,257	15,824,999	15,824,999
Retained profits	15	662,819,589	676,189,342	9,315,789	5,597,191
		882,283,734	894,773,769	241,429,958	237,711,360
Non-controlling interests		27,087	25,920	-	-
Total equity		882,310,821	894,799,689	241,429,958	237,711,360
Non-current liability					
Deferred tax liabilities	16	7,193,681	7,645,868	-	-
Current liabilities					
Trade and other payables	17	155,224,624	144,461,090	66,137	62,366
Current tax liabilities		6,603,485	8,239,367	649,720	526,000
		161,828,109	152,700,457	715,857	588,366
Total liabilities		169,021,790	160,346,325	715,857	588,366
TOTAL EQUITY AND LIABILITIES					
		1,051,332,611	1,055,146,014	242,145,815	238,299,726

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

## Statements of Comprehensive Income

For The Financial Year Ended 30 April 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue					
- sales of garments and packaging materials		1,485,510,591	1,341,095,834	-	-
- management fee		-	-	516,000	516,000
- dividend income		-	-	150,000,000	47,400,000
Total revenue	18	1,485,510,591	1,341,095,834	150,516,000	47,916,000
Cost of sales		(1,248,378,755)	(1,128,045,270)	-	-
<b>Gross profit</b>		<b>237,131,836</b>	<b>213,050,564</b>	<b>150,516,000</b>	<b>47,916,000</b>
Other income	19	4,363,539	10,533,941	-	-
Administrative expenses		(67,218,854)	(59,168,233)	(1,118,330)	(1,095,366)
Selling and distribution expenses		(13,055,143)	(12,969,547)	-	-
Allowance for expected credit losses ("ECL") on trade receivables		-	(16,920)	-	-
Share of results of an associate		206,231	(87,010)	-	-
<b>Operating profit</b>		<b>161,427,609</b>	<b>151,342,795</b>	<b>149,397,670</b>	<b>46,820,634</b>
Finance income	20	21,236,204	17,280,146	8,653,550	5,016,115
<b>Profit before tax</b>	21	<b>182,663,813</b>	<b>168,622,941</b>	<b>158,051,220</b>	<b>51,836,749</b>
Taxation	22	(43,891,246)	(40,213,246)	(2,191,469)	(1,310,380)
<b>Profit for the financial year</b>		<b>138,772,567</b>	<b>128,409,695</b>	<b>155,859,751</b>	<b>50,526,369</b>

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

## Statements of Comprehensive Income

For The Financial Year Ended 30 April 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Other comprehensive income, net of tax:</b>					
<b>Items that will not be reclassified subsequently to profit or loss:</b>					
Net changes in fair value gain on investment securities designated at fair value through other comprehensive income ("FVOCI")		<b>879,718</b>	1,888,012	-	-
<b>Total comprehensive income for the financial year</b>		<b>139,652,285</b>	<b>130,297,707</b>	<b>155,859,751</b>	<b>50,526,369</b>
<b>Profit attributable to:</b>					
Owners of the Company		<b>138,771,400</b>	128,409,704	<b>155,859,751</b>	50,526,369
Non-controlling interests		<b>1,167</b>	(9)	-	-
		<b>138,772,567</b>	<b>128,409,695</b>	<b>155,859,751</b>	<b>50,526,369</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>139,651,118</b>	130,297,716	<b>155,859,751</b>	50,526,369
Non-controlling interests		<b>1,167</b>	(9)	-	-
		<b>139,652,285</b>	<b>130,297,707</b>	<b>155,859,751</b>	<b>50,526,369</b>
<b>Earnings per share attributable to owners of the Company (sen)</b>					
- Basic/Diluted	<b>23</b>	<b>32</b>	<b>30</b>		

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

## Consolidated Statement of Changes In Equity

For The Financial Year Ended 30 April 2025

NOTE	Attributable to owners of the Company						Total Equity RM
	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Total RM	Non-Controlling Interests RM	
		Non-distributable		Distributable			
<b>2025</b>							
Balance at beginning	216,975,289	(686,119)	2,295,257	676,189,342	894,773,769	25,920	894,799,689
Total comprehensive income for the financial year	-	-	879,718	138,771,400	139,651,118	1,167	139,652,285
<i>Transaction with owners of the Company:</i>							
Dividends	-	-	-	(152,141,153)	(152,141,153)	-	(152,141,153)
Balance at end	216,975,289	(686,119)	3,174,975	662,819,589	882,283,734	27,087	882,310,821
<b>2024</b>							
Balance at beginning	216,975,289	(686,119)	407,245	595,459,189	812,155,604	25,929	812,181,533
Total comprehensive income for the financial year	-	-	1,888,012	128,409,704	130,297,716	(9)	130,297,707
<i>Transaction with owners of the Company:</i>							
Dividends	-	-	-	(47,679,551)	(47,679,551)	-	(47,679,551)
Balance at end	216,975,289	(686,119)	2,295,257	676,189,342	894,773,769	25,920	894,799,689

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

## Statement of Changes In Equity

For The Financial Year Ended 30 April 2025

		—— Non-distributable ——		Distributable		
		Share Capital	Treasury Shares	Other Reserves	Retained Profits	Total Equity
NOTE		RM	RM	RM	RM	RM
<b>2025</b>						
Balance at beginning		216,975,289	(686,119)	15,824,999	5,597,191	237,711,360
Total comprehensive income for the financial year		-	-	-	155,859,751	155,859,751
<i>Transaction with owners of the Company:</i>						
Dividends	24	-	-	-	(152,141,153)	(152,141,153)
Balance at end		<u>216,975,289</u>	<u>(686,119)</u>	<u>15,824,999</u>	<u>9,315,789</u>	<u>241,429,958</u>
<b>2024</b>						
Balance at beginning		216,975,289	(686,119)	15,824,999	2,750,373	234,864,542
Total comprehensive income for the financial year		-	-	-	50,526,369	50,526,369
<i>Transaction with owners of the Company:</i>						
Dividends	24	-	-	-	(47,679,551)	(47,679,551)
Balance at end		<u>216,975,289</u>	<u>(686,119)</u>	<u>15,824,999</u>	<u>5,597,191</u>	<u>237,711,360</u>

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

## Statements of Cash Flows

for the financial year ended 30 April 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	182,663,813	168,622,941	158,051,220	51,836,749
Adjustments for:				
Allowance for ECL on trade receivables	-	16,920	-	-
Depreciation of:				
- property, plant and equipment	6,170,003	5,889,080	280,074	281,809
- investment properties	19,613	19,613	-	-
Dividend income	(3,525,100)	(2,070,713)	(150,000,000)	(47,400,000)
Interest income	(21,236,204)	(17,280,146)	(8,653,550)	(5,016,115)
(Gain)/Loss on disposal of property, plant and equipment	(321,475)	93,917	-	-
Property, plant and equipment written off	202,900	139,580	-	-
Share of results of an associate	(206,231)	87,010	-	-
Unrealised loss on foreign exchange	1,539,023	557,623	-	-
Operating profit/(loss) before working capital changes	165,306,342	156,075,825	(322,256)	(297,557)
Changes in:				
Inventories	10,204,883	(53,992,816)	-	-
Receivables	(106,782,449)	(4,158,595)	(19)	199
Payables	17,925,367	83,633,030	3,771	11,130
Cash generated from/(used in) operations	86,654,143	181,557,444	(318,504)	(286,228)
Income tax paid	(46,505,431)	(36,735,998)	(2,077,749)	(807,380)
Income tax refunded	10,000	824,883	10,000	-
Net cash from/(used in) operating activities	40,158,712	145,646,329	(2,386,253)	(1,093,608)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	18,146,566	16,831,758	5,879,550	3,416,115
Dividend received	3,525,100	2,070,713	150,000,000	47,400,000
Investment in an associate	-	(709,200)	-	-
Investment in unquoted shares outside Malaysia	(18,153,569)	-	-	-
Placement of fixed deposits with licensed banks, net	-	(18,275,000)	(64,775,000)	(65,025,000)

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

## Statements of Cash Flows

for the financial year ended 30 April 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Proceeds from disposal of property, plant and equipment	323,772	74,878	-	-
Purchase of property, plant and equipment	(16,356,872)	(2,779,983)	-	-
Withdrawal of fixed deposits with licensed banks	5,165,000	-	-	-
(Placement)/Withdrawal of short-term money market deposits	(17,280,000)	2,030,000	-	-
Net cash (used in)/from investing activities	(24,630,003)	(756,834)	91,104,550	(14,208,885)
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>				
Dividends paid	(152,141,153)	(47,679,551)	(152,141,153)	(47,679,551)
Net change in subsidiaries' balances	-	-	2,021,797	125,726,906
Net cash (used in)/from financing activities	(152,141,153)	(47,679,551)	(150,119,356)	78,047,355
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(136,612,444)</b>	97,209,944	<b>(61,401,059)</b>	62,744,862
<b>CASH AND CASH EQUIVALENTS AT BEGINNING</b>	<b>172,067,053</b>	74,857,109	<b>63,300,895</b>	556,033
<b>CASH AND CASH EQUIVALENTS AT END</b>	<b>35,454,609</b>	172,067,053	<b>1,899,836</b>	63,300,895
<b>Cash and cash equivalents are represented by:</b>				
Fixed deposits with licensed banks	357,016,795	362,010,678	155,631,751	90,241,752
Short-term money market deposits	53,507,200	57,757,000	-	-
Cash in hand and at banks	3,670,614	118,924,375	248,085	62,264,143
	414,194,609	538,692,053	155,879,836	152,505,895
Less: Fixed deposits with maturity more than three months	(352,990,000)	(358,155,000)	(153,980,000)	(89,205,000)
Short-term money market deposits with maturity more than three months	(25,750,000)	(8,470,000)	-	-
	35,454,609	172,067,053	1,899,836	63,300,895

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

# Notes To The Financial Statements

## 30 April 2025

### 1. CORPORATE INFORMATION

#### General

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

The registered office of the Company is located at 51-21-A, Menara BHL, Jalan Sultan Ahmad Shah, 10050 George Town, Penang.

The principal place of business of the Company is located at Level 18, Penas Tower, Midlands Park Centre, 488-A Jalan Burmah, 10350 George Town, Penang.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 12 August 2025.

#### Principal activities

The principal activities of the Company consist of investment holding and the provision of management services.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

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

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

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

#### 2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for investment securities that are measured at fair values.

#### 2.3 Functional and Presentation Currency

Ringgit Malaysia ("RM") is the presentation currency of the Group and of the Company.

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates.

#### 2.4 Adoption of Amendments to MFRSs

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial year except for the adoption of the following amendments to MFRSs that are mandatory for the current financial year:



# Notes To The Financial Statements

30 April 2025

## 2. BASIS OF PREPARATION (cont'd)

### 2.4 Adoption of Amendments to MFRSs (cont'd)

#### Effective for annual periods beginning on or after 1 January 2024

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

*Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants*

*Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements*

Initial application of the above amendments to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

### 2.5 Standards/Amendments to MFRSs Issued But Not Yet Effective

The following are accounting standards/amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and for the Company:

#### Effective for annual period beginning on or after 1 January 2025

*Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*

#### Effective for annual period beginning on or after 1 January 2026

*Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*

*Annual Improvements to MFRS Accounting Standards - Volume 11*

*Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*

#### Effective for annual period beginning on or after 1 January 2027

*MFRS 18 Presentation and Disclosure in Financial Statements*

*MFRS 19 Subsidiaries without Public Accountability: Disclosures*

#### Effective date yet to be confirmed

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

The initial application of the above new standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

*MFRS 18* introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to *MFRS 107 Statement of Cash Flows* and *MFRS 134 Interim Financial Reporting*.

The amendments will have an impact on the Group's and on the Company's presentation of statements of profit or loss, statements of cash flows and additional disclosure in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group is currently assessing the impact of *MFRS 18* and plans to adopt the new standard on the required effective date.

## Notes To The Financial Statements

30 April 2025

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### 3.1 Judgements made in applying accounting policies

There are no significant areas of critical judgement in applying accounting policies that have any significant effect on the amount recognised in the financial statements.

#### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### (i) Inventories

The management reviews for damage, slow-moving and obsolete inventories. This review requires judgements and estimates. Possible changes in these estimates could result in revision to the valuation of inventories.

The carrying amount of the Group's inventories as at the end of the reporting period is disclosed in Note 9 to the financial statements.

##### (ii) Provision for expected credit losses ("ECL") of receivables

The Group uses a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. 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, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. 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.

The information about the ECL on the Group's trade receivables is disclosed in Note 28.3.1 to the financial statements.

##### (iii) Fair value of investment securities

Management used valuation techniques in measuring the fair value of investment securities where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting period.

The details of the assumptions used are disclosed in Note 29.1 to the financial statements.

## Notes To The Financial Statements

30 April 2025

## 4. PROPERTY, PLANT AND EQUIPMENT

## GROUP

	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery, electrical and piping installations RM	Office furniture, fittings, equipment, solar PV system and renovation RM	Motor vehicles RM	Capital work-in progress RM	Total RM
<b>2025</b>								
<b>At cost</b>								
Balance at beginning	4,664,133	5,925,265	24,803,932	78,499,311	24,741,330	8,732,397	-	147,366,368
Additions	-	-	73,974	3,268,393	1,358,150	1,760,151	9,896,204	16,356,872
Disposals	-	-	-	-	(146,891)	(1,530,498)	-	(1,677,389)
Written off	-	-	-	(1,079,588)	(345,020)	-	-	(1,424,608)
Balance at end	4,664,133	5,925,265	24,877,906	80,688,116	25,607,569	8,962,050	9,896,204	160,621,243
<b>Accumulated depreciation</b>								
Balance at beginning	-	2,038,616	12,094,800	53,367,794	18,815,904	7,085,886	-	93,403,000
Current charge	-	109,322	496,969	2,871,550	1,839,277	852,885	-	6,170,003
Disposals	-	-	-	-	(144,600)	(1,530,492)	-	(1,675,092)
Written off	-	-	-	(877,128)	(344,580)	-	-	(1,221,708)
Balance at end	-	2,147,938	12,591,769	55,362,216	20,166,001	6,408,279	-	96,676,203
<b>Carrying amount</b>	4,664,133	3,777,327	12,286,137	25,325,900	5,441,568	2,553,771	9,896,204	63,945,040

## Notes To The Financial Statements

30 April 2025

## 4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

## GROUP

	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery, electrical and piping installations RM	Office furniture, fittings, equipment, solar PV system and renovation RM	Motor vehicles RM	Total RM
2024							
At cost							
Balance at beginning	4,664,133	5,925,265	24,848,433	78,382,577	24,956,846	8,503,075	147,280,329
Additions	-	-	103,914	1,240,790	1,082,857	352,422	2,779,983
Disposals	-	-	-	(590,944)	(212,519)	(123,100)	(926,563)
Written off	-	-	(148,415)	(533,112)	(1,085,854)	-	(1,767,381)
Balance at end	4,664,133	5,925,265	24,803,932	78,499,311	24,741,330	8,732,397	147,366,368
Accumulated depreciation							
Balance at beginning	-	1,929,294	11,648,154	51,497,594	18,301,520	6,522,927	89,899,489
Current charge	-	109,322	497,737	2,801,214	1,794,749	686,058	5,889,080
Disposals	-	-	-	(439,423)	(195,246)	(123,099)	(757,768)
Written off	-	-	(51,091)	(491,591)	(1,085,119)	-	(1,627,801)
Balance at end	-	2,038,616	12,094,800	53,367,794	18,815,904	7,085,886	93,403,000
Carrying amount	4,664,133	3,886,649	12,709,132	25,131,517	5,925,426	1,646,511	53,963,368

## Notes To The Financial Statements

30 April 2025

### 4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

#### COMPANY

	Office equipment and renovation	
	2025 RM	2024 RM
<b>At cost</b>		
Balance at beginning/end	<b>1,501,176</b>	1,501,176
<b>Accumulated depreciation</b>		
Balance at beginning	<b>1,132,668</b>	850,859
Current charge	<b>280,074</b>	281,809
Balance at end	<b>1,412,742</b>	1,132,668
<b>Carrying amount</b>	<b>88,434</b>	368,508

- (i) Included in property, plant and equipment of the Group and of the Company are fully depreciated assets which are still in use, the cost of which amounted to **RM54,479,874** (2024: RM54,269,304) and **RM124,798** (2024: RM92,610) respectively.
- (ii) The carrying amount of property, plant and equipment of the Group which are pledged to licensed banks as securities for banking facilities granted to a subsidiary are as follows:

	GROUP	
	2025 RM	2024 RM
Freehold land	<b>140,000</b>	140,000
Leasehold land	<b>1,725,000</b>	1,807,143
Buildings	<b>3,843,804</b>	3,976,348
	<b>5,708,804</b>	5,923,491

- (iii) The carrying amount of the leasehold land represents the carrying amount of the right-of-use assets of the Group as at the end of the reporting period.

## Notes To The Financial Statements

### 30 April 2025

#### 4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

##### Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Property, plant and equipment are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Leasehold land	Amortised over lease period of 34 to 99 years
Buildings	2% - 4.08%
Plant and machinery, electrical and piping installations	5% - 10%
Office furniture, fittings, equipment, solar photovoltaic ("PV") system and renovation	10% - 33.33%
Motor vehicles	20%

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

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Capital work-in-progress is not depreciated until the assets are ready for their intended use.

#### 5. INVESTMENT PROPERTIES

	GROUP	
	2025 RM	2024 RM
<b>At cost</b>		
Balance at beginning/end	<b>1,341,879</b>	1,341,879
<b>Accumulated depreciation</b>		
Balance at beginning	<b>322,793</b>	303,180
Current charge	<b>19,613</b>	19,613
Balance at end	<b>342,406</b>	322,793
<b>Carrying amount</b>	<b>999,473</b>	1,019,086

## Notes To The Financial Statements

30 April 2025

### 5. INVESTMENT PROPERTIES (cont'd)

The investment properties consist of the following:

	GROUP	
	2025 RM	2024 RM
Freehold land	400,000	400,000
Leasehold land	72,317	73,883
Buildings	527,156	545,203
	<b>999,473</b>	<b>1,019,086</b>

- (i) Included in investment properties of the Group are fully depreciated assets which are still in use, the cost of which amounted to **RM270,000** (2024: RM270,000).
- (ii) The followings are recognised in profit or loss in respect of investment properties:

	GROUP	
	2025 RM	2024 RM
Rental income from rental generating properties	239,250	235,300
Direct operating expenses arising from rental generating properties	41,126	42,361

(iii) **Group as lessor**

The Group has entered into operating leases on its investment properties. These leases have terms of two years and are non-cancellable.

Future minimum rental receivables under non-cancellable operating leases as at the end of the reporting period are as follows:

	GROUP	
	2025 RM	2024 RM
Within one year	155,600	224,300
More than one year and less than five years	30,500	119,000
	<b>186,100</b>	<b>343,300</b>

- (iv) The fair value of the investment properties is disclosed in Note 29.2 to the financial statements.

## Notes To The Financial Statements

30 April 2025

### 5. INVESTMENT PROPERTIES (cont'd)

#### Material accounting policy information

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Investment properties are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Leasehold land

Amortised over lease  
period of 83 years

Buildings

2% - 4%

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

### 6. INVESTMENT IN SUBSIDIARIES

	GROUP	
	2025 RM	2024 RM
Unquoted shares, at cost	<b>78,124,389</b>	78,124,389

The details of the subsidiaries, all of which are incorporated and their principal place of business are in Malaysia, are as follows:

Name of Entities	Effective Equity Interest		Principal Activities
	2025 %	2024 %	
South Island Garment Sdn. Bhd. ("SIG")	<b>100</b>	100	Manufacturing and sales of garments.
Inter-Pacific Packaging Sdn. Bhd. ("IPP")	<b>100</b>	100	Manufacturing and sales of corrugated fibre board cartons and boxes.
# * South Island Packaging (Penang) Sdn. Bhd.	<b>99.64</b>	99.64	Dormant.
* South Island Plastics Sdn. Bhd.	<b>100</b>	100	Manufacturing and sales of plastic packaging materials.

\* Not audited by Grant Thornton Malaysia PLT.

# The subsidiary is in the progress of winding up effective from 18 April 2025.

#### Material accounting policy information

Investments in subsidiaries are measured at cost less any impairment losses in the Company's separate financial statements.



## Notes To The Financial Statements

30 April 2025

### 7. INVESTMENT IN AN ASSOCIATE

	GROUP	
	2025 RM	2024 RM
Unquoted shares, at cost	709,200	709,200
Share of post-acquisition reserves	119,221	(87,010)
	<b>828,421</b>	<b>622,190</b>

The details of the associate, which is incorporated and its principal place of business is in Vietnam, are as follows:

Name of Entities	Effective Equity Interest		Principal Activities
	2025 %	2024 %	
# SIGP Joint Stock Company ("SIGP")	30	30	Garment printing.

# Not audited by Grant Thornton Malaysia PLT.

2024

#### Acquisition of an associate

On 10 July 2023, a wholly-owned subsidiary of the Company, SIG, had acquired 360,000 ordinary shares, representing 30% equity interest, in SIGP from a third party for a total cash consideration of RM709,200.

The following table summarises the financial information of SIGP, adjusted for any differences in accounting policies and reconciled the information to the carrying amount of the Group's interest in the associate, which is accounted for using the equity method.

	GROUP	
	2025 RM	2024 RM
<b>As at 30 April</b>		
Non-current assets	3,246,483	4,438,091
Current assets	3,735,202	2,019,930
Current liabilities	(4,220,280)	(4,384,054)
Net assets	<b>2,761,405</b>	<b>2,073,967</b>

## Notes To The Financial Statements

30 April 2025

### 7. INVESTMENT IN AN ASSOCIATE (cont'd)

	GROUP	
	2025 RM	2024 RM
<b>Year ended 30 April</b>		
<b>Results</b>		
Revenue	7,488,581	4,327,897
Net profit/(loss) for the financial year, representing total comprehensive income/(loss) for the financial year	687,438	(290,033)
<b>Reconciliation of net assets to carrying amount</b>		
Group's share of net assets, representing carrying amounts in the statements of financial position	828,421	622,190
<b>Group's share of results</b>		
<b>Year ended 30 April</b>		
Group's share of profit/(loss)	206,231	(87,010)

#### Contingent liabilities and capital commitments

The associate has no contingent liabilities or capital commitments as at the end of the reporting period.

#### Material accounting policy information

The investment in an associate is initially recognised at cost and subsequently accounted for using the equity method.

### 8. INVESTMENT SECURITIES

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Financial assets at Fair Value Through Other Comprehensive Income ("FVOCI")</b>				
Unquoted shares outside Malaysia	39,148,493	20,115,206	-	-
Unquoted shares in Malaysia	-	-	-	-
	39,148,493	20,115,206	-	-

## Notes To The Financial Statements

30 April 2025

### 8. INVESTMENT SECURITIES (cont'd)

- (i) The unquoted shares outside Malaysia represent investment in entities incorporated in Vietnam involving in the manufacturing and sale of textile and garment products. The Group's unquoted shares are designated at FVOCI as it is not held for trading.

The unquoted shares outside Malaysia are denominated in Vietnamese Dong ("VND").

On 3 July 2024, a wholly-owned subsidiary of the Company, SIG, had acquired additional 2,450,000 ordinary shares in Viet Tien Garment Corporation for a total consideration of RM18,153,569.

The movement of the unquoted shares outside Malaysia during the financial year is as follows:

	GROUP	
	2025 RM	2024 RM
Balance at beginning	20,115,206	18,227,194
Addition	18,153,569	-
Fair value adjustment	879,718	1,888,012
Balance at end	39,148,493	20,115,206

- (ii) The unquoted shares in Malaysia represent the investment in GPS Tech Solutions Sdn. Bhd. which has been fully impaired in the previous financial years.

### Material accounting policy information

Upon initial recognition, the Group and the Company irrevocably elect to classify their equity investments as equity instruments designated at FVOCI and subsequent changes in the fair value are recorded in other comprehensive income. This election is made on an investment-by-investment basis.

### 9. INVENTORIES

	GROUP	
	2025 RM	2024 RM
<b>At cost</b>		
Raw materials	8,108,230	7,426,706
Work-in-progress	278,191,635	285,742,140
Finished goods	1,143,915	960,033
Consumables, tools and spare parts	413,798	445,908
Goods-in-transit	18,270,339	21,758,013
	306,127,917	316,332,800
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	1,248,378,755	1,128,045,270

## Notes To The Financial Statements

30 April 2025

### 9. INVENTORIES (cont'd)

#### Material accounting policy information

Inventories are stated 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, consumables, tools and spare parts: purchase costs on a weighted average basis (for production of corrugated fibre board cartons and boxes) and first-in, first-out basis (for production of flexible plastic packaging materials, inner packaging boxes and garments).
- Finished goods and work-in-progress: costs of materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average basis.

### 10. TRADE AND OTHER RECEIVABLES

		GROUP		COMPANY	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
Trade receivables					
Third parties	10.1	201,584,790	106,266,957	-	-
Less: Allowance for ECL	10.2	(16,920)	(16,920)	-	-
		201,567,870	106,250,037	-	-
Other receivables					
Sundry receivables	10.3	9,923,488	6,790,615	4,374,000	1,600,000
Amount due from subsidiaries	10.4	-	-	3,659,965	5,681,762
Refundable deposits		207,519	235,406	11,398	11,398
Non-refundable deposits		-	337,918	-	-
Prepayments		13,000,920	9,914,590	7,793	7,774
		23,131,927	17,278,529	8,053,156	7,300,934
		224,699,797	123,528,566	8,053,156	7,300,934

The currency profile of trade and other receivables is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
RM	29,347,439	28,281,036	8,053,156	7,300,934
United States Dollar ("USD")	195,352,358	95,247,530	-	-
	224,699,797	123,528,566	8,053,156	7,300,934

## Notes To The Financial Statements

30 April 2025

### 10. TRADE AND OTHER RECEIVABLES (cont'd)

#### 10.1 Trade receivables

The normal credit terms granted to trade receivables range from **15 to 120 days** (2024: 15 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

#### 10.2 The movement of allowance for ECL on trade receivables

	GROUP	
	2025 RM	2024 RM
Balance at beginning	16,920	-
Current year	-	16,920
Balance at end	16,920	16,920

#### 10.3 Sundry receivables

Included in sundry receivables of the Group and and of the Company is interest receivables of **RM9,736,954** (2024: RM6,647,316) and **RM4,374,000** (2024: RM1,600,000) respectively.

#### 10.4 Amount due from subsidiaries

The amount due from subsidiaries is unsecured, interest bearing at **5.00%** (2024: 5.34%) per annum and classified based on the expected timing of realisation.

### 11. CASH AND CASH EQUIVALENTS

		GROUP		COMPANY	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	11.1	357,016,795	362,010,678	155,631,751	90,241,752
Short-term money market deposits	11.2	53,507,200	57,757,000	-	-
Cash in hand and at banks		3,670,614	118,924,375	248,085	62,264,143
		414,194,609	538,692,053	155,879,836	152,505,895

## Notes To The Financial Statements

30 April 2025

### 11. CASH AND CASH EQUIVALENTS (cont'd)

The currency profile of cash and cash equivalents is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
RM	400,862,010	498,405,090	155,879,836	152,505,895
USD	13,218,209	40,046,587	-	-
VND	114,390	222,329	-	-
Others	-	18,047	-	-
	<b>414,194,609</b>	<b>538,692,053</b>	<b>155,879,836</b>	<b>152,505,895</b>

#### 11.1 Fixed deposits with licensed banks

The effective interest rates per annum and maturities of the fixed deposits with licensed banks as at the end of the reporting period are as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
Effective interest rates per annum (%)	2.10 to 7.46	2.40 to 7.46	2.10 to 4.10	2.40 to 4.40
Maturities (months)	1 to 12	1 to 12	1 to 12	1 to 12

#### 11.2 Short-term money market deposits

##### GROUP

The effective interest rates per annum and maturities of the short-term money market deposits of the Group as at the end of the reporting period range from **1.60% to 4.25%** (2024: 1.60% to 5.25%) per annum and **2 days to 12 months** (2024: 2 days to 12 months) respectively.

### 12. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025	2024	2025 RM	2024 RM
Issued and fully paid with no par value	433,950,579	433,950,579	216,975,289	216,975,289

### 13. TREASURY SHARES

As at the end of the reporting period, the Company held a total of **500,000** (2024: 500,000) ordinary shares as treasury shares out of its total issued and paid up share capital. The number of outstanding ordinary shares in issue after deducting the treasury shares as at the end of the reporting period was **433,450,579** (2024: 433,450,579) ordinary shares.

Treasury shares have no rights to voting, dividends and participation in other distribution.

## Notes To The Financial Statements

30 April 2025

### 14. OTHER RESERVES

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Fair value adjustment reserve	14.1	3,174,975	2,295,257	-	-
Capital reserve	14.2	-	-	15,824,999	15,824,999
		<b>3,174,975</b>	<b>2,295,257</b>	<b>15,824,999</b>	<b>15,824,999</b>

#### 14.1 Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes of the Group's investment securities, net of tax, recognised through other comprehensive income until they are disposed or impaired.

#### 14.2 Capital reserve

The capital reserve arose from the issuance of shares of the Company at fair value at the date of exchange for investments in certain subsidiaries accounted for under the merger method.

### 15. RETAINED PROFITS

#### COMPANY

The franking of dividends of the Company is under the single tier system and therefore there is no restriction on the Company to distribute dividends subject to the availability of retained profits.

### 16. DEFERRED TAX LIABILITIES

	GROUP	
	2025 RM	2024 RM
Balance at beginning	7,645,868	6,850,368
Recognised in profit or loss	(511,646)	202,900
	<b>7,134,222</b>	<b>7,053,268</b>
Under provision in prior year	59,459	592,600
Balance at end	<b>7,193,681</b>	<b>7,645,868</b>

The deferred tax liabilities as at the end of the reporting period are represented by temporary differences arising from:

	GROUP	
	2025 RM	2024 RM
Property, plant and equipment	7,571,938	7,788,699
Others	(378,257)	(142,831)
	<b>7,193,681</b>	<b>7,645,868</b>

## Notes To The Financial Statements

30 April 2025

### 17. TRADE AND OTHER PAYABLES

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade payables</b>					
Third parties	17.1	146,210,166	135,768,879	-	-
<b>Other payables</b>					
Sundry payables		2,463,574	2,992,603	27,137	23,366
Accruals		6,350,095	5,505,566	39,000	39,000
Sales and service tax ("SST") payable		200,789	194,042	-	-
		9,014,458	8,692,211	66,137	62,366
		155,224,624	144,461,090	66,137	62,366

The currency profile of trade and other payables is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
RM	33,984,636	13,499,291	66,137	62,366
USD	121,121,988	130,916,615	-	-
Singapore Dollar ("SGD")	32,236	20,064	-	-
Others	85,764	25,120	-	-
	155,224,624	144,461,090	66,137	62,366

#### 17.1 Trade payables

The trade payables are non-interest bearing and are normally settled within **7 to 90 days** (2024: 7 to 90 days) credit terms.



## Notes To The Financial Statements

30 April 2025

### 18. REVENUE

#### 18.1 Disaggregation revenue information

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Type of goods or services</b>				
Sales of garments	1,407,369,449	1,259,120,293	-	-
Sales of packaging materials	78,141,142	81,975,541	-	-
Management fee	-	-	516,000	516,000
<b>Revenue from contracts with customers</b>	<b>1,485,510,591</b>	<b>1,341,095,834</b>	<b>516,000</b>	<b>516,000</b>
Gross dividend income from subsidiaries, representing other revenue	-	-	150,000,000	47,400,000
<b>Total revenue</b>	<b>1,485,510,591</b>	<b>1,341,095,834</b>	<b>150,516,000</b>	<b>47,916,000</b>
<b>Geographical markets</b>				
United States of America	397,366,484	394,986,647	-	-
European countries	378,402,490	306,861,179	-	-
China	283,405,487	243,108,890	-	-
Other Asian countries	197,784,050	190,272,720	-	-
Malaysia	89,962,849	90,319,075	516,000	516,000
Australia	30,871,918	24,761,438	-	-
South America	15,029,746	20,683,548	-	-
Canada	20,635,994	20,577,792	-	-
Mexico	17,917,152	15,483,577	-	-
Africa	6,350,159	5,578,652	-	-
Panama	-	2,792,380	-	-
Others	47,784,262	25,669,936	-	-
<b>Total revenue from contracts with customers</b>	<b>1,485,510,591</b>	<b>1,341,095,834</b>	<b>516,000</b>	<b>516,000</b>

#### 18.2 Contract balance

	GROUP	
	2025 RM	2024 RM
Trade receivables (Note 10)	201,567,870	106,250,037

# Notes To The Financial Statements

30 April 2025

## 18. REVENUE (cont'd)

### 18.3 Performance obligations

The performance obligations of the revenues are as follows:

#### (i) Sales of garments

Revenue from sales of garments usually includes the manufacturing of garments and revenue is recognised upon shipment. The performance obligation for sales of garments is satisfied at a point in time because the customer does not control the garments and customer does not simultaneously receive and consume the benefits from the garments manufactured by the Group.

#### (ii) Sales of packaging materials

Revenue from sales of packaging materials usually includes the manufacturing of packaging materials and revenue is recognised upon at delivery destination point. The performance obligation for sales of packaging materials is satisfied at a point in time because the customer does not control the packaging materials and customer does not simultaneously receive and consume the benefits from the packaging materials manufactured by the Group.

#### (iii) Management fee

Management fee is recognised on an accrual basis when services are rendered.

## 19. OTHER INCOME

	GROUP	
	2025 RM	2024 RM
Dividend income from unquoted shares outside Malaysia	3,525,100	2,070,713
Gain on disposal of property, plant and equipment	321,475	-
Insurance claim	6,843	906,587
Miscellaneous	212,833	21,195
Realised gain on foreign exchange	44,818	7,300,146
Rental income	239,250	235,300
Scrap income	13,220	-
	<b>4,363,539</b>	<b>10,533,941</b>

## Notes To The Financial Statements

30 April 2025

### 20. FINANCE INCOME

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest income from:				
- amount due from subsidiaries	-	-	252,756	1,513,325
- licensed banks	21,236,204	17,280,146	8,400,794	3,502,790
	<b>21,236,204</b>	<b>17,280,146</b>	<b>8,653,550</b>	<b>5,016,115</b>

### 21. PROFIT BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
After charging:				
Fees for statutory audit:				
- Grant Thornton Malaysia PLT ("GTM PLT")	147,000	143,000	32,000	32,000
- Other auditors	23,000	23,000	-	-
Fees for assurance related and non-audit services:				
- GTM PLT	3,000	3,000	3,000	3,000
- Affiliate of GTM PLT	22,700	22,500	4,000	4,000
Depreciation of:				
- property, plant and equipment	6,170,003	5,889,080	280,074	281,809
- investment properties	19,613	19,613	-	-
Directors' fee				
- Non-executive directors				
- Present directors	144,000	130,839	144,000	130,839
- Past director	-	8,000	-	8,000
# Expenses relating to lease of low-value assets	92,842	90,845	-	-
# Expenses relating to short-term leases	4,301,859	3,865,774	148,116	148,116
Loss on disposal of property, plant and equipment	-	93,917	-	-
Property, plant and equipment written off	202,900	139,580	-	-
Realised loss on foreign exchange	2,310,899	-	-	-
* Staff costs	71,914,112	67,265,729	254,483	244,469
Unrealised loss on foreign exchange	1,539,023	557,623	-	-

# The total expenses relating to lease of low-value assets and short-term leases representing total cash outflows for leases of the Group and of the Company during the financial year.

# Notes To The Financial Statements

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## 21. PROFIT BEFORE TAX (cont'd)

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>* Staff costs</b>				
- Salaries, wages, allowances, overtime, bonus and performance incentives	<b>64,923,843</b>	60,318,532	<b>224,250</b>	215,150
- Defined contribution plans ("EPF")	<b>4,515,039</b>	4,498,656	<b>26,988</b>	25,896
- Social security contributions ("SOCSCO") and employment insurance scheme ("EIS")	<b>599,014</b>	511,561	<b>2,590</b>	2,318
- Other benefits	<b>1,876,216</b>	1,936,980	<b>655</b>	1,105
	<b>71,914,112</b>	67,265,729	<b>254,483</b>	244,469

Included in the Group's staff costs is directors' remuneration as shown below:

	GROUP	
	2025 RM	2024 RM
<b>Executive directors of the Company:</b>		
- Salaries, allowances, bonus and performance incentives	<b>7,888,000</b>	7,463,000
- EPF	<b>354,210</b>	354,210
- SOCSO and EIS	<b>3,421</b>	3,060
	<b>8,245,631</b>	7,820,270
- Benefits-in-kind	<b>28,000</b>	28,000
	<b>8,273,631</b>	7,848,270
<b>Executive directors of subsidiaries:</b>		
- Salaries, allowances and bonus	<b>518,000</b>	498,000
- EPF	<b>7,280</b>	4,680
- SOCSO and EIS	<b>1,521</b>	1,433
	<b>526,801</b>	504,113
- Benefits-in-kind	<b>13,500</b>	13,500
	<b>540,301</b>	517,613
<b>Total executive directors' remuneration</b>	<b>8,813,932</b>	8,365,883

## Notes To The Financial Statements

30 April 2025

### 22. TAXATION

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysian income tax:				
Based on results for the financial year				
- Current tax	(44,305,566)	(40,081,794)	(2,191,000)	(1,310,000)
- Deferred tax relating to the origination and reversal of temporary differences	511,646	(202,900)	-	-
	(43,793,920)	(40,284,694)	(2,191,000)	(1,310,000)
(Under)/Over provision in prior year				
- Current tax	(37,867)	664,048	(469)	(380)
- Deferred tax	(59,459)	(592,600)	-	-
	(97,326)	71,448	(469)	(380)
	(43,891,246)	(40,213,246)	(2,191,469)	(1,310,380)

The reconciliation of tax expense of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	182,663,813	168,622,941	158,051,220	51,836,749
Less: Share of results of an associate	206,231	(87,010)	-	-
	182,870,044	168,535,931	158,051,220	51,836,749
Income tax at Malaysian statutory tax rate of 24%	(43,888,811)	(40,448,623)	(37,932,293)	(12,440,820)
Income not subject to tax	846,024	496,971	36,000,000	11,376,000
Expenses not deductible for tax purposes	(751,133)	(333,042)	(258,707)	(245,180)
	(43,793,920)	(40,284,694)	(2,191,000)	(1,310,000)
(Under)/Over provision in prior year	(97,326)	71,448	(469)	(380)
	(43,891,246)	(40,213,246)	(2,191,469)	(1,310,380)

## Notes To The Financial Statements

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### 23. EARNINGS PER SHARE

#### (a) Basic earnings per share

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2025	2024
Profit attributable to owners of the Company (RM)	<b>138,771,400</b>	128,409,704
Weighted average number of ordinary shares (excluding treasury shares)	<b>433,450,579</b>	433,450,579
Basic earnings per share (sen)	<b>32</b>	30

#### (b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any dilutive potential ordinary shares as at the end of the reporting period.

### 24. DIVIDENDS

	GROUP	
	2025 RM	2024 RM
In respect of financial year ended 30 April 2025:		
- First single tier interim dividend of approximately 5.0 sen per share	<b>21,672,529</b>	-
- Second single tier interim dividend of approximately 3.0 sen per share	<b>13,003,517</b>	-
- Third single tier interim dividend of approximately 3.8 sen per share	<b>16,471,127</b>	-
- Special single tier dividend of approximately 20.0 sen per share	<b>86,690,116</b>	-
In respect of financial year ended 30 April 2024:		
- First single tier interim dividend of approximately 2.8 sen per share	-	12,136,615
- Second single tier interim dividend of approximately 2.2 sen per share	-	9,535,908
- Third single tier interim dividend of approximately 3.5 sen per share	-	15,170,767
- Forth single tier interim dividend of approximately 3.3 sen per share	<b>14,303,864</b>	-
In respect of financial year ended 30 April 2023:		
- Fourth single tier interim dividend of approximately 2.5 sen per share	-	10,836,261
	<b>152,141,153</b>	47,679,551

On 23 June 2025, the Company has declared a fourth single tier interim dividend of approximately 3.0 sen per share amounting to RM13,003,517 in respect of the financial year ended 30 April 2025 and paid on 25 July 2025. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 April 2026.

# Notes To The Financial Statements

30 April 2025

## 25. COMMITMENTS

	GROUP	
	2025 RM	2024 RM
Contracted but not provided for		
- Factory building	3,361,142	11,830,000
- Plant and machinery	115,023	-
- Motor vehicles	-	406,187
- Other assets	16,600	173,556
	<b>3,492,765</b>	<b>12,409,743</b>

## 26. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

### Business segments

Business segments are based on the Group's management and internal reporting structure.

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

The Group is organised into business segments based on their products, which comprise the following:

- (i) Manufacturing and sales of garments;
- (ii) Manufacturing and sales of packaging materials; and
- (iii) Others which consist of investment holding and inactive company.

Performance is measured based on segment operating profit as included in the internal management reports that are reviewed by the Group's Managing Director (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the current financial year and previous financial year.

Segment assets exclude tax assets and unallocated assets.

Segment liabilities exclude tax liabilities and unallocated liabilities.

# Notes To The Financial Statements

30 April 2025

## 26. SEGMENT INFORMATION (cont'd)

### By business segments

2025	Manufacturing and sales of packaging materials	Manufacturing and sales of garments	Others	Elimination	NOTE	Total
	RM	RM	RM	RM		RM
<b>Revenue</b>						
External revenue	78,141,142	1,407,369,449	-			1,485,510,591
Inter-segment	-	-	150,516,000	(150,516,000)	A	-
<b>Total revenue</b>	<b>78,141,142</b>	<b>1,407,369,449</b>	<b>150,516,000</b>			<b>1,485,510,591</b>
<b>Results</b>						
Segment results	2,239,878	159,619,358	149,391,927	(150,000,000)		161,251,163
Finance income						21,206,419
Share of results of an associate						
Profit before tax						182,663,813
Taxation						(43,891,246)
Profit for the financial year						<b>138,772,567</b>
<b>Assets</b>						
Segment assets	86,757,493	795,009,131	168,177,126			1,049,943,750
Current tax assets						1,388,861
<b>Total assets</b>						<b>1,051,332,611</b>



## Notes To The Financial Statements

30 April 2025

	Manufacturing and sales of packaging materials	Manufacturing and sales of garments	Others	Elimination	Total
	RM	RM	RM	RM	RM
	7,893,312	147,263,076	68,236		155,224,624
					7,193,681
					6,603,485
					<u>169,021,790</u>
	2,485,009	13,871,863	-		16,356,872
	1,984,797	3,905,132	280,074		6,170,003
	19,613	-	-		19,613
	97,388	1,323,060	-		1,420,448

## 26. SEGMENT INFORMATION (cont'd)

## By business segments

## Liabilities

Segment liabilities

Deferred tax liabilities

Current tax liabilities

## Total liabilities

## Other segment information

Additions to non-current assets

Depreciation

- property, plant and equipment

- investment properties

Non-cash expenses other than depreciation

## Notes To The Financial Statements

30 April 2025

	Manufacturing and sales of packaging materials		Manufacturing and sales of garments		Others		Elimination		NOTE	Total	
	RM		RM		RM		RM			RM	
2024											
Revenue											
External revenue	81,975,541		1,259,120,293		-					1,341,095,834	
Inter-segment	-		-		47,916,000		(47,916,000)		A	-	
Total revenue	<u>81,975,541</u>		<u>1,259,120,293</u>		<u>47,916,000</u>					<u>1,341,095,834</u>	
Results											
Segment results	6,233,597		145,784,540		46,811,668		(47,400,000)			151,429,805	
Finance income										17,280,146	
Share of results of an associate										(87,010)	
Profit before tax										<u>168,622,941</u>	
Taxation										<u>(40,213,246)</u>	
Profit for the financial year										<u>128,409,695</u>	

## 26. SEGMENT INFORMATION (cont'd)

By business segments

## Notes To The Financial Statements

30 April 2025

## 26. SEGMENT INFORMATION (cont'd)

By business segments

	Manufacturing and sales of packaging materials RM	Manufacturing and sales of garments RM	Others RM	Elimination RM	NOTE	Total RM
Assets						
Segment assets	86,630,004	805,668,162	161,975,103			1,054,273,269
Current tax assets						<u>872,745</u>
Total assets						<u>1,055,146,014</u>
Liabilities						
Segment liabilities	7,349,812	137,044,912	66,366			144,461,090
Deferred tax liabilities						7,645,868
Current tax liabilities						<u>8,239,367</u>
Total liabilities						<u>160,346,325</u>
Other segment information						
Additions to non-current assets	677,521	2,811,662	-		B	3,489,183
Depreciation						
- property, plant and equipment	2,057,970	3,549,301	281,809			5,889,080
- investment properties	19,613	-	-			19,613
Non-cash expenses other than depreciation	87,599	720,441	-		C	808,040

## Notes To The Financial Statements

30 April 2025

### 26. SEGMENT INFORMATION (cont'd)

#### Notes to segmental information:

- A Inter-segment revenues are eliminated on consolidation.
- B Additions to non-current assets consist of total costs incurred to acquire property, plant and equipment and investment in an associate.
- C Other material non-cash expenses/(income) other than depreciation consist of the following items:

	GROUP	
	2025 RM	2024 RM
Allowance for ECL on trade receivables	-	16,920
(Gain)/Loss on disposal of property, plant and equipment	(321,475)	93,917
Property, plant and equipment written off	202,900	139,580
Unrealised loss on foreign exchange	1,539,023	557,623
	<b>1,420,448</b>	<b>808,040</b>

#### By geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as disclosed in Note 18.1 to the financial statements. Segment assets are based on the geographical location of assets.

The non-current assets information of the Group based on the geographical locations of assets is as follows:

	Non-current assets	
	2025 RM	2024 RM
Malaysia	56,758,178	48,131,338
Vietnam	48,163,249	27,588,512
	<b>104,921,427</b>	<b>75,719,850</b>

#### Information about major customers

Total revenue from 1 (2024: 1) major customer which individually contributed to 10% or more of the Group's revenue amounted to **RM1,371,796,688** (2024: RM1,210,443,884), arising from the manufacturing and sales of garments segment.

## Notes To The Financial Statements

30 April 2025

### 27. RELATED PARTY DISCLOSURES

#### (a) Identity of related parties

The Group has related party relationship with its subsidiaries, key management personnel and the following party:

Related party	Relationship
KP Holdings Sdn. Bhd.	A company in which the certain directors of the Company have substantial financial interests.

#### (b) Related party transactions

Related party transactions have been entered into at terms agreed between the parties during the financial year.

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental of premises paid and payable to KP Holdings Sdn. Bhd.	136,800	136,800	136,800	136,800
Dividend income received from subsidiaries	-	-	150,000,000	47,400,000
Interest income received from subsidiaries	-	-	252,756	1,513,325
Management fees received from subsidiaries	-	-	516,000	516,000

#### (c) Compensation of key management personnel

Key management personnel are defined as those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

## Notes To The Financial Statements

30 April 2025

### 27. RELATED PARTY DISCLOSURES (cont'd)

#### (c) Compensation of key management personnel (cont'd)

The remuneration of the directors and other members of key management during the financial year is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Fee	144,000	138,839	144,000	138,839
Salaries, allowances and bonus	10,945,835	10,102,040	-	-
EPF	583,471	572,615	-	-
SOCSSO and EIS	8,827	7,553	-	-
Benefits-in-kind	45,500	48,000	-	-
	<b>11,727,633</b>	<b>10,869,047</b>	<b>144,000</b>	<b>138,839</b>
Analysed as:				
- Directors	8,957,932	8,504,722	144,000	138,839
- Other key management personnel	2,769,701	2,364,325	-	-
	<b>11,727,633</b>	<b>10,869,047</b>	<b>144,000</b>	<b>138,839</b>

### 28. FINANCIAL INSTRUMENTS

#### 28.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") and FVOCI.

	Carrying amount RM	AC RM	FVOCI RM
<b>GROUP</b>			
<b>2025</b>			
<b>Financial assets</b>			
Investment securities	39,148,493	-	39,148,493
Trade and other receivables, excluding non-refundable deposits and prepayments	211,698,877	211,698,877	-
Cash and cash equivalents	414,194,609	414,194,609	-
	<b>665,041,979</b>	<b>625,893,486</b>	<b>39,148,493</b>
<b>Financial liability</b>			
Trade and other payables, excluding SST payable	155,023,835	155,023,835	-

## Notes To The Financial Statements

30 April 2025

### 28. FINANCIAL INSTRUMENTS (cont'd)

#### 28.1 Categories of financial instruments (cont'd)

	Carrying amount RM	AC RM	FVOCI RM
2024			
Financial assets			
Investment securities	20,115,206	-	20,115,206
Trade and other receivables, excluding non-refundable deposits and prepayments	113,276,058	113,276,058	-
Cash and cash equivalents	538,692,053	538,692,053	-
	<u>672,083,317</u>	<u>651,968,111</u>	<u>20,115,206</u>
Financial liability			
Trade and other payables, excluding SST payable	<u>144,267,048</u>	<u>144,267,048</u>	<u>-</u>
<b>COMPANY</b>			
2025			
<b>Financial assets</b>			
Other receivables, excluding prepayments	8,045,363	8,045,363	-
Cash and cash equivalents	155,879,836	155,879,836	-
	<u>163,925,199</u>	<u>163,925,199</u>	<u>-</u>
<b>Financial liability</b>			
Other payables	<u>66,137</u>	<u>66,137</u>	<u>-</u>
2024			
Financial assets			
Other receivables, excluding prepayments	7,293,160	7,293,160	-
Cash and cash equivalents	152,505,895	152,505,895	-
	<u>159,799,055</u>	<u>159,799,055</u>	<u>-</u>
Financial liability			
Other payables	<u>62,366</u>	<u>62,366</u>	<u>-</u>

# Notes To The Financial Statements

30 April 2025

## 28. FINANCIAL INSTRUMENTS (cont'd)

### 28.2 Financial risk management

The Group and the Company are exposed to a variety of 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 and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

### 28.3 Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. The Company's exposure to credit risk arises principally from advances to its subsidiaries.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

#### 28.3.1 Trade receivables

The Group extends credit terms to customers that range between 15 to 120 days. In deciding whether credit terms shall be extended, the Group will take into consideration factors such as the relationship with the customer, its payment history and credit terms worthiness. The Group minimises credit risk by limiting its associations with business partners with high creditworthiness. In addition, receivables are monitored on an ongoing basis via Group's management reporting procedures and action will be taken for long outstanding debts. The Group will subject new customers to credit verification procedures.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount as disclosed in Note 10 to the financial statements.

The ageing analysis of trade receivables of the Group as at the end of the reporting period is as follows:

	Gross RM	Allowance for ECL RM	Net RM
<b>GROUP</b>			
<b>2025</b>			
Not past due	24,155,899	-	24,155,899
1 to 30 days past due	126,117,137	-	126,117,137
31 to 60 days past due	46,884,253	-	46,884,253
61 to 90 days past due	2,136,906	-	2,136,906
More than 90 days past due	2,273,675	-	2,273,675
	177,411,971	-	177,411,971
Individually impaired	16,920	(16,920)	-
	<b>201,584,790</b>	<b>(16,920)</b>	<b>201,567,870</b>



# Notes To The Financial Statements

30 April 2025

## 28. FINANCIAL INSTRUMENTS (cont'd)

### 28.3 Credit risk (cont'd)

#### 28.3.1 Trade receivables (cont'd)

	Gross RM	Allowance for ECL RM	Net RM
2024			
Not past due	92,735,371	-	92,735,371
1 to 30 days past due	11,596,674	-	11,596,674
31 to 60 days past due	1,128,040	-	1,128,040
61 to 90 days past due	789,952	-	789,952
	13,514,666	-	13,514,666
Individually impaired	16,920	(16,920)	-
	<u>106,266,957</u>	<u>(16,920)</u>	<u>106,250,037</u>

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group. None of the Group's trade receivables that are neither past due nor impaired have been recognised during the financial year.

The Group has trade receivables amounting to **RM177,411,971** (2024: RM13,514,666) that are past due at the end of the reporting period but management is of the view that these past due amounts will be collected in due course and no impairment is necessary.

The allowance for ECL in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

#### Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period are as follows:

	GROUP 2025		COMPANY 2024	
	RM	% of total	RM	% of total
<b>By industry sectors:</b>				
Manufacturing and sales of:				
- packaging materials	18,322,418	9.1	18,897,095	17.8
- garments	183,245,452	90.9	87,352,942	82.2
	<u>201,567,870</u>	<u>100.0</u>	<u>106,250,037</u>	<u>100.0</u>

# Notes To The Financial Statements

30 April 2025

## 28. FINANCIAL INSTRUMENTS (cont'd)

### 28.3 Credit risk (cont'd)

#### 28.3.1 Trade receivables (cont'd)

##### Credit risk concentration profile (cont'd)

As at the end of the reporting period, the Group has significant concentration of credit risk in the form of outstanding balance due from **1 customer** (2024: 1 customer) representing **90%** (2024: 78%) of the total trade receivables. However, the risk is mitigated by the fact that these customers are long-established customers of the Group and the Group has been as an approved vendor of the said customers for more than 10 years.

##### Maximum exposure to credit risk

The following table provides information about the exposure to credit risk and allowance for ECL for trade receivables as at the end of the reporting period.

	Gross RM	Allowance for ECL RM	Net RM
<b>Credit risk rating</b>			
<b>GROUP</b>			
<b>2025</b>			
Low risk	201,567,870	-	201,567,870
Individually impaired	16,920	(16,920)	-
	<b>201,584,790</b>	<b>(16,920)</b>	<b>201,567,870</b>
<b>2024</b>			
Low risk	106,250,037	-	106,250,037
Individually impaired	16,920	(16,920)	-
	<b>106,266,957</b>	<b>(16,920)</b>	<b>106,250,037</b>

In managing the credit risk of the trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group measures the allowance for ECL of trade receivables at an amount equal to lifetime ECL using a simplified approach. The ECL on trade receivables are estimated based on past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankruptcy. Forward looking information such as gross domestic products ("GDP") rate has been incorporated in determining the allowance for ECL.

## Notes To The Financial Statements

### 30 April 2025

#### 28. FINANCIAL INSTRUMENTS (cont'd)

##### 28.3 Credit risk (cont'd)

###### 28.3.1 Trade receivables (cont'd)

###### Maximum exposure to credit risk (cont'd)

Trade receivables are usually collectible and the Group does not have much historical bad debts written off or impairment of trade receivables. There are circumstances where the settlement of trade receivables will take longer than the credit terms given to the customers. The delay in settlement is mainly due to disagreement of pricing and quality issue or administrative matter. No allowance for ECL is provided during the financial year based on the above assessment as the impact to the Group's financial statements is not material.

###### 28.3.2 Intercompany balances

The Company provides advances to its subsidiaries and monitors the results of the subsidiaries regularly.

The maximum exposure to credit risk is represented by their carrying amount as disclosed in Note 10 to the financial statements.

As at the end of the reporting period, there was no indication that the advances to its subsidiaries are not recoverable. The Company does not specifically monitor the ageing of the advances to its subsidiaries.

##### 28.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet their working capital requirements.

The financial liabilities of the Group and of the Company as at the end of the reporting period will mature in less than one year based on the carrying amounts reflected in the financial statements.

##### 28.5 Interest rate risk

The Group's and the Company's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group does not have any floating rate instruments while the Company's floating instrument is exposed to a risk of change in cash flows due to changes in interest rates.

## Notes To The Financial Statements

30 April 2025

### 28. FINANCIAL INSTRUMENTS (cont'd)

#### 28.5 Interest rate risk

The interest rate profile of the Group's and the Company's interest-bearing financial instruments based on their carrying amount as at the end of the reporting period are as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Fixed rate instrument</b>				
Financial assets	<b>410,523,995</b>	419,767,678	<b>155,631,751</b>	90,241,752
<b>Floating rate instrument</b>				
Financial assets	-	-	<b>3,659,965</b>	5,681,762

#### Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at FVTPL, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

#### Sensitivity analysis for variable rate instruments

An increase of 25 basis point at the end of the reporting period would have an insignificant impact to the Company's profit before tax and equity. These changes are considered to be reasonably possible based on observation of current market conditions. This analysis assumes that all other variables remain constant.

#### 28.6 Foreign currency risk

The objectives of the Group's foreign exchange policies are to allow the Group to manage exposures that arise from trading activities effectively within a framework of controls that does not expose the Group to unnecessary foreign exchange risks.

The Group is exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the functional currency of the Group entities. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily USD and VND.

#### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates against RM, with all other variables held constant, of the Group's profit before tax and equity. A 10% strengthening of the RM against the following foreign currencies at the end of the reporting period would have decreased/(increased) profit before tax and decreased/(increased) equity by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period.

## Notes To The Financial Statements

30 April 2025

### 28. FINANCIAL INSTRUMENTS (cont'd)

#### 28.6 Foreign currency risk

##### Sensitivity analysis for foreign currency risk

	GROUP			
	2025		2024	
	Equity RM	Profit before tax RM	Equity RM	Profit before tax RM
USD	5,718,238	7,523,998	(268,367)	(353,114)
VND	3,923,543	11,439	2,028,418	22,233
Others	(8,968)	(11,800)	(2,063)	(2,714)
	<b>9,632,813</b>	<b>7,523,637</b>	<b>1,757,988</b>	<b>(333,595)</b>

### 29. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and of the Company's financial assets (other than investment securities) and financial liabilities as at the end of the reporting period approximate their fair values due to their short term nature.

#### 29.1 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
<b>GROUP</b>					
<b>2025</b>					
<b>Financial asset</b>					
Investment securities	-	-	39,148,493	39,148,493	39,148,493
<b>2024</b>					
<b>Financial asset</b>					
Investment securities	-	-	20,115,206	20,115,206	20,115,206

## Notes To The Financial Statements

30 April 2025

### 29. FAIR VALUE MEASUREMENT (cont'd)

#### 29.1 Financial assets that are measured at fair value on a recurring basis (cont'd)

##### Level 3 fair value

The fair value of the unquoted shares which does not have an active trading market is determined based on the relative valuation methodology, primarily adopting the price-to-earnings multiples ("PER") and price-to-book multiples ("PBR") of comparable public companies (peers) based on similar industry and size. The trading multiples are then discounted for lack of marketability and control.

The following table shows the valuation technique used in the determination of fair value of unquoted shares within Level 3, as well as the significant unobservable inputs used in the valuation model.

The weighted average unobservable inputs applied for both years are as follow:

	GROUP	
	2025	2024
PER (times)	7.63 - 8.04	8.89 - 12.60
PBR (times)	0.67 - 1.24	0.86 - 1.24
Lack of marketability (%)	30	30
Lack of control (%)	20	20

The following table demonstrates the sensitivity to a reasonably possible change in the unobservable inputs, with all other variables held constant, of the other reserves of investment securities of the Group.

	GROUP	
	2025 RM	2024 RM
A 10% increase in the trading multiples	4,042,264	2,010,831
A 10% increase in the discount for lack of marketability and control	(2,699,592)	(1,342,948)
A 10% decrease in the trading multiples	(4,042,264)	(2,010,831)
A 10% decrease in the discount for lack of marketability and control	2,699,592	1,342,948

##### Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, 2 and 3 during the financial year.

## Notes To The Financial Statements

30 April 2025

### 29. FAIR VALUE MEASUREMENT (cont'd)

#### 29.2 Non-financial assets that are measured at fair value

The following table shows the levels within the hierarchy of non-financial assets for which fair value is disclosed as at the end of the reporting period:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
<b>GROUP</b>					
<b>2025</b>					
Investment properties	-	-	4,002,000	4,002,000	999,473
<b>2024</b>					
Investment properties	-	-	4,002,000	4,002,000	1,019,086

#### Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair value of investment properties was based on a valuation report provided by an independent qualified valuer. Valuation was based on current prices in an active market for certain properties and where appropriate, the investment method reflecting receipt of contractual rentals, expected future market rentals, current market yields, void periods maintenance requirements and approximate capitalisation rates are used.

#### Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between level 1, 2 and 3 during the financial year.

### 30. CAPITAL MANAGEMENT

The primary objective of the capital management policy of the Group and of the Company is to maintain a strong capital base to support its business and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to its shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

There were no external capital requirements imposed on the Group and the Company as at the end of the reporting period.

## Notes To The Financial Statements

### 30 April 2025

#### 31. EVENT AFTER THE REPORTING PERIOD

On 2 April 2025, the United States of America ("US") government announced a reciprocal tariff on imported goods from all countries. A baseline tariff of 10% on all imports was imposed effective 5 April 2025, with higher tariffs proposed for specific countries. Malaysia and Vietnam were initially designated a tariff rate of 24% and 46% respectively, effective from 9 April 2025. On the same day, the US government also announced a temporary 90-day suspension of the higher tariff rates for all countries, except for China. As a result, the 10% baseline tariff remained applicable to imports from Malaysia, Vietnam and other countries (excluding China) until 9 July 2025.

On 2 and 8 July 2025, the US government announced revised tariffs rate of 20% for Vietnam and 25% for Malaysia respectively, replacing the earlier proposed rates. Following bilateral negotiations, the US government issued an executive order on 31 July 2025, reducing the tariff on Malaysian goods to 19%, effective from 7 August 2025.

Given that a portion of the Group's revenue is derived from exports to the US, these newly announced tariffs could potentially have an adverse effect on the Group's future sales, pricing strategy, and overall competitiveness in the US market. The directors and management of the Group are actively assessing the potential impacts and developing contingency measures, including supply chain diversification, customer engagement, and pricing strategies to mitigate any negative implications arising from these reciprocal tariffs.

The degree of the impacts will depend on how the situation evolves. Any financial impact, if any, will be reflected in the Group performance for the financial year ending 30 April 2026. At this juncture, the management is monitoring and assessing the potential financial impacts arising from this event due to the prevailing global uncertainties.

Notwithstanding the environment is challenging, the Group remains optimistic about its business outlook with the expectation of continued strong demand for its products.



## List of Properties owned by the Group

Company	Location	Land Area/ Built-up Area	Existing Use	Tenure	Approx. Age of Building (Years)	Net Book Value @ 30-4-2025 RM000
IPP	Lot 897, 984 & 985, Batu 13, Jalan Kelang 47100 Puchong Selangor Darul Ehsan. (^1)	27,797 sq.m./ 15,362 sq.m	Factory and Office Premises	Freehold	35	6,644
SIP	H.S.(D) No. 40 Plot No. 21 Mk. 1 SPT (*), 983 Kawasan MIEL Prai, PIP. (~) (^2)	1,995 sq.m./ 1,528 sq.m.	Rented Out as Factory	99 years Leasehold expiring on 28-9-2071	42	120
	H.S.(D) No. 4694 P.T. No. 3406 Mk. 1 SPT (*), Plot 541 Lorong Perusahaan Baru 2, PIP. (~) (^3)	7,050 sq.m./ 4,464 sq.m.	Factory and Office Premises	60 years Leasehold expiring on 23-7-2051	35	1,055
	Lot 187 Mk. 1, SPT (*), No. GM 59, 2930 Lorong Perusahaan Baru 6, 13600 Prai, Penang. (^4)	3,979 sq.m./ 1,674 sq.m.	Factory and Warehouse	Freehold	29	1,984
	20 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^5)	186 sq.m./ 279 sq.m	Office Premises	Freehold	25	203
	22 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^6)	186 sq.m./ 279 sq.m	Office Premises	Freehold	25	916
	24 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^6)	186 sq.m./ 279 sq.m	Rented out as store	Freehold	24	880

## List of Properties owned by the Group

Company	Location	Land Area/ Built-up Area	Existing Use	Tenure	Approx. Age of Building (Years)	Net Book Value @ 30-4-2025 RM000
SIG	Lot Nos. PT 1577 and PT 2677, Mk. 1, SPT(*), No. 2468, Solok Perusahaan 2, Prai Industrial Estate, 13600 Prai, Penang. (^7)	17,621 sq.m./ 12,1948 sq.m.	Factory, Warehouse and Office Premises	60 years Leasehold expiring on 1-10-2046 & 16-10-2048 respectively	37	7,777
	Lot Nos. 2736 to 2737, Mk. 6, SPT(*), Nos. 12 and 14, Jalan Nagasari 1, Taman Nagasari, 13600 Prai, Penang. (^8)	208 sq.m./ 277 sq.m.	Worker quarters	Freehold	35	221
	Lot Nos. PT 4586, Mk. 1, SPT(*), Solok Perusahaan 2, Prai Industrial Estate, 13600 Prai, Penang. (^9)	4,444 sq m	Land	99 years Leasehold expiring on 5-8-2113	-	1,927

(^1) Purchased on 16 September 1989

(^2) Purchased on 27 May 1988

(^3) Purchased on 30 June 1990

(^4) Purchased on 18 April 2002

(^5) Purchased on 14 May 2002

(^6) Purchased on 5 February 2016

(^7) Purchased in 1987 &amp; 1989 respectively and revalued in 2005

(^8) Purchased in 1990 and revalued in 2005

(^9) Purchased on 6 August 2014

(\*) Seberang Perai Tengah

(~) Prai Industrial Park, 13600 Prai, Penang

## Thirty Largest Securities Account Holders

as at 12 August 2025

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME PERSON)

No.	Shareholders	No. of Shares	% of Shareholding
1	TAN POAY SENG	130,080,000	30.01
2	KP HOLDINGS SDN. BHD.	60,000,000	13.84
3	SIYASI SDN. BHD.	28,836,026	6.65
4	TAN KOK PING	22,470,000	5.18
5	LEE YUIT EOW	15,000,000	3.46
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR TAN POAY TEIK (12022205) (443230)	10,652,000	2.46
7	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	9,500,133	2.19
8	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC OPPORTUNITIES FUND	7,906,933	1.82
9	TAN AI LING	6,400,000	1.48
10	TAN EE LING	6,100,000	1.41
11	H'NG CHEOK SENG	3,472,800	0.80
12	IFAST NOMINEES (TEMPATAN) SDN BHD GLOBAL SUCCESS NETWORK SDN BHD	3,130,000	0.72
13	JCBNEXT BERHAD	2,997,400	0.69
14	TAN SOO LING	2,750,000	0.64
15	LIM PEI TIAM @ LIAM AHAT KIAT	2,600,000	0.60
16	AMANAHRAYA TRUSTEES BERHAD PB SMALLCAP GROWTH FUND	2,459,966	0.57
17	TAN SEOW LING	2,268,300	0.52
18	SOUTH ISLAND HOLDINGS SDN. BHD.	1,880,693	0.43
19	T C HOLDINGS SENDIRIAN BERHAD	1,320,033	0.31
20	SOUTH ISLAND DEVELOPMENT CO SDN BHD	1,319,733	0.31
21	TAN KOK HOOI	1,225,009	0.28
22	OOI PEY WONG	1,200,000	0.28
23	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTM ENTS ISLAMIC SMALL-CAP FUND	1,175,100	0.27
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JOHN CHIA SIN TET (7006964)	1,125,000	0.26
25	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (2)	1,100,000	0.25
26	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	1,068,265	0.25
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD LEMBAGA TABUNG HAJI (EASTSPRING)	1,061,100	0.25
28	LEE GAIK SIM	1,050,500	0.24
29	AMANAHRAYA TRUSTEES BERHAD PUBLIC EMERGING OPPORTUNITIES FUND	1,041,433	0.24
30	TAN KOK AUN	1,035,016	0.24
Total		332,225,440	76.65

## Substantial Shareholders

as at 12 August 2025

### Substantial Shareholders as at 12 August 2025 excluding Bare Trustee

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Tan Sri Dato' Seri Tan Kok Ping	22,470,000	5.18	<sup>(1)</sup> 60,000,000	13.84
KP Holdings Sdn Bhd ("KPH")	60,000,000	13.84	-	-
Tan Poay Seng	130,080,000	30.01	-	-
Siyasi Sdn Bhd	28,836,026	6.65	-	-

**Notes:**

<sup>(1)</sup> Deemed interested by virtue of Section 8 of the Companies Act 2016 held through KPH.

### Directors' Shareholdings as at 12 August 2025

Directors	Direct Interest		Deemed/Indirect Interest <sup>(^)(&lt;)</sup>	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Tan Sri Dato' Seri Tan Kok Ping	22,470,000	5.18	<sup>(^)</sup> 60,000,000 <sup>(&gt;)</sup> 28,170,300	13.84 6.50
Tan Poay Seng	130,080,000	30.01	-	-
H'ng Cheok Seng	3,472,800	0.80	-	-
Tan Poh Heng	-	-	-	-
Fera Fizani Binti Ahmad Fizri	4,000	#	-	-

**Notes:**

<sup>^</sup> Deemed interested by virtue of his interest in KPH pursuant to Section 8 of the Companies Act 2016.

<sup>></sup> Shares held by children notified pursuant to Section 59(11)(c) of the Companies Act 2016.

<sup>#</sup> Negligible.

## Key Senior Management's Shareholdings

as at 12 August 2025

Directors	Direct Interest		Indirect Interest	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Lee Koong Chen @ Lee Kong Chew	473,133	0.11	-	-
Yap Yong Teck	-	-	-	-
Lim Eng Chuan	1,280,000	0.30	( <sup>&lt;</sup> ) 154,333	0.03

**Note:**

< Shares held by spouse notified pursuant to Section 59(11)(c) of the Companies Act 2016.

## Analysis of Shareholdings

as at 12 August 2025

No. of Shares with Voting Rights : 433,450,579 (Excluding 500,000 treasury shares)

Class of Share : Ordinary shares fully paid

Voting Rights : On a poll – one vote for every ordinary share held

Size of Shareholdings	No. of Shareholders	No. of Shares	% of Shareholding
Less than 100	449	19,232	0.01
100 – 1,000	1,704	1,085,845	0.25
1,001 – 10,000	4,048	18,040,099	4.16
10,001 – 100,000	1,272	36,813,907	8.49
100,001 – 21,672,528	197	136,105,470	31.40
21,672,528 – and above	4	241,386,026	55.69
<b>Total</b>	<b>7,674</b>	<b>433,450,579</b>	<b>100.00</b>



## PROXY FORM

Number of Shares Held	CDS ACCOUNT NO.												
				-				-					

\* I /We..... (\*NRIC/Passport/Company No. ....)  
 (Full Name in Block Letters)  
 of ..... (Address)  
 being a \* member / members of the abovenamed Company, hereby appoint:

Full Name in Block Letters	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

\*and/or

Full Name in Block Letters	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

or failing him, the Chairman of the Meeting as \* my / our proxy to vote for \* me / us on \* my / our behalf at the 28<sup>th</sup> Annual General Meeting ("AGM") of the Company will be held at Berjaya 1, 7th Floor, Berjaya Penang Hotel, 1-Stop Midlands Park Centre, Jalan Burmah, 10350 Penang on Wednesday, 08 October 2025 at 10.30 a.m. and at any adjournment thereof.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To re-elect Tan Sri Dato' Seri Tan Kok Ping as a Director of the Company.		
2.	To re-elect Mr. Tan Poh Heng as a Director of the Company.		
3.	To approve the payment of Directors' Fees to Non-Executive Directors.		
4.	To re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company.		
5.	To authorise the Directors to allot and issue new shares in the Company.		
6.	To approve the proposed renewal of share buy-back authority.		
7.	To retain Mr. Tan Poh Heng as an Independent Director of the Company.		

Please indicate with an "x" in the appropriate spaces provided above on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy may vote as he thinks fit.

Signed this ..... day of ..... 2025.

.....  
 Signature of Member(s)/Common Seal

### Notes:

- (1) For the purpose of determining a member who shall be entitled to attend the 28<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 01 October 2025. Only a depositor whose name appears on the Record of Depositors as at 01 October 2025 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her behalf.
- (2) A proxy may but need not be a member of the Company.
- (3) A member shall be entitled to appoint of up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (4) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (5) Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.
- (6) In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- (7) For a proxy to be valid, this form duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default this form shall not be treated as valid.

\* Strike out whichever is not desired

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stamp

To,

THE COMPANY SECRETARY  
**MAGNI-TECH INDUSTRIES BERHAD**  
Registration No. 199701007089 (422585-V)  
51-21-A MENARA BHL  
JALAN SULTAN AHMAD SHAH  
10050 PENANG

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