ADVENTA BERHAD
200301016113 (618533-M)

2024 ANNUAL REPORT

Table of Contents

CORPORATE INFORMATION

BOARD OF DIRECTORS

EDMOND CHEAH SWEE LENG
Chairman
Senior Non-Independent Non-Executive Director

LOW CHIN GUAN
Executive Director

KWEK SIEW LENG
Executive Director

TOH SENG THONG
Non-Independent Non-Executive Director

DATO' SELWYN VIJAYARAJAN DAS
Independent Non-Executive Director

MUHAMAD YAZDI BIN CHE YA
Independent Non-Executive Director

Audit Committee

MUHAMAD YAZDI BIN CHE YA
Chairman
TOH SENG THONG
DATO' SELWYN VIJAYARAJAN DAS

Nomination Committee

DATO' SELWYN VIJAYARAJAN DAS
Chairman
TOH SENG THONG
MUHAMAD YAZDI BIN CHE YA

Remuneration Committee

TOH SENG THONG
Chairman
KWEK SIEW LENG
DATO' SELWYN VIJAYARAJAN DAS

Company Secretary

CHUA SIEW CHUAN
(SSM PC NO. 201908002648)(MAICSA 0777689)

LIM LIH CHAU
(SSM PC NO. 201908001454)(LS 0010105)

Registered Office

21, Jalan Tandang 51/205A
Seksyen 51
46050 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-9213 0520
Email : contact.us@adventa.com.my

Share Registrar

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

Principal Bankers

HSBC Bank (Malaysia) Berhad
Ambank (M) Berhad

External Auditors

PKF PLT
Level 33, Menara 1MK,
Kompleks 1 Mont Kiara, No. 1
Jalan Kiara, Mont Kiara,
50480 Kuala Lumpur,
Wilayah Persekutuan

Internal Auditors

TGS Advisory Sdn. Bhd.
Unit E-16-2B, Level 16,
ICON Tower (East), No. 1,
Jalan 1/68F, Jalan Tun Razak,
50400 Kuala Lumpur,
Wilayah Persekutuan

Stock Exchange Listing

Main Market of
Bursa Malaysia Securities Berhad

GROUP CORPORATE STRUCTURE

ADVENTA BERHAD
200301016113 (618533-M)

100% — **ADVENTA HEALTHCARE SDN. BHD.**
- Distribution of medical and healthcare equipment, appliances and medical disposal products

100% — **PTM PROGRESS TRADING & MARKETING SDN. BHD.**
- Provision of storage and warehousing services

90% — **WENDA INTERNATIONAL (ZIBO) LIMITED**
Trading of medical and healthcare equipment, appliances, disposable products, machinery, and equipment

99% — **PT ADVENTA BIOTECH INTERNATIONAL**
- Manufacturing and distribution of medical and healthcare equipment, appliances and medical disposal products

100% — **ADVENTA DIGITAL HEALTH SDN. BHD.**
- Dormant

MANAGEMENT
DISCUSSION AND ANALYSIS

Dear Shareholders,

Low Chin Guan and Kwek Siew Leng
Executive Director

We are pleased to present our annual performance report, highlighting a strong recovery and good progress in the past year. After navigating the challenges of the past years, posed by the global pandemic, oversupply and budgetary constraints of customers, we are proud to announce that our financial results have not only rebounded to pre-COVID levels but have also achieved a 8% increase in margins, reflecting the results of our operational efficiency, expanded product range and strategic cost management undertaken in the last few years.

The year under review marked a significant recovery and growth phase for the Company, supported by improved operational execution and strategic discipline. The results reflect the Company's resilience, adaptability, and readiness to respond to evolving market dynamics.

Operational Highlights

- Revenue returned to pre-pandemic levels, demonstrating a strong recovery and the stability of the Company's core operations, with a 56% increase over 2023.
- Operational efficiency improved through supply chain realignments, strategic cost controls, and refined market approaches.
- Higher revenue per account and 3% growth in new customer accounts indicate improved customer engagement and continued market confidence.

Strategic Growth Initiatives

To build on this momentum, the Company is executing a clear and focused strategy that leverages both horizontal and vertical expansion to strengthen our market position and deliver long-term value.

Horizontal Expansion
• Introducing new product lines to tap into adjacent markets and address evolving customer demands
• Expanding service offerings to enhance customer relationships and increase recurring revenue opportunities

Vertical Expansion
• Strengthening the supply chain through backward integration to secure key inputs and reduce costs
• Improving distribution and inventory management through forward integration to boost efficiency and responsiveness

These strategic initiatives are designed to deliver long-term, sustainable growth, reinforce the Company's competitive advantage, and ensure consistent value creation for all stakeholders.

Despite ongoing macroeconomic uncertainties, including inflation and geopolitical tensions, the Company remains well-positioned through strengthened financials and deliberate strategic investments. We remain committed to driving innovation, upholding operational excellence, and delivering strong shareholder returns.

On behalf of the Board and management, we extend our sincere appreciation to all stakeholders for your continued trust and support of the company and the team.

SUSTAINABILITY STATEMENT

SCOPE AND OBJECTIVES

At Adventa Berhad ("**Adventa**" or "**Company**") and its subsidiaries ("**Adventa Group**" or the "**Group**"), sustainability is a core principle that guides our business strategy and operations. We are committed to creating long-term value by integrating sustainable practices into every aspect of our organisation. Our approach goes beyond mere compliance as we focus on making a meaningful impact on the communities we serve while protecting the environment for future generations.

We continuously evaluate and enhance our Economic, Environmental, Social, and Governance ("**EESG**") practices to ensure responsible growth and resilience. By embedding sustainability into our corporate culture, policies, and daily operations, we remain adaptable and accountable, even in the face of challenges.

Our commitment to sustainability also extends to our people. We prioritise providing a safe, healthy, and inclusive workplace that supports well-being and promotes professional growth. By fostering a culture of responsibility and innovation, we empower our employees to contribute positively to both the business and the community.

This statement outlines our key initiatives and achievements from an EESG perspective, demonstrating our unwavering commitment to sustainable value creation and responsible business practices.

Reporting Scope and Period

Adventa Group continues to report its sustainability data and performance in this Sustainability Statement ("**Statement**"), which include the following principal business operations:

Adventa Berhad	Adventa Healthcare Sdn. Bhd. (AHSB)	PTM Progress Trading & Marketing Sdn. Bhd. (PTM)	PT Adventa Biotech International (PT ABI)
• Investment holdings • Management services	• Distribution of medical and healthcare equipment, appliances and medical disposal products	• Provision of storage and warehousing services	• Manufacturing and distribution of medical and healthcare equipment, appliances and medical disposal products

This report covers all subsidiaries and operational units under Adventa that have a significant impact on our sustainability footprint. Companies with minimal or no business activities, as well as associated companies not under the Group's control, are excluded from this Statement. In October 2024, PTM invested in Wenda International (Zibo) Limited ("**Wenda**"); however, Wenda is excluded from the scope of this report and will be considered in subsequent reporting periods as it becomes fully integrated into the Group's operations. The reporting period for this Statement is from 1 January 2024 to 31 December 2024.

Assurance

The sustainability data and information reported in this Statement have not been subjected to any specific review by internal auditors or external assurance by independent parties.

SUSTAINABILITY GOVERNANCE

We are committed to creating long-term, sustainable value for all stakeholders. By advancing the integration of EESG practices into our business strategy, we enhance operational effectiveness and ensure a brighter future for both the organisation and its stakeholders.

The Board of Directors ("**Board**") drives our sustainability strategy, overseeing the management of EESG risks and opportunities. The Board is supported by the Sustainability Management Committee, ("**SMC**") which play pivotal roles in aligning our sustainability efforts and policies with the Group's core principles and objectives.

To ensure compliance and identify opportunities for improvement, internal audits are conducted. We engage stakeholders through meetings and transparently report on our sustainability performance annually, striving for continuous improvement. This includes setting ambitious yet achievable targets, reviewing and updating sustainability policies, and staying informed of best practices and emerging trends in sustainability governance.

The table below outlines the roles and responsibilities at each level of our sustainability governance:

Board of Directors ("Board")

Setting the strategic direction for sustainability, including governance of initiatives, targets, priorities, and performance.

Integrating sustainability risks and opportunities into the Group's strategy and risk management framework, fostering a proactive approach to challenges.

Ensuring transparent communication of sustainability efforts and achievements to stakeholders, reinforcing accountability and continuous progress.

Sustainability Management Committee ("SMC")

Develop and implement the Group's overall corporate sustainability strategy with integrated controls and best practices.

Drive, oversee, and assess the implementation of sustainability initiatives to ensure alignment with strategic objectives.

Monitor and report progress on Material Sustainability Matters (MSMs) and overall sustainability performance.

Identify and evaluate sustainability- related risks and opportunities incorporating them into the Group's strategic planning and risk management processes.

Engage with internal and external stakeholders to promote transparency, communicate strategies and performance, and respond to concerns.

Escalate significant sustainability issues for timely decision-making and corrective action.

Working Level

Proactively embed sustainability practices across roles and functions.

Gather and consolidate sustainability data from diverse sources.

STAKEHOLDERS ENGAGEMENT

We acknowledge that cultivating and sustaining robust relationships with our diverse internal and external stakeholders is fundamental to driving sustainable growth and ensuring the ongoing success of our Group's business. To achieve this, we engage with key stakeholder groups through a variety of tailored channels and approaches. This proactive engagement enables us to effectively address stakeholder concerns, gather insightful feedback on material sustainability matters (**MSMs**"), and foster transparency and trust.

The table below provides a summary of our key stakeholder groups, their respective areas of interest, the methods of engagement employed, and the frequency of these interactions.

Stakeholder Group	Material Concerns	Engagement Approach	Engagement Frequency
Customers	• Quality, reliability & competitive pricing of products • Customer satisfaction • Timely delivery • Payment & other terms	• Customer feedback and surveys • Corporate website and social media platforms • Marketing communications and quotations • Continuing Medical Education	• Monthly, or • As and when required
Employees	• Compensation, benefits & rewards • Work-life balances & staff interaction • Career growth & advancements • Training & development • Occupational health & safety	• Year-end performance appraisal • Internal audits • Staff engagement activities • Internal communication and memos • Internal and external programs • Whistle-blowing policy	• Monthly, • Half-yearly, • Annually, or • As and when required
Suppliers & Vendors	• Product & service quality & reliability • Regulatory compliance and adhere to required operating standards • Credit and trading terms • Operational efficiency • Business relationship	• Suppliers' performance assessment and registration checklist • Meetings • Due diligence activities • Complaint platform - CAPA	• As and when required
Investors & Shareholders	• Business strategy & plans • Corporate governance • Financial performance • Business Outlook • Sustainability performance	• Audit reports • Bursa Malaysia announcements on financial results and others • Share price movement updates on the Investor Relations sections of corporate website • Annual General Meeting • Extraordinary General Meeting • Corporate Website • Annual Report	• Quarterly, • Annually, or • As and when required

Stakeholder Group	Material Concerns	Engagement Approach	Engagement Frequency
Government & Regulators	• Statutory compliance • Corporate governance • Permits & licenses	• Audit reports • Quarterly updates on financial results • Annual renewal • Correspondence via email/mails	• Quarterly, • Annually, or • As and when required
Local Communities	• Corporate social responsibilities	• Social media platform • CSR programmes • Sustainability reporting	• Annually, or • As and when required

MATERIAL SUSTAINABILTIY MATTERS ("MSMs")

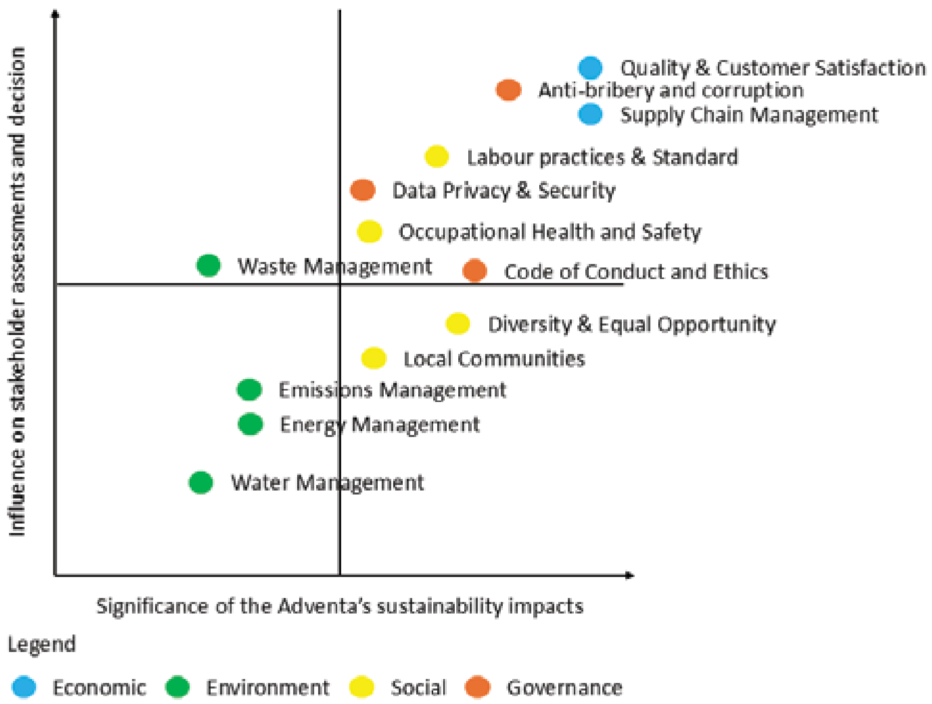
We recognise that identifying and addressing material sustainability matters is essential for driving long-term success and creating value for our stakeholders. To ensure we focus on the issues that truly matter, we conducted our first materiality assessment, engaging a broad spectrum of internal and external stakeholders.

The primary objective of this assessment was to thoroughly evaluate and prioritise key sustainability issues based on their significance to our business and their potential influence on stakeholders' decision-making. By actively seeking feedback from Heads of Departments (HODs) and the perspectives of our key stakeholders, we gained valuable insights that directly inform our sustainability strategy. The findings of this assessment are captured in the materiality matrix, which guides our ongoing efforts.

In conducting the materiality assessment, the Group considers MSMs to be those that:

- reflect Adventa Group's significant economic, environmental, governance and social impacts; and
- substantively influence the assessments and decisions of stakeholders

The outcome of the materiality assessment is illustrated on a materiality matrix as belows:



The materiality matrix highlights the key sustainability issues shaping Adventa Group business operations. Governance and ethical compliance, alongside quality and supply chain management, had the greatest impact on stakeholder decisions. Social considerations, such as labour practices and data security, were also identified as essential factors. Environmental aspects, while important, ranked lower in influence compared to governance and operational priorities, as they pose minimal risk due to the nature of our operations.

OUR SUSTAINABILITY FOCUS: ECONOMIC

The Group remains dedicated to delivering high-quality products and services through a strong Quality Management System and ongoing process enhancements, ensuring customer satisfaction. In addition, we foster sustainable supply chain practices by collaborating closely with suppliers, integrating ESG principles, conducting comprehensive assessments, and prioritising local procurement to create value and mitigate risks. These initiatives collectively reinforce the economic resilience of our operations and contribute to long-term sustainable growth.

Supply Chain Management

We maintain strong partnerships with our principal partners and suppliers, both locally and internationally, to ensure all procured materials and services comply with environmental, occupational health and safety, and labour practice regulations. Our commitment to responsible sourcing aligns with our sustainability objectives, upholding high standards of ethics and compliance. Prior to engagement, suppliers undergo rigorous evaluations to assess their adherence to quality benchmarks and sustainability principles. These assessments are conducted periodically to mitigate risks, strengthen supply chain integrity, and ensure continued compliance.

Delivering high-quality and reliable products remains our top priority. Our commitment to continuous improvement enables us to stay competitive in this dynamic industry. Our procurement team closely monitors supplier performance through product audits and technical evaluations, ensuring the quality of materials and services meets the Group's stringent standards. Regular communication through various channels including calls, emails, and virtual meetings allows us to track delivery schedules, product quality, and instances of non-conformance, facilitating prompt corrective actions. Additionally, we proactively share regulatory updates and industry insights with our suppliers and business partners to enhance compliance awareness and minimise supply chain disruptions.

Adventa Group upholds a commitment to operational excellence, sustainable business practices, and strict regulatory compliance. Our Quality Management System drives continuous improvement across all processes. AHSB, the Group's primary business segment, is ISO 13485:2016 certified, ensuring adherence to international standards for medical device safety and quality. Additionally, AHSB has obtained Good Distribution Practice for Medical Devices (GDPMD) certification, covering import, storage, handling, warehousing, distribution, and maintenance of medical devices. These certifications reinforce our dedication to quality, safety, and regulatory excellence in all aspects of our operations.

Quality & Customer Satisfaction

Customers are a cornerstone of our business and a key catalyst for our continued success. We recognise the critical role they play and are deeply committed to building enduring, trust-based relationships through proactive engagement and value-driven collaboration.

At Adventa Group, we take pride in delivering innovative, high-quality products and services that are both market-relevant and future-ready. Every product and service we offer is backed by rigorous market feasibility assessments and is designed with sustainable features that align with evolving market expectations and stringent regulatory standards.

Customer insights are fundamental to our growth strategy. Through continuous medical education (CME), professional discussions, responsive email communications, product demonstrations, and regular visits to hospitals and clinics, we maintain open channels of communication. These touchpoints enable us to gather meaningful feedback, which we actively incorporate into our strategic planning and product development processes.

Our healthcare division remains focused on identifying market needs and closing industry gaps through innovative yet cost-effective solutions, ensuring our products and services remain competitive. These activities include:

- Understanding market needs through close engagement with customers
- Identifying innovative products that provide better solutions compared to existing options
- Identifying complementary products to expand our existing product list and offer a wider range of solutions
- Ensuring compliance with medical device authorities, recognised standards, and certifications
- Delivering healthcare products wherever they are needed to ensure accessibility and reach for all customers

At Adventa, we do more than meet expectations. By placing our customers at the centre of everything we do, we continuously evolve to serve the healthcare industry with excellence and integrity.

Direct Economic Value

One of the Group's primary financial objectives is to achieve sustainable business growth while consistently delivering long-term value to our stakeholders. We are committed to making a positive contribution to the Malaysian economy by ensuring that the economic value we generate is distributed equitably among our key stakeholders, including suppliers, employees, financial institutions, investors, and tax authorities.

The financial performance of the Adventa Group is summarised as follows:

Adventa Group (RM'000)	FYE 2022	FYE 2023	FYE 2024
Revenue	59,000	37,299	58,302
Profit/(loss) before taxation	(4,765)	(10,282)	2,201
Taxation	(440)	1,124	(30)
Profit/(loss) after taxation	(5,205)	(9,158)	2,171

Details information and review of our business operations, products and services, and financial performance for financial year ended ("**FYE**") 2024 are reported in Audited Financial Statements of this Annual Report as set out on pages 53 to109.

In the FYE 2024, 54% of the Group's procurement for both trade and non-trade products and services were sourced from local suppliers.

Adventa Group	FYE 2024 (%)
Proportion of spending on local suppliers	54

OUR SUSTAINABILITY FOCUS: ENVIRONMENT

While environmental matters are considered less material compared to other sustainability priorities in the Group's materiality matrix, largely due to the nature of our operations, which primarily focus on the distribution of medical and healthcare equipment, appliances, and disposable products, the Group remains firmly committed to minimising the environmental impact of its day-to-day activities.

We uphold environmental stewardship as an integral part of our growth strategy, ensuring that our operational practices align with our corporate vision and social responsibilities. This includes cultivating a culture of environmental consciousness among employees and promoting sustainable practices both within the organisation and in the communities we serve.

Energy Management

Adventa Group's operations are housed within our corporate building, which serves as the headquarters for our business activities, and a dedicated warehouse used for the storage of goods. The Group implements various energy-saving initiatives aimed at reducing overall energy consumption and promoting more efficient energy practices. These initiatives include:

- Turning off electrical and electronic equipment when not in use
- Switching off lights and air conditioners during non-operational hours, lunch breaks, after business hours, and in unoccupied areas

During the financial year under review, the Group's total energy consumption amounted to 698.15 MWh. This consumption was primarily from electricity purchased from Tenaga Nasional Berhad for the corporate office and warehouse in Malaysia, and from PT United Power for the manufacturing plant in Indonesia.

Emissions Management

In line with global best practices, Adventa Group has strengthened its emissions tracking and reporting processes. The emissions data, derived from the energy consumption figures presented above, are summarised as follows:

Adventa Group (tCO_2e)	Indicators Measured	FYE 2024 (metric tonnes)
Scope 1 – Direct GHG Emissions	• Company – owned vehicles • Third party logistic	447.08
Scope 2 – Indirect GHG Emissions	• Consumption in manufacturing plant in Indonesia – HVAC system	6.84
Scope 3 – Other Indirect GHG Emissions	• Business travel • Employee commuting	358.80

Waste Management

As the Group's primary focus for the FYE 2024 was on the distribution of medical and healthcare equipment, appliances, and disposable products, and with our manufacturing facility in Indonesia still in the construction and trial phase, the waste generated was primarily nonhazardous. This includes materials such as paper, paper-related products, and minor waste from the trial production line, none of which were significant in volume.

To minimise waste and reduce resource depletion, we actively reuse materials wherever possible. We also promote a paperless office culture by encouraging the use of electronic documentation in place of printed copies and by transitioning internal communications and correspondence to digital platforms.

Production waste and residual materials are either recycled or properly disposed of through appointed third-party service providers.

The details of our waste management are as follows:

Adventa Group (tCO_2e)	FYE 2024 (metric tonnes)
Total waste generated	6.34
Total waste diverted from disposal	5.07
Total waste directed to disposal	1.27

Water Management

Adventa Group is committed to managing water resources responsibly and minimising consumption in response to the global challenge of water scarcity. Our water conservation efforts prioritise reducing usage and improving efficiency across all operations.

During the financial year under review, the Group's total water consumption amounted to 8,950.56 megalitres. This was primarily sourced from Syarikat Bekalan Air Selangor (SYABAS) for our corporate office and warehouse in Malaysia, and from PT Kawasan Industrial Khusus for our manufacturing facility in Indonesia.

OUR SUSTAINABILITY FOCUS: SOCIAL

At Adventa Group, we are committed to upholding the highest standards of fair labour practices, ensuring a respectful and equitable environment that attracts and retains top talent. Our unwavering focus on occupational health and safety prioritises the well-being of our workforce, maintaining safe and supportive working conditions across all levels. We are dedicated to promoting diversity and equal opportunity, fostering an inclusive workplace where every individual is empowered to succeed and contribute meaningfully. Furthermore, through active engagement with local communities, we drive social and economic progress, enhancing the well-being of the communities we serve.

Labour Practices & Standard

Adventa Group is committed to cultivating a work environment that prioritises respect, inclusivity, and collaboration. We ensure equal employment opportunities and a workplace free from discrimination. In line with local laws and regulations, we adhere to requirements regarding minimum wage, mandated rest periods, maximum working hours, and the provision of a safe and healthy work environment. Employees are also entitled to various types of leave in accordance with statutory guidelines.

We understand that a safe and healthy workplace is essential to reducing absenteeism and enhancing employee morale. Our efforts to maintain a conducive work environment are reflected in the ongoing improvements we make to support employee well-being. We also encourage team engagement through regular gatherings and celebrations of significant occasions, fostering a sense of unity and connection within the workplace.

Our commitment to work-life balance is evident in the support we provide to employees in managing their professional and personal responsibilities, contributing to a healthier and more productive workforce.

We are pleased to report that no substantiated complaints related to human rights violations have been received during the year, reflecting our dedication to maintaining the highest ethical standards.

Adventa Group	FYE 2024
Number of substantiated complaints concerning human rights violations	0

Employee Retention, Succession Planning and Development

Employee Retention and Succession Planning

Adventa Group has established a robust succession plan to ensure leadership continuity and a smooth transition. In line with this strategy, our recruitment efforts focus on attracting young, talented professionals with the expertise essential for driving the Group's future growth. To support this goal, we offer competitive remuneration packages designed to attract, retain, and motivate the best talent within our organisation. We believe that engaged and dedicated employees are key to maximising their potential, which, in turn, drives the Group's overall performance.

The Group follows a merit-based compensation system, where employee rewards are directly linked to their contributions and performance. We conduct performance evaluations biannually to assess achievements and determine appropriate rewards, such as bonuses, salary adjustments, and promotions. The extent of these rewards is determined by individual performance outcomes. This approach encourages direct engagement between employees and management, fostering a culture of transparency and aligning expectations and goals effectively.

Adventa Group	Turnover Number
Management	4
Executive	12
Non-Executive / Technical Staff	9
General Workers	24

Training and Career Development

Adventa Group ensures that new recruits receive regular briefings and on-the-job training to equip them with the necessary skills and knowledge. We also foster a culture of continuous learning and self-improvement among our existing employees, which contributes to the development of internal talent. Our employees are encouraged and assigned to attend relevant training, workshops, and seminars to stay current with industry advancements and continually enhance their skills. These training opportunities are provided through both internal and external programs.

The training provided to our employees includes, but is not limited to, the following:

- Product Knowledge Sharing
- Quality Management System
- Effective Teamwork
- Transformational Leadership
- IT Policy
- e-Invoices

For the financial year under review, the total training hours attended by employees, categorised by department, are as follows:

Adventa Group Total hours of training by employee category	FYE 2024 (Hours)
Management	42
Executive	56
Non-Executive / Technical Staff	32
General Workers	20

Occupational Health and Safety

The Group prioritises the health and safety of our employees, recognising the critical importance of maintaining optimal working conditions at all times. We are dedicated to providing a safe and healthy work environment across all our operations. At our corporate office, warehouse, and manufacturing plant, we implement a range of safety measures, including 24-hour security personnel, surveillance systems, and clear signage highlighting safety protocols in key work areas. Additionally, we ensure that fire extinguishers and elevators are regularly inspected and maintained to remain in good working condition.

22 employees of the Group have been trained on health and safety standards throughout the year.

Adventa Group	FYE 2024 (number)
Employees trained on health and safety standards	22

For FYE 2024, we reported zero work-related fatalities and lost time incident rate at the workplace.

Adventa Group	FYE 2024 (number)
Work-related fatalities	0
Lost time incident rate ("**LTIR**")	0

Diversity & Equal Opportunity

Our employees are among the Group's most valuable assets, playing a pivotal role as key stakeholders who significantly contribute to our business success and long-term sustainability.

At Adventa, we are committed to providing equal opportunities for employment and career development to both current and potential employees based on merit. We prioritise skills, qualifications, experience, and performance relative to job roles and responsibilities, ensuring fairness and inclusivity. We do not discriminate on the basis of age, gender, background, religion, or ethnicity. These principles are consistently applied across all aspects of our employment practices, including hiring, promotions, remuneration, performance evaluations, disciplinary actions, and more.

We firmly believe that innovation and the delivery of quality solutions are best achieved through the contributions and collaboration of employees with diverse knowledge, skill sets, experiences, and backgrounds. This diversity fosters creativity and continuous improvement within the Group. Additionally, we recognise that education plays a critical role in empowering young individuals to become the leaders of tomorrow.

As of 31 December 2024, the Group's overall workforce diversity is summarised below:

ADVENTA GROUP	FYE 2024				
	AGE			GENDER	
PERCENTAGE (%)	< 30	30 – 50	> 50	MALE	FEMALE
Directors	0.00	0.00	100.00	83.30	16.70
BY EMPLOYEE CATEGORY					
Management	0.00	54.00	46.00	50.00	50.00
Executive	50.00	48.00	2.00	42.00	58.00
Non-Executive / Technical Staff	52.00	33.00	15.00	96.00	4.00
General Workers	79.00	19.00	2.00	67.00	33.00

ADVENTA GROUP	FYE 2024 PERCENTAGE (%)
Full – time permanent employees	100.00
Full – time contract employees	0.00

Local Communities

The Group is committed to engaging with local communities through initiatives such as educational support, charitable donations, and contributions to social welfare programs. We are dedicated to ensuring that our business operations do not negatively impact the interests or well-being of society. Furthermore, we encourage our employees to participate in charitable activities on an individual basis.

In FYE 2024, we contributed healthcare products to flood victims in the East Coast region and supported visits to an old folks' home by providing lunch and essential consumables.

ADVENTA GROUP	FYE 2024
Total amount invested in the community where the target beneficiaries are external to Adventa Group (RM)	30,000.00
Beneficiaries of the investment in communities (estimated number)	80

OUR SUSTAINABILITY FOCUS: GOVERNANCE

Adventa Group is deeply committed to upholding strong governance and ethical business practices as core principles of our corporate culture. We prioritise accountability, transparency, and integrity across all aspects of our operations to foster trust and confidence among our stakeholders. To ensure long-term sustainable success, we adhere to the highest standards of responsible governance. This includes the implementation of robust corporate governance frameworks, the protection of data privacy and security, and strict compliance with anti-corruption policies. Our commitment to ethical conduct and regulatory compliance is embedded in every facet of our operations. These collective efforts reinforce our dedication to transparency, integrity, and responsible business practices.

Anti-bribery and Corruption

All employees of Adventa Group are required to acknowledge, understand, and strictly adhere to the Group's Anti-Bribery and Corruption Policy. The Group is committed to ensuring that employees across all levels receive regular, role-specific training on the policy. These training initiatives are delivered through internal communications and in-house awareness sessions. Such efforts are designed to strengthen employees' understanding of applicable anti-bribery and corruption laws, while equipping them with clear procedures and guidance to identify, prevent, and respond to potential violations in their daily responsibilities. To reinforce the Group's zero-tolerance stance on bribery and corruption, all new employees are required to attend anti-bribery and corruption training as part of their orientation program. In addition, ongoing refresher training is conducted regularly to maintain and enhance awareness among existing employees.

As of 31 December 2024, the percentage of employees who have completed anti-bribery and corruption training is presented in the table below:

ADVENTA GROUP Employees who have received training on anti-corruption by employee category:	FYE 2024 (%)
Management	92.00
Executive	96.00
Non-Executive / Technical Staff	81.00
General Workers	63.00

Adventa Group adopts a risk-based approach to managing corruption by conducting comprehensive risk assessments aimed at identifying and addressing potential bribery and corruption risks across its operations. These assessments are reviewed regularly to ensure that effective controls and preventive measures are implemented and remain relevant. As of the end of the financial year, the Group have undergone corruption risk assessments, demonstrating the Group's continued commitment to ethical and transparent business practices.

ADVENTA GROUP	FYE 2024 (%)
Operations assessed for corruption-related risks	85.00

We are pleased to report that no confirmed incidents of corruptions and action taken have been received during the year, reflecting our dedication to maintaining the highest ethical standards.

ADVENTA GROUP	FYE 2024
Confirmed incidents of corruptions and action taken	0

Data Privacy & Security

In compliance with the Personal Data Protection Act 2010 (PDPA) of Malaysia, Adventa Group has established a comprehensive Personal Data Protection Notice that governs the collection, use, storage, and safeguarding of personal data. The Group is committed to maintaining the privacy and confidentiality of all personal data entrusted to us.

Personal data is retained only for as long as necessary to fulfill the purposes for which it was collected, including compliance with legal, regulatory, or accounting requirements, or to protect the Group's legitimate interests. To prevent misuse, loss, unauthorised access, modification, or disclosure of personal data, the Group implements reasonable and appropriate security measures across its operations. These include restricted access to sensitive information, secure data storage systems, and periodic reviews of data protection practices to ensure continued compliance with evolving regulatory standards.

The Group's Data Protection and Privacy Policy is publicly available on our corporate website at https://www.adventa.com.my.

In addition, Adventa Group has instituted robust internal policies and controls to safeguard the confidentiality and security of its business information and customer data, as applicable.

Code of Conduct & Ethics

The Group has established a comprehensive Group Policy / Culture for both Directors and Employees, outlining the expected standards of behavior in all business dealings and interactions. This framework reflects the Group's commitment to ensuring that all duties are carried out with honesty, fairness, diligence, and integrity.

Further details on the expectations and guiding principles set forth in the Code of Conduct for Directors and Employees are available on the corporate website at https://www.adventa.com.my.

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	92.00 *
Executive	Percentage	96.00
Non-executive/Technical Staff	Percentage	81.00
General Workers	Percentage	63.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	85.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	54.00
Management Above 50	Percentage	46.00
Executive Under 30	Percentage	50.00
Executive Between 30-50	Percentage	48.00
Executive Above 50	Percentage	2.00
Non-executive/Technical Staff Under 30	Percentage	52.00
Non-executive/Technical Staff Between 30-50	Percentage	33.00
Non-executive/Technical Staff Above 50	Percentage	15.00
General Workers Under 30	Percentage	79.00
General Workers Between 30-50	Percentage	19.00
General Workers Above 50	Percentage	2.00
Gender Group by Employee Category		
Management Male	Percentage	50.00
Management Female	Percentage	50.00
Executive Male	Percentage	42.00
Executive Female	Percentage	58.00
Non-executive/Technical Staff Male	Percentage	96.00
Non-executive/Technical Staff Female	Percentage	4.00
General Workers Male	Percentage	67.00
General Workers Female	Percentage	33.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83.30
Female	Percentage	16.70
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	22

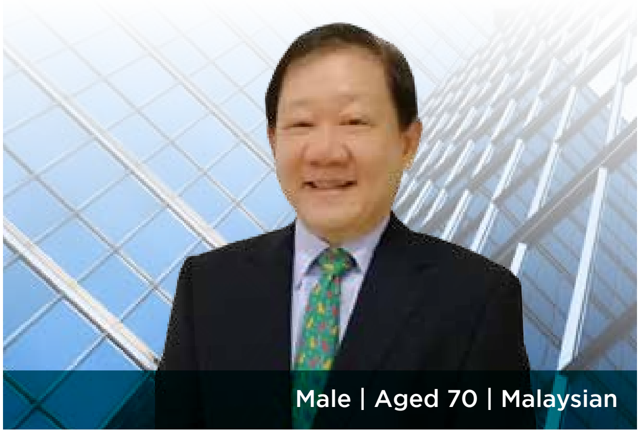
Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY STATEMENT (CONT'D)

Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	42
Executive	Hours	56
Non-executive/Technical Staff	Hours	32
General Workers	Hours	20
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	4
Executive	Number	12
Non-executive/Technical Staff	Number	9
General Workers	Number	24

Internal assurance External assurance No assurance (*)Restated

DIRECTORS' PROFILE



Male | Aged 70 | Malaysian

Edmond Cheah Swee Leng

Chairman
Senior Non-Independent Non-Executive Director

Date of Appointment:
9 August 2004

Board Meetings

5 / 5

Qualifications:

- Chartered Accountant by profession and a member of the Malaysian Institute of Accountants and Association of Chartered Accountants, England and Wales.

Mr. Edmond Cheah Swee Leng ("**Mr. Cheah**"), aged 70, was appointed to the Board of Adventa Berhad on 9 August 2004 and is presently the Chairman of the Company.

He is a Chartered Accountant by profession and a member of the Malaysian Institute of Accountants and Association of Chartered Accountants, England and Wales. He is also a Certified Financial Planner. His professional experience has been in the fields of audit, merchant banking, corporate & financial advising, portfolio & investment management, unit trust management and financial planning.

His career started with a professional accounting firm in London where he was an Audit Manager. He was the manager in charge of Portfolio Investment in a merchant bank in Malaysia and subsequently in charge of the corporate and planning division in a public listed company. Mr. Cheah was the Chief Executive Officer/Executive Director and a member of the Investment Committee of Public Mutual Fund Berhad, the largest private unit trust management company in Malaysia.

He was also a council member and Chairman of the Secretariat of the Federation of Investment Managers Malaysia (FIMM), a former Task Force Member on Islamic Finance for Labuan International Offshore Financial Centre (LOFSA), and a former member on the Securities Market Consultation Panel in Bursa Malaysia Securities Berhad.

He attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

Mr. Cheah sits on the Board of Nylex (Malaysia) Berhad which is listed on Bursa Malaysia Securities Berhad. He is also the Director of Manulife Investment Management (M) Berhad and Manulife Insurance Labuan Limited.

Low Chin Guan
Executive Director, Key Senior Management

Date of Appointment:
12 April 2004

Board Meetings
5 / 5

Qualifications:

- Civil Engineer from the University of Manchester Institute of Science and Technology (UMIST), United Kingdom.

Mr. Low Chin Guan ("**Mr. Low**"), aged 65, was appointed to the Board of Adventa Berhad on 12 April 2004 and is presently the Executive Director of the Company.

He graduated as a Civil Engineer from the University of Manchester Institute of Science and Technology (UMIST), United Kingdom.

Mr. Low founded the initial subsidiary of the Group in 1988. He has years of experience in project management, operations of manufacturing and assembly plants, financial control, strategic planning and marketing. In 2003, he formed Adventa Berhad to hold the various companies and manufacturing facilities under a single group management.

He led the Group as the Managing Director in the areas of strategic planning, business development, investments, acquisitions and key personnel recruitment until November 2021, when he relinquished his role as the Managing Director of the Group.

He attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

Mr. Low is the major shareholder of the Company. He does not have any family relationship with any other director nor any conflict of interest in any business arrangement involving the Company, except as disclosed in the Financial Statements.

Kwek Siew Leng
Executive Director, Key Senior Management

Date of Appointment:
12 April 2004

Board Meetings
5 / 5

Qualifications:

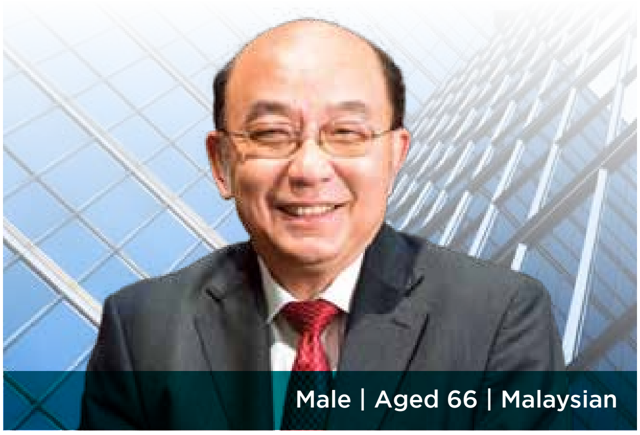
- Chartered Global Management Accountant of the Chartered Institute of Management Accountants (CIMA) and a member of Malaysian Institute of Accountants (MIA).

Ms. Kwek Siew Leng ("**Ms. Kwek**"), aged 58, was appointed to the Board of Adventa Berhad on 12 April 2004 and is presently the Executive Director of the Company. She is a member of the Remuneration Committee.

She is a Chartered Global Management Accountant of the Chartered Institute of Management Accountants (CIMA) and a member of Malaysian Institute of Accountants (MIA). She has senior operations experience in audit and accounting prior to joining the Adventa Berhad group. Her prior employment in public practice includes stints in statutory and regulatory reporting, financial planning, budgeting and forecasting, taxation, managerial skills as well as system development in various fields.

She joined one of the Company's subsidiaries as Finance Manager in 2002 and assumed the position of Group Finance Manager of Adventa Berhad in 2003. She was subsequently promoted to Finance Director in 2004. She is now responsible for the overall management and operations of the accounts and finance departments.

She attended all five (5) Board Meetings held during the financial year ended 31 December 2024.



Toh Seng Thong
Non-Independent Non-Executive Director

Date of Appointment:	Qualifications:
10 May 2004 Board Meetings 5 / 5	• B Bachelor of Commerce (Accounting) Degree from the University of Canterbury, New Zealand

Mr. Toh Seng Thong ("**Mr. Toh**"), aged 66, was appointed to the Board of Adventa Berhad on 10 May 2004. He is the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee.

He graduated with a Bachelor of Commerce (Accounting) Degree from the University of Canterbury, New Zealand in 1981. He is a Chartered Accountant by profession and a member of the Malaysian Institute of Accountants, Malaysian Institute of Certified Public Accountants, Chartered Accountants Australia and New Zealand, a Fellow member of the Malaysian Institute of Taxation and an Associate member of the Harvard Business School Alumni Club of Malaysia.

Mr. Toh has over 30 years' experience in auditing, taxation and corporate and financial advisory. He is also a practicing Chartered Accountant of Malaysia. He started his own practice under Messrs. S T Toh & Co in 1997.

He attended all five (5) Board Meetings held during the financial year ended 31 December 2024.

He sits on the Board of Rhong Khen International Berhad and PTT Synergy Group Berhad, all of which are listed on Bursa Malaysia Securities Berhad.

Dato' Selwyn Vijayarajan Das
Independent Non-Executive Director

Date of Appointment:	Qualifications:
23 December 2021 Board Meetings 5 / 5	• Bachelor of Arts (Hons) from University of Malaya • Bachelor of Laws (Hons) from University of London • Master in Business Administration from University of Delaware, United States.

Dato' Selwyn Vijayarajan Das ("**Dato' Selwyn**"), aged 70, was appointed to the Board of Adventa Berhad on 23 December 2021. He is the Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee.

Dato' Selwyn graduated with a Bachelor of Arts (Hons) from University of Malaya, Bachelor of Laws (Hons) from University of London, and a Master in Business Administration from University of Delaware, United States.

He has over 40 years of experience in government, diplomacy, negotiations, human resource, budget and finance, conference organisation and management and law.

Dato' Selwyn started his career in the Malaysian Administrative and Diplomatic Service in year 1979 and has served in various capacities in the Prime Minister's Department, Ministry of Finance and Ministry of Foreign Affairs. He was appointed as the High Commissioner of Malaysia to Kenya from year 2005 to year 2009, High Commissioner of Malaysia to Canada from year 2009 to year 2010 and Ambassador of Malaysia to Austria from year 2013 to year 2014.

He was a member of Public Services Commission of Malaysia from year 2016 to year 2019 and he is currently an Advocate and Solicitor of the High Court of Malaya.

He attended all five (5) Board Meeting held during the financial year ended 31 December 2024.

Muhamad Yazdi Bin Che Ya
Independent Non-Executive Director

Date of Appoitment:
1 July 2023

Board Meetings
5 / 5

Qualifications:

- Degree in Accounting and Finance from University of Lancaster

Muhamad Yazdi bin Che Ya ("**Mr. Yazdi**"), aged 51, was appointed to the Board of Adventa Berhad on 1 July 2023. He is the Chairman of the Audit Committee and a member of the Nomination Committee.

Mr. Yazdi graduated with a Degree in Accounting and Finance from University of Lancaster. He is a corporate professional with a blend of experience as a regulator, advisor and practitioners.

Throughout his 28 years tenure in the corporate scene, he worked with large institutions such as the Securities Commission, Investment Banks and Fund Management Companies. He held senior corporate positions and directorships in several private companies in Malaysia. He currently serves as the Chief Executive Officer of Mas Aero Services Sdn. Bhd.

He attended all five (5) Board Meeting held during the financial year ended 31 December 2024.

Save as disclosed, none of the Directors have:-

1. Any other directorship in public companies and listed issuers;
2. Any family relationship with any Director and/or major shareholder of the Company;
3. Any conflict of interest with the Company;
4. Any convictions for offences within the past five (5) years other than traffic offences, if any; and
5. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2024.

KEY SENIOR MANAGEMENTS' PROFILE

Low Chin Guan
Executive Director, Key Senior Management

The profile of Mr. Low Chin Guan is set out on page 20 of this Annual Report.

Kwek Siew Leng
Executive Director, Key Senior Management

The profile of Ms. Kwek Siew Leng is set out on page 20 of this Annual Report.

Save as disclosed, none of the key senior management have:-

1. Any other directorship in public companies and listed issuers;
2. Any family relationship with any Director and/or major shareholder of the Company;
3. Any conflict of interest with the Company;
4. Any convictions for offences within the past five (5) years other than traffic offences, if any; and
5. Any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of Adventa Berhad ("**Adventa**" or "**the Company**") is pleased to present this Corporate Governance ("**CG**") Overview Statement ("**Statement**") to provide the shareholders and investors with an overview on the application of CG practices by the Company and its subsidiaries ("**the Group**") as set out in the Malaysian Code of Corporate Governance ("**MCCG**") throughout the financial year ended 31 December 2024 ("**FYE 2024**").

This Statement is prepared in accordance with Bursa Malaysia Securities Berhad's ("**Bursa Malaysia Securities**") Main Market Listing Requirements ("**MMLR**") and it is to be read together with the CG Report of the Company in respect of FYE 2024 ("**CG Report**") which is published at www.adventa.com.my.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Company is led by a dynamic and experienced Board, with high personal integrity, business acumen and management skills, which is primarily entrusted with the responsibility of charting the direction of the Group.

The major responsibilities of the Board are outlined in the Board Charter. The Board discharged its key fiduciary duties, leadership functions and responsibilities, as follows:

- Reviewing and adopting a strategic plan for the Company;
- Overseeing the conduct of the Company's business;
- Considering the management recommendations on key issues - including acquisitions and divestments, restricting, funding and significant capital expenditure;
- Identifying principal risks and ensuing the implementation of appropriate systems to manage these risks;
- Reviewing the adequacy and integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- Deciding on necessary steps to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- Ensuring that the Company's financial statements are true and fair and conform with any applicable laws and/or regulations; and
- Ensuring that the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility.

For the effective function of the Board, the Board has established the following Board Committees to assist in the discharge of its responsibilities:

(i) Audit Committee ("**AC**");
(ii) Nomination Committee ("**NC**"); and
(iii) Remuneration Committee ("**RC**").

The Board Committees operates within clearly defined Terms of Reference ("**TOR**") which were duly approved by the Board. The TORs are to be regularly reviewed as and when required to ensure they are consistent with MMLR and MCCG.

The Board is led by Mr. Edmond Cheah Swee Leng, who is the Chairman of the Company who always strive for instilling good CG practices, demonstrating leadership and oversee the effectiveness of the Board. The positions of Chairman and Chief Executive Officer ("**CEO**") are held by different individuals and their roles and responsibilities are distinct and clearly defined in the Board Charter.

During FYE 2024, there is no designated CEO. In the absence of a CEO, the Executive Directors, namely Mr. Low Chin Guan and Ms. Kwek Siew Leng are taking on the roles of the CEO, responsible for the day-to-day management of the Company, covering corporate, financial, operational, governance, secretarial and human resource matters, while the Chairman leads the Board in its collective oversight of the management.

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

I. Board Responsibilities

The Chairman of the Board did not hold any membership in the Board Committees of the Company.

The Board is supported by two (2) Company Secretaries who are suitably qualified under the Companies Act 2016 ("**CA 2016**"), in all respect in the CA 2016, MMLR of Bursa Malaysia Securities, MCCG and company secretaryship matters. The Board has full access to the advice and services of the Company Secretaries for the Board's affairs and the businesses.

The Board received meeting materials, which are complete and accurate within a reasonable time prior to the meeting. Upon conclusion of the meeting, the minutes of meetings are circulated in a timely manner.

The Board met five (5) times during the FYE 2024. All Directors complied with the minimum requirements on attendance at Board meetings as stipulated in the MMLR (a minimum of 50% of the total Board meetings held during the FYE 2024). The details of the Directors' attendance at the Board meetings during the FYE 2024 are as follows:

No.	Name of Directors	Attendance of Board Meetings
1.	Edmond Cheah Swee Leng	5/5
2.	Low Chin Guan	5/5
3.	Kwek Siew Leng	5/5
4.	Toh Seng Thong	5/5
5.	Dato' Selwyn Vijayarajan Das	5/5
6.	Muhamad Yazdi bin Che Ya	5/5

The Board Charter of the Company documented the governance and structure of the Board, authority, major roles and responsibilities and TOR of the Board Committees, matters reserved for the Board and other guidance on the Board conduct.

The Company has in place the Whistleblowing Policy to foster an environment where integrity and ethical behaviour are maintained and any illegal or improper action and/or wrongdoing in the Group may be exposed. The AC oversees the administration of the Whistleblowing Policy.

The Group has in place a Code of Conduct and Ethical Practice that is applicable to all the Directors of the Group where appropriate standards of conduct and ethical behaviour are maintained in the Group to preserve the Group's reputation and success of its operation.

The Board Charter, Whistleblowing Policy and the Code of Conduct and Ethical Practice are to be regularly reviewed by the Board as and when required, and they are available for viewing at the Company's website www.adventa.com.my.

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

II. Sustainability

Adventa takes into account sustainability considerations when overseeing the Group's planning and performance. The Board and Senior Management have direct oversight on sustainability-related matters, which sets a strong tone from top as they plans development and management of the Economic, Environment and Social ("**ESS**") elements in its strategy. The Group is in continuous evaluation of the processes and development on the Environment, Social and Governance ("**ESG**") aspects and impact.

The Group has established a Sustainability Framework with a key focus on the ESG principles, covering areas such as Carbon Reduction, Water Conservation, Pollution, Climate Change, Health and Safety, Corporate Social Responsibility, Compliance & Integrity

The Board and Management communicates the Company's sustainability strategies, priorities, targets as well as performance with internal and external stakeholders through the following channels :

Internal stakeholders
- Group CEO Townhall
- Engagement sessions with various group of employees
- E-mail communication

External and internal stakeholders
- Adventa's Sustainability Statement in the Annual Report
- Annual General Meeting ("**AGM**")

The Board is cognisant that Directors are expected to have a strong understanding and be able to engage in rigorous discourse with Management in addressing sustainability-related risks.

The Group Risk Management Framework sets out the approach to the identification, assessment, management, monitoring and reporting of risks. The Board sets risk appetite and regularly reviews performance against the risk tolerance limits.

The Board is committed to staying abreast of sustainability issues associated with the ever-evolving operating environment, which are relevant to Adventa and its business, including climate and supply-chain risks, natural disaster, health and safety risks.

To this end, the Board members will keep themselves apprised with contemporaneous and relevant sustainability developments by way of formal training including webinars, structured reading and discussions.

The Company has enhanced its Board and Board Committees Performance Evaluation Form by including questionnaires on ESG issues. The same performance evaluation criteria are applied to Senior Management as well.

As part of the Company's Board Effectiveness Evaluation exercise for 2024, the Directors were formally assessed on their performance regarding oversight material sustainability risks and opportunities. Specifically, the questionnaire modality deployed through self and peer evaluations provided extensive coverage on the following sustainability related areas :

- Presence of a business strategy as underpinned by Environmental;
- ESG considerations;
- ESG literacy of the Board; and
- Oversight and monitoring of sustainability targets and goals.

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

III. Board Composition

The Company is led by an experienced and competent Board with different expertise. Presently, there are six (6) members of the Board, comprising two (2) Executive Directors, two (2) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and one (1) Senior Non-Independent Non-Executive Director.

The Board deems its composition as appropriate in terms of its membership and size. There is a good mix of skills and core competencies in the current Board membership. The Board is well represented by individuals with diverse professional backgrounds and experience in the areas of finance, accounting and economics, as well as capital markets services.

The two (2) Independent Non-Executive Directors out of six (6) of the Board members, make up to 1/3 of the Board and is in compliance with the Paragraph 15.02(1) of the MMLR. Notwithstanding the above, the Board views the number of its Independent Non-Executive Directors as adequate to provide the necessary check and balance to the Board's decision-making process.

The Board Charter stipulates that the tenure of the Independent Non-Executive Directors shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Non-Executive Directors may continue to serve on Board as Non-Independent Non-Executive Directors. None of the Independent Non-Executive Directors has served on the Company for a cumulative term of more than nine (9) years.

In any appointment of the Board and Senior Management, a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge, have been considered to maintain a diversified Board and Senior Management team that will help to grow the Group and have better governance in the Group.

The Board also acknowledges the need to promote gender diversity in line with the MCCG and the Government's target for woman to fill 30% or more of the decision-making positions in corporate Malaysia.

The Board does not have any Gender Diversity Policy and has not set any gender diversity target for FYE 2024. However, the Board is committed to gender diversity which includes the representation of women in the composition of the Board of the Company and at management level of the Group which is available for viewing at the Company's website https://www.adventa.com.my/diversity.

As at 31 December 2024, there is one (1) woman Director on Board which does not fulfils the MCCG's recommendation of at least 30% women participation in the Board. The Board will continue to identify suitable female candidate as Director from time to time to promote gender diversity.

<u>NC</u>

The NC that is established by the Board, is responsible for screening, evaluating and recommending to the Board suitable candidates for appointment as Directors and Senior Management as well as filling vacancies in the Board Committees. The NC is chaired by Dato' Selwyn Vijayarajan Das, the Independent Non-Executive Director.

During FYE 2024, the main activities undertaken by the NC were as follows:

- Reviewed and recommended to the Board, the re-election of Directors of the Company who shall retire at the AGM of the Company.
- Assessed the independency of the Independent Non-Executive Directors of the Company.
- Reviewed the training programmes attended by the Directors for the financial year ended 31 December 2023.
- Reviewed the attendance of the Directors at Board and/or Board Committee Meetings for the financial year ended 31 December 2023.
- Assessed the effectiveness of the Board as a whole and the Board Committees including the AC.
- Assessed the contribution and performance of each individual Director of the Company and AC member.

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

III. Board Composition (Cont'd)

NC (Cont'd)

The Board, through the NC, has established a formal assessment mechanism to carry out assessment on an annual basis on the effectiveness of the Board Committees, the Board as a whole and the contribution of each individual Director, including the independence of the ID. The areas covered in the annual assessment criteria of the Board, Board Committees and individual Directors are as follows:

Evaluation	Assessment Criteria
Board and Board Committees	• Board mix and composition • Quality of information and decision making • Boardroom activities • Board relationship with the Management • Board Committees' Performance
Individual Directors	• Fit and proper • Contribution and performance • Calibre and personality

The Company has enhanced its Board and Board Committees Performance Evaluation Form by including questionnaires on ESG issues.

In FYE 2024, the NC had carried out the abovesaid assessments. The results indicated that the Board as a whole, the Board Committees and each individual Director performed well and effectively and the overall composition of the Board in terms of size, mix of skills, experience, core competencies and the balance between the Executive Directors, Non-Executive Directors and Independent Directors, is appropriate. The Independent Directors had also fulfilled their independent role in corporate accountability.

For the purpose of determining the eligibility of the Directors to stand for re-election at the AGM of the Company, the Board through its NC to determine the eligibility of each retiring Director in line with MCCG, which include the following:

I. Effectiveness of the Board as a whole and the Committees of the Board;
II. Contribution and performance of each individual Director;
III. Fit and proper assessment; and
IV. The required mix of skills and experience and other qualities, including core competence.

The Directors who are to retire shall abstained from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board and NC, where relevant.

All Directors of the Company have completed the Mandatory Accreditation Programme ("**MAP**") Part I and half of the Directors have attended MAP Part II prescribed by Bursa Malaysia Securities for Directors of listed issuers. Directors who have yet to attend the MAP Part II training have registered to complete the training before the deadline set by Bursa Malaysia Securities.

Directors' training is an on-going process as the Directors recognise the need to continually develop and refresh their skills and knowledge and to update themselves on the developments in the related industry and business landscape.

The Directors will continue to participate from time to time in training programmes to keep abreast of the latest developments in the capital markets, relevant changes in laws and regulations, corporate governance matters, and current business issues, from time to time.

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

III. Board Composition (Cont'd)

NC (Cont'd)

During FYE 2024, all Directors had attended various training programmes and seminars as follows:

Directors	Training(s) Attended
Edmond Cheah Swee Leng	1) 18 January 2024 – Transparency Matters: A Director's Approach to Handling Conflicts of Interest
Low Chin Guan	1) 26 - 27 August 2024 – Mandatory Accreditation Programme Part II Leading for Impact (LIP)
Toh Seng Thong	1) 5 - 6 June 2024 – Mandatory Accreditation Programme Part II Leading for Impact (LIP) 2 27 - 28 August 2024 – SSM National Conference 2024 on Enhancing Corporate Transparency, Building Resilience 3) 29 October 2024 – Seminar Percukaian Kebangsaan 2024 Belanjawan 2025
Kwek Siew Leng	1) 19 January 2024 – e-Invoice Webinar: Implementation and latest updates, PKF Malaysia 2) 23 February 2024 – Drug Delivery: Syringes & Needles 3) 26 - 27 August 2024 – Mandatory Accreditation Programme Part II Leading for Impact (LIP) 4) 11 September 2024 – OCBC Webinar: US Election and its Impact on Malaysia 5) 12 October 2024 – OCBC Webinar: The Aftermath of the US Elections 4) 19 November 2024 – HSBC Webinar: HSBC Economic and Currency Outlook 2024
Dato' Selwyn Vijayarajan Das	1) 29 April 2024 – Interlocutory Applications organized by Selangor Bar Council 2) 27 August 2024 – Impact of Recent Federal Court decisions organized by Malaysian Bar Council 3) 15 November 2024 – Anatomy of Cyber Attack organized by the Selangor Bar Council
Muhamad Yazdi bin Che Ya	1) 23 February 2024 – Drug Delivery: Syringes & Needles

IV. Remuneration

The Board has adopted policies and procedures to determine the remuneration of Directors and Senior Management of the Company. The Board is aware that competitive remuneration is important to attract, retain and motivate its Directors and Senior Management to lead the Group in the long term.

The RC reviewed the remuneration packages of the Executive Directors to ensure their remuneration is sufficiently attractive and is able to retain and motivate them to run the Company successfully.

The remuneration packages for Directors were determined by the Board as a whole following the relevant recommendations made by the RC, with the Directors concerned abstaining from deliberations and voting on his/her own remuneration.

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

IV. Remuneration (Cont'd)

During FYE 2024, the main activities undertaken by RC were as follows:

- Reviewed and recommended to the Board, the Directors' fees and benefits payable to the Directors for the FYE 2024.
- Reviewed and discussed the remuneration packages for the year 2024 for the Executive Directors.

The full terms of reference of the RC is available on the Company's website at www.adventa.com.my.

Details of the Board's remuneration for FYE 2024 are set out as below: -

(i) <u>Executive Directors</u>

Name of Directors	Fee	Salary, bonus and other emoluments	Benefits in kind	Total
Low Chin Guan	RM36,000.00	RM438,629.42	RM28,000.00	RM502,629.42
Kwek Swee Leng	RM36,000.00	RM505,000.00	–	RM541,000.00

(ii) <u>Non-Executive Directors</u>

Name of Directors	Fees	Allowances	Total
Edmond Cheah Swee Leng	RM78,000.00	–	RM78,000.00
Toh Seng Thong	RM78,000.00	–	RM78,000.00
Dato' Selwyn Vijayarajan Das	RM54,000.00	–	RM54,000.00
Muhamad Yazdi bin Che Ya	RM54,000.00	–	RM54,000.00

The Directors' Fees of both Executive and Non-Executive Directors is subject to shareholders' approval annually.

The Board is of the view that it would not be in the best interest of the Company to make such detailed disclosure of top five (5) senior management remuneration on a named basis. Accordingly, such details are not disclosed in the Annual Report 2024 in view of the competitive market for talent in the industry and to support the Company's efforts in attracting and retaining highly talented personnel.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The AC of the Company comprises exclusively two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The members of AC possess a wide range of necessary skills to discharge its duties. The Chairman of AC, Mr. Muhamad Yazdi bin Che Ya, is a separate person from the Chairman of the Board as the Board acknowledges that the AC, being an independent and objective body, should function as the Company's independent watchdog to ensure the integrity of financial controls and effective financial risk management. The performance of the members of the AC is reviewed by the NC annually.

The AC has adopted Policy – External and Internal Auditors to assess the suitability, objectivity and independence of the External Auditors. In line with the MCCG, the TOR of AC require former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before he/she could be appointed as a member of the AC. In FYE 2024, none of the AC members was a former partner of the external audit firm of the Company i.e., the former partners of the audit firm and/or affiliate firm (including those providing advisory services, tax consulting, etc.).

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

II. Risk Management and Internal Control Framework (Cont'd)

The Risk Management Committee ("**RMC**") is responsible to manage and monitor risk management. The Group has in place an on-going process for identifying, evaluating and managing significant risks that may affect the achievement of the business objective of the Group. The Board through the AC and RMC reviews the key risks identified on a regular basis to ensure proper management of risks and that measures are taken to mitigate any weaknesses in the control environment.

The AC is established by the Board to provide independent oversight on the Company's internal and external audit functions, financial reporting, internal control systems and to ensure proper checks and balances within the Company.

The Board has established an internal audit function within the Company, which is led by the out-sourced Internal Auditors ("**IA**"), PKF Risk Management Sdn. Bhd., who reports directly to the AC as an integral part of control structure and risk management framework of the Group.

During the FYE 2024, the AC is satisfied the IA has the necessary competencies, experience and sufficient resources to carry out the function effectively and independently.

Following the appointment of PKF PLT as the Company's External Auditors on 1 October 2024, PKF Risk Management Sdn. Bhd. has formally resigned from its role as IA on 30 September 2024. At the time of writing this Statement, the Board has appointed TGS Advisory Sdn. Bhd., an independent professional consulting audit firm, to assume the role of IA, ensuring the continuity and effectiveness of the internal audit function.

The details of the Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Control in this Annual Report 2024.

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

I. Effective Communication with Stakeholders

The Board recognises the importance of timely and high quality disclosure as a key component to uphold the principles and best practices of corporate governance for the Group. As such, maintaining an effective communication policy between members of the public and the Company is important to build trust and understanding between the Company and its various stakeholders.

The Board has in place Policy on Shareholders Communications and Investor Relations to ensure that shareholders and investment community are provided with timely and equal access to balanced and understandable information on the Company to enable shareholders to exercise their right in an informed manner and to allow shareholders and the investment community to engage actively with the Company.

Shareholders may communicate with the Company on investor relation matters by posting their enquiries to the Company through the Company's website enquiry form on its website, www.adventa.com.my.

The Board also recognises that effective and timely communication of information related to the Company's business strategies, financial performance and business initiatives are essential in maintaining good relationship with investors.

Various communication channels are used for disseminating information to the shareholders and the investing public on a timely basis, i.e. AGM, Annual Report, quarterly announcements and corporate disclosures to Bursa Malaysia Securities, press releases, and investor and analyst briefings, the Company's website with updated information.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

I. Effective Communication with Stakeholders (Cont'd)

The Company has yet to adopt integrated reporting for FYE 2024 but the Board ensures there is continuous communication between the Company and its stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Minutes of the Twenty-First ("**21st**") AGM have been made available to shareholders no later than 30 business days after the AGM on the Company's website at www.adventa.com.my.

II. Conduct of General Meetings

The AGM has been the main forum for shareholders to engage with the Board to facilitate greater understanding of the Company's business, governance and performance.

The Notice of 21st AGM together with the explanatory notes of the background information and reports or recommendations that are relevant to the proposed resolutions, as well as the Form of Proxy, was sent to shareholders at least twenty-eight (28) days prior to the date of the 21st AGM, so as to give sufficient time for the shareholders to consider the resolutions that will be discussed and decided at the 21st AGM, and to arrange for proxies to attend, speak and vote the 21st AGM on their behalf, if so required.

All Directors, Chairman of AC, RC and NC had attended the 21st AGM held on 21 June 2024.

The Directors had actively responded to relevant questions addressed to them during the 21st AGM.

The representatives of External Auditors were also present to respond to the queries raised by the shareholders.

Compliance with MCCG

The Board is satisfied that during FYE 2024, the Company has complied with the best practices in MCCG on the application of the principles and best practices in corporate governance, except for those departures highlighted in the CG Report.

This Statement and the CG Report were approved by the Board of Directors of the Company on 9 April 2025.

ADDITIONAL COMPLIANCE INFORMATION

OTHER INFORMATION PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

1. Utilisation of Proceeds

For the financial year ended 31 December 2024 ("**FYE 2024**"), the details of utilisation of the proceeds from the Issuance of Right Issue RM38.20 million were as follows: -

Details of Utilisation	Expected utilisation time frame	Proposed Utilisation RM ('000)	Actual Utilisation RM ('000)	Remaining balance RM ('000)
Business expansion	Within 24 months	20,605	20,605	NIL
Working capital	Within 18 months	8,182	8,182	NIL
Repayment of bank borrowings	Within 6 months	8,755	8,755	NIL
Estimated expenses	Upon completion	654	654	NIL
Total		**38,196**	**38,196**	**NIL**

2. Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs")

The RRPTs entered into by the Group during the FYE 2024 were as follows:

Nature of RRPTs	Name of Company	Related Parties	Interested Directors and/or interested Major Shareholders	Aggregate value of the RRPTs during the FYE 2024
Rental of office Address: No. 21, Jalan Tandang 51/205A, Seksyen 51, 46050 Petaling Jaya, Selangor Darul Ehsan Frequency of payment: monthly	Adventa Healthcare Sdn. Bhd. (Recipient)	Low Chin Guan (Provider)	Low Chin Guan	RM156,000
Rental of office Address: No. 21, Jalan Tandang 51/205A, Seksyen 51, 46050 Petaling Jaya, Selangor Darul Ehsan Frequency of payment: monthly	Adventa Berhad (Recipient)	Low Chin Guan (Provider)	Low Chin Guan	RM66,000

OTHER INFORMATION PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2. Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPTs") (Cont'd)

The RRPTs entered into by the Group during the FYE 2024 were as follows: (Cont'd)

Nature of RRPTs	Name of Company	Related Parties	Interested Directors and/or interested Major Shareholders	Aggregate value of the RRPTs during the FYE 2024
Distribution of healthcare products	Adventa Healthcare Sdn. Bhd. (Provider)	Lucenxia (M) Sdn. Bhd. (Recipient)	Low Chin Guan (shareholder of Lucenxia (M) Sdn. Bhd.)	RM32,905
Purchase of healthcare disposable products for distribution such as dressing sets	Adventa Healthcare Sdn. Bhd. (Recipient)	Leowena International Sdn. Bhd. (formerly known as Connecx International Sdn. Bhd.) (Provider)	Low Chin Guan*	RM417,473
Sales of healthcare disposable products for manufacturing and operations such as gloves, face mask, shoe cover, polyethylene (PE) apron and surgical tape	Adventa Healthcare Sdn. Bhd. (Provider)	Leowena International Sdn. Bhd. (formerly known as Connecx International Sdn. Bhd.) (Recipient)	Low Chin Guan*	RM1,016,468

Note: -

* *Low Chin Guan ceased to have any interest in the transactions between Adventa Healthcare Sdn. Bhd. and Leowena International Sdn. Bhd. (formerly known as Connecx International Sdn. Bhd.) as of 20 December 2024 as he is no longer the Shareholder and Director of Leowena International Sdn. Bhd. (formerly known as Connecx International Sdn. Bhd.) on 1 June 2024 and 20 June 2024, respectively.*

^ *Up to 20 December 2024, being the date where Low Chin Guan ceased to have any interest in the transactions between Adventa Healthcare Sdn. Bhd. and Leowena International Sdn. Bhd. (formerly known as Connecx International Sdn. Bhd.).*

3. Audit and Non-Audit Fees

The audit and non-audit fees paid by the Group to external auditors or company affiliated to the external auditors' firm for the FYE 2024 were as follows: -

	Company (RM)	Group (RM)
Audit services rendered	85,000	159,892
Non-audit services rendered	10,000	10,000
Total	**95,000**	**169,892**

OTHER INFORMATION PURSUANT TO THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (CONT'D)

4. Material Contracts Involving Directors and Major Shareholders

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the Directors, chief executive who is not a director or major shareholders, either still subsisting at the end of the FYE 2024 or, if not then subsisting, entered into since the end of the previous financial year.

5. Employee Share Scheme ("ESS")

The ESS which comprises the Employees' Share Option Scheme ("**ESOS**") and the Share Grant Plan ("**SGP**") of up to fifteen per centum (15%) of the total number of issued shares in the Company (excluding treasury shares of the Company, if any) for the eligible person(s) during the ESS period, approved by the shareholders at the Annual General Meeting of the Company held on 23 June 2022 was implemented on 12 October 2022. The ESS shall be in force for a period of five (5) years until 11 October 2027. During the financial year ended 31 December 2024, there were no ESOS and/or SGP granted or awarded to eligible person(s).

AUDIT COMMITTEE REPORT

The Board of Directors of the Company ("**the Board**") is pleased to present the report of the Audit Committee ("**AC**") for the financial year ended 31 December 2024 ("**FYE 2024**") in compliance with Paragraph 15.15(1) of the Main Market Listing Requirements ("**Main LR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**").

COMPOSITION AND MEETINGS

The AC comprises three (3) members, which consist of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This complies with Paragraphs 15.09(1)(a) and (b) of the Main LR of Bursa Malaysia Securities.

The Chairman of the AC, Mr. Muhamad Yazdi bin Che Ya is an Independent Non-Executive Director. In this respect, the Company complies with Paragraph 15.10 of the Main LR of Bursa Malaysia Securities. Furthermore, in compliance with the Practice 9.1 of the Malaysian Code on Corporate Governance ("**MCCG**"), the Chairman of the AC is not the Chairman of the Board.

Mr. Toh Seng Thong, being members of Malaysian Institute of Accountants (MIA), fulfil the requirement of Paragraph 15.09(1)(c) of the Main LR of Bursa Malaysia Securities.

The term of office and performance of the AC and individual AC member has been reviewed by the Nomination Committee on 25 February 2025 in accordance with Paragraph 15.20 of the Main LR of Bursa Malaysia Securities. Having reviewed the results of the AC and individual AC member's performance, the Board is satisfied that the AC and individual AC member have been able to carry out their duties with care and diligence in accordance with the Terms of Reference of the AC for the FYE 2024.

During the FYE 2024, the AC conducted a total of five (5) meetings. The composition of the AC and the attendance of the respective members at the meetings during the FYE 2024 are disclosed as follows:-

Name	Designation	Directorship	Attendance
Mr. Muhamad Yazdi bin Che Ya	Chairman	*Independent Non–Executive Director*	5/5
Mr. Toh Seng Thong	Member	*Non-Independent Non-Executive Director*	5/5
Dato' Selwyn Vijayarajan Das	Member	*Independent Non-Executive Director*	5/5

The Terms of Reference of the AC is available for reference on the Company's website at www.adventa.com.my.

SUMMARY OF WORK OF THE AUDIT COMMITTEE

1. OVERSIGHT OF THE FINANCIAL REPORTING PROCESS

During the FYE 2024, the AC carried out its duties as set out on its Terms of Reference. The AC discharged its oversight role by carrying out the following activities during the FYE 2024:

(a) Reviewed and discussed the quarterly and year-end financial statements, prior to recommendations to the Board. The key areas of focus are the following:

- any change in accounting policies and practices;
- significant adjustments arising from the audit;
- going concern assumption;
- compliance with accounting standards and other legal requirements;
- significant matters highlighted in the financial statements; and
- significant judgements made by the Management.

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

1. OVERSIGHT OF THE FINANCIAL REPORTING PROCESS (Cont'd)

(b). The dates the AC met during the FYE 2024 to deliberate on financial reporting matters as detailed below:-

Date of meetings	Financial Reporting Statements Reviewed
23 February 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the fourth quarter ended 31 December 2023
8 April 2024	Audited Financial Statements for the financial year ended 31 December 2023
2 May 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the first quarter ended 31 March 2024
26 August 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the second quarter ended 30 June 2024
29 November 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the third quarter ended 30 September 2024

2. OVERSIGHT OF EXTERNAL AUDIT FUNCTION

During the FYE 2024, the AC:-

(a) Reviewed with the External Auditors, their audit plan including non-audit services for the FYE 2024, outlining the audit scope, methodology and timetable, audit materiality, area of focus, fraud considerations and the risk of management override and also the new and revised auditors reporting standards.

(b) Discussed and considered the significant accounting adjustments, auditing issues and management letter arising from the interim audit as well as the final audit with the External Auditors.

(c) Met with the External Auditors on 23 February 2024 and 29 November 2024 without the presence of the Executive Directors and the Management.

(d) Assessed the performance of the External Auditors for the financial year ended 31 December 2023 covering areas such as suitability, objectivity and independence as well as the audit and non-audit fees of the External Auditors.

(e) Considered and recommended the re-appointment of External Auditors for the ensuing year.

PKF PLT ("**PKF**") declared their independence and confirmed that they were not aware of any relationship between PKF and the Group that, in their professional judgement, might reasonably be thought to impair their independence.

The AC was satisfied with the independence, suitability and performance of PKF, recommended to the Board for approval, the re-appointment of PKF as External Auditors for the ensuing year at the Twenty-Second Annual General Meeting of the Company.

3. OVERSIGHT OF INTERNAL AUDIT FUNCTION

In discharging its duties and responsibilities, the AC is supported by an independent and adequately resources internal audit function. During the FYE 2024, the internal audit function was outsourced to PKF Risk Management Sdn. Bhd. ("**Internal Auditors**"), an independent professional services firm which assesses the adequacy, efficiency and effectiveness of the Group's internal control and risk management system.

The internal audit function carried out audits in accordance with the internal audit plan approved by the AC. The results of the internal audit reviews and the recommendations for enhancement of existing controls were duly presented to the AC. The AC has full access to the Internal Auditors and has received reports on audits performed.

SUMMARY OF WORK OF THE AUDIT COMMITTEE (CONT'D)

3. OVERSIGHT OF INTERNAL AUDIT FUNCTION (Cont'd)

The internal audits were performed using a risk based approach and focused on:-

(a) reviewing identified high risk areas for compliance with established policies, procedures, rules, guidelines, laws and regulations;

(b) evaluating the adequacy of controls for safeguarding assets; and

(c) identifying business risks which have not been appropriately addressed.

During the FYE 2024, the AC performed the following activities:

(a) Reviewed the adequacy and performance of the internal audit function and its comprehensive coverage of the Group's activities.

(b) Reviewed the internal audit report relating to account receivables and human resources management of the Group.

(c) Reviewed the audit findings and recommendations to improve any weaknesses or non-compliance, and the respective management's response thereon, and monitored the implementation recommendations and action plans.

(d) Sought and obtain periodic updates from Internal Auditors on the status of implementation of post-audit recommendations from previous, as well as current, internal audit cycles.

The professional fees incurred for the internal audit function in respect of FYE 2024 amounted to RM15,000/-.

Following the appointment of PKF as the Company's External Auditors effective 1 October 2024 for the financial year ended 31 December 2024, PKF Risk Management Sdn. Bhd. has formally resigned from its role as Internal Auditors on 30 September 2024. At the time of writing this Report, the Board has appointed TGS Advisory Sdn. Bhd., an independent professional consulting audit firm, to assume the role of Internal Auditors, ensuring the continuity and effectiveness of the internal audit function.

4. OTHER ACTIVITIES

(a) Reviewed the contents of the AC Report and Statement on Risk Management and Internal Control and ensured that these reports were prepared in accordance with the applicable requirements for inclusion in the Annual Report prior to recommendation to the Board for approval.
(b) Reviewed related party transactions and the adequacy of the Group's procedures and processes in identifying, monitoring, reporting and reviewing related party transactions in a timely and orderly manner.
(c) Reviewed and recommended to the Board for approval the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("**RRPTs**") and Proposed New Shareholders' Mandate for RRPTs.
(d) Received updates from the External Auditors on the new developments and amendments in disclosure requirements arising from the new and amended Malaysian Financial Reporting Standards and International Financial Reporting Standards, Companies Act 2016 and the amendments to the Main LR of Bursa Malaysia Securities.
(e) Reviewed and recommended to the Board the Appointment of External Auditors.

BOARD'S CONCLUSION

The Board is satisfied that the AC and its members have carried out their functions, duties and responsibilities in accordance with the Terms of Reference of the AC and there were no material misstatements, frauds and deficiencies in the systems of internal control not addressed by the Management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Malaysia Securities**"), the Board of Directors ("**Board**") of Adventa Berhad ("**Adventa**" or "**the Company**") is pleased to provide the Statement on Risk Management and Internal Control of the Group for the financial year ended 31 December 2024, which has been prepared and taken into consideration the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**the Guidelines**") and made in accordance with the Practices and Guidance relating to risk management and internal controls provided in the Malaysian Code of Corporate Governance.

BOARD RESPONSIBILITY

The Board recognises and affirms its overall responsibility to establish a sound system of risk management and internal control in order to safeguard shareholders' investments and the assets of the Company and its subsidiaries ("**the Group**"). Notwithstanding that, in view of the inherent limitations in any system of internal control, the Board recognises that reviewing the Group's system of internal control is a concerted and continuing process, designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatement of management, loss or fraud and failure to achieve business objectives.

During the financial year ended 31 December 2024 ("**financial year under review**"), the Board has reviewed the adequacy and effectiveness of the risk management and internal control system and concluded that the Group's risk management and internal control system have been operating adequately and effectively.

The Board has extended the responsibilities of the Audit Committee ("**AC**") to include the role of reviewing and monitoring the effectiveness of the Group's internal control system. The AC reviews and deliberate reports from the Internal Auditors on findings from audits carried out at operating units, and the External Auditors on areas for improvement identified during the course of statutory audit.

The Reports of the AC is set out from pages 36 to 38 of this Annual Report.

RISK MANAGEMENT

The oversight of the Group's risk management process is the responsibility of the Executive Directors who are assisted by the heads of department of the respective operating companies. During the financial year under review, the Group monitored significant risks and risk mitigation strategies on an ongoing basis through its Management at the Risk Management Committee ("**RMC**") meetings and Board meetings. Under the purview of the RMC, the respective heads of each operating subsidiary and department of the Group are empowered with the responsibility of managing their respective operations. Its functions include, inter alia:

- developing risk management framework;
- coordinate the updating of the risk profile;
- monitor the implementation of action plans; and
- review and assess the applicability of the control environment in mitigating risk.

In view of a constantly changing environment and competitive landscape, the Board is committed in maintaining a system of internal control that comprises the following environment, key processes and monitoring systems: -

- An annual risk assessment analysis that assists the Management to continuously identify significant risks associated with key processes within a changing business and operating environment;
- The AC, through the RMC, reviews the adequacy and effectiveness of the Group's risk management and internal control procedures as well as any internal control issues identified by the Internal Auditors and External Auditors. This also involves identifying alternative controls to reduce risk identified;
- The AC, through the Internal Audit, assess the potential financial and non-financial impacts to the business risk identified and with the assistance of the RMC formulate and develop action plan to address the risk with timeline; and
- The RMC will update the risk profile of operating companies and Group, monitor and update progress to the AC annually.

RISK MANAGEMENT (CONT'D)

The Enterprise Risk Management ("**ERM**") framework, risks and control measures established by the Company are documented and compiled by the RMC to represent the risk profile of the operating companies which in turn are consolidated to form the risk profile of the Group. Risk profiles are reviewed and updated on a yearly basis. Meetings are held at least once a year in which the updated risk profile will be deliberated by the AC before reporting to the Board.

During the financial year under review, the Group has continued with its ERM efforts. The risk profile of the Group was reviewed and updated to reflect the current conditions.

INTERNAL AUDIT FUNCTION

The Internal Audit Function adopts a risk-based approach, is guided by the International Professional Practice Framework (IPPF) and prepares its strategies and plans for AC's approval prior to execution of internal audit assessments. Internal audit reviews the internal controls in the key activities of the Group's businesses.

During the financial year under review, the internal audit team from PKF Risk Management Sdn. Bhd. ("**PKF Risk Management**"), the independent consulting firm to which the Internal Audit Function has been outsourced, assesses the adequacy and effectiveness of the internal control system based on the scope of work approved by the AC and reports to the AC directly on its findings and recommendations for improvement. The Internal Auditors also reviews the extent to which its recommendations have been accepted and implemented by the Management. The AC reviews internal audit reports and management responses thereto and ensures significant findings especially control deficiencies are adequately addressed and rectified by the Management of the operating units concern. The AC reviews internal control matters and update the Board on significant issues for the Board's attention and action.

The Internal Auditors, which report directly to the AC, conducts reviews on the adequacy and effectiveness of the Group's system of internal controls that the Management has put in place. These audits review the internal controls in the key activities of the Group's business based on a three (3)-years detailed internal audit plan approved by the AC. Based on these audits, the Internal Auditors provide the AC with Annual Internal Audit Report highlighting observations, recommendations and management action plans to improve the system of internal control.

During the financial year under review, the AC with the assistance of the external professional consulting firm, PKF Risk Management, reviewed the adequacy and integrity of the Group's internal control systems relating to Accounts Receivables and Human Resources Management. The final report was presented and reviewed by the AC on 26 August 2024. There were no material issues highlighted by PKF Risk Management during the financial year under review.

The Engagement Director, Dr. Wong Ka Fee, Chartered Member of the Institute of Internal Auditors Malaysia, Fellow Member of Institute of Public Accountants, has a diverse professional experience in internal audit, risk management and corporate governance advisory, and the internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence. Upon conduct a review on the Internal Audit Function, the AC concluded that the Internal Audit Function is independent and PKF Risk Management has performed their audit assignments with impartiality, proficiency and due professional care for the financial year under review.

Following the appointment of PKF PLT as the Company's External Auditors effective 1 October 2024 for the financial year ended 31 December 2024, PKF Risk Management has formally resigned from its role as internal auditors on 30 September 2024. At the time of writing this Statement, the Board has appointed TGS Advisory Sdn. Bhd., an independent professional consulting audit firm, to assume the role of internal auditors, ensuring the continuity and effectiveness of the Internal Audit Function.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

Apart from risk management and internal audit, the Group's system of internal controls comprises the following key elements:-

- a well defined organisational structure with clear reporting lines and accountabilities;
- clearly defined internal policies and procedures for key processes to ensure full compliance by all operating units and to minimise operating risks;
- close monthly monitoring and review of financial results and forecasts for all operating units by the Executive Directors; and
- clear reporting structures to ensure proper monitoring of the Group's operations together with regular quarterly reports which monitor the Group's performance.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited procedures on this Statement on Risk Management and Internal Control for the inclusion in the Annual Report 2024 of the Company in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement other than Audits or Reviews of Historical Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Controls. Their work performance is restricted to the requirements by Paragraph 15.23 of the MMLR of Bursa Malaysia Securities.

Based on their review, the External Auditors have reported that nothing has come to their attention that cause them to believe that the Statement on Risk Management and Internal Control intended to be included in the Annual Report 2024 of the Company is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines to be set out, nor is factually inaccurate.

MANAGEMENT'S ASSURANCE

The Executive Directors, Group Finance Director and Group Financial Controller, representing the Management, have given reasonable assurance to the Board that the Group's risk management and internal control systems are adequate and effective, in all material aspects, based on the risk management and internal controls adopted by the Group.

OPINION OF THE BOARD

The improvement of the system of internal control is an ongoing process and the Board maintains an ongoing commitment to strengthening the Group's internal control and risk management environment and processes.

Based on the internal processes which have been put into place by the Management, as well as the activities carried out by and subsequent reports of the outsourced Internal Audit Function, the Board is of the view that the Group's system of internal control and risk management is sufficiently sound and adequate to safeguard the shareholders' investments and Group's assets for the financial year under review.

This statement is made in accordance with a resolution of the Board of Directors dated 9 April 2025.

RESPONSIBILITY STATEMENT BY THE BOARD OF DIRECTORS

The Directors are required under the provisions of the Companies Act 2016 to prepare financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries ("**the Group**") at the end of the financial year and their results and cash flows of the Group. In preparing the financial statements for the financial year ended 31 December 2024 in this 2024 Annual Report, the Directors have adopted suitable accounting policies and applied them consistently, made judgements and estimates that are reasonable and prudent, as well as ensured that all applicable accounting standards in Malaysia have been followed.

The Directors have ensured that proper accounting records are kept which disclose with reasonable accuracy the financial position of the Group and ensured that the financial statements comply with the provision of the Companies Act 2016, Main Market Listing Requirements of Bursa Securities Malaysia Berhad and all applicable accounting standards in Malaysia.

The Directors also have general responsibilities for taking the necessary steps to safeguard the assets of the Group and to detect and prevent fraud as well as other irregularities.

This statement is made in accordance with a resolution of the Board of Directors dated 9 April 2025.

Table of **Contents**

DIRECTORS' REPORT

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 31 December 2024.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and provision of management services. The principal activities of the subsidiaries are as stated in Note 13 to the financial statements.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year attributable to:		
Owners of the parent	2,190,148	(1,734,981)
Non-controlling interests	(18,585)	–
	2,171,563	(1,734,981)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial year.

DIVIDENDS

No dividend has been paid or declared since the end of the previous financial year. The Directors do not recommend any dividends for the current financial year ended 31 December 2024.

DIRECTORS

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Kwek Siew Leng *
Low Chin Guan *
Edmond Cheah Swee Leng
Toh Seng Thong
Dato' Selwyn Vijayarajan Das
Muhamad Yazdi Bin Che Ya

* Being a Director of one or more subsidiaries

DIRECTORS (CONTINUED)

The names of the Directors of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who are already listed above are:

Ary Gunawan - Resigned on 15 July 2024

DIRECTORS' INTERESTS IN SHARES

The shareholdings in the ordinary shares of the Company of those who were Directors at the end of the financial year as recorded in the Register of Directors' Shareholdings kept under Section 59 of the Companies Act, 2016 in Malaysia are as follows:

	Number of ordinary shares			
	Balance as at 1.1.2024	Bought	Sold	Balance as at 31.12.2024
Direct interest				
Kwek Siew Leng	1,168,800	–	–	1,168,800
Low Chin Guan	133,176,079	–	–	133,176,079
Edmond Cheah Swee Leng	1,400,200	–	–	1,400,200

By virtue of their interests in the shares of the Company and the related corporation, the abovementioned Directors are also deemed to be interested in the shares of all the related corporations of the Company to the extent that the Company and the related corporation respectively have an interest.

None of the other Directors in office at the end of the financial year had any interest in shares of the Company and its related companies during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the directors or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in Note 25 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION AND FEE

Directors' remuneration of the Group and of the Company amounted to RM1,120,616 and RM1,097,987 respectively as disclosed in Note 7 to the financial statements.

Directors' fee of the Group and of the Company are amounted to RM336,000 as disclosed in Note 7 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITOR

There was no indemnity given to or insurance effected for any Director, officer or auditor of the Company.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the share capital of the Company during the financial year.

There were no debentures issued during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

OTHER STATUTORY INFORMATION

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

(i) proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debt; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realised.

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

(i) which would render the amount written off of bad debts or the amount of the provision for doubtful debts; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which render adherence to the existing method 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 of the Group and of the Company misleading.

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

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

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

OTHER STATUTORY INFORMATION (CONT'D)

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

AUDITORS

The auditors, Messrs PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 December 2024 amounted to RM159,892 and RM85,000 respectively.

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

KWEK SIEW LENG

LOW CHIN GUAN

Kuala Lumpur

21 April 2025

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the accompanying financial statements as set out on pages 53 to 109 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act, 2016 in Malaysia, so as to give a true and fair view of financial position of the Group and of the Company as at 31 December 2024 and of their financial performances and their cash flows for the financial year ended on that date.

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

KWEK SIEW LENG

LOW CHIN GUAN

Kuala Lumpur

21 April 2025

STATUTORY DECLARATION

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

I, KWEK SIEW LENG, being the Director primarily responsible for the financial management of ADVENTA BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 53 to 109 are in my opinion 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 in Malaysia.

Subscribed and solemnly declared by the)
above-named at Kuala Lumpur in Wilayah)
Persekutuan on 21 April 2025)

KWEK SIEW LENG
(MIA No.: 22423)

Before me,

SHI'ARATUL AKMAR
BINTI SAHARI (W788)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ADVENTA BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ADVENTA BERHAD., which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policies, as set out on pages 53 to 109.

In our opinion, the accompanying financial statements give a true and fair view of the financial positions of the Group and of the Company as at 31 December 2024, and of their financial performances and their 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(i) Impairment of Investments in Subsidiaries
(Refer to Note 13 to the financial statements)

As at 31 December 2024, the carrying amount of the Company's investments in subsidiaries amounted to RM64,259,669. Certain subsidiaries of the Group had recent history of losses, accumulated losses and/or the carrying amounts of the investments were lower than the net assets. Accordingly, the Company estimated the recoverable amount of these investments in subsidiaries based on fair value less cost of disposal method by using cash flow projections provided by the management covering from three to five years period.

Valuation of Right-of-use Assets
(Refer to Note 1(d) (iv), 2(e) and 11 to the financial statements)

A subsidiary of the Group has reported accumulated losses during the financial year which is the indications that impairment might have occurred on the carrying amount of the right-of-use assets of RM40,689,939 as at 31 December 2024.

According to MFRS 136, Impairment of Assets, the Group shall assess at the end of each reporting date whether there is any indication that the assets may be impaired. If an indicator of impairment exists, the assets' recoverable amount is compared with their carrying amount. The recoverable amounts are determined by cash flow projection of the respective cash-generating unit ("CGU") to support the value-in-use calculation. The cash flow projection is based on assumptions using management's estimation and judgement which is inherently uncertain.

Key Audit Matters (Cont'd)

(i) Impairment of Investments in Subsidiaries (Cont'd)
(Refer to Note 13 to the financial statements)

Valuation of Right-of-use Assets (Cont'd)
(Refer to Note 1(d) (iv), 2(e) and 11 to the financial statements)

We focused on this area due to the nature of judgements and assumptions made by management in determining whether there is any impairment that has occurred. The management has performed an impairment review and concluded that there are no impairment is required. Additional information on the impairment review is disclosed in the financial statements.

Our procedures included:

(i) enquired with the appropriate personnel and evaluated the basis of discounted cash flow forecast;
(ii) assessed the reasonableness of the management's key assumptions used and judgements exercised in its cash flow projections such as revenue growth rate, profit margin and discounted rate; and
(iii) performed sensitivity analysis on key inputs to discounted cash flow projections, to assess the impact that reasonable alternative assumptions would have on the carrying amount.

(ii) Recognition of Deferred Tax Assets
(Refer to Note 1(d)(i), 1(d)(v) and Note 15 to the financial statements)

As at 31 December 2024, the Group recognised deferred tax assets of RM1,525,911. The deferred tax assets are mainly contributed by two subsidiaries which have recognised net deferred tax assets of RM1,479,000 and RM46,911 respectively. The recognition of deferred tax assets relies on the application of judgement by the Directors in respect of assessing the probability and sufficiency of future taxable profits to utilise such temporary differences in future.

We have determined this to be a key audit matter due to the inherent uncertainty in forecasting the amount and timing of future taxable profits and the reversal of temporary differences in accordance with MFRS 112, Income Taxes.

Our procedures included:

(i) reviewed the computation and recognition of deferred tax assets and assessed whether the recognition criteria for deferred tax assets is in accordance to MFRS 112, Income Taxes;
(ii) enquired with the appropriate personnel and evaluated the basis of profit forecast;
(iii) assessed the reasonableness of the management's key assumptions used and judgements exercised in its profit forecast such as revenue growth rate, profit margin and discounted rate; and
(iv) performed the sensitivity analysis on key assumptions used in the profit forecast and assessed its impact to the deferred tax assets recognised.

(iii) Recoverability on Amount Due from Subsidiaries
(Refer to Notes 17 to the financial statements)

The carrying amount of the amounts due from subsidiaries amounted to RM41,444,077 as of 31 December 2024. The Company carries significant amounts due from subsidiaries which is subject to a high credit risk exposure.

As part of our audit to test Management's assessment of the recoverability of the amount due from subsidiaries, our procedures included:

(i) assessed whether the amounts due from subsidiaries are recoverable and key assumptions made by management; and
(ii) assessed whether financial statements disclosures are adequate and appropriately reflect the Company's exposure to credit risk, arising from subsidiary companies.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors 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 information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Statements

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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.

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law 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 13 to the financial statements.

OTHER MATTERS

(i) 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 contents of this report.

(ii) The comparative figures were audited by another firm of auditors who expressed an unmodified opinion on these statements on 8 April 2024.

PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
CHARTERED ACCOUNTANTS

NG CHEW PEI
03373/06/2026 J
CHARTERED ACCOUNTANT

Kuala Lumpur

21 April 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM	RM	RM	RM
Revenue	3	58,302,009	37,299,302	1,080,000	960,000
Cost of sales		(48,910,824)	(34,255,368)	–	–
Gross profit		9,391,185	3,043,934	1,080,000	960,000
Other income	4	1,718,531	235,297	485,401	1,006,079
Administrative expenses		(5,307,732)	(5,250,839)	(2,707,714)	(2,034,427)
Selling and marketing expenses		(1,116,610)	(784,516)	–	–
Other expenses		(2,218,887)	(2,823,449)	(592,668)	(884,311)
Pre-operating expenses		(1,459,546)	(810,601)	–	–
(Reversal of)/Impairment loss on receivables		1,621,543	(3,225,319)	–	–
Profit/(Loss) from operations		2,628,484	(9,615,493)	(1,734,981)	(952,659)
Finance costs	5	(427,151)	(667,127)	–	(87,244)
Profit/(Loss) before tax	6	2,201,333	(10,282,620)	(1,734,981)	(1,039,903)
Tax (expense)/income	8	(29,770)	1,124,051	–	–
Profit/(Loss) for the financial year		2,171,563	(9,158,569)	(1,734,981)	(1,039,903)
Other comprehensive (losses)/ income for the financial year					
Foreign currency translation differences		(3,168,049)	488,779	–	–
Total comprehensive losses		(996,486)	(8,669,790)	(1,734,981)	(1,039,903)
Profit/(Loss) attributable to:					
Owners of the Company		2,190,148	(9,076,322)	(1,734,981)	(1,039,903)
Non-controlling interests	22	(18,585)	(82,247)	–	–
		2,171,563	(9,158,569)	(1,734,981)	(1,039,903)
Total comprehensive (losses)/ income attributable to:					
Owners of the Company		(1,043,724)	(8,592,352)	(1,734,981)	(1,039,903)
Non-controlling interests		47,238	(77,438)	–	–
		(996,486)	(8,669,790)	(1,734,981)	(1,039,903)
Basic earnings per share (sen)	9	1.29	(5.35)		

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	10	1,400,924	1,281,907	253,352	190,961
Right-of-use assets	11	51,629,753	28,549,197	–	–
Goodwill	12	54,870	54,870	–	–
Investment in subsidiaries	13	–	–	64,259,669	45,811,750
Other investment	14	11,500,000	11,500,000	–	–
Deferred tax assets	15	1,525,911	1,535,461	–	–
		66,111,458	42,921,435	64,513,021	46,002,711
Current assets					
Inventories	16	15,011,960	12,405,210	–	–
Trade and non-trade receivables	17	23,420,646	15,583,360	41,498,386	46,356,753
Tax recoverable		592,541	627,297	–	–
Fixed deposits placed with licensed banks	18	2,801,017	25,750,000	–	23,000,000
Cash and bank balances		4,506,565	8,403,581	2,908,186	2,465,132
		46,332,729	62,769,448	44,406,572	71,821,885
TOTAL ASSETS		112,444,187	105,690,883	108,919,593	117,824,596
EQUITY AND LIABILITIES					
Share capital	19	95,192,172	95,192,172	95,192,172	95,192,172
Redeemable preference shares	19	7,264,706	–	–	–
(Accumulated losses)/ Retained earnings	20	(1,680,510)	(3,619,387)	13,432,217	15,167,198
Foreign currency translation reserve	21	(2,809,048)	329,277	–	–
Equity attributable to owners of the Company		97,967,320	91,902,062	108,624,389	110,359,370
Non-controlling interest	22	(4,642)	24,397	–	–
Total equity		97,962,678	91,926,459	108,624,389	110,359,370
Non-current liability					
Loans and borrowings	23	–	5,669,592	–	–
Current liabilities					
Trade and non-trade payables	24	5,132,262	5,207,594	295,204	7,465,226
Loans and borrowings	23	9,349,247	2,887,238	–	–
		14,481,509	8,094,832	295,204	7,465,226
Total liabilities		14,481,509	13,764,424	295,204	7,465,226
TOTAL EQUITY AND LIABILITIES		112,444,187	105,690,883	108,919,593	117,824,596

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	← Attributable to Owner of the Company →					
	← Non-Distributable →					
	Share capital RM	Foreign currency translation reserve RM	Distributable retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Group						
At 1 January 2023	57,680,204	(153,623)	5,456,935	62,983,516	(12,978)	62,970,538
Loss, representing total comprehensive income for the financial year	–	–	(9,076,322)	(9,076,322)	(82,247)	(9,158,569)
Other comprehensive income:						
Foreign currency translation differences for foreign operations	–	483,970	–	483,970	4,809	488,779
Total comprehensive income for the financial year	–	483,970	(9,076,322)	(8,592,352)	(77,438)	(8,669,790)
Transaction with Owners of the Company:						
- Disposal of a subsidiary	–	(1,070)	–	(1,070)	114,813	113,743
- Issuance of shares pursuant to rights issue, net of transaction costs	37,511,968	–	–	37,511,968	–	37,511,968
Total transactions with Owners of the Company	37,511,968	(1,070)	–	37,510,898	114,813	37,625,711
At 31 December 2023	95,192,172	329,277	(3,619,387)	91,902,062	24,397	91,926,459

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

	← Attributable to Owner of the Company →						
	← Non-Distributable →						
	Share capital RM	**Preference share capital RM**	**Foreign currency translation reserve RM**	**Distributable retained earnings RM**	**Total RM**	**Non-controlling interests RM**	**Total equity RM**
Group							
At 1 January 2024	95,192,172	–	329,277	(3,619,387)	91,902,062	24,397	91,926,459
Profit, representing total comprehensive income for the financial year	–	–	–	2,190,148	2,190,148	(18,585)	2,171,563
Other comprehensive income:							
Foreign currency translation differences for foreign operations	–	–	(3,138,325)	–	(3,138,325)	(28,653)	(3,166,978)
Total other comprehensive for the financial year	–	–	(3,138,325)	2,190,148	(948,177)	(47,238)	(995,415)
Transaction with Owners of the Company:							
- Issuance of preference shares	–	7,264,706	–	–	7,264,706	–	7,264,706
- Dividend paid for preference shares	–	–	–	(250,200)	(250,200)	–	(250,200)
- Incorporation of new subsidiary	–	–	–	–	–	18,199	18,199
- Disposal of a subsidiary	–	–	–	(1,071)	(1,071)	–	(1,071)
Total transactions with Owners of the Company	–	7,264,706	–	(251,271)	7,013,435	18,199	7,031,634
At 31 December 2024	95,192,172	7,264,706	(2,809,048)	(1,680,510)	97,967,320	(4,642)	97,962,678

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

	Share capital RM	Retained earnings RM	Total equity RM
Company			
At 1 January 2023	57,680,204	16,207,101	73,887,305
Issuance of shares (Note 19)	37,511,968	–	37,511,968
Total comprehensive loss for the financial year	–	(1,039,903)	(1,039,903)
At 31 December 2023	95,192,172	15,167,198	110,359,370
Total comprehensive loss for the financial year	–	(1,734,981)	(1,734,981)
At 31 December 2024	95,192,172	13,432,217	108,624,389

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	**2023**	**2024**	**2023**
	Note	**RM**	**RM**	**RM**	**RM**
Cash flows from operating activities					
Profit/(Loss) before tax		2,201,333	(10,282,620)	(1,734,981)	(1,039,903)
Adjustments for:					
Depreciation of property, plant and equipment		328,771	265,141	55,147	51,679
Depreciation of right-of-use assets		362,218	405,408	–	–
Interest expense		427,151	667,127	–	87,244
Interest income		(269,776)	(100,003)	(185,139)	(1,005,050)
Dividend income		(920,000)	–	–	–
Gain on disposal of investment in associate		–	(365)	–	(365)
Loss on disposal of subsidiaries		5,970	4,448	–	–
Loss on disposal of property, plant and equipment		–	120	–	–
Reversal of impairment loss on trade receivables		(1,720,719)	–	–	–
Impairment loss on trade receivables		99,176	3,097,068	–	–
Impairment loss on non-trade receivables		–	128,251	–	–
Unrealised loss on foreign exchange		14,265	23,972	–	69
Inventories written down		–	1,208,457	–	–
Inventories written off		–	917,842	–	–
Property, plant and equipment written off		–	287,065	–	415
Operating profit/(loss) before changes in working capital		528,389	(3,378,089)	(1,864,973)	(1,905,911)
(Increase)/Decrease in inventories		(2,606,750)	5,261,086	–	–
(Increase)/Decrease in trade and other receivables		(6,230,008)	(2,491,011)	14,232	(1,926,216)
(Increase)/Decrease in trade and other payables		(75,332)	(2,087,777)	(317,680)	372,039
Cash used in operations		(8,383,701)	(2,695,791)	(2,168,421)	(3,460,088)
Interest paid		(427,151)	(667,127)	–	(87,244)
Interest received		269,776	100,003	185,139	1,005,050
Tax refunded		30,000	(30,726)	–	–
Tax paid		(12,000)	583,394	–	37,280
Net cash used in operating activities		(8,523,076)	(2,710,247)	(1,983,282)	(2,505,002)

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

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cash flows from investing activities					
Repayment from related parties		–	485,600	–	485,600
Advances to subsidiaries		–	–	4,844,135	(7,043,329)
Net cash outflow from investment in subsidiaries		–	–	(18,447,919)	(9,754,697)
Proceeds from disposal of property, plant and equipment		–	934,443	–	–
Proceeds from disposal of an associate		–	365	–	365
Cash outflow arising from disposal of a subsidiary		(5,960)	(116,128)	–	–
Acquisition of property, plant and equipment		(481,453)	(352,882)	(117,538)	–
Purchase of right-of-use assets		(24,520,565)	(17,560,027)	–	–
Dividend received		920,000	–	–	–
Net changes in fixed deposits		22,948,983	–	23,000,000	–
Net cash (used in)/from investing activities		(1,138,995)	(16,608,629)	9,278,678	(16,312,061)
Cash flows from financing activities					
Expenses paid on issuance of shares		–	(684,474)	–	(684,474)
Repayment to related parties		–	(2,896,824)	(6,852,342)	–
Advances from subsidiaries		–	–	–	6,552,342
Dividend paid for preference shares		(250,200)	–	–	–
Drawdown of loans and borrowings	(ii)	792,417	8,016,134	–	–
Issuance of preference shares		7,264,706	–	–	–
Repayment to a Director		–	(166)	–	(166)
Payment for the principal portion of lease liability		–	(66,633)	–	–
Proceeds from issuance of shares		–	38,196,442	–	38,196,442
Net cash from/(used in) financing activities		7,806,923	42,564,479	(6,852,342)	44,064,144
Net (decrease)/increase in cash and cash equivalents		(1,855,148)	23,245,603	443,054	25,247,081
Cash and cash equivalents at 1 January 2024/2023		8,403,581	8,154,369	2,465,132	218,120
Effect of foreign exchange rate changes		(2,031,851)	(37,391)	–	(69)
Cash and cash equivalents at 31 December	(i)	4,516,582	31,362,581	2,908,186	25,465,132

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

STATEMENTS OF CASH FLOWS (CONT'D)

Notes:

(i) Cash and cash equivalents included in the statements of cash flows comprise the following amount:

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Fixed deposits placed with licensed banks	2,801,017	25,750,000	–	23,000,000
Cash and bank balances	4,506,565	8,403,581	2,908,186	2,465,132
Less:				
Fixed deposits pledged as collateral	(2,750,000)	(2,750,000)	–	–
Pledged deposits as performance bond	(41,000)	(41,000)	–	–
	4,516,582	31,362,581	2,908,186	25,465,132

(ii) Reconciliation of liability arising from financing activities:

	1 January RM	**Cash flows RM**	**Non–cash changes RM**	**31 December RM**
Group				
2024				
Loans and borrowings	8,556,830	792,417	–	9,349,247
2023				
Amount due to related parties	2,869,377	(2,896,824)	27,447	–
Amount due to a Director	166	(166)	–	–
Loans and borrowings	540,696	8,016,134	–	8,556,830
Lease liability	66,633	(66,633)	–	–
Company				
2024				
Amount due to related parties	6,852,342	(6,852,342)	–	–
2023				
Amount due to subsidiaries	300,000	(6,552,342)	–	6,852,342
Amount due to a Director	166	(166)	–	–

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

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2024

1. BASIS OF PREPARATION

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as going concerns which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

These financial statements are presented in the Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(a) Standards issued and effective

On 1 January 2024, the Group and the Company have adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2024:

Description
- Amendments to MFRS 101, *Presentation of Financial Statements: Non-current Liabilities with Covenants*
- Amendments to MFRS 7, *Financial Instruments and* MFRS 107, *Statement Cash Flows: Disclosure – Supplier Finance Agreements*

The Directors expect that the adoption of the new and amended MFRS above have no impact on the financial statements of the Group and of the Company.

(b) Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but not yet effective for 31 December 2024 reporting periods and have not been early adopted by the Group and the Company. These standards are not expected to have a material impact on the Group and the Company in the current or future reporting periods.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise as indicated in the material accounting policies.

(d) Significant accounting estimates and judgements

Estimates and judgements are continually evaluated by the Directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and of the Company's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:

(i) *Income Taxes*

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

1. BASIS OF PREPARATION (CONT'D)

(d) Significant accounting estimates and judgements (Cont'd)

(ii) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(iii) Provision for Expected Credit Losses ("ECL") of Receivables

The Group and the Company use a provision matrix to calculate ECLs for receivables. The provision rates are based on the payment profiles of sales over a year of 36 months before the end of the reporting year and the corresponding historical credit losses experienced within this year. The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting year.

(iv) Impairment of Non-financial Assets

When the recoverable amount of an asset is determined based on the estimate of the value in use of the cash-generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(v) Deferred Tax Assets and Liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future years in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the year in which actual realisation and settlement occurs.

(vi) Written-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

1. BASIS OF PREPARATION (CONT'D)

(d) Significant accounting estimates and judgements (Cont'd)

(vii) Impairment of Goodwill

Goodwill is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating units to which goodwill is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

2. MATERIAL ACCOUNTING POLICIES

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing the control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transactions costs.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognised amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured at fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquire may be initially measured either at fair value or at the non-controlling interests' proportionate shares of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

2. MATERIAL ACCOUNTING POLICIES

(a) Basis of consolidation (Cont'd)

(iii) Non-controlling interests

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit and loss and the other comprehensive income for the year between non-controlling interests and the owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so caused the non-controlling interests to have a deficit balance.

In the previous years, where losses applicable to the non-controlling interests exceed their interests in the equity of a subsidiary, the excess, and any further losses applicable to the non-controlling interests, were charged against the Group's interest except to the extent that the non-controlling interests had a binding obligation to, and was able to, make additional investment to cover the losses. If the subsidiary subsequently reported profits, the Group's interest was allocated with all such profits until the non-controlling interests' share of losses previously absorbed by the Group had been recovered.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and their carrying amount would be regarded as cost on initial measurement of the investment.

(v) Transactions eliminated on consolidation

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

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

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Foreign currencies

(i) Functional and presentation currency

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

(ii) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Group and of the Company and its subsidiaries are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group and of the Company on disposal of the foreign operation.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's and of the Company's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity.

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

The principal exchange rate used in the translation of each unit of foreign currency at reporting date is as follows:

	2024 RM	2023 RM
1 Chinese Yuan ("CNY")	0.6110	0.6470
1 Indonesia Rupiah ("IDR")	0.0279	0.0298
1 US Dollars ("USD")	4.4600	4.5995

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(b) Foreign currencies (Cont'd)

(iii) Foreign operations

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

	2024 RM	2023 RM
1 US Dollars ("USD")	–	4.6787
1 Sri Lanka Rupee ("LKR")	–	0.0144
1 Chinese Yuan ("CNY")	0.6121	–
1 Indonesia Rupiah ("IDR")	0.0003	0.0003

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rate at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency translation reserve relating to that particular foreign operations is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

(c) Revenue and other income

Revenue from contracts with customers are recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for these goods or services.

(i) Sales and distribution of medical and healthcare equipment

Revenue from the sales of goods is recognised upon delivery of goods where the control of the goods has been passed to the customers, net of sales and goods and services taxes and discounts.

The contracts with customers are bundled and consist of obligations for the sale of goods and delivery of the said goods to its customers in some instances. Contracts for bundled services are comprised of multiple performance obligations and are capable of being distinct and separately identifiable. However, the management has assessed that the delivery obligation is primarily a value-added fulfilment service and is not considered to be a significant distinct performance obligation. Accordingly. contract with customers is considered as a single performance obligation and is satisfied at point in time basis.

Revenue is recognised at point in time when control over the goods have been transferred to the customer and obtain customer acceptance of the said goods. Revenue is recognised based on the price specified in the invoices, net of discounts, rebates and incentives where applicable. Payment is generally due within 30 to 120 days from the date when performance obligation is satisfied. There is no unsatisfied performance obligation yet to be recognised as revenue as at the reporting date.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(c) Revenue and other income (Cont'd)

(ii) Storage and warehouse handling fee

The Group provides storage and warehousing services to its customers.

The contracts with customers were bundled and consist of obligations for managing storage of goods and arranging transportation for delivery of goods. However, the management has assessed that these services are interrelated and interdependent and shall not be considered as distinct services which come as a service package offered to customers. Accordingly, the contract with customers was considered as a single performance obligation and was satisfied at point in time basis upon monthly services rendered and charged based on per pallet basis at a pre-determined fixed rate.

Revenue was recognised at point in time based on monthly billing of the pallet of goods at pre-determined price and charges. Payment is generally due within 30 days from the date when performance obligation is satisfied. There was no unsatisfied performance obligation yet to be recognised as revenue

(iii) Management fee

The performance obligation is satisfied at point in time when the Group and the Company rendered the services to the customer.

(iv) Dividend income

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

(d) Property, plant and equipment

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

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

All property, plant and equipment are depreciated on the straight-line basis to write off the costs of the property, plant and equipment over their estimated useful lives.

The principal annual rates used for this purpose are:

Computers	25%
Machineries	10%
Motor vehicles	10%
Others (furniture and fittings, renovation, signboard, office equipment, warehouse factory, lab and medical equipment)	10% - 20%

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment (Cont'd)

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

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

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

(e) Right-of-use assets

Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset of the right-of-use asset or the end of the lease term.

Building	2.5%
Leasehold lands	Over the remaining lease period

Capital work-in-progress are not depreciated until they are ready for use.

Lease payments associated with short-term leases is recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(f) Other investment – Unquoted Redeemable Convertible Preference Shares

At initial recognition, the Group irrevocably elects to present subsequent changes in the fair value of the investment through profit or loss. This election is made on an investment basis investment-by-investment basis.

Financial assets whose payments are not simply payments of principal and interest, including equity instruments and derivatives, are classified as fair value through profit or loss, with changes in fair value presented in finance income and expense.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment.

(g) Inventories

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

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

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

(h) Share capital - Redeemable preference shares

Redeemable preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Group's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity. Redeemable preference share capital is classified as financial liability if it is redeemabie on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in the profit or loss as accrued.

(i) Goodwill on consolidation

Goodwill on consolidation is recognised as of the acquisition date measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and in a business combination achieved in stages, the acquisition-date fair value of the Group's previously held equity interest in the acquiree over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill with indefinite useful lives is not amortised but is tested for impairment annually.

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

Where goodwill forms part of a cash-generating unit and part of the operation within that cash-generating unit is disposed off, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative fair values of the operations disposed off and the portion of the cash-generating unit retained.

(j) Operating segment

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

3. REVENUE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Revenue with contract customers				
At a point in time				
Distribution of medical and healthcare equipment	57,866,653	37,061,442	–	–
Storage and warehouse handling fee	435,356	237,860	–	–
Other source of income				
Management fee	–	–	1,080,000	960,000
	58,302,009	37,299,302	1,080,000	960,000

4. OTHER INCOME

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Bad debt recoverable	–	8,731	–	–
Compensation of late refund of tax payment	–	1,313	–	–
Gain on disposal of investment in associate	–	365	–	365
Interest income	269,776	100,003	185,139	1,005,050
Realised gain on foreign exchange	528,755	102,972	300,262	–
Dividend received	920,000	21,913	–	664
	1,718,531	235,297	485,401	1,006,079

5. FINANCE COSTS

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Bankers' acceptance	13,664	36,798	–	–
Lease liabilities	–	7,567	–	–
Letter of credit	57,175	35,449	–	–
Term loan	144,644	563,809	–	87,244
Short term trade financing	211,668	23,504	–	–
	427,151	667,127	–	87,244

6. PROFIT/(LOSS) BEFORE TAX

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Profit/(Loss) before tax is arrived at after charging/(crediting):				
Auditor remuneration				
- Statutory	159,892	133,065	85,000	83,000
- Non-statutory	–	11,000	–	11,000
Depreciation of property, plant and equipment	328,771	265,141	55,147	51,679
Depreciation of right-of-use assets	362,218	405,408	–	–
Employee benefit expense (Note 7)	4,545,395	4,433,405	978,615	804,543
Directors' remuneration (Note 7)	1,456,616	1,051,960	1,433,987	1,036,182
Reversal of impairment loss on trade receivables	(1,720,719)	–	–	–
Impairment loss on trade receivables	99,176	3,097,068	–	–
Impairment loss on non- trade receivables	–	128,251	–	–
Loss on disposal of property, plant and equipment	–	120	–	–

6. PROFIT/(LOSS) BEFORE TAX (CONT'D)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) before tax is arrived at after charging/(crediting): (Cont'd)				
Loss on disposal of a subsidiary	5,970	4,448	–	–
Unrealised loss on foreign exchange	14,265	23,972	–	69
Short term leases	236,469	311,289	66,000	66,000
Inventories written down	–	1,208,457	–	–
Inventories written off	–	917,842	–	–
Property, plant and equipment written off	–	287,065	–	415

7. EMPLOYEE BENEFITS EXPENSE

(i) Staff costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
- Salaries and other emoluments	4,119,266	3,918,041	858,850	694,944
- Contribution to defined contribution plan	371,877	443,172	103,664	107,561
- Social security contributions	45,675	72,192	11,674	2,038
- Other employee benefit expenses	8,577	–	4,427	–
	4,545,395	4,433,405	978,615	804,543

(ii) Directors' remuneration

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive Directors				
- Fees	72,000	68,640	72,000	68,640
- Salaries and other emoluments	921,000	624,000	921,000	624,000
- Contribution to defined contribution plan	174,990	111,720	174,990	111,720
- Social security contributions	1,873	1,902	1,873	1,902
- Other employee benefit expenses	124	–	124	–
	1,169,987	806,262	1,169,987	806,262
Non-executive Directors				
- Fees	264,000	229,920	264,000	229,920
	1,433,987	1,036,182	1,433,987	1,036,182

7. EMPLOYEE BENEFITS EXPENSE (CONT'D)

(ii) Directors' remuneration (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors of subsidiaries				
- Salaries and other emoluments	22,629	13,145	–	–
- Contribution to defined contribution plan	–	2,536	–	–
- Social security contributions	–	97	–	–
	22,629	15,778	–	–
Total remuneration	1,456,616	1,051,960	1,433,987	1,036,182
Estimated monetary value of benefits-in-kind	28,000	–	28,000	–

8. TAX EXPENSE/(INCOME)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax:				
- current year	20,220	4,461	–	–
- overprovision in prior year	–	(18,851)	–	–
	20,220	(14,390)	–	–
Deferred tax (Note 15):				
- current year	95,211	(1,109,661)	–	–
- overprovision in prior year	(85,661)	–	–	–
	9,550	(1,109,661)	–	–
	29,770	(1,124,051)	–	–

8. TAX EXPENSE/(INCOME) (CONT'D)

Reconciliation of tax expense

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Profit/(Loss) before tax	2,201,333	(10,282,620)	(1,734,981)	(1,039,903)
Tax calculated using statutory tax rate at 24%	528,320	(2,467,829)	(416,395)	(249,577)
Non-deductible expenses	494,957	431,485	32,261	11,703
Effect of different tax rate in other countries	29,054	16,212	–	–
Deferred tax assets recognised	–	(143,920)	–	–
Deferred tax assets not recognised	(936,900)	1,058,852	384,134	237,874
	115,431	(1,105,200)	–	–
Overprovision of tax expense in prior year	–	(18,851)	–	–
Overprovision of deferred tax asset in prior year	(85,661)	–	–	–
	29,770	(1,124,051)	–	–

The Group has unutilised tax losses and unabsorbed capital allowances of RM7,462,790 and RM1,004,612 (2023: RM1,079,406 and RM2,197,672) respectively available for offsetting against future taxable profits.

The Company has unutilised tax losses and unabsorbed capital allowances of RM3,749,585 and RM1,002,767 (2023: RM2,197,672 and RM1,079,406) respectively available for offsetting against future taxable profits.

	Group RM	**Company RM**	**Utilised up to**
YA 2018 and before	1,627,362	730,188	YA 2028
YA 2019	774,260	339,924	YA 2029
YA 2020	287,862	287,862	YA 2030
YA 2021	190,431	190,431	YA 2031
YA 2022	115,027	115,027	YA 2032
YA 2023	2,915,935	534,240	YA 2033
YA 2024	1,551,913	1,551,913	YA 2034
	7,462,790	3,749,585	

9. BASIC/DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing gain for the financial year, net of tax, attributable to owners of the parent by the number of ordinary shares issue during the financial year.

	Group 2024 RM	Group 2023 RM
Profit/(Loss) for the financial year, attributable to owners of the parent	2,190,148	(9,076,322)
Number of ordinary shares in issue	169,529,416	169,529,416
Basic earnings per share (sen)	1.29	(5.35)

There is no diluted loss per share disclosed as there were no dilutive potential ordinary shares.

10. PROPERTY, PLANT AND EQUIPMENT

	Computers RM	Machineries RM	Motor vehicles RM	Others* RM	Total RM
Group					
2024					
Cost					
At 1 January 2024	1,315,785	100,147	968,608	2,428,274	4,812,814
Addition	208,916	–	–	272,537	481,453
Disposal	(40,653)	–	–	(2,145)	(42,798)
Exchange differences	(298)	–	–	(254)	(552)
At 31 December 2024	1,483,750	100,147	968,608	2,698,412	5,250,917
Accumulated depreciation					
At 1 January 2024	1,220,447	100,147	578,145	1,632,168	3,530,907
Charge for the year	74,693	–	88,027	166,051	328,771
Disposal	(8,839)	–	–	(756)	(9,595)
Exchange differences	(41)	–	–	(49)	(90)
At 31 December 2024	1,286,260	100,147	666,172	1,797,414	3,849,993
Carrying amount					
At 31 December 2024	197,490	–	302,436	900,998	1,400,924

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

	Computers RM	Machineries RM	Motor vehicles RM	Others* RM	Total RM
Group					
2023					
Cost					
At 1 January 2023	1,334,825	746,914	450,290	3,014,348	5,546,377
Addition	22,818	–	–	330,064	352,882
Disposal	(41,762)	(646,767)	–	(480,461)	(1,168,990)
Written off	–		–	(435,596)	(435,596)
Transfer from right-of-use asset	–	–	518,318	–	518,318
Exchange differences	(96)	–	–	(81)	(177)
At 31 December 2023	1,315,785	100,147	968,608	2,428,274	4,812,814
Accumulated depreciation					
At 1 January 2023	1,170,030	251,312	274,168	1,694,086	3,389,596
Charge for the year	70,788	–	44,837	149,516	265,141
Disposal	(20,364)	(151,165)	–	(62,898)	(234,427)
Written off	–	–	–	(148,531)	(148,531)
Transfer from right-of-use asset	–	–	259,140	–	259,140
Exchange differences	(7)	–	–	(5)	(12)
At 31 December 2023	1,220,447	100,147	578,145	1,632,168	3,530,907
Carrying amount					
At 31 December 2023	95,338	–	390,463	796,106	1,281,907

*Other assets comprise of office equipment, renovation, furniture and fittings, warehouse factory, lab and medical equipment, and warehouse equipment.

	Computers RM	Motor vehicles RM	Office equipment, renovation, furniture and fittings RM	Total RM
Company				
2024				
Cost				
At 1 January 2024	856,845	159,748	96,265	1,112,858
Addition	105,038	–	12,500	117,538
At 31 December 2024	961,883	159,748	108,765	1,230,396
Accumulated depreciation				
At 1 January 2024	825,907	55,902	40,088	921,897
Charge for the year	29,527	15,972	9,648	55,147
At 31 December 2024	855,434	71,874	49,736	977,044
Carrying amount				
At 31 December 2024	106,449	87,874	59,029	253,352

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

	Computers RM	Motor vehicles RM	Office equipment, renovation, furniture and fittings RM	Total RM
Company				
2023				
Cost				
At 1 January 2023	856,845	159,748	97,076	1,113,669
Written off	–	–	(811)	(811)
At 31 December 2023	856,845	159,748	96,265	1,112,858
Accumulated depreciation				
At 1 January 2023	799,885	39,930	30,799	870,614
Charge for the year	26,022	15,972	9,685	51,679
Written off	–	–	(396)	(396)
At 31 December 2023	825,907	55,902	40,088	921,897
Carrying amount				
At 31 December 2023	30,938	103,846	56,177	190,961

11. RIGHT-OF-USE ASSETS

	Capital work-in-progress RM	Leasehold lands RM	Building RM	Total RM
Group				
2024				
Cost				
At 1 January 2024	3,970,050	20,777,115	6,988,735	31,735,900
Additions	23,260,062	1,260,503	–	24,520,565
Exchange differences	(320,684)	(757,107)	–	(1,077,791)
At 31 December 2024	26,909,428	21,280,511	6,988,735	55,178,674
Accumulated depreciation				
At 1 January 2024	–	1,718,750	1,467,953	3,186,703
Charge for the year	–	187,500	174,718	362,218
At 31 December 2024	–	1,906,250	1,642,671	3,548,921
Carrying amount				
At 31 December 2024	26,909,428	19,374,261	5,346,064	51,629,753

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

	Capital work-in-progress RM	Leasehold lands RM	Building RM	Motor vehicles RM	Total RM
Group					
2023					
Cost					
At 1 January 2023	–	7,500,000	6,988,735	518,318	15,007,053
Additions	4,040,662	13,519,365	–	–	17,560,027
Transfer to property plant and equipment	–	–	–	(518,318)	(518,318)
Exchange differences	(70,612)	(242,250)	–	–	(312,862)
At 31 December 2023	3,970,050	20,777,115	6,988,735	–	31,735,900
Accumulated depreciation					
At 1 January 2023	–	1,531,250	1,293,235	215,950	3,040,435
Charge for the year	–	187,500	174,718	43,190	405,408
Transfer to property plant and equipment	–	–	–	(259,140)	(259,140)
At 31 December 2023	–	1,718,750	1,467,953	–	3,186,703
Carrying amount					
At 31 December 2023	3,970,050	19,058,365	5,520,782	–	28,549,197

(i) The expenses charged to the profit or loss during the financial year are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Depreciation of right-of-use assets	362,218	405,408	–	–
Interest expense on lease liabilities	–	7,567	–	–
Short-term leases	236,469	311,289	66,000	66,000

(ii) The Group's leasehold land amounted to RM7,500,000 has remaining unexpired lease period of 31 years (2023: 32 years).

(iii) Included in the right-of-use assets of the Group are leasehold land amounted to RM13,780,511 (2023: RM13,277,115) in Indonesia with the lease period of 22 years, could be extended for a period of no longer than 20 years, and renewable for period of maximum 30 years. The right-of-use can be granted for an indefinite period as long as the land is being used and utilised. The land has an unlimited useful life and therefore is not depreciated.

(iv) Included in the right-of-use assets of the Group are leasehold land and building with carrying amount RM10,939,814 (2023: RM11,302,032) which have been pledged to a third-party money lender corporation as security for credit facilities granted as disclosed in Note 23.

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

Impairment test for right-of-use assets

The recoverable amount of right-of-use assets (including capital work-in-progress and leasehold lands) determined based on the higher of value-in-use or fair value less costs of disposal.

The value-in-use calculations was using cash flows projections from financial forecasts and projections approved by Board of Directors covering a five-years period.

The calculation of value-in-use for the right-of-use assets are most sensitive to the following assumptions:

(i) Revenue growth rate

Projected revenue growth rate ranges from 11% to 168% (2023: 59% to 72%) growth over the next five years. Terminal value is based on the fifth-year cash flows with 1% (2023: Nil%) growth rate.

(ii) Budgeted gross margin

Budgeted gross margin rate set at range from 31% to 50% (2023: 65% to 69%) over five years cash flow.

(iii) Discounted rate

A discount rate of 8.63% (2023: 18.70%) was applied to the calculations in determining the recoverable amount of the right-of-use assets. The discount rate used is based on the weighted average cost of capital of the Company with reference to similar industry.

Sensitivity to change in assumptions

Sensitivity to change in assumptions Management believes that the value-in-use calculation is sensitive to the changes in revenue and cost of sales growth rate applied in the calculation where it would cause the carrying value of right-of-use asset to materially reduce.

Based on the review on the recoverable of right-of-use assets, there is no impairment on the right-of-use assets is required in current financial year.

12. GOODWILL ON CONSOLIDATION

	Group	
	2024 RM	**2023 RM**
At cost		
At 1 January /31 December	54,870	54,870

Goodwill

The goodwill arose from the Group's acquisition of a subsidiary, Adventa Healthcare Sdn. Bhd., and has been wholly allocated to this cash generating unit ("CGU").

12. GOODWILL ON CONSOLIDATION (CONT'D)

Impairment test for goodwill

The recoverable amount of the CGU has been determined based on value-in-use calculation using cash flow projections from financial forecast and projections approved by Board of Directors covering a three-years (2023: three-years) period and by extrapolation using the growth rate based on historical experience, management's assessment of future trends and expectation of market development. The discount rate (per annum) applied to the cash flows projections are as follows:

	Discount rate	
	2024	**2023**
	%	**%**
Adventa Healthcare Sdn. Bhd.	8.63	8.15

(i) Revenue and growth

Revenue is projected based on future demand outlook. Revenue is projected to normalise from the range from 20% to 23% (2023: from 20% to 37%) growth over the next three years. Terminal value is based on the third-year cash flows with 1% (2023: Nil%) growth rate.

(ii) Gross margin

Gross margins are assumed to be maintained over the budgeted period for which projected at 30% (2023: 33%) over the next three years.

(iii) Discount rate

Discount rate per annum applied to the cash flows was used to determine the recoverable amounts of the CGUs. The discount rate used is based on the weighted average cost of capital of the Company.

Management believes that while cash flows projections are subject to inherent uncertainty, any reasonably possible changes to the key assumptions used in assessing recoverable amounts have been considered in determining the recoverable amount of the CGU. Based on the sensitivity analysis performed, management concluded that no reasonably possible change in any of the above key assumptions would cause the recoverable amount of the unit to be materially below its carrying amount.

13. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	**2023**
	RM	**RM**
Unquoted shares, at cost:		
At 1 January	45,811,750	36,057,053
Disposals	(6,552,081)	–
Additions	25,000,000	9,754,697
At 31 December	64,259,669	45,811,750

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of companies	Principal places of business/ Country of incorporation	Principal activities	Proportion of ownership interest/ voting right 2024	2023
Adventa Healthcare Sdn. Bhd. ("AHSB")	Malaysia	Distribution of medical and healthcare equipment, appliances and medical disposal products	100%	100%
PTM Progress Trading & Marketing Sdn. Bhd. ("PTMSB")	Malaysia	Provision of storage and warehousing services	100%	100%
Adventa Digital Health Sdn. Bhd. ("ADHSB")	Malaysia	Dormant	100%	100%
PT Adventa Biotech International ("PT Adventa") *	Indonesia	Manufacture and distribution of medical and healthcare equipment, appliances and medical disposal products	99%	99%
Nextech Med Pte. Ltd. ("Nextech")	Singapore	Investment holding	–	100%
Held through PTMSB				
Wenda International (ZIBO) Limited ^	China	Trading medical products from China	90%	–

* Audited by member firm.
^ The management accounts were reviewed by PKF PLT for consolidation purpose.

Addition

On 23 October 2024, the Company has incorporated Wenda International (ZIBO) Limited, comprising of 300,000 ordinary shares of CNY1 each. The Company is holding 270,000 ordinary shares with total consideration of CNY270,000 (equivalent to RM163,790), 90% of equity interest. Consequently, Wenda International became an indirect subsidiary of the Company.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Disposal

On 31 March 2024, the Company disposed Nextech Med Pte. Ltd. for consideration of RM10.

	Group 2024 RM
Cash at bank	5,970
Trade and non-trade payables	10
Attributable assets disposed	5,980
Total disposal consideration	(10)
Loss on disposal of a subsidiary	5,970

The effect of the disposal on cash flows as follows:

Net cash flow arising from disposal of subsidiary	
Disposal consideration, representing net cash inflows from disposal	10
Less: Cash and cash equivalents of the subsidiary disposed	(5,970)
Net cash outflow from disposal	(5,960)

Impairment loss on investment in subsidiaries

During the financial year, the Company carried out a review of the recoverable amounts of its investments in subsidiaries that are in loss-making and/or significant accumulated losses positions. The recoverable amounts were derived based on fair value less costs disposal ("FVLCOD") method using cash flows projection from financial budget approved Board of Directors covering a three-years period and five-years period for AHSB, PTMSB and PT Adventa respectively.

The key assumptions used in the determination of recoverable amount derived based on FVLCOD method are as follows:

Adventa Healthcare Sdn. Bhd.

(i) Revenue growth rate

Revenue is projected based on future demand outlook. Revenue is projected to normalise from the range 20% to 23% (2023: from 20% to 37%) growth over the next three years. Terminal value is based on the third-year cash flows with 1% growth rate (2023: Nil%).

(ii) Budgeted gross margin

Gross margins are assumed to be maintained over the budgeted period for which projected at 30% (2023: 33%) over the next three years.

(iii) Discount rate

Discount rate of 8.63% (2023: 8.15%) was applied to the calculations determining the recoverable amount of the cash generating unit ("CGU"). The discount rate used is based on the weighted average cost of capital of the Company.

13. INVESTMENT IN SUBSIDIARIES (CONT'D)

Impairment loss on investment in subsidiaries (Cont'd)

The key assumptions used in the determination of recoverable amount derived based on FVLCOD method are as follows: (Cont'd)

PT Adventa Biotech International

(i) Revenue growth rate

Projected revenue growth rate ranges from 11% to 168% (2023: 59% to 72%) per annum based on management's assessment of future trends and market development in the segment with terminal value with 1% (2023: Nil%) growth rate.

(ii) Budgeted gross margin

Budgeted gross margin ranges from 31% to 50%. (2023: 65% to 69%)

(iii) Discount rate

A discount rate of 8.63% (2023: 18.7%) was applied to the calculations in determining the recoverable amount of the CGU. The discount rate used is based on the weighted average cost of capital of the Company with reference to similar industry.

PTM Progress Trading & Marketing Sdn. Bhd.

(i) Revenue growth rate

Projected revenue growth rate ranges from 10% to 59% (2023: 10% to 28%) per annum based on management's assessment of future trends and market development in the segment with terminal value without growth rate.

(ii) Budgeted gross margin

Budgeted gross margin ranges from 31% to 50%. (2023: 44%)

(iii) Discount rate

A discount rate of 8.63% (2023: 8.74%) was applied to the calculations in determining the recoverable amount of the CGU. The discount rate used is based on the weighted average cost of capital of the Company with reference to similar industry.

14. OTHER INVESTMENT

	Group	
	2024 RM	2023 RM
Fair value through profit or loss		
At 1 January/31 December	11,500,000	11,500,000
Unquoted Redeemable Convertible Preference Shares		
A private limited liability Company in Malaysia	11,500,000	11,500,000

On 28 December 2023, the Group had entered into a Redeemable Convertible Preference Shares ("RCPS") Subscription Agreement ("RCPS SA") with a trade receivable of the Group to subscribe for up to RM11,500,000, consisting of 286,641 RCPS for the purpose settling the outstanding debt due to a subsidiary of the Company, AHSB. AHSB has fully subscribed the RCPS on 29 December 2023.

The fair value of the unquoted investment is determined by using valuation techniques based on the information applicable to level 3 fair value measurement.

15. DEFERRED TAX ASSETS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At 1 January	1,535,461	425,800	–	–
Recognised in profit or loss (Note 8)	(9,550)	1,109,661	–	–
At 31 December	1,525,911	1,535,461	–	–

Presented after appropriate offsetting as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deferred tax assets	1,844,685	2,102,302	33,853	30,094
Deferred tax liabilities	(318,774)	(566,841)	(33,853)	(30,094)
	1,525,911	1,535,461	–	–

15. DEFERRED TAX ASSETS (CONT'D)

The recognised deferred tax assets/(liabilities) arising from temporary difference before offsetting are as follows:

	Unutilised tax losses RM	Unabsorbed capital allowances RM	Others RM	Total RM
Group				
Deferred tax assets:				
2024				
At 1 January 2024	1,643,836	302,790	155,676	2,102,302
Recognised in profit or loss	(752,667)	(268,494)	763,544	(257,617)
At 31 December 2024	891,169	34,296	919,220	1,844,685
2023				
At 1 January 2023	78,495	393,067	537,085	1,008,647
Recognised in profit or loss	1,565,341	(90,277)	(381,409)	1,093,655
At 31 December 2023	1,643,836	302,790	155,676	2,102,302

	Property, plant and equipment and Right-of-use assets RM	Others RM	Total RM
Group			
Deferred tax liabilities:			
2024			
At 1 January 2024	(566,841)	–	(566,841)
Recognised in profit or loss	248,067	–	248,067
At 31 December 2024	(318,774)	–	(318,774)
2023			
At 1 January 2023	(582,162)	(685)	(582,847)
Recognised in profit or loss	15,321	685	16,006
At 31 December 2023	(566,841)	–	(566,841)

15. DEFERRED TAX ASSETS (CONT'D)

	Unabsorbed capital allowance RM	Property, plant and equipment RM	Total RM
Company			
2024			
At 1 January 2024	30,094	(30,094)	–
Recognised in profit or loss	3,759	(3,759)	–
At 31 December 2024	33,853	(33,853)	–
2023			
At 1 January 2023	28,960	(28,960)	–
Recognised in profit or loss	1,134	(1,134)	–
At 31 December 2023	30,094	(30,094)	–

The Group has recognised the deferred tax assets based on the current level of operations of the Group and the profitability that sufficient taxable profits will be generated in the future against which the deferred tax assets can be utilised.

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows (stated at gross):

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unutilised tax losses	3,749,585	2,197,672	3,749,585	2,197,672
Unabsorbed capital allowances	1,002,767	954,122	1,002,767	954,122
Other deductible temporary difference	4,890,793	9,792,943	–	–
	9,643,145	12,944,737	4,752,352	3,151,794

16. INVENTORIES

	Group	
	2024 RM	2023 RM
Trading goods:		
- At cost	15,011,960	12,059,715
- At net realisable value	–	345,495
Net carrying amount	15,011,960	12,405,210

16. INVENTORIES (CONT'D)

	Group 2024 RM	Group 2023 RM
Recognised in profit or loss:		
Inventories written down	–	1,208,457
Inventories written off	–	917,842
Inventories recognised as cost of sales	46,534,591	32,252,958

17. TRADE AND NON-TRADE RECEIVABLES

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Trade receivables					
Third parties	(a)	17,292,690	8,018,028	–	–
Amount due from related parties	(b)	1,525,841	3,862,893	–	–
		18,818,531	11,880,921	–	–
Less: Impairment loss	(c)				
- Third parties		(99,176)	(192,372)	–	–
- Amount due from related parties		(1,348,244)	(3,040,666)	–	–
		(1,447,420)	(3,233,038)		
		17,371,111	8,647,883	–	–
Non-trade receivables					
Third parties	(d)	5,276,176	5,998,518	365	365
Amounts due from subsidiaries	(e)	–	–	41,444,077	46,288,213
		5,276,176	5,998,518	41,444,442	46,288,578
Less: Impairment loss	(f)				
- Third parties		(128,251)	(128,251)	–	–
		5,147,925	5,870,267	41,444,442	46,288,578
Deposits		149,710	176,138	23,100	23,500
Advances	(g)	144,825	142,625	–	–
Prepayment	(h)	607,075	746,447	30,844	44,675
Non-trade receivables, net		6,049,535	6,935,477	41,498,386	46,356,753
Total trade and non-trade receivables		23,420,646	15,583,360	41,498,386	46,356,753

(a) The normal credit terms of trade receivables of the Group range from 30 to 120 days (2023: 30 to 120 days). Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

17. TRADE AND NON-TRADE RECEIVABLES (CONT'D)

(b) The amount due from related parties are trade in nature, unsecured, interest-free and subject to normal credit term of Nil to 120 days (2023: Nil to 120 days).

Significant related party transactions have been disclosed in Note 25 of the financial statements.

(c) The breakdown of allowance for impairment loss are as follows:

	Group	
	2024	**2023**
	RM	**RM**
Amount due from related parties		
At 1 January	3,040,666	–
Addition	–	3,040,666
Reversal	(1,692,422)	–
	1,348,244	3,040,666
Third parties		
At 1 January	192,372	599,101
Addition	99,176	56,402
Reversal	(28,297)	–
Written off	(164,075)	(463,131)
	99,176	192,372

(d) Included in non-trade receivables ofthe Group arenet advance payments made to suppliers for purchase of inventories amounted to RM2,451,846 (2023: RM2,183,396) and for purchase of plant and machineries amounted to RMNil (2023: RM1,534,811). Remaining capital commitment is disclosed in Note 28.

(e) The amount due from the subsidiaries represents management fee receivable which is subject to normal credit term of 60 days (2023: 60 days) and unsecured advances for purchase of goods, which bear interest of Nil% (2023: 4%) per annum and collectible on demand.

(f) The breakdown of allowance for impairment loss are as follows:

	Group	
	2024	**2023**
	RM	**RM**
At 1 January	128,251	–
Addition	–	128,251
	128,251	128,251

(g) Included in advances of the Group amounted to RM141,925 (2023: RM141,925) made for obtaining warehouse license and layout plan. The amount will be capitalised into property, plant and equipment subsequently when the warehouse license and layout plan are received from the authority.

(h) Included in prepayments of the Group is an amount of RMNil (2023: RM684,422) relating to administrative costs and withholding taxes on the industrial land/plot of which the Sale and Purchase Agreement has been entered during the financial year 2023.

18. FIXED DEPOSITS PLACED WITH LICENSED BANKS

(i) The fixed deposits placed have maturity period ranging from 1 to 12 months (2023: 3 to 12 months) with the effective interest rate range from 2.00 to 2.70% (2023: 2.35% to 3.00%) per annum. Fixed deposits of RM2,750,000 (2023: RM2,750,000) have been pledged to licensed banks as security for borrowings (Note 23) granted to the Group.

(ii) Included in the cash and bank balances of the Group at the end of the reporting period is an amount of RM41,000 (2023: RM41,000) pledged deposit to a licensed bank as security for performance guarantee which is non-interest bearing.

19. (a) SHARE CAPITAL

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		RM	RM
Ordinary shares				
Issued and fully paid				
At 1 January	305,571,540	152,785,770	95,192,172	57,680,204
Issuance of shares	–	152,785,770	–	38,196,442
Expenses on rights issue of shares	–	–	–	(684,474)
At 31 December	305,571,540	305,571,540	95,192,172	95,192,172

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one (1) vote per share without restriction and rank equally with regards to the Company's residual interests.

(b) REDEEMABLE PREFERENCE SHARES

	Group			
	2024	2023	2024	2023
	Number of preference shares		RM	RM
Redeemable preference shares				
At 1 January	–	–	–	–
Addition	216,000	–	7,264,706	–
At 31 December	216,000	–	7,264,706	–

The salient features of the Group's redeemable preference shares are as follows:

(i) Each holder of redeemable preference share shall be entitled to receive any dividend at any time and from time to time at the rate equivalent to the rate of dividend declared and paid on one ordinary share.

(ii) The subscription price for each redeemable preference share shall be IDR2,400,000. Each redeemable preference share shall have a par value of IDR2,400,000 and shall redeemed in Singapore Dollars ("SGD").

19. (b) REDEEMABLE PREFERENCE SHARES (CONT'D)

The salient features of the Group's redeemable preference shares are as follows: (Cont'd)

(iii) The holder of redeemable preference share shall, in a liquidation of, or on a return of capital by the Group be entitled (in priority to any distribution or payment to be made in favour of holders of any other classes of shares in the Company) to be paid the issue amount for each redeemable preference share.

(iv) The redeemable preference shares shall not confer the right to any further or other rights to participate in the profits or assets of the Group nor shall they confer a right to participate in any issue of ordinary shares.

(v) The holder of redeemable preference shares shall not be entitled to attend or vote at any General Meeting, but shall be entitled to attend, speak and vote at any class meeting of the holders of the redeemable preference shares.

(vi) The Group shall have the right at any time and from time to time to redeem the redeemable preference shares upon giving to the holder of redeemable preference shares not less than 30 days' notice in writing.

(vii) The holder of redeemable preference shares shall be entitled to attend (in person or by proxy or attorney or in the case of a corporation, by a representative) any General Meeting of the Company and to be counted for the purposes of a quorum at such General Meeting and, in a poll thereat, to one vote in respect of each redeemable share held if (but only if):

- the redeemable preference shares dividend or any part thereof is in arrears and has remained unpaid for at last 12 months;
- the resolution in question varies or abrogates the rights attached to the redeemable preference shares; or
- the resolution in question is for the winding-up of the Company.

20. RETAINED EARNINGS

Under the single tier system introduced by the Finance Act, 2007 in Malaysia which came into effect from the year of assessment 2008, dividends paid under this system are tax exempt in the hands of shareholders. As such, the whole retained earnings can be distributed to shareholders as tax-exempt dividends.

21. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences translation of the financial statements of foreign operations whose functional currencies different from that of the Group's presentation currency. It is also used to record differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional reporting entity or the foreign operation.

22. NON-CONTROLLING INTEREST

The subsidiaries that have material non-controlling interest ("NCI") are as follows:

	PT Adventa Biotech International RM	Wenda International (ZIBO) Limited RM	Total RM
2024			
Percentage of ownership interest and voting interest of NCI	1%	10%	
Carrying amount of NCI	(18,837)	14,195	(4,642)
Minority share of profit	(14,575)	(4,010)	(18,585)
Other comprehensive income allocated to NCI	(28,659)	18,205	(10,454)
Profit allocated to NCI	(43,234)	14,195	(29,039)
As at 31 December:			
Non-current assets	40,267,620	–	40,267,620
Current assets	3,518,602	(2,696,581)	822,021
Current liabilities	(36,481,061)	2,838,536	(33,642,525)
Net assets	7,305,161	141,955	7,447,116
Less:			
Redeemable preference shares	(7,264,706)	–	(7,264,706)
Foreign translation differences on the amount due from holding company	(2,174,390)	–	(2,174,390)
Add: Dividend paid	250,200	–	250,200
	(1,883,735)	141,955	(1,741,780)
Revenue	–	205,837	205,837
Profit of the year	(1,457,536)	(40,098)	(1,497,634)
Total comprehensive income	(2,149,057)	(40,034)	(2,189,091)
Cash inflow from operating activities	1,129,313	4,796,846	5,926,159
Cash outflow from investing activities	(23,011,404)	–	(23,011,404)
Cash inflow from financing activities	14,431,438	751,843	15,183,281
Net (decrease)/increase in cash and cash equivalents	(1,975,093)	13,572	(1,961,521)

22. NON-CONTROLLING INTEREST (CONT'D)

The subsidiaries that have material non-controlling interest ("NCI") are as follows: (continued)

	PT Adventa Biotech International RM	Mycare Lanka RM	Total RM
2023			
Percentage of ownership interest and voting interest of NCI	1%	–	
Carrying amount of NCI	24,397	–	24,397
Loss allocated to NCI	(8,106)	(74,141)	(82,247)
Other comprehensive income allocated to NCI	1,771	3,038	4,809
Profit allocated to NCI	(6,335)	(71,103)	(77,438)
As at 31 December:			
Non-current assets	17,156,216	–	17,156,216
Current assets	6,282,821	–	6,282,821
Current liabilities	(20,999,325)	–	(20,999,325)
Net assets	2,439,712	–	2,439,712
Revenue	–	–	–
Loss for the financial year	(810,601)	(151,309)	(961,910)
Total comprehensive income	(633,513)	(145,108)	(778,621)
Cash outflow from operating activities	(1,238,061)	–	(1,238,061)
Cash outflow from investing activities	(17,569,911)	–	(17,569,911)
Cash inflow from financing activities	20,970,908	–	20,970,908
Net increase in cash and cash equivalents	2,162,936	–	2,162,936

23. LOANS AND BORROWINGS

		Group	
		2024 **RM**	**2023** **RM**
Secured:			
Non-current			
Term loan	(i)	–	5,669,592
Current			
Term loan	(i)	–	1,460,908
Bankers' acceptance	(ii)	2,326,280	184,000
Short-term trade financing	(ii)	7,022,967	1,242,330
		9,349,247	2,887,238
		9,349,247	8,556,830

(i) *Term loan*

	Group	
	2024 **RM**	**2023** **RM**
Repayable within one year (current)	–	1,460,908
Repayable between one and two years	–	1,586,096
Repayable between two and five years	–	4,083,496
Repayable after one year (non–current)	–	5,669,592
	–	7,130,500

The term loan is secured by the following:

(a) Third party legal change over a piece of leasehold land and building held by the Group as disclosed in Note 11; and
(b) Corporate guarantee by the Company.

(ii) *Banker's acceptance and short-term trade financing*

The banker's acceptance and short-term trade financing were secured by the following:

(a) Fixed deposits with licensed bank as disclosed in Note 18 to the financial statements; and
(b) Corporate guarantee by the company.

23. LOANS AND BORROWINGS (CONT'D)

The effective interest rates per annum of the borrowing as follows:

	Group	
	2024 RM	2023 RM
Term loan	–	8.25%
Bankers' acceptance	4.75%	7.49% - 10.32%
Short-term trade financing	1.25% - 2.00%	7.82% - 8.07%

24. TRADE AND NON-TRADE PAYABLES

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Trade payables					
Third parties	(i)	2,057,448	2,703,106	–	–
Non-trade payables					
Third parties	(ii)	1,701,000	1,529,520	108,678	481,050
Accruals		1,230,594	831,748	186,525	131,834
Refundable deposits received		143,220	143,220	–	–
Amount due to subsidiaries	(iii)	–	–	–	6,852,342
		3,074,814	2,504,488	285,391	7,465,226
Total trade and non-trade payables		5,132,262	5,207,594	295,203	7,465,226

(i) The normal credit terms granted by the trade creditors to the Group and the Company range from 30 to 120 days (2023: 30 to 120 days) respectively.

(ii) Included in the non-trade payables are net advance payments received from customers amounted to RM202,534 (2023: RM850,260) where the Group has collected the payments before goods are delivered.

(iii) Amount due to subsidiaries is non-trade in nature, unsecured, interest-free and repayable on demand.

Significant related party transactions have been disclosed in Note 25 of the financial statements.

25. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identifies of related parties

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

Related parties of the Group include:
(i) Subsidiaries;
(ii) Entities in which directors have substantial financial interests; and
(iii) Key management personnel of the Group and of the Company, comprising persons having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

25. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(b) Significant related party transactions

The Group and the Company have related party transactions with the following companies:

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
With subsidiaries:				
- Net advances to	–	–	(16,610,194)	(490,987)
- Net repayment from	–	–	22,534,329	–
- Interest income	–	–	–	(975,324)
- Management fee	–	–	(1,080,000)	(960,000)
With related parties:				
- Proceed from disposal of property, plant and equipment	–	(923,391)	–	–
- Purchase of goods	417,473	162,516	–	–
- Sales of goods	(1,049,373)	(1,615,474)	–	–
- Net repayment from/to)	1,620,707	(932,206)	–	485,600
With Director				
Low Chin Guan				
- Net repayment to	–	(166)	–	(166)
- Rental of premises	222,000	222,000	66,000	66,000

The Directors are of the opinion that the transactions above have been entered into in the ms normal course of business and have been established on terms and conditions mutually agreed between the relevant parties.

The significant balances with related parties are disclosed in Notes 17 and 24 to the financial statements.

(c) The remuneration of the Directors during the financial year is disclosed in Note 7 to the financial statements.

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Directors' remuneration:				
Fees	336,000	298,560	336,000	298,560
Salaries and other emoluments	943,629	637,145	921,000	624,000
Contribution to defined contribution plan	174,990	114,256	174,990	111,720
Social security contributions	1,873	1,999	1,873	1,902
Other employee benefit expenses	124	–	124	–
	1,456,616	1,051,960	1,433,987	1,036,182
Estimated monetary value of benefits-in-kind	28,000	–	28,000	–
	1,484,616	1,051,960	1,461,987	1,036,182

25. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D)

(c) The remuneration of the Directors during the financial year is disclosed in Note 7 to the financial statements. (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Key management personnel:				
Salaries and other emoluments	–	643,846	–	643,846
Contribution to defined contribution plan	–	103,016	–	103,016
Social security contributions	–	953	–	953
	–	747,815	–	747,815
	1,484,616	1,799,775	1,461,987	1,783,997

26. SEGMENT INFORMATION

Products and services from which reportable segments derive their revenue

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal reports of the Group's strategic business units which are regularly reviewed by the Executive Director for the purpose of making decisions about resource allocation and performance assessment.

The three reportable operating segments are as follows:

Segments	**Product and services**
Investment holdings	Investment of companies
Healthcare products	Supply of healthcare related products and services to hospitals, healthcare centres and pharmacies
Warehousing provider	Provision of storage and warehousing services

Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Executive Director. Segment results are 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.

Segment assets and liabilities

The total segment assets and liabilities are measured based on all assets (including goodwill) and liabilities of a segment, as included in the internal management reports that are reviewed by the Executive Director.

26. SEGMENT INFORMATION (CONT'D)

	Healthcare business RM	Warehousing provider RM	Investment holding RM	Elimination RM	Total RM
Group					
2024					
Revenue:					
External sales	57,866,653	435,356	–	–	58,302,009
Inter-segment sales	–	2,193,238	1,080,000	(3,273,238)	–
Total revenue	57,866,653	2,628,594	1,080,000		58,302,009
Results:					
Depreciation of property, plant and equipment	148,324	125,300	55,147	–	328,771
Depreciation of right-of-use assets	–	362,218	–	–	362,218
Employee benefit expenses	3,029,267	560,142	2,412,602	–	6,002,011
Reversal of impairment loss on: trade receivables	(1,720,719)	–	–	–	(1,720,719)
Impairment loss on					
- trade receivables	99,176	–	–		99,176
Interest income	(84,637)	–	(185,139)	–	(269,776)
(Gain)/Loss on foreign exchange, net					
- realised	(228,493)	–	(300,262)	–	(528,755)
- unrealised	14,105	–	160	–	14,265
Short term leases	170,469		66,000	–	236,469
Segment results	4,255,664	113,771	(1,734,981)	(5,970)	2,628,484
Finance costs	(427,151)	–	–	–	(427,151)
Profit/(Loss) before tax	3,828,513	113,771	(1,734,981)		2,201,333
Tax expense	(20,220)	(9,550)	–	–	(29,770)
Profit/(Loss) for the financial year	3,808,293	104,221	(1,734,981)		2,171,563
Segment assets	97,091,570	15,158,975	108,919,592	(108,725,950)	112,444,187
Segment liabilities	55,630,383	724,247	295,203	(42,168,324)	14,481,509
Other information:					
Additions to non-current assets excluding deferred tax assets and financial assets	24,851,871	32,610	117,537	–	25,002,018

26. SEGMENT INFORMATION (CONT'D)

	Healthcare business RM	Warehousing provider RM	Investment holding RM	Elimination RM	Total RM
Group					
2023					
Revenue:					
External sales	37,061,442	237,860	–	–	37,299,302
Inter-segment sales	–	2,092,677	960,000	(3,052,677)	–
Total revenue	37,061,442	2,330,537	960,000		37,299,302
Results:					
Bad debts recovered	(8,731)	–	–	–	(8,731)
Depreciation of property, plant and equipment	102,654	110,808	51,679	–	265,141
Depreciation of right-of-use assets	43,190	362,218	–	–	405,408
Employee benefit expenses	3,175,227	469,413	1,840,725	–	5,485,365
Impairment loss on:					
- Trade receivables	3,097,068	–	–	–	3,097,068
- Other receivables	128,251	–	–	–	128,251
Interest income	(70,277)	–	(1,005,050)	975,324	(100,003)
Inventories written down	1,208,457	–	–	–	1,208,457
Inventories written off	917,842	–	–	–	917,842
Gain on disposal of investment in associate	–	–	(365)	–	(365)
(Gain)/Loss on foreign exchange, net					
- realised	(102,972)	–	–	–	(102,972)
- unrealised	23,903	–	69	–	23,972
Loss on disposal of property, plant and equipment	120	–	–	–	120
Loss on disposal of a subsidiary	11,060	–	–	(6,612)	4,448
Property, plant and equipment written off	286,147	503	415	–	287,065
Right-of-use assets:					
- Short-term leases	245,289	–	66,000	–	311,289
Segment results	(8,132,489)	438,367	(952,659)	(968,712)	(9,615,493)
Interest expense	(1,555,207)	–	(87,244)	975,324	(667,127)
(Loss)/Profit before tax	(9,687,696)	438,367	(1,039,903)		(10,282,620)
Income tax credit	1,122,538	1,513	–	–	1,124,051
(Loss)/Profit for the financial year	(8,565,158)	439,880	(1,039,903)		(9,158,569)
Segment assets	74,158,202	14,685,245	117,824,596	(100,977,160)	105,690,883
Segment liabilities	61,390,383	354,738	7,465,226	(55,445,923)	13,764,424
Other information:					
Additions to non-current assets excluding deferred tax assets and financial assets	17,587,395	325,514	–	–	17,912,909

26. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue based on geographical location of the Group's customers are as follows:

	Group	
	2024 **RM**	**2023** **RM**
Revenue:		
- Malaysia	58,193,806	36,986,290
- Sri Lanka	36,124	100,747
- Others	72,079	212,265
	58,302,009	37,299,302

Major customer information

The Group has 1 customer which contribute approximately RM14.29 million or 25% (2023: 1 customer, RM4.68 million or 13%) of the Group's revenue during the financial year end.

27. FINANCIAL INSTRUMENTS

Categories of financial instruments

The table below provide an analysis on categories of financial instruments as:

(a) Financial assets measured at amortised cost ("AC")
(b) Financial liabilities measured at amortised cost ("AC")
(c) Financial assets measured at fair value through profit or loss "FVTPL"

	Carrying amount RM	**AC RM**	**FVTPL RM**
Group			
2024			
Financial assets			
Trade and non-trade receivables (excluding prepayments)	22,813,571	22,813,571	–
Other investment	11,500,000	–	11,500,000
Fixed deposits with licensed banks	2,801,017	2,801,017	–
Cash and bank balances	4,506,565	4,506,565	–
Financial guarantee	88,980	88,980	–
	41,710,133	30,210,133	11,500,000
Financial liabilities			
Trade and non-trade payables (excluding deposit received)	4,989,042	4,989,042	–
Loans and borrowings	9,349,247	9,349,247	–
	14,338,289	14,338,289	–

27. FINANCIAL INSTRUMENTS (CONT'D)

Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM
Group			
2023			
Financial assets			
Other investments	11,500,000	–	11,500,000
Trade and non-trade receivables	14,836,913	14,836,913	–
Fixed deposits placed with licensed banks	25,750,000	25,750,000	–
Cash and bank balances	8,403,581	8,403,581	–
Financial guarantee	97,561	97,561	–
	60,588,055	49,088,055	11,500,000
Financial liabilities			
Trade and non-trade payables	5,207,594	5,207,594	–
Loans and borrowings	8,556,830	8,556,830	–
	13,764,424	13,764,424	–
Company			
2024			
Financial assets			
Trade and non-trade receivables	41,617,969	41,617,969	–
Cash and bank balances	2,908,186	2,908,186	–
	44,526,155	44,526,155	–
Financial liability			
Trade and non-trade payables	295,204	295,204	–
2023			
Financial assets			
Trade and non-trade receivables	46,312,078	46,312,078	–
Fixed deposits placed with licensed banks	23,000,000	23,000,000	–
Cash and bank balances	2,465,132	2,465,132	–
	71,777,210	71,777,210	–
Financial liability			
Trade and non-trade payables	7,465,226	7,465,226	–

27. FINANCIAL INSTRUMENTS (CONT'D)

Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	**2023 RM**	**2024 RM**	**2023 RM**
Net gains/(losses) arising on:				
Financial assets measured at amortised cost				
Reversal of impairment loss on trade receivables	1,720,719	–	–	–
Impairment loss on trade receivables	(99,176)	(3,097,068)	–	–
Impairment loss on non- trade receivables	–	(128,251)	–	–
Unrealised loss on foreign exchange	(14,265)	(23,972)	–	(69)
Bad debt recoverable	–	(8,731)	–	–
Interest income	269,776	100,003	185,139	1,005,050
Realised gain on foreign exchange	(528,755)	(102,972)	(300,262)	–
	1,348,299	(3,260,991)	(115,123)	1,004,981
Financial liabilities measured at amortised cost				
Interest expense	(427,151)	(667,127)	–	(87,244)
Financial asset measured at fair value through profit or loss				
Dividend income	920,000	–	–	–

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, foreign currency risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing its credit risk, foreign currency risk, interest rate risk and liquidity risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises primarily from its receivables (which consist of trade and other receivables), amounts due from an associate and related parties and cash and cash equivalents. The Company's exposure to credit risk arises primarily from its receivables (which consist of other receivables), amounts due from subsidiaries and a related party, as well as financial guarantees given to banks for credit facilities granted to certain subsidiaries and cash and cash equivalents. There are no significant changes as compared to prior years.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Trade receivables

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's association to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

Healthcare business

As the Group does not hold any collateral, the maximum exposure to credit risk from receivables is represented by the carrying amounts in the statements of financial position as at the end of the reporting period.

Warehousing provider

The Group's policy is to collect deposits from the customers upon signing of the service agreement. These deposits collected from customers serve as security deposits by the Group in the event of default in rental payment.

As at the end of the reporting period, there is no allowance for impairment loss arising from the trade receivable as the credit risk is mitigated by the security deposits in the event of default payment.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the profiles of their receivables on an ongoing basis.

As at the reporting date, the Group has significant concentration of credit risk arising from the amounts due from 1 customer (2023: 3 customers) constituting 53% (2023: 48%) of net trade receivables of the Group.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values.

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses. The Group assesses impairment of trade receivables on individual and collective basis

For individual assessment, it is due to different credit risk characteristics and the number of debtors is minimal and these debtors can be individually managed by the Group in an effective and efficient manner. The Group has reasonable and supportable information available to assess the impairment individually.

For collective assessment, the Group determines the expected credit losses by using a provision matrix for collective assessed receivables which are grouped shared credit risk characteristics, the number of days past due and similar types of contracts which have similar risk characteristics.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the forward-looking information on macroeconomic factors. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current economic conditions and (c) the Group's view of economic conditions over the expected lives of the receivables.

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the sales management team and where necessary, the Group will also commence legal proceeding against the customers.

Ageing analysis

The ageing analysis of the Group's trade receivables as at reporting date are as follows:

	Gross amount RM	Loss allowance RM	Carrying amount RM
2024			
Not past due	14,688,972	(86,083)	14,602,889
Past due:			
- 31 to 60 days	17,391	–	17,391
- 61 to 90 days	306,712	(1,798)	304,914
- 91 to 120 days	340,702	(2,060)	338,642
- more than 120 days	2,116,510	(9,235)	2,107,275
	17,470,287	(99,176)	17,371,111
Credit impaired			
Individually impaired	1,348,244	(1,348,244)	–
Total	18,818,531	(1,447,420)	17,371,111
2023			
Not past due	4,626,085	(4,921)	4,621,164
Past due:			
- less than 30 days	619,275	(2,803)	616,472
- 31 to 60 days	576,464	(5,363)	571,101
- 61 to 90 days	403,576	(9,070)	394,506
- 91 to 120 days	45,710	(219)	45,491
- more than 120 days	2,405,071	(5,922)	2,399,149
	8,676,181	(28,298)	8,647,883
Credit impaired			
Individually impaired	3,204,740	(3,204,740)	–
Total	11,880,921	(3,233,038)	8,647,883

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Credit impaired

Trade receivables that are individually or collectively determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments which are past due more than 270 to 365 days from different customer profiles. These receivables are not secured by any collateral or credit enhancements.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Non-trade receivables

Expected credit loss of non-trade receivables is determined individually after considering the financial strength of the non-trade receivables. As at the end of the reporting period, the maximum exposure to credit risks is represented by their carrying amounts in the statements of financial position.

As at the end of the reporting period, the Group has assessed debtors which are past due more than 1 year as credit impaired. As such, the Group has provided allowances for expected credit losses on these debtors as disclosed in Note 17.

Credit risk on deposits is mainly arising from deposits paid to landlord and local authorities as security and utilities deposit for rental of premises and for collateral which will be received upon termination of such services and thus have low credit risks. The Group and the Company manage the credit risk together with the leasing arrangement.

As at the end of the reporting period, no allowance for doubtful debts is necessary in respect of the deposits as these are mainly arising from debtors that have good records of payment in the past.

Financial guarantees

Risk management objectives, policies and processes for managing risks

The Company provides financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounted to RM9,349,247 (2023: RM8,556,830), representing the outstanding credit facilities of the subsidiaries as at the end of reporting period. The financial guarantees are provided as credit enhancements to the subsidiaries' secured loans.

Recognition and measurement of impairment loss

These financial guarantees are subject to the impairment requirement under MFRS 9. The Company assumes that there is a significant increase in credit risk when the subsidiaries financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

(i) The subsidiaries are unlikely to repay its credit obligations to the bank in full; or

(ii) The subsidiaries are continuously loss-making and having a deficit in shareholders' fund.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of the reporting period, there was no indication that the subsidiaries' which were granted these loan facilities would default on repayment. Hence, the financial guarantees granted by the Company has not been recognised since the fair value on initial recognition was not material.

<u>Amount due from related parties</u>

Exposure to credit risk , credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral.

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Recognition and measurement of impairment loss

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans or advances to be credit impaired when the subsidiaries are unlikely to repay their loans or advances to the Company in full given insufficient highly liquid resources when the loans are demanded.

The Company determines the probability of default for these loans and advances individually using internal information available.

As at the reporting date, there was no indication of impairment loss in respect of amounts due from subsidiaries.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on sales and purchase that are denominated in currencies other than the functional currency of the Group, which is RM. The currencies giving rise to the risk are primarily Chinese Yuan Renminbi ("CNY"), Indonesian Rupiah ("IDR"), United States Dollar ("USD") and Euro ("EUR") respectively.

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Foreign currency risk (Cont'd)

The Group's exposure to foreign currencies is as follows:

Foreign currencies 2024	CNY RM	IDR RM	USD RM	EUR RM	Total RM
Financial assets					
Cash and bank balances	22,862	–	60,790	–	83,652
Trade and non-trade receivables	373,908	–	–	–	373,908
Financial liability					
Trade and non-trade payables	(233,947)	–	(1,341,733)	–	(1,575,680)
	162,823	–	(1,280,943)	–	(1,118,120)
2023					
Financial assets					
Cash and bank balances	10,771	–	86,949	–	97,720
Trade and non-trade receivables	158,717	164,074	111,976	15,046	449,813
Financial liability					
Trade and non-trade payables	(391,954)	–	(979,296)	–	(1,371,250)
	(222,466)	164,074	(780,371)	15,046	(823,717)

Sensitivity analysis of foreign currency risk

The following table details the sensitivity of Group's profit net of tax to a reasonably possible change in these foreign currencies exchange rates against the functional currency of the Group, with all other variables held constant:

		Group	
		2024 Increase/ (Decrease) RM	**2023 Increase/ (Decrease RM**
Effect on profit after tax			
CNY/RM	- Strengthened by 5% (2023: 5%)	6,187	8,454
	- Weakened by 5% (2023: 5%)	(6,187)	(8,454)
IDR/RM	- Strengthened by 5% (2023: 5%)	–	(6,235)
	- Weakened by 5% (2023: 5%)	–	6,235
USD/RM	- Strengthened by 5% (2023: 5%)	49,162	29,654
	- Weakened by 5% (2023: 5%)	(49,163)	(29,654)
EUR/RM	- Strengthened by 5% (2023: 5%)	–	(572)
	- Weakened by 5% (2023: 5%)	–	572

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policies are to obtain the most favourable interest rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates its effective interest rates at the reporting date and the periods in which they mature or are reprice.

Effective interest rates and repricing analysis

	Effective interest rate per annum %	Within 1 year RM	1 - 5 years RM	Total RM
Group				
2024				
Financial asset				
Fixed deposits with licensed banks	2.00% - 2.65%	2,801,017	–	2,801,017
Financial liabilities				
Loans and borrowings				
- Bankers' acceptance	4.75%	(2,326,280)	–	(2,326,280)
- Short term trade financing	1.25% - 2.00%	(7,022,967)	–	(7,022,967)
		(9,349,247)	–	(9,349,247)
2023				
Financial asset				
Fixed deposit with licensed banks	2.35% - 3.00%	25,750,000	–	25,750,000
Financial liabilities				
Loans and borrowings				
- Term loan	8.25%	(1,460,908)	(5,669,592)	(7,130,500)
- Bankers' acceptance	7.49 - 10.32%	(184,000)	–	(184,000)
- Short term trade financing	7.82% - 8.07%	(1,242,330)	–	(1,242,330)
		(2,887,238)	(5,669,592)	(8,556,830)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis

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

	Group	
	2024 RM	2023 RM
Effects on profit after taxation:		
Increase of 10 basis points	49,767	130,668
Decrease of 10 basis points	(49,767)	(130,668)

Cash flow risk

The Group and the Company review its cash flow position regularly to manage their exposure to fluctuations in future cash flows associated with their monetary financial instruments.

Liquidity risk

Liquidity risk is the risk that the Group and that Company will encounter difficulty in meeting financial obligations when they fall due. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, by matching the maturity profiles of financial assets and liabilities, and by monitoring and maintaining a level of cash and cash equivalents deemed adequate by management to finance the Group's and the Company's operations and to mitigate the effects of fluctuations in cash flows.

Maturity analysis

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

	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	1 - 5 years RM
Group				
2024				
Trade and non-trade payables	5,132,262	5,132,262	5,132,262	–
Loans and borrowings	9,349,247	9,349,247	9,349,247	–
	14,481,509	14,481,509	14,481,509	–
2023				
Trade and non-trade payables	5,207,594	5,207,594	5,207,594	–
Loans and borrowings	8,556,830	9,980,306	3,497,358	6,482,948
	13,764,424	15,187,900	8,704,952	6,482,948

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

Fair values

The financial assets and financial liabilities maturing within the next twelve (12) months approximated their fair values due to the relatively short-term maturity of the financial instruments.

The fair values of obligations under finance leases and fixed rate term loan are determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the reporting period. The carrying amount of the variable term loan approximated its fair value as the instruments bear interest at variable rates.

28. CAPITAL COMMITMENT

	Group	
	2024 RM	**2023 RM**
Authorised and contracted for:		
- Plant and equipment for the manufacturing facility	2,565,000	19,609,066

29. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments to it, in light of changes in business and economic conditions.

No changes were made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

Under the requirements of Bursa Malaysia Practice Note 17, the Group is required to maintain a consolidated shareholders' equity to or not less than 25% of the issued and paid-up capital (excluding treasury shares). The Group has complied with this requirement.

The debt-to-equity ratio is calculated as net debt divided by total equity, and where net debt is calculated as borrowings less cash and cash equivalents. The debt-to-equity ratio of the Group as at the end of the reporting period were as follows:

	Group	
	2024	**2023**
Loans and borrowings	9,349,247	8,556,830
Total equity	97,967,327	91,902,062
Gearing ratio (times)	0.095	0.093

31. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation.

	As previously reported RM	As reclassified RM
Group		
Statements of Financial Position		
Current liabilities		
Trade payables	3,522,706	2,703,106
Loans and borrowings	2,067,638	2,887,238
Statements of Cash Flows		
Cash flows from operating activities		
Decrease/(Increase) in trade and other payables	(1,268,177)	(2,087,777)
Cash flows from financing activities		
Drawdown/(repayment) of loans and borrowings	7,196,534	8,016,134
Statements of comprehensive income		
Pre-operating expenses	–	810,601
Impairment loss on receivables	–	3,225,319
Other expenses	6,599,965	2,823,449
Administrative expenses	5,510,243	5,250,839

32. GENERAL INFORMATION

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

The principal activities of the Company are investment holding and provision of management services The principal activities of the subsidiaries are set out in Note 13 to the financial statements.

The registered office and principal place of business of the Company is located at No. 21, Jalan Tandang 51/205A, Seksyen 51, 46050 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were approved and authorised for issue by the Board of Directors on 21 April 2025.

LIST OF PROPERTIES

FOR YEAR ENDED 31 DECEMBER 2024

Name of registered owner/Address	Description/Use	Land Area (square metres)	Tenure	Age of Building (No. of Years)	Net Book Value as at 31.12.2024 RM'000	Date of Revaluation Or Acquisition
PTM Progress Trading & Marketing Sdn. Bhd. Lot PT17 HSM 9655 Mukim of Sungai Buluh District of Petaling Selangor, Malaysia	Warehouse	8,090	60 years leasehold expiring on 29.12.2055	9	10,940	22.12.2014
PT Adventa Biotech International Jl Pareanom No. 11 Kawasan Industri Kendal Kel. Brangsong, Kec. Brangsong Kab. Kendal Jawa Tengah 51371 Indonesia	Factory	32,400	22 years leasehold expiring on 21.12.2045	1	13,781	–

STATISTICS OF SHAREHOLDINGS

AS AT 2 APRIL 2025

Class of Shares	:	Ordinary Shares
On a poll	:	One (1) vote per Ordinary Share
Total number of issued shares	:	305,571,540 Ordinary Shares

ANALYSIS OF SHAREHOLDINGS

A. DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 99	166	2.41	5,995	0.00
100 - 1,000	1,455	21.13	988,218	0.32
1,001 - 10,000	3,586	52.08	17,075,828	5.59
10,001 - 100,000	1,527	22.18	47,754,200	15.63
100,001 - 15,278,576 (*)	149	2.16	52,694,820	17.24
15,278,577 AND ABOVE (**)	2	0.03	187,052,479	61.21
TOTAL	**6,885**	**100.00**	**305,571,540**	**100.00**

Remark: * *less than 5% of issued holdings*
** *5% and above of issued holdings*

B. SUBSTANTIAL SHAREHOLDERS

(as shown in the Register of Substantial Shareholders)

		Direct		Indirect	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Low Chin Guan	133,176,079	43.58	–	–

C. DIRECTORS' SHAREHOLDINGS

(as shown in the Register of Directors' Shareholdings)

		Direct		Indirect	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Low Chin Guan	133,176,079	43.58	–	–
2.	Kwek Siew Leng	1,168,800	0.38	–	–
3.	Toh Seng Thong	–	–	–	–
4.	Edmond Cheah Swee Leng	1,400,200	0.46	–	–
5.	Dato' Selwyn Vijayarajan Das	–	–	–	–
6.	Muhamad Yazdi bin Che Ya	–	–	–	–

Mr. Low Chin Guan, by virtue of his total direct interests of 133,176,079 shares in the Company, and pursuant to Section 8(4)(c) of the Companies Act 2016, is deemed interested in the shares in all of the Company's subsidiary companies to the extent that the Company has interests.

D. THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS

No.	Shareholders	Number of Shares	%
1.	Low Chin Guan	133,176,079	43.58
2.	HSBC Nominees (Asing) Sdn. Bhd. Exempt an for Clearstream Banking S.A.	53,876,400	17.63
3.	Low Lea Kwan	11,021,920	3.61
4.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Teck Huat	2,706,300	0.89
5.	Chong Ching Yee	1,500,000	0.49
6.	Chan Yen Jone	1,452,700	0.48
7.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Edmond Cheah Swee Leng	1,400,200	0.46
8.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chan Kai Lum	1,343,700	0.44
9.	Kwek Siew Leng	1,168,800	0.38
10.	TASEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Sin Tong Meng	760,000	0.25
11.	Khoo Se Hai	750,000	0.25
12.	K Mayah A/P Kuppusamy @ Naghuran	730,400	0.24
13.	Lim Hui Hui	671,500	0.22
14.	Tan Yew Poh	661,800	0.22
15.	Liew Thau Sen	625,100	0.20
16.	Chia Lee Aik	603,900	0.20
17.	Ho Yin Keong	600,000	0.20
18.	Ng Chai Yong	569,600	0.19
19.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chang Jong Yu	560,000	0.18
20.	CIMSEC Nominees (Tempatan) Sdn. Bhd. - CIMB for Kuah Hun Liang	500,000	0.16
21.	Lim Soon Huat	451,400	0.15
22.	Chan Puay Guan	450,000	0.15
23.	Theang Wai Kit	450,000	0.15
24.	Ting Mee Ling	400,000	0.13
25.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Ng Tiong Sew	394,000	0.13
26.	Chin Swee Ming	375,300	0.12
27.	Chong Kok Loong	361,000	0.12
28.	Maybank Nominees (Tempatan) Sdn. Bhd. – Tan Jun Han	340,000	0.11
29.	Sin Tong Meng	320,000	0.10
30.	W H Timber Industries Sdn. Bhd.	320,000	0.10
		218,540,099	**71.52**

NOTICE OF TWENTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second Annual General Meeting of the Company will be held at 21, Jalan Tandang 51/205A, Seksyen 51, 46050 Petaling Jaya, Selangor Darul Ehsan on Monday, 23 June 2025 at 3:00 p.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon. **[Please refer to Explanatory Note (i)]**

2. To approve the payment of Directors' fees and benefits amounting to RM336,000/- for the financial year ending 31 December 2025. **(Resolution 1)**

3. To re-elect the following Directors who retire pursuant to Clause 114 of the Company's Constitution, and being eligible, have offered themselves for re-election:-

   (a) Mr. Toh Seng Thong; and **(Resolution 2)**
   (b) Dato' Selwyn Vijayarajan Das. **(Resolution 3)**

4. To re-appoint PKF PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. **(Resolution 4)**

5. As Special Business

   To consider and, if thought fit, with or without any modification, to pass the following Ordinary Resolutions:-

   ORDINARY RESOLUTION 1 **(Resolution 5)**
   - AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS

   "**THAT** subject always to the Companies Act 2016, the Constitution of the Company, the approvals of Bursa Malaysia Securities Berhad and any other relevant governmental and/or regulatory authorities, where such approval is necessary, the Directors of the Company be and are hereby empowered, pursuant to the Companies Act 2016, to issue and allot shares in the Company, at any time, at such price, to such persons and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

   THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

   THAT pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 14 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016;

   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 Annual General Meeting of the Company."

ORDINARY RESOLUTION 2 **(Resolution 6)**

- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"**THAT** subject to the Companies Act 2016, the Constitution of the Company and Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the existing recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") as set out in the Company's Circular to Shareholders dated 30 April 2025 ("**Circular**") with the related parties mentioned therein subject further to the following:-

(i) the Recurrent Related Party Transactions are in the ordinary course of business which are necessary for day-to-day operations and are on normal commercial terms not more favourable than those generally available to the public and not detrimental to the minority shareholders of the Company; and

(ii) disclosure is made in the annual report of the breakdown of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year;

AND THAT the authority conferred by such mandate upon the passing of this ordinary resolution shall continue to be in force until:-

(a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;

(b) the expiration of the period within which the next Annual General Meeting of the Company after the date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(c) revoked or varied by resolution passed by the shareholders of the Company in general meeting,

whichever is the earlier,

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this resolution."

6. To transact any other ordinary business of which due notice has been given in accordance with the Companies Act 2016 or the Constitution.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)
LIM LIH CHAU (SSM PC NO. 201908001454) (LS 0010105)
Company Secretaries

Kuala Lumpur
30 April 2025

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 June 2025 ("**General Meeting Record of Depositors**") shall be eligible to attend the Meeting.

2. A Member entitled to attend and vote at the Meeting of the Company, shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote instead of the Member at the Meeting. A proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the Member to attend, participate, speak and vote at the Meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.

3. Where a Member appoints more than one (1) proxy in relation to the Meeting, he shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.

4. The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

5. Where a Member of the Company is an Exempt Authorised Nominee which holds Deposited Securities in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

6. The instrument appointing a proxy must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. The lodging of the Form of Proxy will not preclude any shareholder from participating and voting at the Twenty-Second Annual General Meeting should any shareholder subsequently wishes to do so provided a Notice of Termination of Authority to act as Proxy is given to the Company.

   All resolutions set out in this notice of meeting are to be voted by poll.

7. Any Notice of Termination of Authority to act as Proxy must be received in writing by the Company at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the commencement of the General Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-

   (a) the constitution of the quorum at such meeting;
   (b) the validity of anything he did as chairman of such meeting;
   (c) the validity of a poll demanded by him at such meeting; or
   (d) the validity of the vote exercised by him at such meeting.

Explanatory Notes to Ordinary and Special Business:

(i) Audited Financial Statements for the financial year ended 31 December 2024

This Agenda item is meant for discussion only, as the provision of Section 340(1) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

Explanatory Notes to Ordinary and Special Business: (Cont'd)

(ii) Resolutions 2 and 3 - Re-election of Directors who retire pursuant to Clause 114 of the Company's Constitution

Pursuant to Clause 114 of the Company's Constitution, an election of Directors shall take place each year. At the first Annual General Meeting of the Company, all the Directors shall retire from office, and at the Annual General Meeting in every subsequent year, one-third (1/3) of the Directors for the time being or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors including Managing Director shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the general meeting at which he retires.

For the purpose of determining the eligibility of the Director to stand for re-election at the Twenty-Second Annual General Meeting of the Company, the Board of Directors through its Nomination Committee undertakes a formal evaluation to determine the eligibility of each retiring Director in line with Practice 6.1 of the Malaysian Code on Corporate Governance, which include the following:

i. Effectiveness of the Board as a whole and the Committees of the Board;
ii. Contribution and performance of each individual Director;
iii. Fit and proper assessment; and
iv. The required mix of skills and experience and other qualities, including core competence.

Based on the results of the abovementioned evaluations, the Board of Directors considered that the performance of Mr. Toh Seng Thong and Dato' Selwyn Vijayarajan Das (referred to as "**retiring Directors**") were able to meet the Board of Directors' expectation in terms of experience, expertise, integrity, competency, participation and contribution. Each retiring Director demonstrates commitment to the role and has sufficient time to meet his commitment to the Company. The retiring Directors had abstained from deliberation and decision on their own eligibility to stand for re-election at the meetings of the Board and Nomination Committee, where relevant.

(iii) Resolution 5 - Authority to issue and allot shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights

The Company intended to renew the authority granted to the Directors of the Company at the Twenty-First Annual General Meeting of the Company held on 21 June 2024 ("**Previous Mandate**") to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting.

The General Mandate will provide flexibility to the Company to raise additional funds expeditiously and efficiently during this challenging time, to meet its funding requirements including but not limited to working capital, operational expenditures, investment project(s), and/or acquisition(s).

The Board, having considered the current and prospective financial position, needs and capacity of the Group, is of the opinion that the General Mandate is in the best interests of the Company and its shareholders.

As at the date of this notice, the Previous Mandate granted by the shareholders had not been utilised and hence no proceeds were raised therefrom.

Pursuant to Section 85(1) of the Companies Act 2016 be read together with Clause 14 of the Company's Constitution, shareholders of the Company have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

Explanatory Notes to Ordinary and Special Business: (Cont'd)

(iii) Resolution 5 - Authority to issue and allot shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights (Cont'd)

The following are excerpted from the Companies Act 2016 and the Company's Constitution:

Section 85(1) of the Companies Act 2016	Clause 14 of the Company's Constitution
Pre-Emptive Rights to New Shares Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.	14. Subject to any direction to the contrary that may be given by the Company in general meeting and subject always to this Constitution and the Act, all new shares or other Securities shall, before issue, be offered to Members who at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiry of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.

(iv) Resolution 6 - Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature

The Proposed Resolution 6 is to renew the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") granted by the shareholders of the Company at the Twenty-First Annual General Meeting held on 21 June 2024 ("**Renewal of Existing Shareholders' Mandate**") to enable the Company and/or its subsidiaries ("**the Group**") to enter into Recurrent Related Party Transactions which are necessary for the Group's day-to-day operations, subject to the transactions being in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to the minority shareholders of the Company.

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ADVENTA BERHAD

Registration No. 200301016113 (618533-M)
(Incorporated in Malaysia)

FORM OF PROXY

CDS ACCOUNT NO.	- -
NO. OF SHARES HELD	
TELEPHONE NO.	
EMAIL ADDRESS	

I/We ____
(FULL NAME IN BLOCK LETTERS)

(NRIC No./Passport No./Registration No. ____)

of ____
(FULL ADDRESS)

being a *member/members of ADVENTA BERHAD ("the Company"), hereby appoint:-

First Proxy "A"

Full Name	NRIC/Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address			

and/or

Second Proxy "B"

Full Name	NRIC/Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address			

100%

*or the **CHAIRMAN OF THE MEETING**, as *my/our proxy to vote for *me/us and on *my/our behalf at the Twenty-Second Annual General Meeting of the Company will be held at 21, Jalan Tandang 51/205A, Seksyen 51, 46050 Petaling Jaya, Selangor Darul Ehsan on Monday, 23 June 2025 at 3:00 p.m. and at any adjournment thereof.

Please indicate with an "X" in the space provided below how you wish your votes to be cast. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his discretion.

Item	Agenda	Resolution	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and the Auditors thereon			
		Resolution	For	Against
2.	To approve the payment of Directors' fees and benefits amounting to RM336,000/- for the financial year ending 31 December 2025.	1		
3.	To re-elect Mr. Toh Seng Thong who retires pursuant to Clause 114 of the Company's Constitution.	2		
4.	To re-elect Dato' Selwyn Vijayarajan Das who retires pursuant to Clause 114 of the Company's Constitution.	3		
5.	To re-appoint PKF PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	4		
Special Business				
6.	Authority to issue shares pursuant to the Companies Act 2016 and waiver of pre-emptive rights.	5		
7.	Proposed Renewal of Existing Shareholders' Mandates for Recurrent Related Party Transactions of a Revenue or Trading Nature.	6		

** Strike out whichever not applicable.*

Signed this __________ day of ________________ 2025

____
Signature(s) of Member(s)/Common Seal

Notes:

1. *In respect of deposited securities, only members whose names appear in the Record of Depositors on 16 June 2025 ("**General Meeting Record of Depositors**") shall be eligible to attend the Meeting.*
2. *A Member entitled to attend and vote at the Meeting of the Company, shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote instead of the Member at the Meeting. A proxy need not be a Member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting of the Company shall have the same rights as the Member to attend, participate, speak and vote at the Meeting and upon appointment a proxy shall be deemed to confer authority to demand or join in demanding a poll.*
3. *Where a Member appoints more than one (1) proxy in relation to the Meeting, he shall specify the proportion of his shareholdings to be represented by each proxy, failing which the appointment shall be invalid.*
4. *The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, shall either be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.*
5. *Where a Member of the Company is an Exempt Authorised Nominee which holds Deposited Securities in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.*
6. *The instrument appointing a proxy must be deposited at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time for holding the Meeting or at any adjournment thereof. The lodging of the Form of Proxy will not preclude any shareholder from participating and voting at the Twenty-Second Annual General Meeting should any shareholder subsequently wishes to do so provided a Notice of Termination of Authority to act as Proxy is given to the Company.*

   All resolutions set out in this notice of meeting are to be voted by poll.
7. *Any Notice of Termination of Authority to act as Proxy must be received in writing by the Company at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan not less than twenty-four (24) hours before the commencement of the General Meeting or at any adjournment thereof, failing which, the termination of the authority of a person to act as proxy will not affect the following in accordance with Section 338 of the Companies Act 2016:-*
   - *(a) the constitution of the quorum at such meeting;*
   - *(b) the validity of anything he did as chairman of such meeting;*
   - *(c) the validity of a poll demanded by him at such meeting; or*
   - *(d) the validity of the vote exercised by him at such meeting.*

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AFFIX
STAMP

ADVENTA BERHAD
Registration No. 200301016113 (618533-M)

c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

2nd Fold Here

Fold This Flap For Sealing

www.adventa.com.my