

STEPPING UP WITH ***PURPOSE,***
DELIVERING
WITH ***PRECISION***



ANNUAL REPORT
2025



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Annual General Meeting



Cardamom, Level 2,
The Light Hotel Penang,
Lebuh Tenggiri 2,
Bandar Seberang Jaya,
13700 Perai, Pulau Pinang

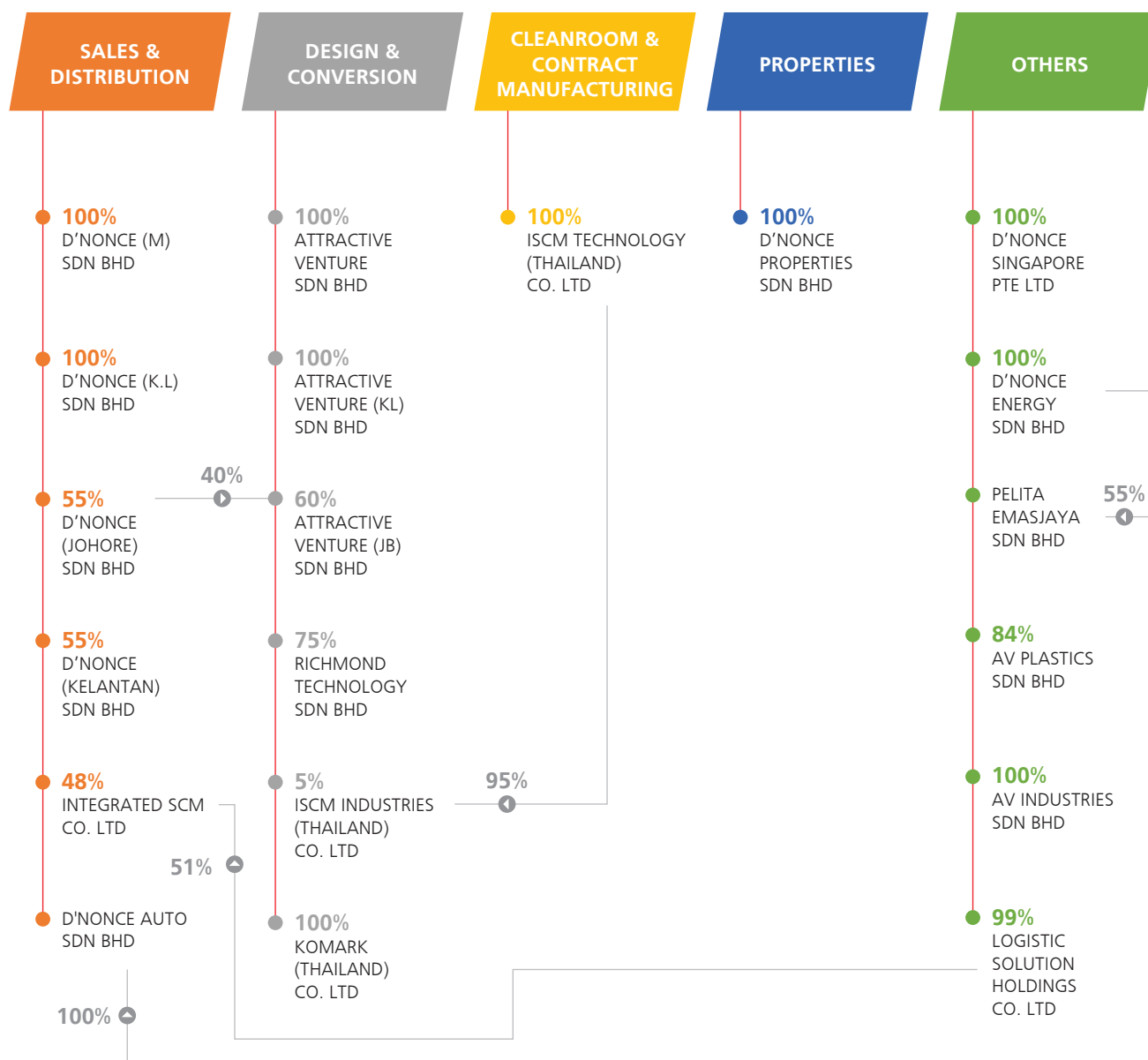


Tuesday, 23 September 2025
10:30 a.m.

Corporate Structure



Your Dependable Partner



Corporate Information

BOARD OF DIRECTORS

Dato' Moktar Bin Mohd Noor
Independent Non-Executive Chairman

Roy Ho Yew Kee
Executive Director

Datuk Sham Shamrat Sen Gupta
Independent Non-Executive Director

Datin Ong Poh Lin Abdullah
Independent Non-Executive Director

Kong June Hon
Independent Non-Executive Director
(Appointed on 16 June 2025)

Kang Teik Yih
Independent Non-Executive Director
(Resigned on 21 March 2025)



AUDIT AND RISK MANAGEMENT COMMITTEE

Kong June Hon (Chairman) (Appointed on 16 June 2025)
Kang Teik Yih (Chairman) (Resigned on 21 March 2025)
Datuk Sham Shamrat Sen Gupta
Datin Ong Poh Lin Abdullah

NOMINATING COMMITTEE

Datuk Sham Shamrat Sen Gupta (Chairman)
Kong June Hon (Appointed on 16 June 2025)
Kang Teik Yih (Resigned on 21 March 2025)

REMUNERATION COMMITTEE

Datuk Sham Shamrat Sen Gupta (Chairman)
Datin Ong Poh Lin Abdullah
Kong June Hon (Appointed on 16 June 2025)
Kang Teik Yih (Resigned on 21 March 2025)

COMPANY SECRETARIES

Wong Yuet Chyn (MAICSA 7047163)
(SSM Practicing Certificate No.: 202008002451)

Adeline Tang Koon Ling (LS0009611)
(SSM Practicing Certificate No.: 202008002271)

PRINCIPAL PLACE OF BUSINESS

No. 51-14-B&C Menara BHL,
Jalan Sultan Ahmad Shah,
10050 Georgetown, Pulau Pinang.
Tel No. : (604) 228 1198
Website : www.dnonce.com

REGISTERED OFFICE

1-10, Medan Perniagaan Pauh Jaya, Jalan Baru,
13700 Perai, Pulau Pinang.
Tel No. : (604) 390 8009
Email : secretary@prosec.com.my

SHARE REGISTRAR

Prosec Share Registration Sdn. Bhd.
DF2-09-02, Level 9, Persoft Tower,
6B, Persiaran Tropicana,
Tropicana Golf & Country Resort,
47410 Petaling Jaya, Selangor Darul Ehsan.
Tel No. : (603) 3008 1123
Fax No. : (603) 3008 1124
Email : sharereg@prosec.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
Suite 9-03, 9th Floor,
Plaza MWE,
No 8 Lebuhr Farquhar,
10200 Georgetown, Pulau Pinang.

Bank of Ayudhya Public Company Limited
1222 Rama 3 Road,
Bang Phongphang, Yan Nawa,
Bangkok 10120
Thailand.

AUDITORS

Grant Thornton Malaysia PLT(AF-0737)
Level 5, Menara BHL,
51 Jalan Sultan Ahmad Shah,
10050 Georgetown, Pulau Pinang.
Tel No. : (604) 228 7828
Fax No. : (604) 228 9828

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name: DNONCE
Stock Code: 7114

Chairman's *Statement*



Dear Valued Shareholders,

On behalf of the Board of Directors of D'nonce Technology Bhd. ("the Group"), it is my pleasure to present our Annual Report and Audited Financial Statements for the financial year ended 31 March 2025 ("FY2025").

ECONOMIC AND BUSINESS OVERVIEW

The Malaysian economic status showed a steady recovery trajectory following global uncertainties in prior years. The Malaysian economy generated a higher Gross Domestic Product ("GDP") growth of 5.1% in 2024, as compared to 3.7% growth in 2023. The Thailand economy also generated a higher growth of 2.5% GDP in 2024 as compared to 1.9% in 2023.

As of mid-2025, the United States has adopted an assertive and protectionist trade policy, with wide-ranging implications for global trade dynamics, economic growth and international relations. This has added to the uncertainties and challenges (including managing inflationary pressures, fluctuating currencies and global geopolitical tensions affecting trade) faced by the Group.

As the Group continue through this period of external challenges and uncertainties, we are cautiously optimistic as we remain focused on our core businesses, disciplined cost controls and implementation of strategic capital expenditure, diversification and investments to minimize the short term impact of the challenges and to ensure sustainable and inclusive long term growth.

FINANCIAL PERFORMANCE

I am pleased to state that we achieved a revenue of RM198.3 million in FY2025, an increase of RM21.9 million as compared to RM176.4 million in Financial Year 2024 ("FY2024"). The Group registered a loss before tax of RM22.8 million in FY2025, as compared to a loss before tax of RM8.2 million in the preceding year.

CORPORATE GOVERNANCE

The Group continues to uphold high standards of corporate governance and regularly update our policies as per regulatory requirements and industry best practices. Further details on the Group's corporate governance practices are disclosed in the subsequent sections of this annual report.

Chairman's *Statement* (Cont'd)

SUSTAINABILITY

The Group focuses strongly on sustainability in order to have continuity and to pass on our legacy to consistently achieve the best in all facets of our operations. The best strategies and practices related to Environmental, Social and Governance ("ESG") are constantly implemented and reviewed.

Sustainability is also critical in the environment and communities that we operate in and we endeavor to promote and support the introduction of better technologies and ways of doing things that are better for the environment. Additionally, we want to support the communities in which we operate so that they may grow and flourish together with us. Further details on the Group's sustainability journey are disclosed in the sustainability statement.

DIVIDEND

The Board did not recommend any dividend for the financial year ended 31 March 2025.

FORWARD LOOKING STATEMENT

According to the International Monetary Fund, the global economy is expected to grow at a steady pace of 2.4% for 2025, while the Malaysian and Thailand economies are forecasted to grow at 4.1% for Malaysia and 2.7% for Thailand respectively. Nevertheless, the global economy would continue to be underpinned by the global uncertainties and protectionist trade policies.

For the new financial year, we are cautiously optimistic in facing this challenging period and are well positioned to seize any opportunities as they present themselves. Having invested significantly in capital expenditure over the past 2 years, the Group remains focused on executing our long-term strategies. Our revenue has grown by 12.4% year on year and we are committed to maintain this momentum as well as to improve on our operational and cost efficiencies.

APPRECIATION

On behalf of the Board, we would like to extend our appreciation to our team for their continued perseverance and dedication in this challenging landscape. We would also like to extend our appreciation to all our customers, business partners and regulatory authorities for their unwavering support.

We would also like to express our appreciation to all our valued shareholders for their trust and belief in the Group. We will continue to deliver sustainable values for the longer term.

I would also like to thank our outgoing Independent Non-Executive Director, Mr. Kang Teik Yih for his support and contribution.

At the same time, we warmly welcome our new Board member, Mr. Kong June Hon who has joined us as the Independent Non-Executive Director on 16 June 2025.

Lastly, I would also like to thank my fellow board members for your insightful wisdom and collaboration. Together we will steer the Group to greater heights.

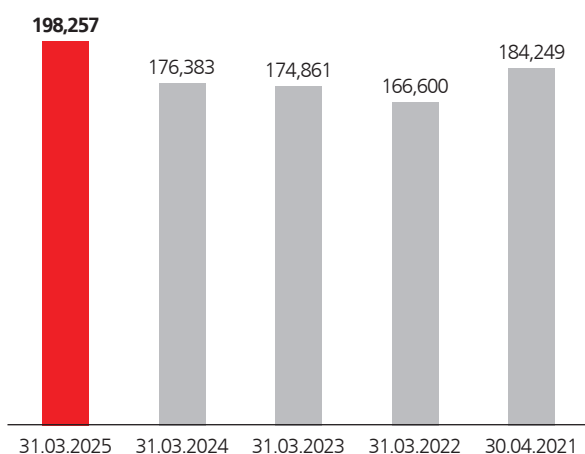
DATO' MOKTAR BIN MOHD NOOR

Independent and Non-Executive Chairman

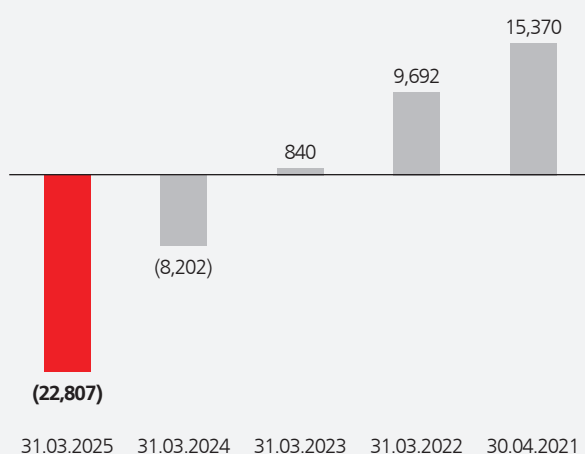
Group Financial Highlights

	31.03.2025	31.03.2024	31.03.2023	31.03.2022	30.04.2021
Financial Year Ended	(12 months)	(12 months)	(12 months)	(restated) (11 months)	(restated) (12 months)
Revenue (RM'000)	198,257	176,383	174,861	166,600	184,249
(Loss)/Profit Before Tax (RM'000)	(22,807)	(8,202)	840	9,692	15,370
(Loss)/Profit After Tax (RM'000)	(24,471)	(8,726)	65	8,822	13,796
(Loss)/Profit attributable to Owners of the Company (RM'000)	(24,106)	(8,832)	(259)	8,668	13,502
Basic (Loss)/Earnings per Share (Sen)	(2.78)	(1.95)	(0.07)	2.55	4.61
Total Assets (RM'000)	323,704	334,181	289,560	260,375	218,614
Total Liabilities (RM'000)	109,066	95,719	81,586	61,222	63,564
Equity attributable to Owners of the Company (RM'000)	209,199	232,659	202,276	193,779	149,752
Return on Equity	(11.70%)	(3.75%)	0.03%	4.55%	9.21%

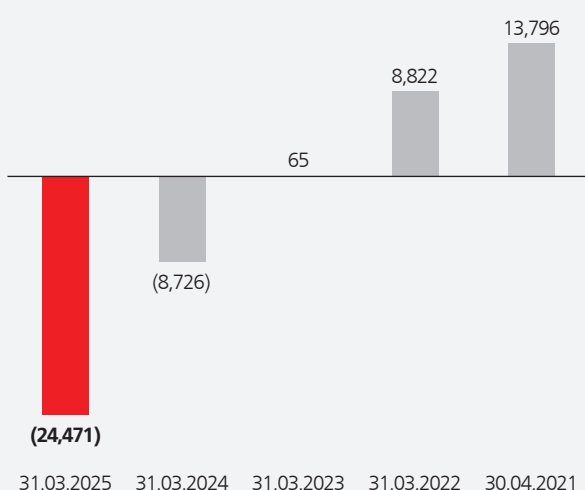
Revenue (RM'000)



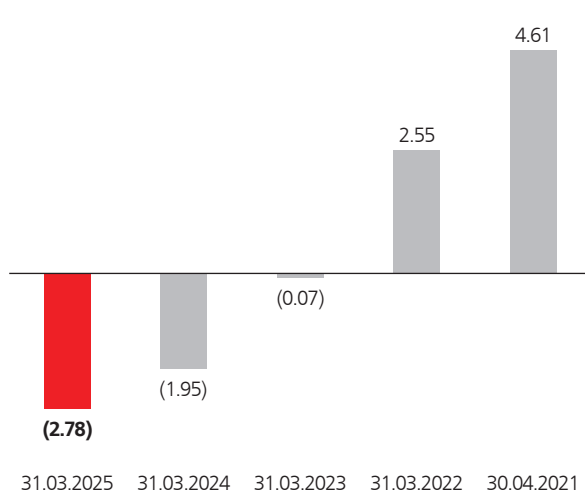
(Loss)/Profit Before Tax (RM'000)



(Loss)/Profit After Tax (RM'000)



Basic (Loss)/Earnings per Share (Sen)



Management *Discussion and Analysis*

BUSINESS OVERVIEW

D'nonce Technology Bhd. ("D'nonce") is a diversified engineering solutions provider with key customers from healthcare, Electrical and Electronics ("E&E") sectors and other industries. Established in 1989 and headquartered in Penang, with its trading and manufacturing subsidiaries in Kelantan, Selangor and Johor. D'nonce was listed on the Main Board of Bursa Malaysia in 2001 and the following year, it expanded its operations to Thailand.

The Group offers a wide of services encompassing the following:

End-to-End Packaging and Design Solutions

D'nonce offers end-to-end packaging and design solutions to industrial, commercial and end consumers. The Group's end-to-end solution entails graphic designing, evaluation, quality printing and production of various types of printing. We possess state-of-art machineries to undertake various processes – from designing, printing to packaging conversion. This is further supported by our team of experienced talents. The Group manufactures packaging boxes for key global glove makers based in Thailand and also provides industrial and carton boxes as well as other packaging and labelling for the E&E, Food and Beverage ("F&B") and other industries.

Precision Polymer Engineering Services

The Group's polymer engineering capabilities are used across a variety of products, primarily in in-process automation trays and precision component taps and reels. Utilising cutting-edge technology, design and engineering capabilities with industry knowledge, the Group caters to prominent multinational companies mainly in the E&E segment.

Cleanroom and Contract Manufacturing Services

D'nonce provides international class cleanroom services such as ultrasonic cleaning, rinsing and drying for the precision tray and component washing lines and contract manufacturing services for the assembly and component parts used by the E&E sector.

Supply Chain Management and Sales and Distribution of Products

The Group offers assembly services to our customers. We pre-assemble or assemble parts and components before delivering them to our customers for export in the healthcare and E&E industries. In addition, the Group also supports its customers in the supply chain process via the provision of goods and services.

BUSINESS AND OPERATIONAL REVIEW

For the year 2024, the Malaysian and Thailand economies grew at a pace of 5.1% and 2.5% respectively as compared to 3.7% and 1.9% in 2023. Our Group has also recorded a comparable growth as our FY2025 revenue had increased from RM176.4 million in FY2024 to RM198.3 million in FY2025.

For our operations in Malaysia, the Group recorded an increase of RM10.2 million of 12.2% in FY2025 as compared to FY2024. This was mainly due to the revenue of RM9.5 million from the disposal of inventory property from the Others segment. For the E&E segment where in our Malaysian subsidiaries mainly operate, the Group recorded a revenue of RM53.3 million, a slight drop as compared to RM56.4 million in the last financial year. In Thailand, consistent demand for our glove packaging boxes, and with the recovery of E&E segment in Thailand, the Group registered a 12.6% growth as compared to FY2024.

During the financial year in review, operating costs such as raw materials, supply chain and labour costs had remained challenging, and the Group has seen the operating margin decrease to 3.9% in FY2025 as compared to 6.1% in FY2024.

The Group also remains on course with its multi-year expansion strategy, having invested significantly in property, plant and equipment in FY2025.

FINANCIAL REVIEW

In FY2025, the Group recorded a higher revenue of RM198.3 million, as compared with the revenue of RM176.4 million in FY2024. The revenue was mainly from our multinational customers in the E&E sector and major glove manufacturers in the healthcare sector, contributing 72.1% of the Group's total revenue in FY2025.

The Group registered a loss before tax of RM22.8 million in FY2025 as compared to a loss of RM8.2 million in FY2024 after taking into account the higher fair value adjustment on other investments, additional provisions for doubtful debts, coupled with a higher depreciation and higher interest expenses.

The Group recorded a loss after tax of RM24.5 million in FY2025, as compared to a loss of RM8.7 million in the last financial year.

Capital Structure and Capital Resources

As part of its overall liquidity management, the Group maintains sufficient cash and cash equivalents to meet its capital requirements. Cash and cash equivalents as at 31 March 2025 stood at RM24.4 million as compared to RM42.5 million as at 31 March 2024. The decrease of RM18.1 million or 42.6% was mainly due to net cash used in investing activities of RM44.8 million, offsetted by positive net cash generated from operating and financing activities of RM14.1 million and RM12.3 million respectively. The Group held encumbered deposits with licensed banks of RM9.2 million as at 31 March 2025, as compared to RM8.3 million the year before.

The Group strives to maintain available banking facilities at a reasonable level to its total debt position. Borrowings of the Group amounted to RM66.5 million as at 31 March 2025, compared to RM54.3 million as at 31 March 2024, an increase of RM12.2 million or 22.5%, which was mainly attributed to the purchase of capital expenditure during the financial year.

Management *Discussion and Analysis* (Cont'd)

RISK MANAGEMENT

Operational Disruptions

To operate efficiently, the Group is reliant on its facilities, therefore, any disruptions or unplanned shutdowns may bring about an adverse impact on its operations. Any external risk that is beyond our control may materially and negatively affect our operations.

Intense Competition

The industries in which we operate in are highly competitive, with many players offering a broad range of services and pricing. To remain competitive, we continued to innovate and invest in the latest technologies that would enhance our offerings and productivity. Some of our subsidiaries are also certified and authorised by certain customers to be their supplier, a testament to our quality and services. This also serves as a barrier for new entrants.

The Group will continue leveraging our professional expertise, a wealth of technical knowledge and a proven track record to boost our competitive advantage.

Foreign Currency Exposure

The Group operates in several countries. Our revenue are in Thai Baht, Ringgit Malaysia, Singapore Dollar and United States Dollar. The cost of our raw materials are also spread over a few currencies, as such, our risk is naturally diversified. The foreign currency risk is also partially managed through a natural hedge between the sales and purchases in similar currencies, and the remaining is closely monitored continuously to ensure net exposure is at acceptable levels.

FUTURE OUTLOOK AND PROSPECTS

In mid-2025, assertive and protectionist trade policies globally have had wide-ranging implications, and have added to the uncertainties and challenges faced by the Group, including inflationary pressures, fluctuating currencies, and global geopolitical tensions affecting trade. Nevertheless, the economies of both Malaysia and Thailand are still projected to grow between 4.1% and 2.7% respectively in 2025.

We would continue to implement our strategic plans to ensure that we would be ready for any opportunities when there is an upturn in the economy. We will also continue to focus on our cost rationalization and automation exercises to enhance operational efficiency. Based on the premise above, the Group is cautiously optimistic that we would be able to deliver a positive growth for the new financial year and beyond.



Sustainability Statement

Introduction

D'nonce Technology Bhd. ("the Group") is a diversified engineering solutions provider with key customers from healthcare, Electrical and Electronics ("E&E") sectors and other industries. The Group's core businesses include offering end-to-end packaging solutions, precision polymer engineering services, cleanroom and contract manufacturing services and supply chain management and sales and distribution of products.

The Group is committed to deliver a brighter future by integrating sustainability and ethical business strategies along the value chain to develop a strong and healthy economy and create value for our stakeholders.

Scope and Basis of Scope

This report provides an overview of the Group's sustainability performance for the Financial Year 31 March 2025 ("FY2025"). The report addresses the Group's sustainability performance and highlights the progress of our business operation of all the subsidiaries in Malaysia and Thailand.

FY2025 represents the second year for reporting based on the enhanced sustainability framework. Historical information from previous years are reported wherever available or applicable.

Reporting Guidelines

This report is prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide 3rd Edition, and using the guidelines by the United Nations Sustainable Development Goals ("UNSDGs").

Feedback

The Group welcomes and encourage our stakeholders to provide any feedback to this statement and the issues covered to our Sustainability Department at sustainability@dnonce.com.

Sustainability Governance

The Group maintains a comprehensive governance framework to attain its sustainability objectives. The composition, roles and responsibilities of the governance framework are as follows:

The Board of Directors

The Board of Directors ("the Board") plays a pivotal role in the governance of sustainability within the organization. They are ultimately responsible for overseeing sustainability-related aspects of the Group, encompassing key areas such as sustainability strategy and targets, materiality assessment and the identification and management of climate related risks and opportunities.

Moreover, the Board ensures that sustainability considerations are integrated into the decision-making processes across the entire Group and within the individual business segments. Their role extends to fostering and instilling a robust sustainability culture throughout the organization, promoting ongoing progress and commitment to sustainable practices.

The Audit and Risk Management Committee

The Board is supported by the Audit and Risk Management Committee ("ARMC") which plays a critical role in the governance of sustainability within the organization. This involves reviewing the adequacy and integrity of the Group's internal control systems and processes. The ARMC oversees assurance activities related to the Group's sustainability reporting processes, ensuring their reliability and accuracy.

The ARMC also scrutinises the interconnectedness between the Group's material sustainability matters and its financial performance. It holds the responsibility of approving key elements such as sustainability strategy and targets, policies, materiality assessment processes and outcomes, as well as the sustainability statement.

The Sustainability Steering Committee

The ARMC is supported by the Sustainability Steering Committee ("SSC") which develops the Group's sustainability strategy and policies, evaluating sustainability performance and targets and ensuring the consistent implementation of the sustainable strategies for the Group.

Sustainability Statement (Cont'd)

Stakeholder Engagement

The Group acknowledges the significance of stakeholders' interest and support within our business ecosystem. The Group actively engage and strive to understand the diverse stakeholders, recognising that their perspectives are crucial in guiding the Group's priorities for continuous sustainable improvements.

The table below summarises the Group's key stakeholders and how the Group engages them:

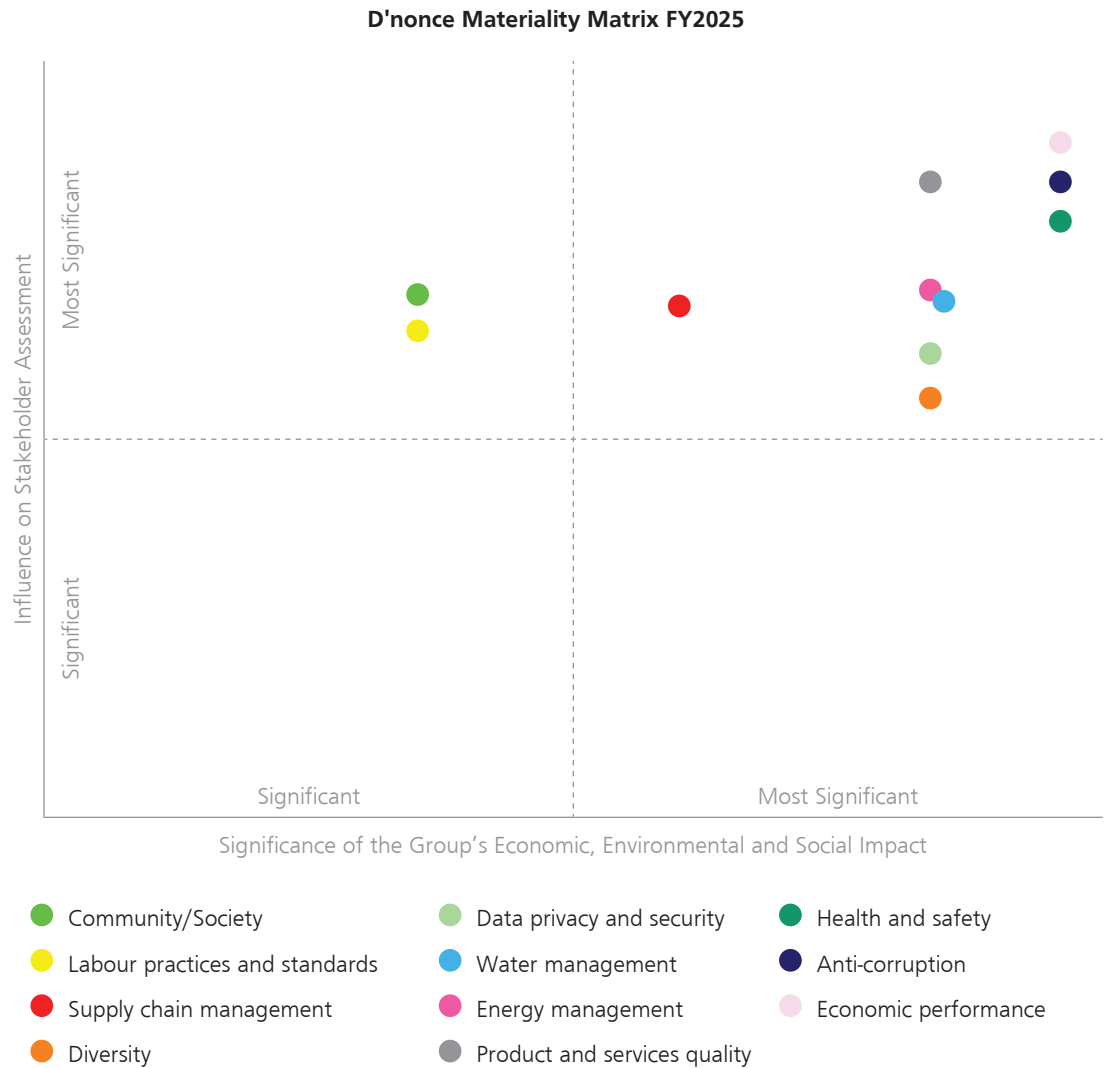
STAKEHOLDERS	SUSTAINABILITY TOPICS	TYPES OF ENGAGEMENT
Customers	- Product quality and improvement - Sustaining long term relationship - Competitive pricing	- Customers engagement and review - Regular on-site visits to customers
Employees	- Health and safety improvement - Working environment - Career development and training - Succession planning	- Appraisal and performance review - Training and development - Formal meeting and discussion - Social events with employees
Shareholders & Investors	- Business strategy - Operational and financial performance - Compliance with laws and regulations	- Quarterly bursa reports - Annual reports - Corporate website announcements - Annual general meeting and other meetings - Press releases
Suppliers	- Product quality - Transparency in procurement process - Timely delivery of raw materials	- Supplier meetings - Supplier selection via pre-qualification - Surveys and evaluation of suppliers - Relationship management
Government & Regulators	- Compliances - Rules and regulations	- Participating in programs organised by government bodies - Site visit and meeting - Compliance with government legislative
Community	- Environment protection - Local community activity involvement - Sharing, educating and caring for environment and the community	- Volunteering programs - Social responsibility programs

Sustainability Statement (Cont'd)

Material Matters

The Group recognize that our material issues have a direct and indirect impact on our ability to generate long term value for our stakeholders. For FY2025, the Group conducted a thorough materiality assessment involving key internal and external stakeholders to address their interest and concerns

Based on the outcome of the assessment, the Group came out with the business strategy and resource allocation decisions in alignment with our sustainability issues. The items mapped out in upper quadrant the Materiality Matrix as below would be the primary focus for the Group.



Sustainability Statement (Cont'd)

Management Approach for Material Matters

ECONOMIC

ECONOMIC PERFORMANCE (UNSDGs 08: Decent Work and Economic Growth)

The Group is committed to deliver strong and consistent financial performance that generates value for all stakeholders. The commitment is from provision of high quality employment and the economic enrichment of the local communities, and to effectively managing assets and an equal distribution of generated wealth among stakeholders.

The Group maintains a continuous focus on optimizing capital expenditure and maximizing production capacity utilization. Additionally, the Group implement cost controls and strive to improve the efficiency and productivity of the workforce. For the year FY2025, the Group generated economic value of RM201.8 million, increase of RM22.5 million as compared to FY2024. Operating expenses also increased by RM25.6 million to RM193.9 million in FY2025.

Below are the financial results of the Group.

	FY2023 RM'000	FY2024 RM'000	FY2025 RM'000
Economic value generated (e.g., revenue and other income)	178,059	179,302	201,753
Economic value distributed:			
- Operating expenses (Raw materials used, etc.)	166,262	168,277	193,883
- Financial costs	1,427	2,679	2,631
- Taxation	775	524	1,664
Economic value retained	9,595	7,822	3,575

The results show our commitment in providing economic value to our stakeholders while maintaining a strong financial base and pursuing economic growth.

PRODUCT & SERVICES QUALITY (UNSDGs 08: Decent Work and Economic Growth)

Ensuring customer satisfaction is a paramount priority for the Group, as it directly contributes to the economic success and reputation as a top-quality manufacturer. It is ingrained in the Group's philosophy to supply quality products with customer satisfaction as our foremost objective.

Policies, procedures and best practices are in place to achieve this. The Group has put in place regular reviews, process improvements and quality assessments to ensure all of our processes are continually enhanced and remains in compliance with all certifications. Our factories are certified as ISO 9001:2015 Quality Management System certification, ISO 14001:2015 Environmental Management System certification, ISO 13485:2016 Medical Devices Quality Management System certification ISO 45001:2018 Occupational Health & Safety Management System certification and ISO 22000:2018 Food Safety Management System certification.

SUPPLY CHAIN MANAGEMENT (UNSDGs 08: Decent Work and Economic Growth, UNSDGs 09: Industry, Innovation and Infrastructure)

The Group depends on a network of reliable and sustainable supply chain for its business operations, and is committed in driving responsible and sustainable practices by integrating sustainability elements into the procurement process. The Group also focuses on supporting the local business and communities by prioritizing sourcing from local suppliers and creating business opportunities to improve their livelihood.

The Group's approach to procurement and supply chain is an ongoing process, and the procurement policy is designed to uphold confidentiality, prevent conflict of interest and ensure ethical dealings in the supply chain through a robust governance and close interaction. The Group also manages the risk to potential disruptions by engaging multiple vendors and suppliers for an uninterrupted and sufficient of materials and services.

The Group's proportion of spending on local suppliers is as per the table below. FY2025 is the second year for our tracking on supply chain management.

	FY2024	FY2025
Local suppliers spending proportion	68%	72%

Sustainability Statement (Cont'd)

Management Approach for Material Matters (Cont'd)

ENVIRONMENT

ENERGY MANAGEMENT (UNSDGs 07: Affordable and Clean Energy, UNSDGs 13: Climate Action)

The Group acknowledges that our energy consumption and GHG play an important role in climate change. Therefore, the Group strive to reduce our carbon footprint as an on-going initiative to reduce electricity consumption and combat climate change. The Group is also exploring opportunities to gradually transition to a low-carbon economy, without compromising our production and operational efficiency.

As part of the energy management initiatives, the Group has installed solar panels and honey comb cooling system in some of our premises among other initiatives.

In addition, to further our commitment in managing energy consumption, the Group has also built a responsible environment whereby employees are encouraged to adopt energy saving practices. For examples, using energy saving feature devices such as LED lighting and shutting down machineries and equipment when not in use.

The Group's overall energy consumption is set out in the table below. FY2025 marks the second year of our energy management tracking initiative.

	FY2024 '000	FY2025 '000
Energy consumption (KWH)	8,129	8,807
Percentage of energy consumption over revenue	4.5%	2.5%

WATER MANAGEMENT (UNSDGs 06: Clean Water and Sanitisation, UNSDGs 13: Climate Action)

The Group acknowledges that the importance of water conservation, and is dedicated to reduce overall water consumption in our business operations. The Group's initiatives in this regard include raising awareness among employees for responsible water usage behavior, and to manage potential leaks and wastages of water in the business and operation premises.

The Group's overall water consumption is as per the table below. FY2025 is the second year that the Group tracked on water management.

	FY2024 '000	FY2025 '000
Water consumption (m3)	73.5	58.6
Percentage of water consumption over revenue	0.04%	0.1%

Sustainability Statement (Cont'd)

Management Approach for Material Matters (Cont'd)

GOVERNANCE

ANTI-BRIBERY AND ANTI-CORRUPTION (UNSDGs 16: Peace, Justice and Strong Institution)

The Group is committed to the highest standards of ethical conduct and integrity when conducting the business. Maintenance of the Group's ethical and integrity reputation is the responsibility of every employee and person acting on the Group's behalf. The Group's Anti-Bribery and Anti-Corruption Policy was adopted on 1 June 2020 and with this, comes a zero tolerance to bribery and corruption, consistent with the Group's business principles. This is also in line with the Guidelines on Adequate Procedures in compliance with the Corporate Liability provision under the Malaysian Anti-Corruption Commission Amendment Act 2018.

During the financial year, there were no reported incidences of corruption or breaches in the policy.

In FY2025, the percentage of employees trained in Anti-Bribery and Anti-Corruption was 10.77% for management and 16.88% for Executives.

DATA PRIVACY AND SECURITY (UNSDGs 16: Peace, Justice and Strong Institution)

The Group fully adhere to the Personal Data Protection Act 2010 and is responsible to manage the confidentiality and data stored for clients, external and internal customers.

The Group approached this by implementing a robust Enterprise Resource Planning system, anti-virus system and an established firewall system, shielding our networks from external cyber threats. To combat phishing emails received, the Information Technology team has provided adequate communication to the employees of the Group.

During the financial year, there were no reported incidences of data breaches, and no substantiated complaints were received regarding breaches of customer privacy or data losses.

SOCIAL

Health and Safety (UNSDGs 03: Good Health and Well Being, UNSDGs 08: Decent Work and Economic Growth)

The Group's operations require an extensive workforce. Thus, the safety, health and well-being of our people is placed as the top priority. The Group understands that having good safety and health measures in place significantly reduces the risk of accidents as well as improves our employees' wellbeing, increases operational efficiency, and reduces turnover.

Therefore, the Group complies with all relevant national laws, regulations and other requirements relating to best practices in occupational safety and health. The Occupational Safety and Health Committee has been formed with responsibilities including promoting and developing an enforceable practical level of safety and health awareness and commitment among the Company, provision of technical and advisory support and review the effectiveness of safety and health practices.

In FY2025, the Group's performance in work related facilities and Lost Time Incident Rate ("LTR") is presented in the table below. FY2025 represents the second year tracking of these metrics for ESG reporting.

	Total hours worked ('000)	LTIR	Work Related Fatality
FY2024	1,743	0.57	-
FY2025	1,675	3.25	-

Diversity (UNSDGs 05: Gender Equality, UNSDGs 08: Decent Work and Economic Growth)

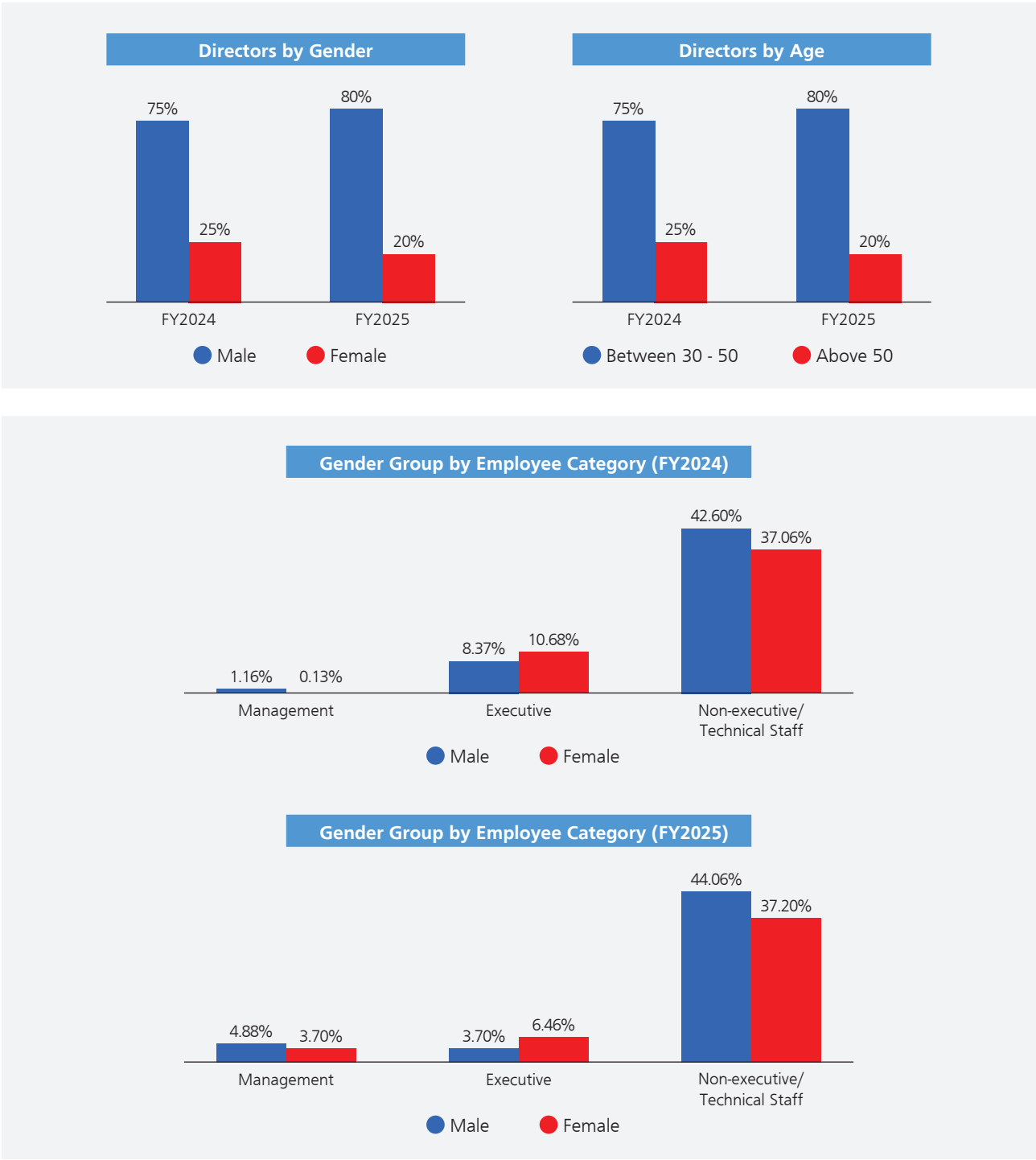
The Group is committed to create an inclusive workplace that embraces and promotes diversity.

- The Group values, respects and leverages the unique contributions of people with diverse backgrounds, experiences and perspectives to provide exceptional service to an equally diverse community; and
- The Group recognizes the benefits arising from employee and Board diversity, including a broader pool of good quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

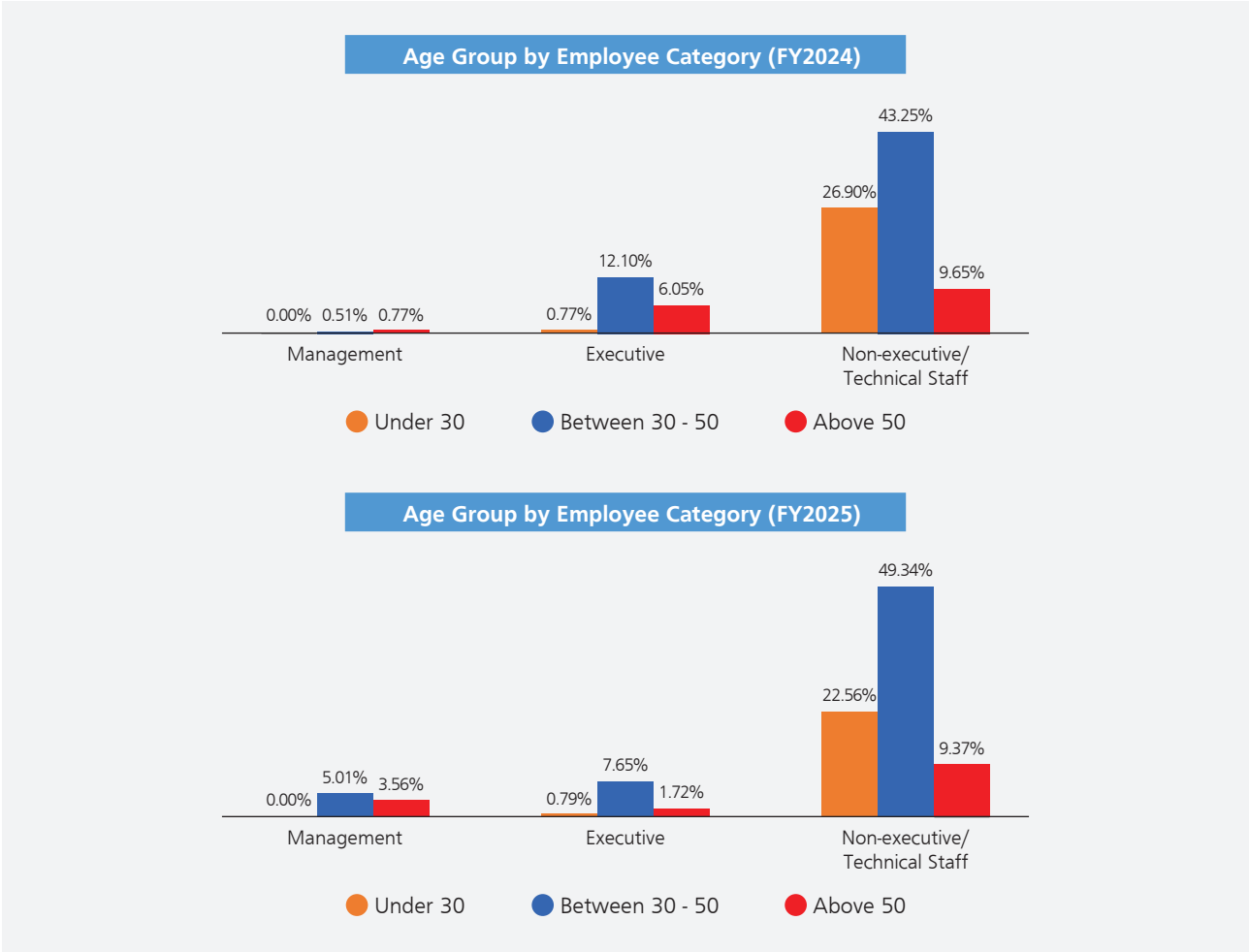
The workforce diversity for FY2024 and FY2025 is as below.



Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

The workforce diversity for FY2024 and FY2025 is as below. (Cont'd)



Sustainability Statement (Cont'd)

SOCIAL (CONT'D)

Labor Practices & Standards (UNSDGs 08: Decent Work & Economic Growth)

The Group strongly believes that our human capital resource is of vital importance to us. The Group continues to build and grow its employees' skill and knowledge through efforts such as internal and external training and regular performance reviews. The Group is also committed in recruiting, developing and retaining high performing teams while providing a conducive and rewarding work environment.

The tables below show the total training hours tracked and the employee turnover rate for FY2024 and FY2025. This marks the second year of tracking for ESG reporting.

Employee training hours	FY2024	FY2025
Management	439	704
Executive	812	746
Non-Executives	2,244	5,371
Total training tracked	3,495	6,821

Employee Turnover Rate	FY2024	FY2025
Management	10	15
Executive	28	23
Non-Executives	110	150
Total turnover	148	188

Community (UNSDGs 02: Zero Hunger, UNSDGs 03: Good Health and Well-Being)

The Group considers giving back to the community as an integral corporate responsibility. The Group actively encourage our employees to participate in community programs, leading by example through monetary and other forms of donations to the local community where the Group operates in.

The table below shows the amount contributed to communities and the estimated number of community programs for FY2024 and FY2025. The Group had contributed for schools, places of religions and also for donation of medical devices. This marks the second year of tracking for ESG reporting.

	FY2024	FY2025
Total contributions (RM)	4,360	28,000
Total community programs contributed	8	3

Moving Forward

The Group acknowledges that integrating and embedding sustainability into its business operations is a continuous and changing process. The Board is committed to improve the incorporation of sustainability practices to attain the Group's long term sustainable goals.

Sustainability Statement (Cont'd)

Sustainability Performance Report

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	6.74	10.77
Executive	Percentage	4.40	16.88
Non-executive/Technical Staff	Percentage	1.55	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	39.18
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,360.00	28,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	8	3
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	0.51	5.01
Management Above 50	Percentage	0.77	3.56
Executive Under 30	Percentage	0.77	0.79
Executive Between 30-50	Percentage	12.10	7.65
Executive Above 50	Percentage	6.05	1.72
Non-executive/Technical Staff Under 30	Percentage	26.90	22.56
Non-executive/Technical Staff Between 30-50	Percentage	43.25	49.34
Non-executive/Technical Staff Above 50	Percentage	9.65	9.37
Gender Group by Employee Category			
Management Male	Percentage	1.16	4.88
Management Female	Percentage	0.13	3.70
Executive Male	Percentage	8.37	3.70
Executive Female	Percentage	10.68	6.46
Non-executive/Technical Staff Male	Percentage	42.60	44.06
Non-executive/Technical Staff Female	Percentage	37.06	37.20
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	75.00	80.00
Female	Percentage	25.00	20.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	75.00	80.00
Above 50	Percentage	25.00	20.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	8,129.46	8,807.10
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.57	3.25
Bursa C5(c) Number of employees trained on health and safety standards	Number	186	204
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	439	704
Executive	Hours	812	746
Non-executive/Technical Staff	Hours	2,244	5,371

Internal assurance

External assurance

No assurance

(*)Restated

Sustainability Statement (Cont'd)

Sustainability Performance Report (Cont'd)

Indicator	Measurement Unit	2024	2025
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	9.82
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	10	15
Executive	Number	28	23
Non-executive/Technical Staff	Number	110	150
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	68.00	72.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	73.470000	58.560000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	0.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	0.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	0.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	0.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	0.00

Internal assurance External assurance No assurance

(**)Restated

Board of Directors

Dato' Moktar Bin Mohd Noor

Independent Non-Executive Chairman

Age: 67

Gender: Male

Nationality: Malaysian

Dato' Moktar Bin Mohd Noor was appointed to the Board of D'nonce Technology Bhd. on 9 August 2019. He was subsequently appointed as a member of the Audit and Risk Management ("ARMC"), Nominating Committee ("NC") and Remuneration Committee ("RC") on 29 September 2021. On 22 December 2021, Dato' Moktar was redesignated as an Independent and Non-Executive Chairman. On 30 June 2022, Dato' Moktar ceased as a member of the NC and RC. On 30 May 2023, Dato' Moktar also ceased to be a member of the ARMC.

Dato' Moktar holds a Bachelor of Law (Honours) degree from Lancaster University, UK. He also has a professional qualification from the Legal Profession Qualifying Board in Malaysia.

He started his career with the Royal Malaysia Police in 1979 where he held various investigation, personnel management, prosecution, port security, administrative and legal positions followed by other related experiences as chairman of the Malaysia Port Auxiliary Police Secretariat, committee member on security for the Football Association of Malaysia, Royal Malaysia Police permanent representative to the Malaysia Engineering Board and committee member on discipline to the Royal Kelantan Datoship council. In his last 2 years of service before his retirement, he was the Head of Legal Division of the Royal Malaysian Police.

He retired from the Royal Malaysia Police after serving the force with full dedication for 40 years, 1 month and 12 days. He was conferred Darjah Dato' Paduka Jasa Mahkota Kelantan (D.P.J.K) by the Sultan of Kelantan in 2017. He was appointed to be a member of Crime Prevention Board (POCA) at the Ministry of Home Affairs Malaysia from 2020 until 2022.

Dato' Moktar currently sits on the Board of Genting Plantations Berhad as Independent and Non-Executive Director.

Dato' Moktar has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Dato' Moktar does not hold any directorship in any other public companies and listed companies, other than the companies listed above.

Roy Ho Yew Kee

Executive Director

Age: 49

Gender: Male

Nationality: Malaysian

Mr. Roy Ho Yew Kee was appointed to the Board of D'nonce Technology Bhd. as an Executive Director on 17 July 2024.

Mr. Ho brings over 3 decades of experience in the financial services and corporate strategy to the Board.

Mr. Ho started his career in 1998, in the financial services industry, with boutique broker Pembroke, Josephson and Wright, which was subsequently acquired by Hartley Poynton Ltd, a subsidiary of the Royal Bank of Canada.

Mr. Ho's exposure in Delta One, complex financial derivatives, treasury functions and first generation fintech products lay the groundwork for his move to Tricom Futures in 2003, where he set up a trading desk in Brisbane specialising in debt instruments, capital raising and derivative exotics.

In 2011, Mr. Ho returned to Malaysia joining Key Alliance Group Berhad first as an Executive Director, and subsequently redesignated as Managing Director. In 2024, Mr. Ho was redesignated as an Executive Director in Key Alliance Group Berhad.

Mr. Ho also holds Executive Director positions in XOX Bhd, Komarkcorp Berhad and Cheetah Holdings Berhad.

Mr. Ho has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Mr. Ho does not hold any directorship in any other public companies and listed companies, other than the companies listed above.

Board of Directors (cont'd)

Datuk Sham Shamrat Sen Gupta

Independent Non-Executive Director

Age: 47

Gender: Male

Nationality: Malaysian

Chairman of NC | Chairman of RC | Member of ARMC

Datuk Sham Shamrat Sen Gupta was appointed to the Board of D'nonce Technology Bhd. on 14 September 2021. He was subsequently appointed as a member of the ARMC, NC and RC on the same date. On 29 September 2021, he was redesignated as Chairman of the NC. On 30 June 2022 he was redesignated as Chairman of the RC.

He is a Fellow of the Institute of Administrative Management (UK), Fellow of the Malaysian Institute of Management (MIM, Malaysia), Member Institute of Leadership & Management (UK), Member of the Chartered Management Institute (UK), Member of the Institute of Management Services (UK) and completed his undergraduate and postgraduate studies from Australia.

Datuk Sham worked in a Malaysian Bank Corporate headquarters, where he was in the Marketing and Retail Banking Department. He was appointed as General Manager, South East Asian Operations of an I.T. company in Kuala Lumpur and after that as a General Manager of a Security Systems company for a short period. Datuk Sham subsequently joined a HR and Training Company as a Marketing/International Relations Director where he eventually served as an Executive Director. Datuk Sham is the founding director of a G7, Bumiputera civil construction and management consulting company.

Datuk Sham is also the Executive Director of the KLCity Football Club that plays in the Malaysian Super League, Board of Trustee of Institute Keusahawanan Negara Bhd (INSKEN) and Director of the National Coalition of Mental Wellbeing Bhd and sits on many private limited companies

Datuk Sham currently sits on the Board of SaudiGold Group Berhad (Formerly known as Saudee Group Berhad) and PNE PCB Berhad as an Independent Non-Executive Director.

Datuk Sham has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Datuk Sham does not hold any directorship in any other public companies and listed companies, other than the companies listed above.

Datin Ong Poh Lin Abdullah

Independent Non-Executive Director

Age: 38

Gender: Female

Nationality: Malaysian

Member of RC | Member of ARMC

Datin Ong Poh Lin Abdullah was appointed to the Board of D'nonce Technology Bhd. on 25 May 2023 as an Independent Non-Executive Director. She was subsequently appointed as a member of the ARMC on 30 May 2023 and a member of the RC on 1 April 2024.

She graduated from Universiti Tunku Abdul Rahman in 2011 with a Bachelor Degree of Engineering (Hons) Biomedical. Datin Ong started her career in Universiti Tunku Abdul Rahman as a research assistant in 2011. Subsequently, she joined IBG Manufacturing Sdn. Bhd. as a laboratory consultant from 2014 to 2016. Currently, she is working in Seakyin Holdings (M) Sdn. Bhd. as the Senior Admin Manager.

Datin Ong currently sits on the Board of AE Multi Holdings Berhad, Erdasan Group Berhad (Formerly known as AT Systematization Berhad) and SaudiGold Group Berhad (Formerly known as Saudee Group Berhad) as an Independent Non-Executive Director.

Datin Ong has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Datin Ong does not hold any directorship in any other public companies and listed companies, other than the companies listed above.

Board of *Directors* (cont'd)

Kong June Hon

Independent Non-Executive Director

Age: 40

Gender: Male

Nationality: Malaysian

Chairman of ARMC | Member of NC | Member of RC

Mr. Kong June Hon was appointed to the Board of D'nonce Technology Bhd. on 16 June 2025 as an Independent Non-Executive Director. On the same date, he was also appointed as a Chairman of the ARMC and as a member of both the NC and the RC.

Mr. Kong is a Fellow of the Association of Chartered Certified Accountants ("FCCA") in the United Kingdom, a member of the Malaysian Institute of Accountants ("MIA"), the Chartered Tax Institute of Malaysia ("CTIM"), the Institute of Internal Auditors ("IIA"), and an ASEAN Chartered Professional Accountant ("ASEAN CPA"). He also holds an audit license.

He has more than 20 years of audit experience with reputable audit firm. He is currently a partner in a medium audit firm.

Mr. Kong currently serves as an Independent Director of Mpire Global Berhad, where he contributes his expertise in governance, finance, and risk management to support the company's strategic objectives.

Mr. Kong has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Mr. Kong does not hold any directorship in any other public companies and listed companies, other than the companies listed above.



Key Senior Management

Low Chee Min

Chief Operating Officer

Age: 66

Gender: Male

Nationality: Malaysian

Director of Attractive Venture (KL) Sdn. Bhd., D'nonce (K.L) Sdn. Bhd., AV Plastics Sdn. Bhd., Attractive Venture Sdn. Bhd., D'nonce Auto Sdn. Bhd., D'nonce Energy Sdn. Bhd., D'nonce Properties Sdn. Bhd. and AV Industries Sdn. Bhd.

Low Chee Min was appointed as the Director of Attractive Venture (KL) Sdn. Bhd. and D'nonce (K.L) Sdn. Bhd. on 30 December 2018 and AV Plastics Sdn. Bhd. on 15 January 2019. He was subsequently appointed as the Chief Operating Officer on 1 June 2022, Director of Attractive Venture Sdn. Bhd. on 4 July 2023 and Director of D'nonce Auto Sdn. Bhd. on 3 August 2023. On 6 February 2025, he was then appointed as the Director of D'nonce Energy Sdn. Bhd., D'nonce Properties Sdn. Bhd. and AV Industries Sdn. Bhd.. He graduated from La Trobe University in 1981 with a Bachelor Degree in Accounting and a Master in Computer Science.

He started his working career in Coopers & Lybrand in 1982. Subsequently, he joined UMBC Finance Bhd in 1985 and left after 12 years as a Senior Manager. He joined Tri-Wall (M) Sdn. Bhd., a Japanese-owned company providing design and manufacturing solutions to MNCs for niche and customised packaging as their General Manager and subsequently was promoted to Executive Director. He left and joined Texchem-Pack (KL) Sdn. Bhd., a packaging manufacturer in 2001 as their Senior General Manager. He was appointed as the Operations Director of MegaFortris (M) Sdn. Bhd. in 2005, a global security and RFID seals manufacturer.

Low Chee Min has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Low Chee Min does not hold any directorship in any other public companies and listed companies.

Teo Tin Jien, Jimmy

Managing Director / Director for Thailand Division

Age: 59

Gender: Male

Nationality: Singaporean

Teo Tin Jien, Jimmy is the Managing Director/Director of our Group's Thailand subsidiaries. He joined our Group in July 2006. Prior to joining us, he was the Senior Technical Consultant for SAN-EI (THAILAND) LTD, a Japan based micro electronic manufacturing company, where he oversaw the products development, quality assurance and new production line investment.

He started his career as a QA engineer with Polymicro Precision (Singapore) in 1988. He left Polymicro as an Operation Director in 2001. During his tenure with Polymicro Precision, he was involved setting up a precision machining joint venture operation in China-DongGuan and later he was tasked to set up another operation in Thailand Navanakorn under the privilege of the BOI (Board of Investment) license, gaining a significant amount of experience in management of production factory and product management.

He graduated with a Diploma in Mechanical Engineering from Ngee Ann Polytechnic in Singapore.

Teo Tin Jien, Jimmy has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Teo Tin Jien, Jimmy does not hold any directorship in any other public companies and listed companies.

Key Senior Management (cont'd)

Tong Mun Khuen, Tony

Group Financial Controller

Age: 47

Gender: Male

Nationality: Malaysian

Tong Mun Khuen, Tony was appointed as the Group Financial Controller of our Group in July 2025. He is responsible for overseeing the financial, accounting and compliance functions of the Group.

He is a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants.

He has more than 23 years of working experience and has held various senior positions in accounting and financial management, in both private and public listed companies.

Prior to joining the Group, he served as the Group Financial Controller for Cyberjaya Education Group Berhad.

He began his professional career as an auditor for several audit firms from 2001 to 2005, followed by Astro All Asia Networks plc. Subsequently, he joined Scomi Group Berhad and Maxis Communication Berhad as Manager of Group Finance. He was the General Manager of Group Finance in Naza Corporation Holdings Sdn Bhd. He is a highly accomplished finance professional with over 20 years of extensive experience in auditing, accounting, commercial business, and finance. His industry exposure spans education, property development, oil and gas, telecommunications, and broadcasting.

Tong Mun Khuen, Tony has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Tong Mun Khuen, Tony does not hold any directorship in any other public companies and listed companies.

Ang Oon Ling

Head, Eastern Region

Age: 64

Gender: Male

Nationality: Malaysian

Director of D'nonce (Kelantan) Sdn. Bhd., Richmond Technology Sdn. Bhd. and Pelita Emasjaya Sdn. Bhd.

Ang Oon Ling was appointed as the Director of D'nonce (Kelantan) Sdn. Bhd., Richmond Technology Sdn. Bhd. in 1995 and Pelita Emasjaya Sdn. Bhd. on 4 July 2023.

Ang Oon Ling graduated from Universiti Kebangsaan Malaysia (UKM) in 1985 with a Degree in Bachelor of Arts. After graduation, he started his career working as an Administration Officer in the Eastern Garment Mfg. Sdn. Bhd., a Hong Kong based garment factory situated in Kelantan. His role was to take full charge of the administration work of the said factory.

In 1987, he left the Eastern Garment Mfg. Sdn. Bhd. and join Sri Rampaian Sdn. Bhd. which was a Hong Kong based garment factor as Administration Officer, in charge of purchasing, material procurement and shipping department. Subsequently in 1989, he left Sri Rampaian Sdn. Bhd. and join Rohm-Wako Electronics (Malaysia) Sdn. Bhd. as Section Chief of Business Division, taking charge of purchasing, material control, shipping and machine shop.

He left Rohm-Wako Electronics (Malaysia) Sdn. Bhd. in 1995 to set up D'nonce (Kelantan) Sdn. Bhd. and Richmond Technology Sdn. Bhd. till now. He oversees the overall smooth running and managing the marketing and production of both of the Companies.

Ang Oon Ling has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Ang Oon Ling does not hold any directorship in any other public companies and listed companies.

Key Senior *Management* (cont'd)

Lim Oon Jin, Peter

Head, Southern Region

Age: 58

Gender: Male

Nationality: Malaysian

Director of Attractive Venture (JB) Sdn. Bhd. and D'nonce (Johore) Sdn. Bhd.

Lim Oon Jin, Peter was appointed as the Director of Attractive Venture (JB) Sdn. Bhd. and D'nonce (Johore) Sdn. Bhd. in 1992.

He started his career working as a Sales Assistant in Kylin M Sdn. Bhd. in 1986 until 1989. Subsequently, he joined Timol Weaving Sdn. Bhd. as Sales Executive from 1989 to 1991. He started his journey in building up the business for Attractive Venture (JB) Sdn. Bhd. and D'nonce (Johore) Sdn. Bhd. from 1992 up till now. He oversees to the overall development of the business from managing to operational of the business of these companies.

He has a vast experience in managing packaging and manufacturing concerns and an extensive network of business associates worldwide. He is also the working committee since 2009 for Federation of Malaysian Manufacturers (FMM), Johor branch which is a Non-Government Organisation. He is also the Vice Chairman for SME subcommittee.

Lim Oon Jin, Peter has no family relationship with any Director and/or substantial shareholder of the Company, has never been convicted of any offence within the past five (5) years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies, and does not have any conflict of interest with the Company. Lim Oon Jin, Peter does not hold any directorship in any other public companies and listed companies.



Statement on *Risk Management and Internal Control*

INTRODUCTION

The Board of Directors ("Board") of D'nonce Technology Bhd ("D'nonce" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("SORMIC") of the Company and its subsidiaries ("the Group") which outlines the nature and scope of risk management and internal control system of the Group for the Financial Year Ended ("FYE") 31 March 2025, pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Malaysian Code on Corporate Governance ("MCCG") and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for maintaining the Group's sound system of internal control and risk management, and in reviewing the adequacy, integrity and effectiveness of those processes. The Board also recognises that due to the limitations that are inherent in all internal control systems, the Group's system of internal control is designed to manage the Group's risks within tolerable levels, rather than eliminate the risk of failure to achieve the Group's business objectives. Accordingly, the Board is also of the view that the Group's system of internal control could only provide reasonable but not absolute assurance against material misstatements of financial information, errors, losses, fraud or unforeseen emerging risks.

The Board believes that the review of the adequacy and effectiveness of the system of internal control and risk management is a continuous process. Such reviews are conducted through the various committees and working group established by the Board and Management respectively. The Board has, through the Audit and Risk Management Committee ("ARMC"), carried out the process of identifying, evaluating, monitoring and managing the significant operational and financial risks affecting the achievement of the Group's corporate objectives throughout the financial period.

The Board, after taking into consideration the costs and benefits, is of the view that the Group's system of internal control and risk management in place for the financial period under review is sound and adequate to safeguard the Group's assets and the stakeholder's interests, by ensuring achievement of business objectives and enhancing shareholder's value.

RISK MANAGEMENT

The Board affirms that effective risk management is an essential and indispensable part of corporate management.

The Board further acknowledges that risk management is an ongoing process and forms an important part of the internal control system of the Group. As such, continuous efforts are made to identify significant risks in the processes and activities of the Group, particularly in major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment, which may entail different risks, so as to put in place the appropriate risk response strategies and controls, until those risks are managed to, and maintained at, a tolerance level acceptable by the Board.

The risk identification process reviews and identifies issues arising from changes in both external business environment and internal operating conditions. The risk measurement guidelines comprising financial and non-financial qualitative measure of risk consequences are also applied in allocating risk likelihood rating and risk impact rating. The risk control actions are designed and implemented based on the sequence of priority.

The respective risk owners are entrusted to identify risks and to ensure that adequate control systems are implemented to mitigate risks faced by the Group. The process of identifying, evaluating, monitoring and managing significant risks is embedded in the various work processes and procedures of the respective business and operational functions of the Group. These processes and procedures are undertaken by the Executive Director, Key Senior Management and Management team in their daily course of work on an ongoing basis.

The Board confirms that there is an on-going process of identifying risks, evaluating and managing the significant risks faced by the Group. This process is in place for the financial period under review and up to the date of issuance of this SORMIC.

Statement on *Risk Management and Internal Control* (Cont'd)

INTERNAL CONTROL

Apart from risk management and internal audit, the key elements of internal control established within the Group that contribute to a sound system of internal control and enable Management to ensure that the established policies, guidelines and procedures of the Group are followed and complied with, were as follows:-

1. Organisational Structure

The Group has in place an organisational structure with well-defined scope of responsibilities, clear lines of accountability and appropriate levels of delegated authority.

Management of each operating unit has clear responsibilities of identifying risks for the overall Group's business as a whole. They are also responsible for instituting adequate procedures and internal controls to mitigate and monitor such risks on an on-going basis.

2. Policies and Procedures

The Group has documented internal policies and procedures in place to govern the financial and operational functions and ethics of the Group, which are subjected to regular reviews and improvements to reflect on changing risks or to resolve any operational deficiencies, as well as to promote the Group's efficiency and accountability.

3. Performance Reporting and Monitoring

As part of the performance monitoring process, regular and comprehensive information in the form of forecasts and quarterly management accounts and reports are provided to the ARMC and the Board, covering financial and operational performance and key business indicators, for effective monitoring and decision making.

Regular internal audit reviews are carried out to identify any areas of improvement, besides compliance with internal control best practices, guidelines and objectives, to ensure that the system of internal control is effectively administered and regularly monitored.

4. Strategic Business Planning, Budgeting and Reporting

Monthly monitoring of financial results against budget, with major variances being followed up and management action taken, when necessary.

Regular meetings are held to discuss on the overall Group and operating subsidiaries' operational matters and to resolve key operational, financial, human resource and other related issues.

5. Hierarchical Reporting

The Group has in place a process of hierarchical reporting which provides a documented and auditable trail of accountability.

INTERNAL AUDIT FUNCTION

The Group's independent internal audit function is outsourced to Messrs. Kloo Point Risk Management Services Sdn. Bhd. ("Kloo Point"), a professional consulting firm specialised in internal audit services, to assist the Board and the ARMC in conducting independent assessment and systematic reviews on the Group's internal control system and governance practices, so as to provide reasonable assurance on the adequacy, efficiency and effectiveness of the Group's system of internal control.

Kloo Point acts as the Internal Auditors of the Group and reports directly to the ARMC on a quarterly basis during the ARMC meetings. Kloo Point is free from any relationships or conflicts of interest which could impair their objectivity and independency of the internal audit function, and does not have any direct operational responsibility or authority over any of the activities audited. As such, the ARMC is of the opinion that the internal audit function is effective and is able to function independently.

Kloo Point carries out their review procedures in accordance with the applicable standards of the International Professional Practices Framework as adopted and recommended by The Institute of Internal Auditors Malaysia, covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL AUDIT FUNCTION (CONT'D)

The ARMC would review and approve the Group's Internal Audit Plan, entailing the audit scope, coverage and frequency based on a risk-based approach presented by the Internal Auditors for each financial year. Also, to ensure the objectivity and independence of the audit team, the ARMC reviews the engagement proposed by the Internal Auditors annually.

Scheduled internal audits were carried out and the internal audit reports, summarising the observations of control weaknesses, recommendations for improvement and Management actions were reported to the ARMC. These findings were deliberated together with Management at the ARMC meetings. The ARMC assessed the overall adequacy and effectiveness of the system of internal controls of the Group and reports to the Board, in particular, the matters relating to significant risks and the necessary recommendations for changes.

For the FYE 31 March 2025, Kloo Point had carried out the following internal audit reviews covering the relevant business units and functions of the Group, based on the approved Internal Audit Plan and reported to the ARMC:-

- Design and Conversion business unit in Penang, Malaysia: Quality Assurance, Plant and Tooling Maintenance;
- All business units in Ayutthaya, Thailand: Human Resource Management;
- Design and Conversion business unit in Johor Bahru, Malaysia: Production Control and Quality Assurance; and
- Design and Conversion business unit in Sadao, Thailand: Sales Order and Billing Process and Plant and Tooling Maintenance

Based on the internal audit reviews conducted, none of the weaknesses noted has resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report.

The ARMC and the Board agreed that the internal audit review carried out for the financial period under review was in accordance with the approved Internal Audit Plan and the scope of coverage was adequate.

The total cost incurred by the Company in respect of the outsourced internal audit function of the Group and the internal audit services performed by Kloo Point for the FYE 31 March 2025 was RM60,000 (FYE 31 March 2024: RM60,000).

ASSURANCE STATEMENT BY KEY MANAGEMENT TEAM

Management is responsible for assisting the Board in identifying risks relevant to the business and operation of the Group, implementing Board's policies and strategies, maintaining sound system of internal control and risk management, monitoring and reporting to the Board on significant control deficiencies and changes in risks that could affect the Group from achieving its objectives and performance.

The Executive Director and Chief Financial Officer have provided assurance to the Board that to the best of their knowledge and believe, the Group's risk management and internal control system has been operating adequately and effectively in all material aspects, to meet the Group's objectives during the financial period under review until the date of issuance of this SORMIC.

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY THE EXTERNAL AUDITORS

The External Auditors have reviewed this SORMIC in accordance with Paragraph 15.23 of the MMLR of Bursa Securities and the Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants.

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this SORMIC intended to be included in this Annual Report is not prepared, in all material aspects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the SORMIC factually inaccurate.

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

Statement on *Risk Management and Internal Control* (Cont'd)

CONCLUSION

For the financial period under review and up to the date of approval of this SORMIC, the Board is satisfied that the existing system of risk management and internal control in place is adequate and effective to safeguard the Group's interests and enable the Group to achieve its business objectives.

The Board is also of the opinion that the system of risk management and internal control that has been instituted throughout the Group is satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require additional disclosure in the Company's Annual Report for the FYE 31 March 2025. The Board and Management will continue to review and take measures to strengthen and improve the internal control environment from time to time, based on the recommendations proposed by the Internal Auditors.

The Board recognises that the development of the system of risk management and internal control is an ongoing process as part of its efforts in managing the risks faced by the Group. Consequently, the Board maintains an ongoing commitment to further strengthen the control environment within the Group.

This SORMIC was approved by the Board of Directors on 25 July 2025.

Corporate Governance **Overview Statement**

The Board of Directors (“the Board”) of D’nonce Technology Bhd. (“D’nonce” or “the Company”) is committed to maintain high standards of corporate governance and strives to ensure that it is practised throughout the Company and its subsidiaries (“the Group”) as a fundamental part of discharging its responsibilities in order to protect and enhance shareholders’ value and raise the performance of the Group.

COMPLIANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

In this Statement, the Board reports on the manner the Group has adopted and applied the principles and recommended best practices as set out in the latest Malaysian Code on Corporate Governance (“MCCG”) and the governance standards prescribed in the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) throughout the financial period under review, except where stated otherwise.

This Statement is to be read together with the Corporate Governance Report (“CG Report”) 2025 of the Company consisting the detailed application of each practices set out in the MCCG by the Group during the financial year ended 31 March 2025, which is available together with this Annual Report on the Bursa Securities’ website and the Company’s website at <http://www.dnonce.com>.

The Board is of the opinion that the Group has, in all material aspects, applied the principles and adopted the recommended best practices as set out in the MCCG for the financial year ended 31 March 2025, except for its departures on the following practices:-

Practices under MCCG	Description of Practices
Practice 5.9	The Board comprises at least 30% women directors.
Practice 5.10	The Board discloses in its annual report the Company’s policy on gender diversity for the Board and senior management.
Practice 8.2	The Board discloses on a named basis the top five senior management’s remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Explanations for these departures are further elaborated in the CG Report 2025.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

1. Board’s Leadership on Objectives and Goals

1.1 Strategic Aims, Values and Standards

The Company is led and managed by an experienced Board, comprising members who have a wide range of experience in fields such as management, finance, manufacturing and law to effectively direct and supervise the Group’s business activities and oversee the overall management of the Group. A brief profile of each Director is presented on pages 20 to 22 of this Annual Report.

The Board retains full and effective control of the Group and provides an effective oversight of the conduct of the Group’s businesses. This includes its responsibilities of reviewing and adopting strategic plans for the Group, as well as ensuring appropriate risk management and internal control systems are in place by regularly reviewing such systems to ensure their adequacy, integrity and effectiveness.

The Board is aware of the importance of business sustainability and reviews the Group’s operational practices that affect sustainability of economic, environment, governance and social aspects of its business on a regular basis. The Group has established a formal sustainability framework and undertake material sustainability initiatives, setting the Group’s sustainability strategies priorities and targets as outlined in the Company’s Sustainability Statement presented on pages 9 to 19 of this Annual Report.

Corporate Governance **Overview Statement (Cont'd)**

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

I. **BOARD RESPONSIBILITIES (CONT'D)**

1. **Board's Leadership on Objectives and Goals (Cont'd)**

1.1 **Strategic Aims, Values and Standards (Cont'd)**

The Board delegates the responsibility of implementing the Group's strategies, business plans, policies and decisions to the Management, which is led by the Executive Director.

The Board will always act in the best interests of the Company and has a duty of maintaining confidentiality in relation to the Company's confidential information.

1.2 **Clear Roles and Responsibilities**

The roles and responsibilities of the Board and its Board Committees are clearly defined in the Board Charter. The Board Charter also sets out the segregated roles and responsibilities of the Chairman, Independent Non-Executive Directors and Executive Director of the Company. All the Independent Non-Executive Directors are independent of the Executive Director, Management and major shareholders of the Company, and are free from any business or other relationship with the Group that could materially interfere with the exercise of their independent judgement. This offers a strong check and balance on the Board's deliberations.

The main functions and roles of the Board are as follows:

- (a) To review, challenge, decide and monitor Key Senior Management's strategies, business plans and significant policies after satisfying themselves that Key Senior Management has taken into account all the relevant and appropriate considerations in establishing the strategies, plans and policies;
- (b) To ensure a competent Key Senior Management by establishing policies for strengthening the performance of the Group with a view to proactively build the business through innovation, initiative, technology, new products, development of its business capital and including strategies on economic, environmental and social considerations underpinning sustainability;
- (c) To monitor implementation, progress and performance of the strategies, policies, plans, legal and fiduciary obligations that affect the business by adopting performance appraisal measures;
- (d) To evaluate whether the business is being properly managed and to ensure that the solvency of the Group and the ability of the Group to meet its contractual obligations and to safe guard the Group's assets;
- (e) To ensure that the Group has a sound framework for internal controls and risk management;
- (f) To understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
- (g) To set the risk appetite within which the Board expects Key Senior Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- (h) To establish various Board Committees and ensure their effectiveness to address specific issues, by considering recommendations of the various Board Committees and acting on their reports;
- (i) To ensure that the statutory accounts of the Company and Group are fairly stated and otherwise conform with the relevant regulations including acceptable accounting policies that result in balanced and understandable financial statements;
- (j) To ensure the Key Senior Management has the necessary skills and experience and that there is in place an appropriate succession plan for members of the Board and Key Senior Management;
- (k) To ensure that the Board together with Key Senior Management promote good corporate governance culture within the Company which adheres to high standards of ethical, prudent and corporate/professional behaviour including transparency in Code of Conduct;
- (l) To ensure that there is in place an appropriate investor relation and communication policy and corporate disclosures in compliance with the Listing Requirements; and
- (m) To ensure the Company has effective, transparent and regular communication with its stakeholders to enable them to make informed decisions with respect to the business of the Group, its policies on governance, the environment and social responsibility.

Corporate Governance *Overview Statement (Cont'd)*

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

I. BOARD RESPONSIBILITIES (CONT'D)

1. Board's Leadership on Objectives and Goals (Cont'd)

1.2 Clear Roles and Responsibilities (Cont'd)

The following matters, amongst others, shall be reserved for the Board's determination and/or approval, which may be supported by any recommendations as may be made from time to time by Key Senior Management or the Board Committees:

- (a) corporate plans and programmes;
- (b) annual budgets, including major capital commitments;
- (c) quarterly financial results, annual financial statements and annual reports;
- (d) new ventures;
- (e) corporate proposals;
- (f) material acquisitions and disposals of undertakings and properties;
- (g) material litigations;
- (h) declaration of dividends;
- (i) composition of the Board; and
- (j) changes to the management and control structure within the Company and its subsidiaries, including key policies.

The Board has delegated specific responsibilities to the following Board Committees to assist the Board in discharging its fiduciary duties and oversight function:-

- (a) Nominating Committee
- (b) Audit and Risk Management Committee
- (c) Remuneration Committee

Each Board Committee is governed by their respective Terms of Reference approved by the Board and operates its functions as stipulated within, as well as acting on behalf of the Board within the authority as laid out in the Terms of Reference. The Chairman of the respective Board Committees reports to the Board on matters deliberated and recommendations of the Board Committees.

1.3 Chairman of the Board

The key roles of the Chairman, amongst others, are as follows:

- (a) responsible for the overall leadership and efficient functioning of the Board;
- (b) ensure that the Board functions effectively, cohesively and independently of Key Senior Management;
- (c) leading the Board in establishing and monitoring good corporate governance practices in the Company;
- (d) setting the Board agenda and ensuring that the Board members receive complete and accurate information in a timely manner;
- (e) leading the Board, including presiding over Board meetings and Company meetings and directing Board discussions to effectively use the time available to address the critical issues facing the Company;
- (f) encouraging active participation and allowing dissenting views to be freely expressed by the Board members;
- (g) acting as liaison between the Board and Key Senior Management and promoting constructive and respectful relationship within and between Board members and Key Senior Management;
- (h) ensure that there is effective communication between the Company and/or Group and its shareholders and relevant stakeholders and that their views are communicated to the Board as a whole; and
- (i) carrying out other duties as requested by the Board as a whole, depending on the needs and circumstances.

Corporate Governance **Overview Statement (Cont'd)**

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

I. **BOARD RESPONSIBILITIES (CONT'D)**

1. **Board's Leadership on Objectives and Goals (Cont'd)**

1.4 **Separation of Functions between Chairman and Chief Executive Officer ("CEO")**

The roles of the Chairman and the CEO are held by different individuals with a clear division of roles and responsibilities which are made clearly distinct to ensure a balance of power and authority.

The CEO is responsible for the day-to-day management of the Company and the Group. The role of the CEO is vital to the performance of the Company. He/she is required to provide leadership, strategic vision, high-level business judgment and wisdom, and the ability to meet immediate performance targets without neglecting longer-term growth opportunities of the Company and the Group. The key roles of the CEO, amongst others, are as follows:-

- (a) developing the strategic plan and direction of the Group;
- (b) ensure that the Company and/or the Group's business is properly and efficiently managed by ensuring that the executive team implements the policies and strategies adopted by the Board and its Board Committees;
- (c) ensure that the objectives and standards of performance are understood by the Key Senior Management and employees;
- (d) ensure that the operational planning and control systems are in place;
- (e) risk management;
- (f) monitoring performance results against plans;
- (g) taking remedial action, where necessary;
- (h) reporting on significant business decisions;
- (i) stakeholder management; and
- (j) any such matters referred to by the Chairman, the Board or other Board Committees from time to time.

The CEO also provides assistance whenever appropriate and works with the Board and the Board Committees in discharging their duties. He will report on the performance and activities of the Group for the period under review, including explanations when there are significant fluctuations or changes. At this juncture, the Company has yet to appoint a CEO and currently the Executive Director assumed the role.

1.5 **Board Meetings**

The Board meets regularly on quarterly basis to review the operations, financial performance, reports from the various Board Committees and other significant matters of the Group. Special Board meetings may be convened as and when necessary, to consider urgent proposals or matters that require the Board's consideration or decisions. Off-site Board meeting to discuss specific topics will be arranged, when necessary, to facilitate more time for discussion and view sharing. Additionally, where appropriate, the Board may also resolve and approve various matters by way of written resolutions.

During the financial year ended 31 March 2025, five (5) Board meetings were held and the attendance record of each Director at the Board meetings during their tenure of office is as follows:-

Name and Designation of the Directors	Total No. of Meetings attended during tenure of office	Percentage of attendance (%)
Dato' Moktar Bin Mohd Noor Independent Non-Executive Chairman	5/5	100%
Datuk Sham Shamrat Sen Gupta Independent Non-Executive Director	5/5	100%
Datin Ong Poh Lin Abdullah Independent Non-Executive Director	5/5	100%
Roy Ho Yew Kee Executive Director (Appointed on 17 July 2024)	4/4	100%
Kong June Hon Independent Non-Executive Director (Appointed on 16 June 2025)	-	-
Kang Teik Yih Independent Non-Executive Director (Resigned on 21 March 2025)	5/5	100%

Corporate Governance **Overview Statement (Cont'd)**

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

I. **BOARD RESPONSIBILITIES (CONT'D)**

1. **Board's Leadership on Objectives and Goals (Cont'd)**

1.5 **Board Meetings (Cont'd)**

The Directors' commitment, resources and time allocated to the Company are evident from the attendance record and the Board is satisfied with the level of time and commitment given by each Directors of the Company towards fulfilling their duties and responsibilities.

Directors are encouraged to participate in the meeting and share their views. They are also encouraged to pose queries (if any) to Management prior to each Board meeting. Any Director who has a direct or deemed interest in the subject matter shall declare his interest at the meeting and abstain from deliberation and voting on the respective resolution. Where appropriate, the Board may resolve and approve various matters by way of written resolutions.

In fostering the commitment of the Board that the Directors devote sufficient time to carry out their responsibilities, the Directors are required to notify the Chairman before accepting any new directorship in other public listed companies. Such notification shall include an indication of time that will be spent on the new appointment. The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company. Currently, all the Directors of the Company hold not more than five (5) directorships in public listed companies, which is in compliance with Paragraph 15.06 of the MMLR.

1.6 **Directors' Training**

The Directors are mindful of the importance of continuing training and education to enhance their skills and knowledge where relevant, as well as to keep abreast with the changing regulatory and corporate governance development, to enable them to discharge their duties as Directors effectively.

The details of the seminars, conferences and/or training programmes attended by the current Board of Directors during the financial year are as follows:-

Name of Director	Seminars/Conferences/Training Programmes Attended	Date
Dato' Moktar Bin Mohd Noor	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	6-7 May 2024
	Conflict of Interest (COI) and Governance of COI Programme	12 September 2024
	Understanding the New National Sustainability Reporting Framework by Minority Shareholder Watch Group (MSWG)	18 November 2024
	ICDM Power Talk - Boardroom Insights 2025: Navigating Governance, Risk and Strategic Foresight	17 December 2024
Datuk Sham Shamrat Sen Gupta	Boards as Drivers of Corporate Innovation: A Practical and Engaging Masterclass	8 August 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	2-3 October 2024
Datin Ong Poh Lin Abdullah	Sustainable and Responsible Investment Conference (SRI) 2024 – Investing in Human Wellbeing and the Planet	20 June 2024
	KSY016: Harnessing Artificial Intelligence (AI) for Business Strategies and Applications	28 November 2024
	KSY313: Building Organizational Resilience in Post-pandemic Recovery: Cyber Security Risk Management	29 November 2024
Roy Ho Yew Kee	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	3-4 July 2024
Kong June Hon	Business Valuations	25 May 2024
	E-invoice training Course	24 June 2024
	The 2024 Investor Day of icapital.biz Berhad	27 October 2024
	CAS Global Annual Workshop & Conference	14-15 November 2024
	Business Valuation Forum 2024	4 December 2024

Corporate Governance **Overview Statement (Cont'd)**

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

I. **BOARD RESPONSIBILITIES (CONT'D)**

1. **Board's Leadership on Objectives and Goals (Cont'd)**

1.6 **Directors' Training (Cont'd)**

All Directors have completed the Mandatory Accreditation Programme (Part I and Part II) as prescribed by Bursa Securities. The Directors will continue to attend other relevant education and/or training programmes to keep abreast with latest developments and knowledge on a continuous basis in compliance with the MMLR of Bursa Securities.

In addition, the Board has also been regularly updated and advised by the Company Secretaries along with other independent professionals on changes in the statutory and regulatory requirements and matters on governance, to enable the Directors to discharge their responsibilities effectively. Overall, the Board actively seeks advice and interact with the relevant professional personnel to enhance their skills and knowledge on specific area.

1.7 **Qualified and Competent Company Secretary**

The Company is supported by qualified and competent Company Secretaries who possess the requisite qualification and are qualified to act as Company Secretaries under the Companies Act 2016. They play a supportive role by ensuring adherence to the Company's Constitution and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries will continuously monitor corporate governance developments and regularly update and advise the Board on latest requirements in relation to their duties and responsibilities, to ensure the Board's application of the governance practices to meet the Board's needs and stakeholders' expectations.

The Board is satisfied with the service and support rendered by the Company Secretaries in discharging their functions. The Company Secretaries had and will continuously undertake professional development.

1.8 **Access to Information and Independent Professional Advice**

The Board recognises that the decision-making process is highly dependent on the quality of information available. All the Directors have access to all information within the Group and may seek advice from Management on matters under discussion or request further information on the Group's business activities.

The Chairman, with the assistance of the Company Secretaries, ensures that all Directors have full and timely access to all information and reports on financial, regulatory and audit matters within the Group, by way of Board papers distributed in advance for Board meetings, to facilitate informed decision making and meaningful discharge of their duties and responsibilities. The Board, whether as full Board or in their personal capacity, may upon approval from the Board, seek independent professional advice where necessary and under appropriate circumstances at the Company's expense, in furtherance of discharging their duties with adequate knowledge.

All Board and Board Committees are provided with notice of meeting with full agenda and the relevant board papers, reports including matters arising, financial, operational and regulatory compliance matter, at least seven (7) days prior to meetings to ensure that they have sufficient time to review and evaluate the matters to be deliberated and obtain further information, if needed, prior to meeting to expedite decision-making during meetings. However, the Board and/or Board Committees also hold meetings to discuss and/or approve certain urgent matters and these meetings are called with less than seven (7) days notice, with the consent of all respective Board and Board Committee members.

2. **Demarcation of Responsibilities**

2.1 **Board Charter**

The Company has in place a Board Charter that sets out, among others, the responsibilities, authorities, procedures, evaluations and structures of the Board and Board Committees, as well as the relationship between the Board with its Management and shareholders. The Board Charter is reviewed by the Board annually and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board reviewed its Board Charter on 25 July 2025 and a copy of which is available at the Company's website at <http://www.dnonce.com>.

Corporate Governance *Overview Statement (Cont'd)*

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

I. BOARD RESPONSIBILITIES (CONT'D)

3. Good Business Conduct and Corporate Culture

3.1 Code of Conduct

The Board has established and adopted a Code of Conduct for all Directors and employees of the Group. The Code of Conduct, as incorporated in the Board Charter, has been formulated to enhance the standard of corporate governance and promote ethical conduct of the Directors.

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees of the Group are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Group.

The Board will review the Code of Conduct when necessary to ensure it remains relevant and appropriate. The Code of Conduct for Directors and employees of the Group is made available for reference within the Board Charter published on the Company's website at <http://www.dnonce.com>.

3.2 Whistleblowing Policy

In adhering to good corporate governance practices and with the introduction of the Whistleblower Protection Act 2010, the Board has put in place a Whistleblowing Policy as an avenue for employees and stakeholders to report genuine concerns about unethical behaviour, malpractices and illegal acts on failure to comply with regulatory requirements without fear of reprisal. Multiple channels of reporting are set up to encourage stakeholders to report directly to the Chairman of the Board and Chairman of the Audit and Risk Management Committee.

The Whistleblowing Policy is made available for reference within the Board Charter published on the Company's website at <http://www.dnonce.com>.

3.3 Anti-Bribery and Anti-Corruption ("ABAC") Policy

The ABAC Policy has been established to provide the Directors, officers, employees as well as third parties who have dealings with the Group, a guide on the appropriate practices to be complied with in relation to improper solicitation, bribery and other corrupt activities and/or issues that may arise in the course of business. It is our policy to conduct all of our business in an honest and ethical manner, as well as complying with all applicable laws, which include compliance with the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anticorruption Commission (Amendment) Act 2018 and any of its amendments or re-enactments that may be made by the relevant authority from time to time. We adopt a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, implementing and enforcing effective systems to counter bribery.

The ABAC Policy is made available for reference within the Board Charter published on the Company's website at <http://www.dnonce.com>.

Corporate Governance **Overview Statement (Cont'd)**

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

II. BOARD COMPOSITION

4. Board Objectivity

4.1 Board Composition

The current Board is made up of five (5) members, comprising one (1) Executive Director and four (4) Independent Non-Executive Directors. The composition of the Board complies with Paragraph 15.02(1)(a) of the MMLR of Bursa Securities, which requires at least two (2) directors or one-third (1/3) of the Board, whichever is the higher, to be independent members. The Company has also fulfilled the Practice 5.2 under the MCCG to have at least half of the Board members comprises a majority of independent directors.

The Board is of the opinion that the Directors, with their diversified background and extensive experience, bring a wide range of technical skills and expertise to the Group and have contributed significantly towards performance monitoring, control as well as governance.

The Board believes that the current Board composition is appropriate given the collective skills and experiences of the Directors, the Group's current size and nature of the Group's business. The Board will continue to monitor and review the Board's size and composition as may be needed.

4.2 Tenure of Independent Director

The Board is mindful of the recommendation of the MCCG with regards to the tenure of an Independent Director not exceeding a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Director may continue to serve the Board, subject to re-designation as Non-Independent Director.

As at the date of this Statement, none of the Independent Directors have served on the Board for a cumulative or consecutive term of nine (9) years.

4.3 Policy on the Tenure of an Independent Director

The Board Charter limits the tenure of an Independent Director to a cumulative term of nine (9) years. In the event the Board intends to retain a Director as Independent Director after the latter has served a cumulative or consecutive term of nine (9) years, the Board must justify its decision and seek shareholders' annual approval at the Annual General Meeting ("AGM") through a two (2) tier voting process.

5. Board Diversity

5.1 Diverse Board and Senior Management Team

The Board is supportive of diversity in the Board's composition and Senior Management team. Appointment of members of the Board and Senior Management team are based on objective criteria, merit and also due regard for diversity in experience, skills set, age, gender and cultural background.

5.2 Gender Diversity

The Board is supportive of the recommended practice under the MCCG in promoting female's representation at the Board level, whereby a Board should comprise at least 30% women directors. Although the Board has yet to establish a Gender Diversity Policy, the Board has appointed one (1) female director and this complies with the Paragraph 15.02(1)(b) of the MMLR of the Bursa Securities.

As at 31 March 2025, the Group's female staff made up to 47% of the total staff.

5.3 Diverse Sources for New Candidates(s) for Board Appointment

The Company has in place, its procedures and criteria for identifying candidates for appointment of directors. All candidates for appointment are first considered by the Nominating Committee and Remuneration Committee, taking into account the suitability and mixture of skills, competencies, experience, professionalism and other relevant qualities in meeting the needs of the Company.

In the process of identification of suitable new candidates, the Nominating Committee does not solely rely on recommendations from the existing Board members, Management or major shareholders. The Board will ensure that an appropriate review or search is undertaken by the Nominating Committee and/or an independent third party if necessary, to facilitate informed decision-making and suitable appointment.

Corporate Governance **Overview Statement (Cont'd)**

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

II. **BOARD COMPOSITION (CONT'D)**

6. **Board Committees**

The Board, in view of assisting the discharge of its stewardship role, has established Board Committees delegated with certain responsibilities as detailed below, as well as the authority to examine specific issues and operate within their respective Terms of Reference ("TOR") as approved by the Board and report to the Board with their proceedings, deliberations and recommendations. The ultimate responsibility for decision making, however, lies with the Board.

6.1 **Audit and Risk Management Committee ("ARMC")**

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition, attendance for meetings and summary of work of activities of the ARMC are set out in the ARMC Report on pages 48 to 52 of this Annual Report. The ARMC's TOR is published within the Board Charter on the Company's website at <http://www.dnounce.com>.

6.2 **Nominating Committee ("NC")**

The NC comprises two (2) members, both of whom are Independent Non-Executive Directors.

The NC has been entrusted with the responsibility of assessing and proposing new nominees to the Board and evaluate the existing Directors on an on-going basis. The roles and responsibilities of the NC are set out in the NC's TOR, published within the Board Charter on the Company's website at <http://www.dnounce.com>.

As of the date of this Statement, the composition of the NC is as follows:-

Designation	Name	Directorship
Chairman	Datuk Sham Shamrat Sen Gupta	Independent Non-Executive Director
Member	Kong June Hon (Appointed on 16 June 2025)	Independent Non-Executive Director
	Kang Teik Yih (Resigned on 21 March 2025)	Independent Non-Executive Director

The NC meets as and when is required. For the financial year ended 31 March 2025, the NC had conducted one (1) NC meeting and was attended by all of its members.

During the financial period under review, the key activities undertaken by the NC are summarised as follows:-

- Reviewed the composition and size of the Board, mixture of skills and experience and other qualities, including core competencies, as well as contribution of each individual Director.
- Reviewed and assessed the effectiveness of the Board as a whole and the Board Committees, as well as the performance of each individual Director and the independence of the Independent Directors.
- Reviewed and assessed the performance of the Key Senior Management and ensured their competency and time commitment in discharging their respective roles.
- Reviewed and recommended to the Board, the re-election of eligible Directors who were due to retire by rotation at the AGM.
- Reviewed the term of office and performance of the ARMC and each of its members pursuant to Paragraph 15.20 of the MMLR of Bursa Securities. The assessment was carried out by way of a discussion in the Board meeting and self-evaluation by the ARMC, given that the composition of the NC was the same with ARMC.
- Conducted annual assessment on the Board, Board Committees and individual Directors.
- Deliberated on the composition of Board Committees following the change of Directors.

The NC reviews and recommends new nominees to the Board, after taking into consideration the structure, size, balance and composition of the Board and Board Committees. This requires a review of the required mix of skills and experience including core competencies which the new nominees and the existing Directors should bring to the Board, as well as other qualities for the Board to function effectively and efficiently. Thereafter, the Board carries out its own assessment of the recommendations made by the NC and determines the appointments to be made. The Company Secretaries ensure that all appointments are properly made, and that legal and regulatory obligations are met.

All recommendations of the NC are subject to the approval of the Board.

Corporate Governance **Overview Statement (Cont'd)**

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

II. **BOARD COMPOSITION (CONT'D)**

6. **Board Committees (Cont'd)**

6.3 **Remuneration Committee ("RC")**

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The RC has been entrusted with the responsibility of determining, reviewing and proposing the remuneration of the Executive and Non-Executive Directors (including Non-Executive Chairman) and Key Senior Management of the Company to the Board on an on-going basis. The roles and responsibilities of the RC are set out in the RC's TOR, published within the Board Charter on the Company's website at <http://www.dnonce.com>.

The RC is responsible for carrying out annual reviews whereupon recommendations are submitted to the Board on the overall remuneration package for Directors and Key Senior Management, to ensure that the remuneration package remains in support of its corporate objectives and shareholder value and is in tandem with its culture and strategy.

The RC believes in a remuneration policy that fairly supports the Directors' and Key Senior Management's responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The main objective in this respect is to offer a competitive remuneration package in order to attract, retain and motivate high caliber and talented individuals to work with the Company.

As of the date of this Statement, the composition of the RC is as follows:-

Designation	Name	Directorship
Chairman	Datuk Sham Shamrat Sen Gupta	Independent Non-Executive Director
Members	Datin Ong Poh Lin Abdullah	Independent Non-Executive Director
	Kong June Hon (Appointed on 16 June 2025)	Independent Non-Executive Director
	Kang Teik Yih (Resigned on 21 March 2025)	Independent Non-Executive Director

The RC meets as and when is required. For the financial year ended 31 March 2025, the RC met once and was attended by all of its members.

The Directors' fees and emolument benefits reviewed by the RC are subject to the endorsement of the Board and approval of the shareholders at the Company's AGM. Directors who are shareholders will abstain from voting and deliberation of their own remuneration at the AGM to approve their fees.

The RC would also recommend to the Board a remuneration package for Executive Directors that is fairly guided by market norms and industry practice. Executive Director also will not be involved in deciding and approving his own remuneration.

All recommendations of the RC are subject to the approval of the Board.

Corporate Governance **Overview Statement (Cont'd)**

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

II. **BOARD COMPOSITION (CONT'D)**

7. **Board Assessment**

7.1 **Overall Effectiveness of the Board**

It is the responsibility of the NC for the overall Board effectiveness evaluation process, which includes an assessment of the Board, Board Committees and individual Directors. The Board, through the NC, conducts an annual assessment on the Board's effectiveness based on the composition, conduct, responsibilities of the Board and the Board Committees in accordance with the Board Charter and the Board Committees' TORs, through documented questionnaires forms approved to be adopted by the Board, which comprises quantitative and qualitative performance criteria to evaluate the performance of each member of the Board as well as each Board Committee.

The observations of the assessment indicated that the performance of the Board, the Board Committees and the individual Directors during the year had been satisfactory and effective in overall discharge of functions and duties. It was also noted that the relationship between the Board members was good with positive and constructive interactions, coupled with strong leadership shown by the Chairman.

Based on the assessment, taking into consideration the nature and the scope of D'nonce Group's operations and business requirements, the Board is satisfied with the current size and composition of the Board and Board Committees and opined that it is appropriate and well balanced with diversity of skill set, knowledge and experience which would facilitate effective decision-making. The Board is also satisfied with the level of independence demonstrated by the Independent Directors throughout the year and their abilities to exercise objective judgement and act in the best interest of the Company. The results of the individual Director's assessments had also supported the Board's decision to endorse the retiring Directors standing for re-election.

7.2 **Re-election of Retiring Board Members**

In accordance with the Company's Constitution, all Directors who are appointed by the Board during the financial year shall hold office only until the following AGM subsequent to their appointment and shall be eligible for re-election. The Constitution also provides that 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 at every AGM and be eligible for re-election, provided always that all Directors shall retire from office at least once in every three (3) years.

III. **REMUNERATION**

8. **Remuneration Policy**

It is vital for the Group to attract, retain and motivate Directors and Key Senior Management of the necessary caliber to run the Group successfully towards sustainable business. The Board is mindful that fair remuneration is critical and has established RC to develop remuneration strategies that drive performance and provide levels of reward which reflect the performance of the Executive Director, Non-Executive Directors and Key Senior Management personnel.

The remuneration for Executive Director and Key Senior Management consists of basic salary and other emoluments and it is based on the achievements and contribution of each person measured against their respective Key Performance Indicators. The Board shall determine the remuneration of Executive Director and Key Senior Management taking into consideration the recommendations of the RC.

The Non-Executive Directors will receive a fixed base Directors' Fee, not by a commission or on percentage of profits/turnover, as consideration for their expected roles and responsibilities, including any additional work and contributions required to discharge their duties as a Board member. The proposed aggregate amount of Directors' Fees to be paid to Non-Executive Directors is not linked to their individual performance and it is subject to the approval of the shareholders at a General Meeting.

Corporate Governance **Overview Statement (Cont'd)**

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

III. **REMUNERATION (CONT'D)**

9. Remuneration of Directors and Key Senior Management

9.1 Details of Directors' Remuneration

The Company will seek the shareholders' approval at the forthcoming 25th AGM for Directors' fees and benefits payable to the Directors for the period from this 25th AGM until the next AGM of the Company in 2026. This is to facilitate the payment of the Directors' fees and benefits on a monthly basis and/or as and when incurred and shall be applicable to the subsequent financial year thereon.

Details of the Directors' Remuneration of the Directors who served the Company during the financial year ended 31 March 2025 are as disclosed in Practice 8.1 of the CG Report.

9.2 Details of top five senior management's remuneration on name basis

Given the confidential and commercial sensitivities associated with remuneration matters and the highly competitive human resource environment, in consideration of the importance of ensuring stability and continuity of the Group's business operations with a competent and experienced Management team in place, the Board is of the view that disclosure on named basis of the top five (5) Key Senior Management's remuneration components including salary, bonus, benefits-in-kind and other emoluments in the bands of RM50,000 in accordance with the recommendation of Practice 8.2 of the MCCG, is not in the best interest of the Company.

Nonetheless, the remuneration paid to the top five (5) Key Senior Management (excluding Executive Director) for the financial year ended 31 March 2025 analysed in the bands of RM50,000 is as follows:-

Remuneration Bands	Number of Key Senior Management
RM400,001 to RM450,000	3
RM550,001 to RM600,000	1
RM900,001 to RM950,000	1

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. **AUDIT AND RISK MANAGEMENT COMMITTEE**

10. Effective and independent ARMC

The ARMC comprises three (3) members of the Board, all of whom are Independent Non-Executive Directors. The Chairman of the ARMC is Mr. Kong June Hon, an Independent Non-Executive Director, who is not the Chairman of the Board, so as not to impair the objectivity of the Board's view of the ARMC's findings and recommendation.

The current composition of the ARMC fulfill the requirement set out under Paragraph 15.09 of the MMLR of Bursa Securities, which stipulates the necessary skills and experiences required to be a member of the ARMC, with all the ARMC members possessing the necessary financial, commercial expertise and capital markets skills, experience required to meet their responsibilities. On an on-going basis, the ARMC members will undertake continuous professional training and development, to keep themselves abreast of the latest developments in accounting and auditing standards, guidelines and practices.

The ARMC assists the Board in discharging its statutory duties and responsibilities by ensuring:-

- accurate and timely financial reporting and compliance with applicable financial reporting standards and regulations;
- adequate internal control in the systems and processes which enable the Group to operate effectively and efficiently;
- that an effective risk management framework is in place to manage risks impacting the Group;
- that internal audit functions effectively and audits are performed by External Auditors objectively and independently; and
- the Group complies with applicable laws, rules and regulations and has an appropriate code of business conduct in place.

Corporate Governance **Overview Statement (Cont'd)**

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

I. **AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)**

10. Effective and independent ARMC (Cont'd)

The Board through the NC assesses the composition and performance of the ARMC annually, through an annual Board Committee effectiveness assessment. The Board is satisfied that the AC members discharged their functions, duties and responsibilities in accordance with the ARMC's TOR. The ARMC's TOR was reviewed and updated regularly to reflect the requirements of the applicable practices of MCCG.

None of the ARMC member is a former key audit partner of the Company's External Auditors and the Board does not foresee any new appointment of a former key audit partner to the Board. The Board had also adopted and incorporated the policy that requires a former key audit partner of the Company to observe the required cooling-off period of at least three (3) years before being appointed as a member of the ARMC in its TOR, as required under Practice 9.2 of the MCCG.

The ARMC also maintains transparent and professional arrangements in dealing with the Internal and External Auditors. Details of the composition of the ARMC and a summary of activities and the role of the ARMC pertaining thereto are set out in the ARMC Report on pages 48 to 52 of this Annual Report.

11. Suitability, Objectivity and Independence of the External Auditor

The ARMC has formalised the procedures to assess the suitability, objectivity, and independence of the External Auditors, which encompasses the review and consideration of the nature and extent of non-audit services provided by the External Auditors alongside the appropriateness of the fees paid for such services. Additionally, the said policy stipulated circumstances under which contracts for the provision of non-audit services could be entered into and procedures that must be followed by the External Auditors.

During the year, the ARMC conducted an annual assessment on the suitability and independence of the External Auditors based on the following considerations:-

- (a) the quality of audit procedures and work provided;
- (b) the adequacy of experience, technical support and resources of the audit team;
- (c) the safeguard measures in place to ensure the independence and objectivity of the External Auditors;
- (d) the internal communication quality of External Auditors with the ARMC and/or the Board;
- (e) the compliance of the audit firms and partners with the regulatory requirements; and
- (f) any other criteria deemed fit by the ARMC and/or the Board.

In reviewing the audit and non-audit services provided by the External Auditors, the ARMC ensures that the independence and objectivity of the External Auditors are not compromised. The External Auditors are engaged mainly to perform statutory audit on D'nonce Group's financial statements. During the financial period, it was reported that the non-audit related review undertaken by the External Auditors includes review of the Statement on Risk Management and Internal Control.

Furthermore, the External Auditors provided a confirmation to the ARMC that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

In addition to the above, the ARMC meets with the External Auditors at least once a year to discuss their audit plans, audit findings and the Company's financial statements. The ARMC would meet with the External Auditors without the presence of Executive Director and Management at least once a year and in addition thereto whenever the need arises. For the financial year ended 31 March 2025, the ARMC had met with the External Auditors without the presence of Executive Director and Management once during the ARMC meetings.

The External Auditors are also invited to attend every AGM whereby the financial statements of the company for the financial year are laid before the shareholders for notation and discussion, to respond and reply to any enquiries raised with regards to the conduct of the Group's statutory audit and the preparation of the Group's financial statements.

An annual assessment on the suitability and independence of the External Auditors was conducted by the ARMC on 25 July 2025. The ARMC, having assessed the independence of the External Auditors as well as reviewed the level of non-audit services rendered by them for the financial year ended 31 March 2025, was satisfied with their performance, technical competency, suitability and independence. The ARMC has recommended the re-appointment of Messrs Grant Thornton Malaysia PLT as the External Auditors of the Company and the Group for the ensuing year to the Board, upon which shareholders' approval will be sought at the 25th AGM.

Corporate Governance *Overview Statement (Cont'd)*

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

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

12. Effective Risk Management and Internal Control Framework

The Board acknowledges its overall responsibility in maintaining a sound system of internal controls that provides reasonable assessment of effective and efficient operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines. Such system is designed to reduce rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, errors, frauds or losses.

The Board is assisted by the ARMC which functions as an oversight body to review controls and systems in general periodically and to carry out on-going assessment over the adequacy and effectiveness of the risk management and internal control practices within the Group. The ARMC has also acquire the function of the Risk Management Committee within its ambit, to oversee the Group and the Company's risk management framework and policies.

In addition to the abovementioned, the Board is supported by the Management in developing, implementing and monitoring practices for identifying and managing risks. This is added with the role of the Management to provide assurance that the necessary control practices are adhered and carried out accordingly based on stipulated policies and framework.

The Board has received assurance from the management that the Group's risk management and internal controls have been operating adequately and effectively, in all material aspects, during the year under review and up to the date of this Statement.

Taking into consideration of the abovesaid assurance during the Board's assessment of the Group's risk management and internal control, the Board is of the view that the overall risk management and internal control in place for the financial period under review are operating adequately and effectively for the purpose of safeguarding D'nonce Group's assets as well as shareholders' investments and the interests of employees and other stakeholders and is considered adequate for the Group's business operations.

The information and further details on the Group's risk management framework and internal audit function are disclosed under the Statement on Risk Management and Internal Control on pages 26 to 29 of this Annual Report.

13. Effective Internal Audit Function

The Group's internal audit function is outsourced to an independent professional consulting firm, Messrs. Kloo Point Risk Management Services Sdn. Bhd., a corporate member of The Institute of Internal Auditors Malaysia, to assist the ARMC and the Board in assuming the task of internal control review and risk assessment functions of D'nonce Group, by providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control systems.

The Internal Auditors report functionally to the ARMC and have unrestricted direct access to the ARMC. Its function is independent of the activities or operations of other operating units. The Head of Internal Audit is invited to attend the ARMC meetings to facilitate the deliberation of internal audit reports.

The ARMC carries out an assessment on the performance of the outsourced internal audit function and the effectiveness of the Group's internal control systems on an annual basis and report such assessment findings to the Board for consideration.

The Internal Auditors adopt a risk-based approach towards the planning and conduct of their audits, which is consistent with the Group's approach in designing, implementing and monitoring its internal control systems. The activities of the Internal Auditors during the financial period under review are set out in the ARMC Report on pages 48 to 52 of this Annual Report.

Corporate Governance **Overview Statement (Cont'd)**

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

I. **ENGAGEMENT WITH STAKEHOLDERS**

14. Continuous Communication Between the Company and Stakeholders

The Board believes that effective communication fosters better understanding of the Group's objectives and maintaining of transparency and accountability to all its stakeholders, particularly its shareholders and investors as it ensures that market credibility and investors' confidence are maintained.

In order to promote effective communication with the Company's stakeholders, material developments, information and financial results of the Group and the Company are made available through timely announcements and disclosure to Bursa Securities, publication on the Company's webpage, press releases, circulars and Annual Reports, in line with the disclosure requirements of MMLR of Bursa Securities.

15. Corporate Disclosure Policy

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures relating to D'nonce Group to the regulators, shareholders and stakeholders. The Board formalised pertinent corporate disclosure policies not only to comply with the disclosure requirements as stipulated in the MMLR, but also setting out the persons authorised and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

The Corporate Disclosure Policy is made available for reference within the Board Charter published on the Company's website at <http://www.dnonce.com>.

16. Leveraging Information Technology for Effective Dissemination of Information

To augment the process of disclosure, the Board has established a dedicated Investor Relations section on the Company's website at <http://www.dnonce.com> that provide access to corporate governance related information, such as the Company's announcements made to Bursa Securities, financial results and the Company's Annual Report. Shareholders are encouraged to access the Company's website as well as Bursa Securities' website at www.bursamalaysia.com to obtain the latest information of the Company. Continuous improvement and development of the website will be undertaken by the Company to ensure easy and convenient access.

Corporate Governance **Overview Statement (Cont'd)**

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

II. CONDUCT OF GENERAL MEETINGS

17. Encourage Shareholders' Participation at General Meetings

In addition to disseminating information via announcements and/or disclosures to Bursa Securities, the Company's website, circulars and press releases, the Company's General Meetings, i.e. AGM or any Extraordinary General Meetings serve as the principal platform for dialogue and interactions with all shareholders and other stakeholders.

Shareholders were encouraged to participate in the questions and answers session on the proposed resolutions or about D'nonce Group's operations in general during the General Meetings. They will be allowed to raise questions or seek more information or clarification from the Board and/or Key Senior Management team on the proposed resolutions during the meeting. All the Directors of the Company are to present at all General Meetings of the Company, in order to engage directly with shareholders and to take up any relevant queries which are related to matters that fall under the purview of the relevant Board Committees or Board, unless unforeseen circumstances preclude them from attending so. The External Auditors of the Company will also be present to provide their professional and independent clarification on any issues and concerns raised by the shareholders.

The Notice of the Twenty-Fourth ("24th") AGM of the Company was circulated twenty-eight (28) days prior to the date of the meeting, to provide shareholders ample time to read through the Annual Report. The 24th AGM was conducted on a virtual basis through live streaming from the broadcast venue via remote participation and voting facilities operated by InsHub Sdn. Bhd. in Malaysia on 12 September 2024. All resolutions set out in the Notice of 24th AGM were put to vote electronically (e-vote). The 24th AGM that was conducted virtually provided an opportunity for shareholders to participate remotely at the meeting and pose relevant questions to the Chairman and the Board via real time submission of typed texts.

The 25th AGM of the Company is scheduled to be held on 23 September 2025 and notice for the upcoming 25th AGM will be sent to the shareholders on 31 July 2025, giving shareholders at least twenty-eight (28) days' notice in advance.

COMPLIANCE STATEMENT

The Board has deliberated, reviewed and approved this Statement, and considers that the Statement provides the information necessary to enable shareholders to evaluate how the MCGG has been applied by the Company. The Board considers and is satisfied that the Group has fulfilled its obligation under the MMLR of Bursa Securities and all applicable laws and regulations, as well as applied to the best practices of MCGG at its best throughout the financial year ended 31 March 2025.

This Statement was approved by the Board of Directors on 25 July 2025.

Additional Compliance Information

The following disclosures are made in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

UTILISATION OF PROCEEDS

On 15 March 2024 the corporate proposal for Right Issue with Warrants had been completed. The Company had raised RM39.044 million following the listing and quotation of 433,818,947 Right Shares and 433,818,947 Warrants on the Main Market of Bursa Securities. No warrants had been exercised during the financial year. The amount raised is utilised in the following manner:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance to be Utilised RM'000	Expected time frame for the utilisation of proceeds (from the date of listing of the Rights Shares)	Deviation Amount RM'000	%
Construction of a new warehouse and additional production area	2,000	-	1,000	Within 24 months	(1,000)	-2.56%
Capital expenditure for purchase of machinery and equipment and installation of enterprise resource planning system	4,200	836	2,464	Within 24 months	(900)	-2.31%
Repayment of bank borrowings	16,000	16,000	-	Within 12 months	-	0.00%
Working capital	7,352	9,252	-	Within 24 months	1,900	4.87%
Construction of new factory building in Thailand	8,000	-	8,000	Within 24 months	-	0.00%
Estimated expenses in relation to the Corporate Exercises	1,492	1,492	-	Within 1 month	-	0.00%
Total	39,044	27,580	11,464			

AUDIT AND NON AUDIT FEES

The amount of audit fees paid or payable to the external auditors by the Group and the Company for the Financial Year Ended ("FYE") 31 March 2025 are RM300,000 and RM142,000 respectively.

Non audit fees paid or payable to the external auditors or a firm or corporation affiliated to the external auditors for the Group and the Company for the FYE 31 March 2025 amounted to RM67,100 and RM12,500.

MATERIAL CONTRACTS INVOLVING DIRECTORS, EXECUTIVE DIRECTOR AND MAJOR SHAREHOLDERS

There were no material contracts entered into the Company and/or its subsidiaries involving the abovementioned parties during the FYE 31 March 2025.

RELATED PARTY TRANSACTIONS/RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

An internal compliance framework exists to ensure the Company meets its obligations, including that of all related party transactions under the MMLR of Bursa Securities. The Board reviews all related party transactions during the FYE 31 March 2025 and the details are disclosed in Note 31 of the Financial Statements.

EMPLOYEE SHARE ISSUANCE SCHEME

The Company's Share Issuance Scheme ("SIS") was implemented on 22 March 2024. The establishment of the new scheme allows up to issuance of up to 15% total number of issued shares (excluding treasury shares, if any) at any point in time during the duration of the scheme for eligible employees, Executive Directors and Non-Executive Directors of the Company and its non-dormant subsidiaries.

As at 31 March 2025, there were no issuance of the SIS.

Statement of *Directors' Responsibility* ***In Relation To The Audited Financial Statements***

The Directors are responsible for the preparation of the financial statements of the Group and the Company for each financial year, made out in accordance with the applicable Malaysian Financial Reporting Standards, the International Financial Reporting Standards and the requirements of the Companies Act 2016 ("the Act") in Malaysia.

The Directors are also responsible to ensure that the necessary internal control is in place, to facilitate the preparation of the financial statements that give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of their financial performance and cash flows for the year then ended, and that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company for the financial year ended 31 March 2025, the Directors have:

- adopted appropriate accounting policies and applied them consistently;
- presented information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- stated whether the applicable accounting standards have been applied, subject to any material departures disclosed and explained in the financial statements;
- reviewed the adequacy and integrity of the internal control system and management information system in the Company and within the Group;
- identified the principal risks and ensuring that an appropriate internal control system is in place to manage these risks;
- made judgements and estimates where applicable that are prudent, just and reasonable;
- prepared the financial statements on a going concern basis; and
- assessed the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in compliance with all applicable approved financial reporting standards in Malaysia, subject to any material departures, if any.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Act.

The Directors have a general responsibility for taking reasonable steps to safeguard the assets of the Group and the Company, to prevent and detect fraud and other irregularities. The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

The Directors are satisfied that appropriate accounting policies were used and applied consistently in preparing the financial statements of the Group and the Company for the financial year ended 31 March 2025. The Directors are also of the view that the relevant approved financial reporting standards have been observed and adopted in the preparation of these financial statements.

Audit and Risk Management Committee Report

The Board of Directors ("the Board") of D'nonce Technology Bhd ("D'nonce" or "the Company") is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the Financial Year Ended ("FYE") 31 March 2025.

COMPOSITION OF THE ARMC

The ARMC comprises the following three (3) members of the Board, all of whom are Independent Non-Executive Directors:

Designation	Name	Directorship
Chairman	Mr. Kong June Hon (Appointed on 16 June 2025)	Independent Non-Executive Director
Chairman	Mr. Kang Teik Yih (Resigned on 21 March 2025)	Independent Non-Executive Director
Member	Datuk Sham Shamrat Sen Gupta	Independent Non-Executive Director
Member	Datin Ong Poh Lin Abdullah	Independent Non-Executive Director

Mr. Kong June Hon is a qualified professional Chartered Accountant, who is a Fellow of the Association of Chartered Certified Accountants ("ACCA") and a member of the Malaysian Institute of Accountants. Mr. Kong holds a practising certificate issued by both the Ministry of Finance Malaysia and ACCA. Mr. Kong is also a Chartered Member of the Institute of Internal Auditors Malaysia and an ASEAN Chartered Professional Accountant.

The Board assesses the composition and performance of the ARMC and its members through an annual Board Committee effectiveness assessment. Based on the assessment conducted for the FYE 31 March 2025, the Board concluded that the current composition of the ARMC was appropriate. The Board was also satisfied that the ARMC and its members discharged their functions, duties and responsibilities, in accordance with the ARMC's Terms of Reference ("TOR").

MEETINGS AND ATTENDANCE

The ARMC had met five (5) times during the FYE 31 March 2025. The composition and the attendance record of ARMC members are as follows:-

Name and Designation of the Members of ARMC	Attendance
Mr. Kong June Hon Chairman of ARMC, Independent Non-Executive Director (Appointed on 16 June 2025)	-
Datuk Sham Shamrat Sen Gupta Member, Independent Non-Executive Director	5/5
Datin Ong Poh Lin Abdullah Member, Independent Non-Executive Director	5/5
Mr. Kang Teik Yih Chairman of ARMC, Independent Non-Executive Director (Resigned on 21 March 2025)	5/5

Other Board members, Key Senior Management and representatives of the External Auditors, and Internal Auditors of D'nonce Group of Companies ("the Group") were present by invitation to provide opinion and/or brief the ARMC on specific issues, as and when necessary, with the Company Secretary in attendance. Certain members of the Management team were also invited to attend these meetings to assist in clarifying matters raised at the meetings on a need basis.

The ARMC Chairman reports to the Board on matters deliberated at every ARMC meeting and recommendations made by the ARMC.

Audit and Risk Management Committee Report (cont'd)

TERMS OF REFERENCE

The TOR of the ARMC are published on the Company's website at www.dnonce.com.

Independence of the Audit and Risk Management Committee

The Company recognised the need to uphold independence of its External Auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the ARMC of the Company were former key audit partners of the External Auditors appointed by the Group. The TOR of the ARMC requires a former key audit partner of the External Auditors of the Group to observe a cooling-off period of at least three (3) years, before being appointed as a member of the ARMC.

Financial Literacy of the Audit and Risk Management Committee Members

Collectively, the members of the ARMC have the relevant experience and expertise in finance and accounting, and have carried out their duties in accordance with the TOR of the ARMC. The qualification and experience of the individual ARMC members are disclosed in the Directors' Profiles on pages 20 to 22 of this Annual Report. During the FYE 31 March 2025, all current members of the ARMC had undertaken the relevant training programs to keep themselves abreast of the latest development in accounting and auditing standards, statutory laws, regulations and best practices to enable them to effectively discharge their duties.

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

In discharging its functions and duties in accordance with its TOR, the ARMC had carried out the following main activities during the FYE 31 March 2025:-

1. Financial Reporting

- (a) Reviewed the unaudited quarterly financial results of the Group and the relevant announcements in relation thereto, to ensure the Company's compliance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), applicable approved accounting standards and other legal and regulatory requirements, prior recommending them for the Board's consideration and approval to be submitted to Bursa Securities.
- (b) Reviewed the Directors' Report and Audited Financial Statements ("AFS") for the FYE 31 March 2024 of the Group prepared by the External Auditors and recommended to the Board for approval and inclusion into the Annual Report of the Company to be submitted to Bursa Securities.
- (c) Reviewed and discussed the unaudited quarterly financial and treasury reports from Management, including monitoring the progress on long outstanding debts, banking facilities and project updates.

The following reviews have been carried out to ensure that the Group and the Company's quarterly interim financial statements and related disclosures present a true and fair view of the Group's and the Company's financial position and performance and are in compliance with the applicable approved financial reporting standards in Malaysia as well as the applicable disclosure provisions of the MMLR of Bursa Securities:

Date of Review/Approval	Review of Financial Statements
27 May 2024	Fourth quarter financial results for the financial period ended 31 March 2024
26 July 2024	Draft AFS for the FYE 31 March 2024
28 August 2024	First quarter financial results for the financial period ended 31 March 2025
28 November 2024	Second quarter financial results for the financial period 31 March 2025
14 February 2025	Third quarter financial results for the financial period 31 March 2025

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

2. External Audit

- (a) Reviewed and approved the audit scope and audit plan, as well as the proposed fees for the statutory audit of the Group for FYE 31 March 2025 as presented and proposed by the External Auditors.
- (b) Reviewed and discussed with the External Auditors of their audit findings and areas of concern highlighted, including significant and unusual events or transactions, audit recommendations and Management's response to the audit findings raised and audit recommendations.
- (c) Discussed with the external auditors the significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements applicable to the Group.
- (d) Met with the External Auditors in the absence of Management to discuss on any significant audit issues or concerns which may have arisen in the course of their audit of the Group for FYE 31 March 2025.
- (e) Assessed the independence and objectivity of the External Auditors in carrying out statutory audit for the Group and prior to the engagement of the External Auditors for ad-hoc non-audit services.
- (f) Make recommendation to the Board on the re-appointment of the External Auditors and their remuneration for ensuing year, based on the annual assessment performed on the External Auditors.

The ARMC received confirmation from the External Auditors, Messrs. Grant Thornton Malaysia PLT ("Grant Thornton") that they adhered to the By-Laws (on Professional Conduct and Ethics) of the Malaysian Institute of Accountants ("By-Laws") in relation to communication of breaches of auditors independence, in which they have not identified or aware of any matter that impairs their professional independence and they were in compliance with the independence requirements set out in the By-Laws.

The ARMC was satisfied that Grant Thornton was unlikely to create any conflict of interest nor impair the independence, suitability and performance of Grant Thornton and thus, recommended to the Board to seek shareholders' approval for the re-appointment of Grant Thornton as External Auditors for the FYE 31 March 2026.

3. Internal Audit

- (a) Received, discussed and reviewed the adequacy of the scope and areas of coverage of the updated Internal Audit Plan and the proposed internal audit fee for FYE 31 March 2025, to ensure comprehensive coverage over the activities of D'nonce Group and the significant risk areas identified are audited annually.
- (b) Reviewed the Internal Audit Reports containing the audit findings on the areas of concern and recommendations highlighted by the Internal Auditors to improve on the identified weaknesses in the system of internal control or non-compliance issues and the respective Management responses thereto.
- (c) The ARMC and the Internal Auditors monitored the progress of the implementation of the corrective actions by Management on outstanding issues through follow-up reports on a quarterly basis until they are satisfied that all key risks and control weaknesses identified had been adequately addressed.

The ARMC was satisfied with the reasonable assurance given by Management on the processes for the monitoring of the Group's internal control and risk management and their continuance to operate as intended.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

4. Recurrent Related Party Transactions and Related Party Transactions

The report on Recurrent Related Party Transactions ("RRPT") and/or Related Party Transactions ("RPT") of the Group was tabled and reviewed by the ARMC at every quarterly meeting, to discuss on the possible conflict of interest situation that may arise within the Company or the Group and to ensure that:

- (i) transactions with related parties and/or interested persons were conducted at arm's length basis and on normal commercial terms and that the internal control procedures with regards to such transactions were sufficient, not prejudicial to the interests of the Group and its minority shareholders and on terms which are generally no more favorable to the related parties and/or interested persons (pursuant to Chapter 10 of the MMLR of Bursa Securities); and
- (ii) the transactions are fair and reasonable and are not detrimental to the minority shareholders.

The ARMC was satisfied that the processes that the Group has in place for identifying, evaluating, approving, reporting and monitoring of RRPT and/or RPT were adequate to ensure all the transactions have been made at arm's length basis and not prejudicial to the interest of the Group or its minority shareholders and will be tracked and reported in a timely manner.

5. Other Activities

- (a) Reviewed corporate governance practices adopted by the Group based on the Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia in April 2017.
- (b) Reviewed the Corporate Governance Overview Statement, ARMC Report and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report.
- (c) Reviewed and discussed the effectiveness of the Group's risk management and internal control system as presented by Management.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The ARMC is supported by an outsourced internal audit function in discharging its duties and responsibilities. The internal audit function's principal role is to assist the ARMC and the Board in conducting independent assessment and systematic reviews on the Group's internal control system and governance practices, so as to provide reasonable assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. The ARMC reviews the adequacy of the scope, functions, competency and resources of the internal audit function to ensure that it is adequately resourced with competent and proficient internal auditors.

The Group outsourced its internal audit function by engaging Messrs. Kloo Point Risk Management Services Sdn. Bhd. ("Kloo Point"), an independent and established consulting company specialized in internal audit services as the Internal Auditors of the Company and the Group, to assist the ARMC in ensuring the adequacy and effectiveness of the Group's internal control systems by identifying the areas of improvement, if any, and to improve the adequacy and robustness of the internal control functions of the Group. Each audit review is engaged by approximately two to three internal auditors, depending on the areas of audit. Whenever required, the Internal Auditors would make reference to the Group's policies and procedures, established practices, listing requirements and recommended industry practices.

Audit and Risk Management Committee Report (Cont'd)

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION (CONT'D)

For the FYE 31 March 2025, the following activities were conducted by the Internal Auditors:-

1. Tabled the Internal Audit Plan for the FYE 31 March 2026 for the ARMC's review and endorsement;
2. Conducted internal audit reviews based on the approved Internal Audit Plan;
3. Performed follow-up reviews on previously reported findings and status update of the implementation of their recommendations by Management;
4. Issued internal audit reports incorporating audit recommendations and Management's responses in relation to the audit findings on the areas of improvement in the systems and controls of the Group to the ARMC and Management; and
5. Presented internal audit reports to the ARMC for review and consideration.

During the financial year, the Internal Auditors have reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Group and recommended possible improvements to the internal control process, which were all presented to the ARMC via internal audit reports together with the relevant action plans formulated by Management to address the issues noted. These findings were not limited to matters relating to financial and accounting controls, but also cover certain key operational and management control areas. This is to provide reasonable assurance that such system continues to operate satisfactorily and effectively within the Group.

The Group's internal audit activities were carried out mainly in accordance with the scope and annual Internal Audit Plan which had been reviewed and approved by the ARMC. For the FYE 31 March 2025, the Internal Auditors carried out the internal audit work covering the relevant business units and functions of the Group as follows:-

- Design and Conversion business unit in Penang, Malaysia: Quality Assurance, Plant and Tooling Maintenance;
- All business units in Ayutthaya, Thailand: Human Resource Management;
- Design and Conversion business unit in Johor Bahru, Malaysia: Production Control and Quality Assurance; and
- Design and Conversion business unit in Sadao, Thailand: Sales Order and Billing Process and Plant and Tooling Maintenance.

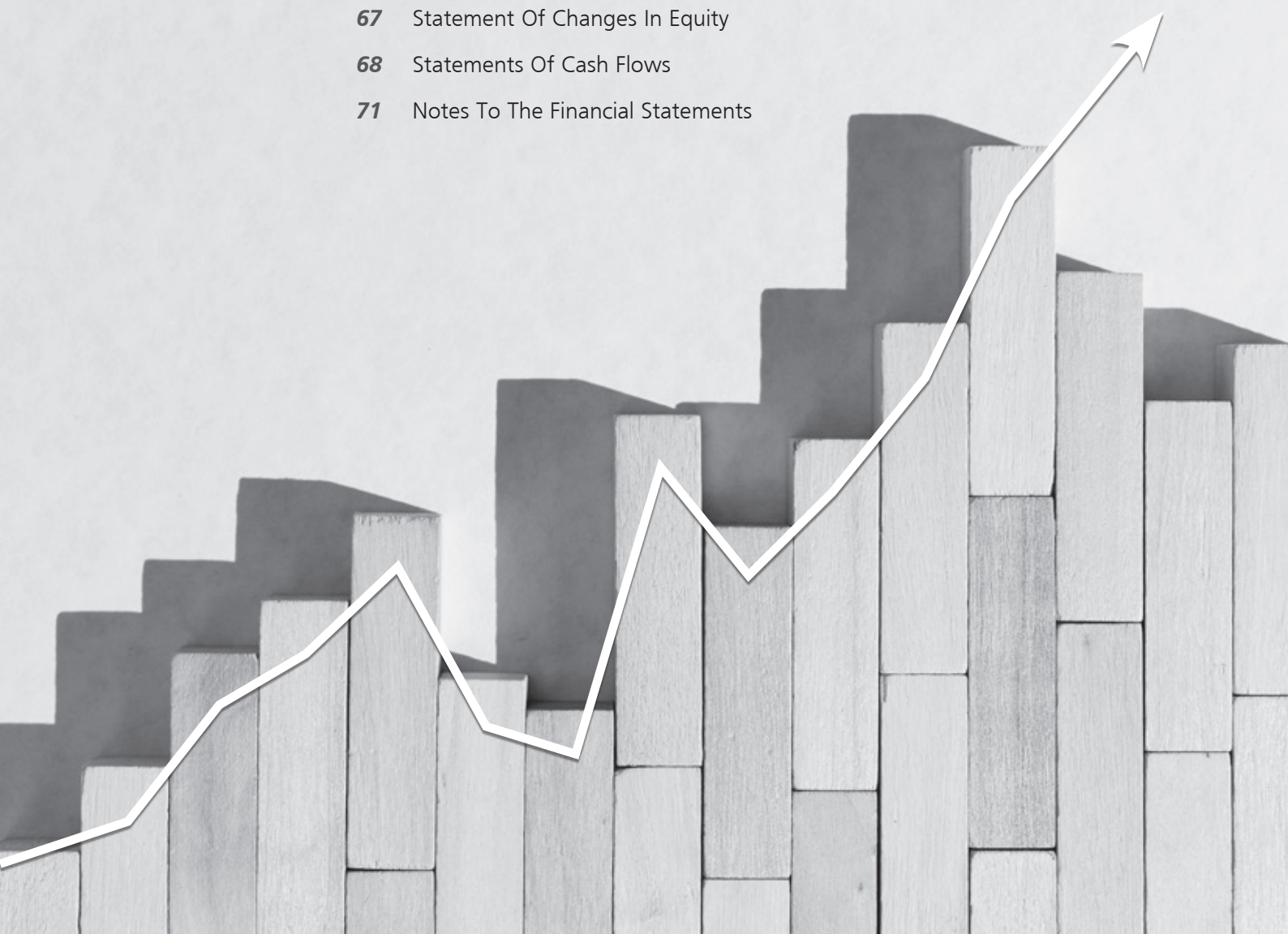
The total cost incurred by the Company in respect of the outsourced internal audit function of the Group and the internal audit services performed by Kloo Point for the FYE 31 March 2025 was RM60,000.

For further details on the risk management, internal controls and internal audit functions of the Company and the Group, please refer to the Statement on Risk Management and Internal Control on pages 26 to 29 in this Annual Report.

This ARMC Report was approved by the Board of Directors on 25 July 2025.

FINANCIAL STATEMENTS

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Directors' Report

For The Financial Year Ended 31 March 2025

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended **31 March 2025**.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year remain unchanged and consist of investment holding and the provision of management services to its subsidiaries.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
Loss for the financial year	(24,470,524)	(44,897,148)
Attributable to:		
Owners of the Company	(24,106,277)	(44,897,148)
Non-controlling interests	(364,247)	-
	(24,470,524)	(44,897,148)

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended 31 March 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature except for the following items which have been charged to profit or loss for the financial year:

	GROUP RM	COMPANY RM
Allowance for expected credit losses	2,407,655	41,007,622
Fair value loss on other investments	15,013,886	-
Impairment loss on investment in a subsidiary	-	1,704,803

DIVIDENDS

The Company is not in a position to pay any dividend in view of the current financial year loss and the accumulated losses as at the end of the reporting period.

RESERVES AND PROVISIONS

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

SHARE CAPITAL AND DEBENTURE

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

Directors' Report (Cont'd)

For The Financial Year Ended 31 March 2025

WARRANTS

The salient features of the warrants are disclosed in Note 17.4 to the financial statements.

The movement of the warrants during the financial year is as follows:

	Exercise price (RM)	Number of warrants		
		Balance at 1.4.2024	Issuance	Balance at 31.3.2025
Warrants expiring 7 March 2029	0.09	433,818,947	-	433,818,947

DIRECTORS

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

Directors of the Company:

Dato' Moktar Bin Mohd Noor
 Datuk Sham Shamrat Sen Gupta
 Datin Ong Poh Lin Abdullah
 * Roy Ho Yew Kee (appointed on 17.7.2024)
 Kong June Hon (appointed on 16.6.2025)
 Kang Teik Yih (resigned on 21.3.2025)

Directors of the subsidiaries:

Ang Oon Ling
 Lim Oon Jin
 Low Chee Min
 Tan Cheng See
 Teo Tin Jien
 Teoh Lim Oay
 Mak Siew Wei (resigned on 31.8.2024)
 Choong Lee Aun (resigned on 29.11.2024)

* The director is also director of the Company's certain subsidiaries.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, none of the directors in office at the end of the financial year held or dealt in the shares of the Company and its related corporations at any time during the financial year.

Directors' Report (Cont'd)

For The Financial Year Ended 31 March 2025

DIRECTORS' REMUNERATION AND BENEFITS

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

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	262,710	-	262,710
Salaries, bonus and allowances	118,000	182,630	300,630
Defined contribution plan	8,400	21,944	30,344
Social security contribution	625	1,875	2,500
Employment insurance scheme	71	214	285
	389,806	206,663	596,469

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

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM15,000.

OTHER STATUTORY INFORMATION

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

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

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

- (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (iii) which have arisen which would render adherence to the existing 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 misleading.

Directors' Report (Cont'd)

For The Financial Year Ended 31 March 2025

OTHER STATUTORY INFORMATION (CONT'D)

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

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

In the opinion of the directors:

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

AUDITORS

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

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 31 March 2025 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	300,000	142,000
Assurance related and non-audit services	67,100	12,500
Total	367,100	154,500

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

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

.....
Dato' Moktar Bin Mohd Noor

.....
Roy Ho Yew Kee

Penang,

Date: 25 July 2025

Directors' Statement

In the opinion of the directors, the financial statements set out on pages 62 to 128 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **31 March 2025** and of their financial performance and cash flows for the financial year then ended.

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

.....
Dato' Moktar Bin Mohd Noor

.....
Roy Ho Yew Kee

Date: 25 July 2025

Statutory Declaration

I, **Roy Ho Yew Kee**, the director primarily responsible for the financial management of **D'nonce Technology Bhd.**, do solemnly and sincerely declare that the financial statements set out on pages 62 to 128 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Penang, this **25th**)
day of **July 2025**.)

.....
Roy Ho Yew Kee

Before me,

.....
Liew Juan Leng (P162)
Commissioner for Oaths

Independent Auditors' Report to the Members of

D'nonce Technology Bhd.

Registration No. 200001000687 (503292-K)

(Incorporated In Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **D'nonce Technology Bhd.**, which comprise the statements of financial position as at **31 March 2025** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 62 to 128.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **31 March 2025** and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Revenue recognition (Note 21 to the financial statements) The Group's revenue is mainly derived from the provision of end-to-end packaging and design solutions, precision polymer engineering services, cleanroom services and contract manufacturing and is recognised at a point in time. We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised.	Our audit procedures in relation to the revenue recognition included, amongst others, the following: • Obtained an understanding of the Group's revenue recognition process and application and thereafter tested key controls on the occurrence of revenue; • Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities; • Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers; • Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transactions taking place at either side of the reporting date as well as reviewing credit notes and sales returns issued after the reporting date; and • Reviewed the sales ledger to identify any sales transactions that were entered using journals or non-sales invoices references and evaluated the nature of the transactions to determine whether they were <i>bona fide</i> transactions.

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

Independent Auditors' Report to the Members of

D'nonce Technology Bhd. (Cont'd)

Registration No. 200001000687 (503292-K)

(Incorporated In Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of 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 or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Independent Auditors' Report to the Members of

D'nonce Technology Bhd. (Cont'd)

Registration No. 200001000687 (503292-K)

(Incorporated In Malaysia)

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

Other Matter

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

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

Penang

Date: 25 July 2025

Loo Wei Teng
No. 03487/03/2026 J
Chartered Accountant

Statements of Financial Position

As At 31 March 2025

		GROUP		COMPANY	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	161,877,714	139,327,338	606,174	555,143
Investment properties	5	30,330,000	30,040,000	-	-
Right-of-use assets	6	1,906,857	3,752,885	-	646,122
Investment in subsidiaries	7	-	-	54,732,133	56,436,936
Goodwill	8	2,099,269	2,099,269	-	-
Deferred tax assets	9	40,287	49,562	-	-
Trade and other receivables	10	-	1,888,784	32,097,037	47,385,638
		<u>196,254,127</u>	<u>177,157,838</u>	<u>87,435,344</u>	<u>105,023,839</u>
Current assets					
Inventory properties	11	-	11,377,068	-	-
Inventories	12	24,420,514	24,117,861	-	-
Trade and other receivables	10	44,642,975	43,398,290	4,717,991	18,491,242
Contract assets	13	638,152	515,855	-	-
Current tax assets		2,305,723	2,548,420	-	127,724
Other investments	14	31,036,244	32,529,848	2,504	2,504
Cash and bank balances	15	24,406,318	42,535,859	68,763	20,411,982
		<u>127,449,926</u>	<u>157,023,201</u>	<u>4,789,258</u>	<u>39,033,452</u>
TOTAL ASSETS		<u>323,704,053</u>	<u>334,181,039</u>	<u>92,224,602</u>	<u>144,057,291</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	16	135,403,947	135,403,947	135,403,947	135,403,947
Reserves	17	69,622,276	69,338,453	20,519,636	20,519,636
Retained profits/ (Accumulated losses)		4,172,813	27,916,104	(66,193,724)	(21,296,576)
		<u>209,199,036</u>	<u>232,658,504</u>	<u>89,729,859</u>	<u>134,627,007</u>
Non-controlling interests		5,439,405	5,803,612	-	-
Total equity		<u>214,638,441</u>	<u>238,462,116</u>	<u>89,729,859</u>	<u>134,627,007</u>
Non-current liabilities					
Retirement benefit obligations	18	3,027,914	3,229,796	-	-
Borrowings	19	40,527,893	30,162,158	-	-
Lease liabilities	6	1,385,256	2,231,421	-	-
Deferred tax liabilities	9	12,941,272	11,564,287	-	-
		<u>57,882,335</u>	<u>47,187,662</u>	<u>-</u>	<u>-</u>
Current liabilities					
Trade and other payables	20	24,525,877	23,459,630	2,477,148	9,430,284
Borrowings	19	26,017,696	24,137,110	-	-
Lease liabilities	6	639,704	934,521	-	-
Current tax liabilities		-	-	17,595	-
		<u>51,183,277</u>	<u>48,531,261</u>	<u>2,494,743</u>	<u>9,430,284</u>
Total liabilities		<u>109,065,612</u>	<u>95,718,923</u>	<u>2,494,743</u>	<u>9,430,284</u>
TOTAL EQUITY AND LIABILITIES		<u>323,704,053</u>	<u>334,181,039</u>	<u>92,224,602</u>	<u>144,057,291</u>

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

Statements of Comprehensive Income

For The Financial Year Ended 31 March 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	21	198,256,845	176,382,920	4,296,000	4,275,120
Other income	22	3,495,868	2,919,295	-	16,123
Changes in inventories of					
work-in-progress and finished goods		360,892	1,222,319	-	-
Raw materials and consumables used		(99,844,634)	(87,783,119)	-	-
Trading goods		(23,766,305)	(16,103,241)	-	-
Allowance for expected credit losses		(2,407,655)	(105,377)	(41,007,622)	(24,025)
Carriage outwards		(1,695,489)	(1,998,222)	-	-
Depreciation of					
- property, plant and equipment		(8,800,666)	(7,995,849)	(120,128)	(211,223)
- right-of-use assets		(1,776,736)	(2,492,093)	(646,122)	(861,495)
Employee benefits expense	23	(39,559,020)	(38,956,879)	(3,508,084)	(3,809,927)
Expense relating to lease of low value assets		(126,867)	(163,666)	(2,388)	(2,587)
Expense relating to short-term leases		(2,009,527)	(1,401,152)	-	(41,888)
Fair value gain on investment properties		219,000	1,789,150	-	-
Fair value loss on other investments		(15,013,886)	(7,359,844)	-	-
Gain/(Loss) on disposal of other investments		1,513	(115,314)	-	-
Impairment loss on investment in a subsidiary		-	-	(1,704,803)	-
Reversal/(Addition) of inventories written down		297,053	(117,282)	-	-
Inventories written off		(22,893)	(36,676)	-	-
Mould costs		(205,758)	(313,148)	-	-
Realised (loss)/gain on foreign exchange		(251,445)	263,890	-	-
Repair and maintenance		(3,788,037)	(2,969,355)	(135,859)	(81,493)
Unrealised gain/(loss) on foreign exchange		1,068	(104,698)	10,811	(84,812)
Unwinding discount on amount due from subsidiaries		-	-	(769,349)	111,956
Utilities		(5,131,449)	(5,019,792)	(11,878)	(15,141)
Other operating expenses		(18,407,509)	(15,064,731)	(2,652,161)	(1,633,823)
Operating loss		(20,175,637)	(5,522,864)	(46,251,583)	(2,363,215)
Finance costs	24	(2,896,812)	(2,932,133)	(79,072)	(711,092)
Finance income	25	265,637	253,022	1,577,780	965,087
Loss before tax	26	(22,806,812)	(8,201,975)	(44,752,875)	(2,109,220)
Taxation	27	(1,663,712)	(524,383)	(144,273)	-
Loss for the financial year carried forward		(24,470,524)	(8,726,358)	(44,897,148)	(2,109,220)

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

Statements of Comprehensive Income (Cont'd)

For The Financial Year Ended 31 March 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Loss for the financial year brought forward		(24,470,524)	(8,726,358)	(44,897,148)	(2,109,220)
Total other comprehensive income/ (loss), net of tax:					
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operation		646,849	202,434	-	-
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement loss on retirement benefit obligations		-	998,974	-	-
Transfer of revaluation surplus to retained profits		362,986	360,716	-	-
Realisation of revaluation surplus upon depreciation		<u>(362,986)</u>	<u>(360,716)</u>	<u>-</u>	<u>-</u>
Total comprehensive loss for the financial year		<u>(23,823,675)</u>	<u>(7,524,950)</u>	<u>(44,897,148)</u>	<u>(2,109,220)</u>
Loss attributable to:					
Owners of the Company		(24,106,277)	(8,831,601)	(44,897,148)	(2,109,220)
Non-controlling interests		<u>(364,247)</u>	<u>105,243</u>	<u>-</u>	<u>-</u>
		<u>(24,470,524)</u>	<u>(8,726,358)</u>	<u>(44,897,148)</u>	<u>(2,109,220)</u>
Total comprehensive loss attributable to:					
Owners of the Company		(23,459,468)	(7,630,195)	(44,897,148)	(2,109,220)
Non-controlling interests		<u>(364,207)</u>	<u>105,245</u>	<u>-</u>	<u>-</u>
		<u>(23,823,675)</u>	<u>(7,524,950)</u>	<u>(44,897,148)</u>	<u>(2,109,220)</u>
Loss per ordinary share attributable to equity holders of the Company (sen)	28				
- Basic		(2.78)	(1.95)		
- Diluted		<u>(2.78)</u>	<u>(1.95)</u>		

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

Consolidated Statement of Changes In Equity

For The Financial Year Ended 31 March 2025

	Non-distributable										
	Foreign Currency				Other				Non-controlling		Total
	Share Capital	Translation Reserve	Revaluation Reserve	Legal Reserve	Warrants Reserve	Capital Reserve	Retained Profits	Total	Interests	Equity	
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
2025											
Balance at beginning	135,403,947	7,057,984	36,608,323	32,510	20,519,636	5,120,000	27,916,104	232,658,504	5,803,612	238,462,116	
Total comprehensive loss for the financial year	-	646,809	(362,986)	-	-	-	(23,743,291)	(23,459,468)	(364,207)	(23,823,675)	
Balance at end	135,403,947	7,704,793	36,245,337	32,510	20,519,636	5,120,000	4,172,813	209,199,036	5,439,405	214,638,441	

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

Consolidated Statement of Changes In Equity (Cont'd)

For The Financial Year Ended 31 March 2025

	Non-distributable									
	Share Capital	Foreign Currency Translation Reserve	Revaluation Reserve	Legal Reserve	Warrants Reserve	Other Capital Reserve	Retained Profits	Total	Non-controlling Interests	Total Equity
NOTE	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
2024										
Balance at beginning	117,910,820	6,855,552	36,969,039	32,510	-	5,120,000	35,388,015	202,275,936	5,698,367	207,974,303
Total comprehensive loss for the financial year	-	202,432	(360,716)	-	-	-	(7,471,911)	(7,630,195)	105,245	(7,524,950)
<i>Transactions with owners of the Company:</i>										
Issuance of ordinary shares pursuant to rights issue of shares with warrants	16	18,524,069	-	-	20,519,636	-	-	39,043,705	-	39,043,705
Share issuance expenses	16	(1,030,942)	-	-	-	-	-	(1,030,942)	-	(1,030,942)
Total transactions with owners		17,493,127	-	-	20,519,636	-	-	38,012,763	-	38,012,763
Balance at end		135,403,947	7,057,984	36,608,323	32,510	20,519,636	5,120,000	232,658,504	5,803,612	238,462,116

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

Statement of Changes In Equity

For The Financial Year Ended 31 March 2025

		Share Capital RM	Warrants Reserve RM	Non-distributable Accumulated Losses RM	Total Equity RM
NOTE					
2025					
	Balance at beginning	135,403,947	20,519,636	(21,296,576)	134,627,007
	Total comprehensive loss for the financial year	-	-	(44,897,148)	(44,897,148)
	Balance at end	135,403,947	20,519,636	(66,193,724)	89,729,859
2024					
	Balance at beginning	117,910,820	-	(19,187,356)	98,723,464
	Total comprehensive loss for the financial year	-	-	(2,109,220)	(2,109,220)
	<i>Transactions with owners of the Company:</i>				
	Issuance of ordinary shares pursuant to rights issue of shares with warrants	16 18,524,069	20,519,636	-	39,043,705
	Share issuance expenses	16 (1,030,942)	-	-	(1,030,942)
	Total transactions with owners	17,493,127	20,519,636	-	38,012,763
	Balance at end	135,403,947	20,519,636	(21,296,576)	134,627,007

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

Statements of Cash Flows

For The Financial Year Ended 31 March 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(22,806,812)	(8,201,975)	(44,752,875)	(2,109,220)
Adjustments for:				
Accretion of interest on lease liabilities	130,708	185,866	-	50,938
Allowance for expected credit losses	2,407,655	105,377	41,007,622	24,025
Bad debts written off	73,867	66,265	-	-
Defined benefit plan	361,258	756,383	-	-
Depreciation of				
- property, plant and equipment	8,800,666	7,995,849	120,128	211,223
- right-of-use assets	1,776,736	2,492,093	646,122	861,495
Fair value gain on investment properties	(219,000)	(1,789,150)	-	-
Fair value loss on other investments	15,013,886	7,359,844	-	-
Gain on disposal of property, plant and equipment	(38,651)	(34,430)	-	(7,828)
(Gain)/Loss on derecognition of right-of-use assets and lease liabilities	-	(1,067)	-	12,919
(Gain)/Loss on disposal of other investments	(1,513)	115,314	-	-
Impairment loss on investment in a subsidiary	-	-	1,704,803	-
Interest expenses	2,766,104	2,746,267	79,072	660,154
Interest income	(265,637)	(253,022)	(1,577,780)	(965,087)
Reversal/(Addition) of inventories written down	(297,053)	117,282	-	-
Inventories written off	22,893	36,676	-	-
Lease modification	(10,619)	-	-	-
Property, plant and equipment written off	5,266	2,675	-	-
Reversal of allowance for expected credit losses	(84,017)	(58,463)	-	-
Unrealised (gain)/loss on foreign exchange	(1,068)	104,698	(10,811)	84,812
Unwinding discount on amount due from subsidiaries	-	-	769,349	(111,956)
Operating profit/(loss) before working capital changes	7,634,669	11,746,482	(2,014,370)	(1,288,525)
Changes in:				
Inventory properties	11,377,068	-	-	-
Inventories	(92,920)	1,657,492	-	-
Trade and other receivables	(1,988,979)	3,118,199	(244,892)	596,302
Contract assets	(127,126)	347,827	-	-
Trade and other payables	730,810	188,736	(251,172)	200,774
Cash generated from/(used in) operations	17,533,522	17,058,736	(2,510,434)	(491,449)
Retirement benefit obligations paid	(583,750)	(49,681)	-	-
Income tax paid	(690,062)	(1,261,040)	(80,000)	(8,428)
Income tax refunded	655,307	587,348	81,046	-
Interest paid	(2,766,104)	(2,746,267)	(26,459)	(368,459)
Net cash from/(used in) operating activities	14,148,913	13,589,096	(2,535,847)	(868,336)

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

Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 March 2025

	GROUP		COMPANY	
NOTE	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	265,637	253,022	132,836	95,645
Additions in investment in subsidiaries	-	-	-	(1,500,000)
Additions in other investments	(13,541,601)	(19,557,008)	-	(2,504)
Subsequent expenditures on investment properties	(71,000)	(170,850)	-	-
Purchase of property, plant and equipment	A (30,677,841)	(30,340,595)	(171,159)	(385,134)
Proceeds from disposal of other investments	22,832	3,614,750	-	1,173,499
Proceeds from disposal of property, plant and equipment	75,977	76,745	-	45,100
Net changes in deposits pledged with licensed banks	(879,743)	1,231,605	-	-
Net cash used in investing activities	(44,805,739)	(44,892,331)	(38,323)	(573,394)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net changes in short term borrowings	B 3,053,992	4,414,995	-	-
Drawdown of term loans	B 14,504,559	16,458,700	-	-
Repayment of				
- lease liabilities	B (1,191,779)	(3,373,629)	-	(1,600,000)
- term loans	B (2,905,871)	(3,564,636)	-	-
- finance lease liabilities	B (1,187,742)	(1,580,684)	-	-
Net changes in subsidiaries' balances	-	-	(17,769,026)	(15,139,334)
Proceeds from issuance of ordinary shares	-	39,043,705	-	39,043,705
Share issuance expenses	-	(1,030,942)	-	(1,030,942)
Net cash from/(used in) financing activities	12,273,159	50,367,509	(17,769,026)	21,321,479
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(18,383,667)	19,064,274	(20,343,196)	19,831,699
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	876,778	156,605	(23)	-
CASH AND CASH EQUIVALENTS AT BEGINNING	31,191,931	11,971,052	20,411,982	580,283
CASH AND CASH EQUIVALENTS AT END	13,685,042	31,191,931	68,763	20,411,982
Represented by:				
Deposits with licensed banks	9,164,811	8,285,068	-	-
Short term money market deposit	60,587	20,126,435	60,587	20,126,435
Cash in hand and at banks	15,180,920	14,124,356	8,176	285,547
Bank overdrafts	(1,556,465)	(3,058,860)	-	-
	22,849,853	39,476,999	68,763	20,411,982
Less: Deposits pledged with licensed banks	(9,164,811)	(8,285,068)	-	-
	13,685,042	31,191,931	68,763	20,411,982

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

Statements of Cash Flows (Cont'd)

For The Financial Year Ended 31 March 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
A. Purchase of property, plant and equipment					
Total acquisition cost		30,876,992	30,758,287	171,159	385,134
Acquired under finance lease liabilities	B	(199,151)	(417,692)	-	-
Total cash acquisition		30,677,841	30,340,595	171,159	385,134

B. Liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	Cash flows RM	Others ¹ RM	Balance at end RM
GROUP				
2025				
Borrowings excluding bank overdrafts	51,240,408	13,664,089	84,627	64,989,124
Lease liabilities	3,165,942	(1,191,779)	50,797	2,024,960
Total liabilities arising from financing activities	54,406,350	12,472,310	135,424	67,014,084
2024				
Borrowings excluding bank overdrafts	35,011,692	16,146,067	82,649	51,240,408
Lease liabilities	4,221,011	(3,373,629)	2,318,560	3,165,942
Total liabilities arising from financing activities	39,232,703	12,772,438	2,401,209	54,406,350
COMPANY				
2024				
Lease liabilities, representing total liabilities arising from financing activities	1,536,143	(1,600,000)	63,857	-

¹ Others consist of non-cash movement as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Accretion of interest on lease liabilities	130,708	185,866	-	50,938
Addition of lease liabilities	272,787	2,541,675	-	-
Derecognition	-	(408,981)	-	12,919
Modification	(352,698)	-	-	-
Exchange differences	84,627	82,649	-	-
	135,424	2,401,209	-	63,857

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

Notes To The Financial Statements

31 March 2025

1. CORPORATE INFORMATION

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

The registered office of the Company is located at 1-10 Medan Perniagaan Pauh Jaya, Jalan Baru, 13700 Perai, Pulau Pinang.

The principal place of business of the Company is located at 51-14-B&C, Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 July 2025.

Principal Activities

The principal activities of the Company in the course of the financial year remain unchanged and consist of investment holding and the provision of management services to its subsidiaries.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for land and buildings under property, plant and equipment, investment properties and other investments that are measured at fair values.

2.3 Functional and Presentation Currency

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

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates. The Group's foreign operation has different functional currency.

2.4 Adoption of Amendments to MFRSs

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

Effective for annual period beginning on or after 1 January 2024

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

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

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

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

Notes To The Financial Statements (Cont'd)

31 March 2025

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards/Amendments to MFRSs Issued But Not Yet Effective

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

Effective for annual period beginning on or after 1 January 2025

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

Effective for annual period beginning on or after 1 January 2026

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

Annual Improvements to MFRS Accounting Standards - Volume 11

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

Effective for annual period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective date yet to be confirmed

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

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

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

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

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

Notes To The Financial Statements (Cont'd)

31 March 2025

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

3.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Group and Company as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group has included the extension options period as part of the lease term for leases of premises and factory buildings as it is reasonably certain that the extension options will be exercised in view of the Group would suffer a significant economic disincentive and alternative premise is not readily available. The Group has not included the extension options period as part of the lease term for lease of trademark as the extension option is not available. The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

3.2 Key sources of estimation uncertainty

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

(i) Fair value of investment properties

The Group measures its investment properties at fair value amount with changes in fair value being recognised in profit or loss. The Group engaged independent valuation specialists to determine fair values as at the end of reporting period.

The carrying amount of the investment properties as at the end of reporting period and the relevant valuation bases and fair value are disclosed in Note 5 to the financial statements.

Notes To The Financial Statements (Cont'd)

31 March 2025

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(ii) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the carrying amount, the key assumptions applied in the impairment assessment of goodwill and sensitivity analysis to changes in assumptions are disclosed in Note 8 to the financial statements.

(iii) Impairment of investment in subsidiaries

Investment in subsidiaries is tested for impairment whenever there is objective evidence or indication that these assets may be impaired. Judgement is required to determine if any such indication exists, based on the evaluation of both internal and external sources of information.

If any such indication exists, management assesses the recoverable amount of the investment in subsidiaries based on the higher of value in use or fair value less cost to sell as at the end of the reporting period. If the recoverable amount of the investment in subsidiaries is less than its carrying amount, an impairment loss is recognised in profit or loss to reduce the carrying amount of the investment in subsidiaries. An impairment loss of RM1,704,803 is recognised in profit or loss to write down the subsidiaries to their recoverable amount.

(iv) Inventory properties

Inventory properties are stated at the lower of cost and net realisable value ("NRV").

NRV in respect of land held for development is assessed with reference to market prices as at the end of the reporting period for similar land, less estimated costs necessary to make the sale or where applicable, engaged independent valuers to estimate the fair value of these land.

NRV in respect of property development costs is assessed with reference to market prices as at the end of the reporting period for similar completed property, less estimated costs to complete the development and the estimated costs necessary to make the sale, taking into account the time value of money, if material.

The carrying amount of the Group's inventory properties as at the end of the reporting period is disclosed in Note 11 to the financial statements.

(v) Inventories

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

The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 12 to the financial statements.

Notes To The Financial Statements (Cont'd)

31 March 2025

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

3.2 Key sources of estimation uncertainty (Cont'd)

(vi) Provision for expected credit losses ("ECL") of receivables

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECL on the Group's trade receivables is disclosed in Note 32.3.1 to the financial statements.

(vii) Leases – Estimating the incremental borrowing rate ("IBR")

The Group and the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group and the Company estimate the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(viii) Defined benefit plan

Management estimates the defined benefit plan annually with the assistance of independent actuaries. However, the actual outcome may vary due to estimation uncertainties. The estimate of its defined benefit plan of the Group is based on standard rates of inflation, medical cost trends and mortality. It also takes into account the Group's specific anticipation of future salary increases. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and maturity terms approximate to the terms of the related pension plan. Estimation uncertainties exist particularly with regard to medical cost trends, which may vary significantly in future appraisals of the Group's defined benefit obligations.

The assumptions and model used for estimating fair value for defined benefit plan, sensitivity analysis and the carrying amounts are disclosed in Note 18 to the financial statements.

Notes To The Financial Statements (Cont'd)

31 March 2025

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

	At valuation		At cost						
	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Office furniture, fittings and computer equipment RM	Motor vehicles RM	Renovation RM	Capital work-in-progress RM	Total RM
2025									
At valuation/cost									
Balance at beginning	53,604,845	19,680,000	28,743,997	103,118,134	14,490,698	7,738,827	17,428,854	279,783	245,085,138
Additions	-	-	-	5,544,762	577,012	352,019	3,241,442	21,161,757	30,876,992
Disposals	-	-	-	(4,166,375)	(10,225)	-	(59,250)	-	(4,235,850)
Written offs	-	-	-	-	(7,899)	(2,600)	-	-	(10,499)
Reclassification	-	-	-	440,237	321,270	-	(761,507)	-	-
Exchange differences	48,561	-	395,882	448,724	24,578	21,057	67,246	120	1,006,168
Balance at end	53,653,406	19,680,000	29,139,879	105,385,482	15,395,434	8,109,303	19,916,785	21,441,660	272,721,949
Accumulated depreciation									
Balance at beginning	-	425,408	2,039,838	71,011,705	11,869,586	6,666,522	11,970,829	-	103,983,888
Current charge	-	494,357	863,245	5,480,956	772,244	368,926	820,938	-	8,800,666
Disposals	-	-	-	(4,163,877)	(7,985)	-	(26,662)	-	(4,198,524)
Written offs	-	-	-	-	(2,633)	(2,600)	-	-	(5,233)
Reclassification	-	-	-	11,006	5,131	-	(16,137)	-	-
Exchange differences	-	-	78,836	318,653	18,770	16,707	56,560	-	489,526
Balance at end	-	919,765	2,981,919	72,658,443	12,655,113	7,049,555	12,805,528	-	109,070,323
Accumulated impairment losses									
Balance at beginning/end	-	-	-	1,556,435	12,566	-	204,911	-	1,773,912
Carrying amount	53,653,406	18,760,235	26,157,960	31,170,604	2,727,755	1,059,748	6,906,346	21,441,660	161,877,714

Notes To The Financial Statements (Cont'd)

31 March 2025

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

	At valuation				At cost				
	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Office furniture, fittings and computer equipment RM	Motor vehicles RM	Renovation RM	Capital work-in-progress RM	Total RM
2024									
At valuation/cost									
Balance at beginning	53,583,263	4,680,000	25,177,820	93,833,127	13,553,407	7,658,052	13,306,537	4,789,674	216,581,880
Additions	-	15,000,000	3,329,262	6,571,277	1,009,065	452,053	4,099,668	296,962	30,758,287
Disposals	-	-	-	(2,215,270)	(11,788)	(347,476)	-	-	(2,574,534)
Written offs	-	-	-	-	(66,042)	(28,547)	-	-	(94,589)
Reclassification	-	-	80,261	4,740,825	-	-	-	(4,821,086)	-
Exchange differences	21,582	-	156,654	188,175	6,056	4,745	22,649	14,233	414,094
Balance at end	53,604,845	19,680,000	28,743,997	103,118,134	14,490,698	7,738,827	17,428,854	279,783	245,085,138
Accumulated depreciation									
Balance at beginning	-	164,356	1,231,577	67,787,452	11,213,277	6,465,635	11,579,104	-	98,441,401
Current charge	-	261,052	801,848	5,300,891	726,946	535,688	369,424	-	7,995,849
Disposals	-	-	-	(2,210,228)	(11,787)	(310,204)	-	-	(2,532,219)
Written offs	-	-	-	-	(63,367)	(28,547)	-	-	(91,914)
Exchange differences	-	-	6,413	133,590	4,517	3,950	22,301	-	170,771
Balance at end	-	425,408	2,039,838	71,011,705	11,869,586	6,666,522	11,970,829	-	103,983,888
Accumulated impairment losses									
Balance at beginning/end	-	-	-	1,556,435	12,566	-	204,911	-	1,773,912
Carrying amount	53,604,845	19,254,592	26,704,159	30,549,994	2,608,546	1,072,305	5,253,114	279,783	139,327,338

Notes To The Financial Statements (Cont'd)

31 March 2025

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

COMPANY

	Office furniture, fittings and computer equipment RM	Motor vehicles RM	Renovation RM	Total RM
2025				
At cost				
Balance at beginning	1,750,047	516,719	274,655	2,541,421
Additions	13,959	152,000	5,200	171,159
Transfer out	(9,650)	-	-	(9,650)
Balance at end	<u>1,754,356</u>	<u>668,719</u>	<u>279,855</u>	<u>2,702,930</u>
Accumulated depreciation				
Balance at beginning	1,445,145	516,719	21,822	1,983,686
Current charge	89,783	2,533	27,812	120,128
Transfer out	(9,650)	-	-	(9,650)
Balance at end	<u>1,525,278</u>	<u>519,252</u>	<u>49,634</u>	<u>2,094,164</u>
Accumulated impairment losses				
Balance at beginning/end	<u>2,592</u>	<u>-</u>	<u>-</u>	<u>2,592</u>
Carrying amount	<u>226,486</u>	<u>149,467</u>	<u>230,221</u>	<u>606,174</u>
2024				
At cost				
Balance at beginning	1,602,568	836,195	37,000	2,475,763
Additions	147,479	-	237,655	385,134
Disposals	-	(319,476)	-	(319,476)
Balance at end	<u>1,750,047</u>	<u>516,719</u>	<u>274,655</u>	<u>2,541,421</u>
Accumulated depreciation				
Balance at beginning	1,348,645	703,839	2,183	2,054,667
Current charge	96,500	95,084	19,639	211,223
Disposals	-	(282,204)	-	(282,204)
Balance at end	<u>1,445,145</u>	<u>516,719</u>	<u>21,822</u>	<u>1,983,686</u>
Accumulated impairment losses				
Balance at beginning/end	<u>2,592</u>	<u>-</u>	<u>-</u>	<u>2,592</u>
Carrying amount	<u>302,310</u>	<u>-</u>	<u>252,833</u>	<u>555,143</u>

Notes To The Financial Statements (Cont'd)

31 March 2025

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

- (i) The freehold land, leasehold land and buildings were revalued to fair value based on the valuations performed by independent professional valuers using the market comparison approach. The appraised values were derived from observable prices per square foot for comparable properties in similar locations (i.e. Level 3). Had the freehold land, leasehold land and buildings been carried under the cost model, the total carrying amounts of their entire classes that would have been recognised in the financial statements are as follows:

	GROUP	
	2025	2024
	RM	RM
Freehold land	21,000,571	21,000,571
Leasehold land	16,137,045	16,509,674
Buildings	12,396,505	13,373,856
	49,534,121	50,884,101

- (ii) The carrying amount of property, plant and equipment which are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 19 to the financial statements are as follows:

	GROUP	
	2025	2024
	RM	RM
Freehold land	53,550,220	53,501,659
Leasehold land	18,713,390	19,198,779
Buildings	23,644,805	24,133,833
Plant and machinery	1,965,833	2,639,833
	97,874,248	99,474,104

- (iii) The carrying amount of lease assets which are pledged as securities for the finance lease liabilities as disclosed in Note 19 to the financial statements are as follows:

	GROUP	
	2025	2024
	RM	RM
Plant and machinery	3,300,217	4,236,842
Motor vehicles	380,329	524,275
	3,680,546	4,761,117

- (iv) The Company's capital work-in-progress include borrowings costs arising from term loans borrowed specifically for the purpose of the construction of a factory building. During the financial year, the borrowing costs capitalised as cost of capital work-in-progress amounted to **RM330,710** (2024: RM265,644). The rate used to determine the amount of borrowing costs eligible for capitalisation was **5.14%** (2024: 5.14%), which is the effective interest rate of the specific borrowing.

Notes To The Financial Statements (Cont'd)

31 March 2025

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

(v) The information of right-of-use assets which are included in the property, plant and equipment is as follows:

GROUP

	Carrying amount RM	Current depreciation RM	Addition RM
2025			
Leasehold land, at valuation	18,760,235	494,357	-
2024			
Leasehold land, at valuation	19,254,592	261,052	15,000,000

Material accounting policy information

Property, plant and equipment, except for land and buildings, are initially stated at cost less accumulated depreciation and any accumulated impairment losses.

Land and buildings are measured at fair value less accumulated depreciation and impairment loss, if any. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the 'revaluation reserve' in equity.

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

<u>Categories</u>	
Leasehold land	34 to 64 years
Buildings	34 to 50 years
Plant and machinery	10 to 50%
Office furniture, fittings and computer equipment	10 to 33%
Motor vehicles	10 to 20%
Renovation	2 to 33%

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

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

Notes To The Financial Statements (Cont'd)

31 March 2025

5. INVESTMENT PROPERTIES

	GROUP	
	2025	2024
	RM	RM
At fair value		
Balance at beginning	30,040,000	28,080,000
Additions	71,000	170,850
Fair value gain recognised in profit or loss	219,000	1,789,150
Balance at end	30,330,000	30,040,000

The investment properties consist of the following:

	GROUP	
	2025	2024
	RM	RM
At fair value		
Freehold land	1,560,000	1,260,000
Leasehold land	8,735,000	8,605,000
Buildings	20,035,000	20,175,000
	30,330,000	30,040,000

- (i) The carrying amount of investment properties which are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 19 to the financial statements is **RM28,725,000** (2024: RM28,625,000).

(ii) **Group as lessor**

The Group has entered into operating leases on its investment properties. These leases have terms of between one to three years.

The following are recognised in profit or loss in respect of investment properties:

	GROUP	
	2025	2024
	RM	RM
Rental income from income generating properties	1,834,500	1,814,000
Direct operating expenses		
- Rental income generating	103,123	104,065
- Non-rental income generating	3,035	3,152

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

	GROUP	
	2025	2024
	RM	RM
Within one year	1,123,500	1,744,500
More than one year and less than five years	54,000	867,000
	1,177,500	2,611,500

Notes To The Financial Statements (Cont'd)

31 March 2025

5. INVESTMENT PROPERTIES (CONT'D)

Material accounting policy information

Investment properties are initially measured at cost, and subsequently at fair value with any changes therein recognised in profit or loss for the period in which they arise.

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Group and Company as a lessee

The Group and the Company have lease contracts for trademark, premises and factory buildings used in their operations that have lease terms between 2 to 6 years. Generally, the Group and the Company are restricted from assigning and subleasing the leased assets.

The Group and the Company also have certain leases of premises and motor vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Group and the Company apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Right-of-use assets

Set out below are the carrying amounts of right-of-use assets and the movements during the financial year:

GROUP

	Trademark RM	Premises RM	Factory buildings RM	Total RM
2025				
Balance at beginning	646,122	1,112,339	1,994,424	3,752,885
Additions	-	272,787	-	272,787
Depreciation	(646,122)	(412,174)	(718,440)	(1,776,736)
Modification	-	-	(342,079)	(342,079)
Balance at end	<u>-</u>	<u>972,952</u>	<u>933,905</u>	<u>1,906,857</u>
2024				
Balance at beginning	1,507,617	1,534,006	1,069,594	4,111,217
Additions	-	67,245	2,474,430	2,541,675
Depreciation	(861,495)	(488,912)	(1,141,686)	(2,492,093)
Derecognition	-	-	(407,914)	(407,914)
Balance at end	<u>646,122</u>	<u>1,112,339</u>	<u>1,994,424</u>	<u>3,752,885</u>

Notes To The Financial Statements (Cont'd)

31 March 2025

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

COMPANY

	Trademark RM
2025	
Balance at beginning	646,122
Depreciation	(646,122)
Balance at end	-
2024	
Balance at beginning	1,507,617
Depreciation	(861,495)
Balance at end	646,122

Lease liabilities

Set out below are the carrying amount of lease liabilities recognised and the movements during the financial year:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Balance at beginning	3,165,942	4,221,011	-	1,536,143
Additions	272,787	2,541,675	-	-
Accretion of interest	130,708	185,866	-	50,938
Payments	(1,191,779)	(3,373,629)	-	(1,600,000)
Derecognition	-	(408,981)	-	12,919
Modification	(352,698)	-	-	-
Balance at end	2,024,960	3,165,942	-	-
Represented by:				
Non-current liabilities	1,385,256	2,231,421	-	-
Current liabilities	639,704	934,521	-	-
	2,024,960	3,165,942	-	-

The maturity analysis of lease liabilities is disclosed in Note 32.4 to the financial statements.

Notes To The Financial Statements (Cont'd)

31 March 2025

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The following are the amounts recognised in profit or loss:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Depreciation expense of right-of-use assets	1,776,736	2,492,093	646,122	861,495
Accretion of interest on lease liabilities	130,708	185,866	-	50,938
Expense relating to lease of low value assets	126,867	163,666	2,388	2,587
Expense relating to short-term leases	2,009,527	1,401,152	-	41,888
(Gain)/Loss on derecognition of right-of-use assets and lease liabilities	-	(1,067)	-	12,919
Lease modification	(10,619)	-	-	-
Total amount recognised in profit or loss	4,033,219	4,241,710	648,510	969,827

The total cash outflows for leases of the Group and of the Company during the financial year are **RM3,328,173** (2024: RM4,938,447) and **RM2,388** (2024: RM1,644,475) respectively.

Material accounting policy information

Right-of-use assets

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Categories

Trademark	2 years
Premises	2 to 4 years
Factory buildings	2 to 6 years

7. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2025 RM	2024 RM
Unquoted shares, at cost	68,167,402	68,167,402
ESOS granted to employees of subsidiaries	1,505,552	1,505,552
	69,672,954	69,672,954
Less: Allowance for impairment		
Balance at beginning	(13,236,018)	(13,236,018)
Addition	(1,704,803)	-
Balance at end	(14,940,821)	(13,236,018)
	54,732,133	56,436,936

Notes To The Financial Statements (Cont'd)

31 March 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:

Name of entities	Principal place of business	Effective equity interest held by the Group		Principal Activities
		2025 %	2024 %	
D'nonce (M) Sdn. Bhd.	Malaysia	100	100	Sales and distribution of advanced packaging materials, electronics products and consumables and renting of machinery and equipment.
D'nonce (K.L) Sdn. Bhd.	Malaysia	100	100	Sales and distribution of advanced packaging materials, electronics products and consumables.
D'nonce (Kelantan) Sdn. Bhd.	Malaysia	55	55	Sales and distribution of advanced packaging materials, electronics products and consumables.
D'nonce (Johore) Sdn. Bhd.	Malaysia	55	55	Sales and distribution of advanced packaging materials.
Attractive Venture Sdn. Bhd.	Malaysia	100	100	Design and conversion of advanced packaging materials, precision polymer engineering service, contract manufacturing of electronic components and renting of properties.
Attractive Venture (KL) Sdn. Bhd. ("AVKL")	Malaysia	100	100	Design and conversion of advanced packaging materials and precision polymer engineering service.
Attractive Venture (JB) Sdn. Bhd. ⁽¹⁾	Malaysia	82	82	Design and conversion of advanced packaging materials and distribution of electronic products.
AV Industries Sdn. Bhd. ("AVID")	Malaysia	100	100	Dormant.
D'nonce Properties Sdn. Bhd.	Malaysia	100	100	Property development.
AV Plastics Sdn. Bhd.	Malaysia	84	84	Dormant.
Richmond Technology Sdn. Bhd.	Malaysia	75	75	Design and conversion of advanced of packaging materials.
D'nonce Energy Sdn. Bhd. ("DENE")	Malaysia	100	100	Dormant.
Integrated SCM Co., Ltd. ^{(2) (4)}	Thailand	99	99	Wholesale of industrial chemicals.
Logistic Solution Holdings Co., Ltd. ⁽⁴⁾	Thailand	99	99	Investment holding.

Notes To The Financial Statements (Cont'd)

31 March 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of entities	Principal place of business	Effective equity interest held by the Group		Principal Activities
		2025	2024	
		%	%	
ISCM Technology (Thailand) Co., Ltd. ⁽⁴⁾	Thailand	100	100	Cleanroom services and contract manufacturing of electronic components and mask.
ISCM Industries (Thailand) Co., Ltd. ^{(3) (4)}	Thailand	5	5	Design and conversion of advanced of packaging materials.
D'nonce Singapore Pte. Ltd. ⁽⁴⁾	Singapore	100	100	Dormant.
Komark (Thailand) Company Limited ⁽⁴⁾	Thailand	100	100	Manufacture and distribution of product labels.
Indirect - held through ISCM Technology (Thailand) Co., Ltd.				
ISCM Industries (Thailand) Co., Ltd. ^{(3) (4)}	Thailand	95	95	Design and conversion of advanced of packaging materials.
Indirect - held through D'nonce Energy Sdn. Bhd.				
Pelita Emasjaya Sdn. Bhd.	Malaysia	55	55	Trading in lubricants oils.
D'nonce Auto Sdn. Bhd. ("DASB")	Malaysia	100	100	Trading in lubricants oils.

⁽¹⁾ The Company has a direct interest of 60% and an indirect interest of 22% via another subsidiary, D'nonce (Johore) Sdn. Bhd.

⁽²⁾ The Company has a direct interest of 48% and an indirect interest of 51% via another subsidiary, Logistic Solution Holdings Co., Ltd.

⁽³⁾ The Company has a direct interest of 5% and an indirect interest of 95% via another subsidiary, ISCM Technology (Thailand) Co., Ltd.

⁽⁴⁾ Not audited by Grant Thornton Malaysia PLT.

7.1 Subscription of additional ordinary shares in subsidiaries

In the prior financial year, AVKL had increased its issued and paid-up ordinary share capital from RM500,000 to RM2,000,000 by way of converting amount due to the Company amounting to RM1,500,000.

7.2 Acquisition of a subsidiary

In the prior financial year, DENE, a wholly-owned subsidiary of the Company, had subscribed 1 ordinary share in DASB, representing 100% equity interest in DASB for cash consideration of RM1.

7.3 Impairment on investment in subsidiaries

The Company reviews the investment in subsidiaries for impairment where there is an indication of impairment. The recoverable amounts of the investment in subsidiaries are assessed by reference to their fair value less cost to sell, which approximate the net assets of the subsidiaries as at the end of the reporting period. Accordingly, an impairment loss of **RM1,704,803** (2024: RM Nil) is recognised in respect of investment in AVID during the financial year due to the Company is dormant and having negative shareholder's fund.

Notes To The Financial Statements (Cont'd)

31 March 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

7.4 Subsidiaries with material non-controlling interests ("NCI")

The details of the material NCI are as follows:

	D'nonce (Kelantan) Sdn. Bhd.	D'nonce (Johore) Sdn. Bhd.	Attractive Venture (JB) Sdn. Bhd.	AV Plastics Sdn. Bhd.	Richmond Technology Sdn. Bhd.	Total
2025						
NCI percentage of ownership interest and voting interest (%)	45%	45%	18%	16%	25%	
Carrying amount of NCI (RM)	1,600,769	2,077,670	2,102,808	(1,386,036)	1,014,009	5,409,220
Profit/(Loss) allocated to NCI (RM)	4,608	34,761	(428,553)	(1,521)	37,838	(352,867)
2024						
NCI percentage of ownership interest and voting interest (%)	45%	45%	18%	16%	25%	
Carrying amount of NCI (RM)	1,596,161	2,042,909	2,531,361	(1,384,515)	976,171	5,762,087
Profit/(Loss) allocated to NCI (RM)	17,176	27,652	(48,598)	(2,063)	114,950	109,117

The summarised financial information of material NCI presented below is the amount before inter-company elimination:

	D'nonce (Kelantan) Sdn. Bhd. RM	D'nonce (Johore) Sdn. Bhd. RM	Attractive Venture (JB) Sdn. Bhd. RM	AV Plastics Sdn. Bhd. RM	Richmond Technology Sdn. Bhd. RM
2025					
Assets and liabilities					
Non-current assets	314,739	1,501,397	39,309,394	-	1,738,853
Current assets	9,702,281	3,569,120	8,863,111	6,600	5,134,027
Non-current liabilities	(38,473)	(92,793)	(20,156,755)	-	(823,405)
Current liabilities	(6,421,282)	(360,680)	(16,333,485)	(8,669,326)	(1,993,441)
Net assets/(liabilities)	3,557,265	4,617,044	11,682,265	(8,662,726)	4,056,034
Results					
Revenue	14,488,660	-	17,400,242	-	9,719,238
Net profit/(loss) for the financial year	10,241	77,247	(2,380,851)	(9,506)	151,351
Total comprehensive income/(loss) for the financial year	10,241	77,247	(2,380,851)	(9,506)	151,351
Net cash generated from/ (used in)					
Operating activities	758,105	(53,780)	4,737,949	(6,758)	860,189
Investing activities	(5,341)	-	(21,168,044)	-	45,835
Financing activities	(628,442)	104,872	16,108,984	3,641	(443,386)
Net change in cash and cash equivalents	124,322	51,092	(321,111)	(3,117)	462,638

Notes To The Financial Statements (Cont'd)

31 March 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

7.4 Subsidiaries with material non-controlling interests ("NCI") (Cont'd)

	D'nonce (Kelantan) Sdn. Bhd. RM	D'nonce (Johore) Sdn. Bhd. RM	Attractive Venture (JB) Sdn. Bhd. RM	AV Plastics Sdn. Bhd. RM	Richmond Technology Sdn. Bhd. RM
2024					
Assets and liabilities					
Non-current assets	266,627	1,301,849	20,975,733	-	2,227,050
Current assets	7,095,831	3,580,501	11,223,184	9,717	5,008,538
Non-current liabilities	(63,009)	(72,793)	(8,999,663)	-	(1,059,984)
Current liabilities	(3,752,425)	(269,760)	(9,136,138)	(8,662,937)	(2,270,921)
Net assets	3,547,024	4,539,797	14,063,116	(8,653,220)	3,904,683
Results					
Revenue	13,515,522	-	16,378,222	-	10,676,278
Net profit/(loss) for the financial year	38,169	61,449	(269,991)	(12,893)	459,798
Total comprehensive income/(loss) for the financial year	38,169	61,449	(269,991)	(12,893)	459,798
Net cash generated from/(used in):					
Operating activities	(183,320)	(121,968)	2,159,595	(8,519)	821,956
Investing activities	(80,912)	4,158	(350,153)	-	(95,775)
Financing activities	267,358	120,380	(2,223,574)	-	(680,642)
Net change in cash and cash equivalents	3,126	2,570	(414,132)	(8,519)	45,539

Material accounting policy information

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

Notes To The Financial Statements (Cont'd)

31 March 2025

8. GOODWILL

The goodwill is allocated to the Group's cash-generating unit ("CGU") identified as follows:

	GROUP	
	2025	2024
	RM	RM
Balance at beginning/end	2,099,269	2,099,269

The carrying amount of goodwill allocated to each CGU is as follows:

	GROUP	
	2025	2024
	RM	RM
Contract manufacturing	289,128	289,128
Labelling	1,810,141	1,810,141
	2,099,269	2,099,269

For annual impairment testing purposes, the recoverable amount of the CGU are determined based on their value-in-use, which apply a discounted cash flow model using cash flow projections based on approved financial budget and projections covering a five (5)-year period.

Key assumptions used in value-in-use calculations

The key assumptions on which the management has based on for the computation of value-in-use are as follows:

(i) Selling price

The selling price used to calculate the cash inflows from operations was determined after taking into consideration price trends of the industry which the CGUs are exposed to. Values assigned are consistent with the external sources of information.

(ii) Exchange rate

The exchange rate used to translate foreign currencies into the CGUs' functional currency is based on the average exchange rates obtained immediately before the forecast year. Values assigned are consistent with external sources of information.

(iii) Cash flow projections and growth rate

The five-year cash flow projections are prepared based on management's past experience. The revenue for the first year of the five-year cash flow projections is prepared based on the most recent approved financial budget by the Board of Directors. Thereafter, annual growth rate as shown below is applied to the remaining years of the cash flow projections of the respective CGUs. A terminal value is assigned at the end of the five-year cash flow projections period based on an assumed growth rate of **1%** (2024: 1%) in perpetuity.

	Annual growth rate	
	2025	2024
GROUP		
Contract manufacturing	2%	2%
Labelling	5%	5%

Notes To The Financial Statements (Cont'd)

31 March 2025

8. GOODWILL (CONT'D)

(iv) Discount rate

Pre-tax discount rate as shown below was applied to the calculations in determining the recoverable amount of the respective CGUs. The discount rate is estimated based on the weighted average cost of capital of the Group for the financial year.

	Pre-tax discount rate	
	2025	2024
GROUP		
Contract manufacturing	8.10%	8%
Labelling	8.61%	9.66%

Sensitivity to changes in key assumptions

The management believes that any reasonable change in the key assumptions would not cause the recoverable amounts of the CGUs to differ materially from their carrying amounts.

9. DEFERRED TAX (ASSETS)/LIABILITIES

	GROUP	
	2025 RM	2024 RM
Balance at beginning	11,514,725	11,079,393
Recognised in profit or loss	270,414	107,989
	11,785,139	11,187,382
Under provision in prior year	1,115,846	327,343
Balance at end	12,900,985	11,514,725

The recognised deferred tax (assets)/liabilities, after appropriate offsetting, are as follows:

	GROUP	
	2025 RM	2024 RM
Deferred tax assets	(40,287)	(49,562)
Deferred tax liabilities	12,941,272	11,564,287
	12,900,985	11,514,725

Notes To The Financial Statements (Cont'd)

31 March 2025

9. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The deferred tax (assets)/liabilities as at the end of the reporting period are made up of the temporary differences arising from:

	GROUP	
	2025 RM	2024 RM
Property, plant and equipment	3,636,333	2,077,626
Investment properties	1,158,615	1,136,715
Right-of-use assets	228,386	323,508
Lease liabilities	(232,284)	(324,375)
Revaluation reserve	9,108,111	9,211,127
Unused tax losses	(59,142)	(41,201)
Unabsorbed capital allowances	(731,981)	(525,994)
Provisions	(207,053)	(342,681)
	12,900,985	11,514,725

The following deferred tax assets have not been recognised as at the end of the reporting period as it is not probable that future taxable profit will be available against which they may be utilised. As at the end of the reporting period, the Group's and the Company's deferred tax position are as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax recognised:				
Property, plant and equipment	648,588	665,663	85,618	42,985
Unabsorbed capital allowances	(234,649)	(256,777)	-	-
Unabsorbed reinvestment allowance	(413,939)	(408,886)	-	-
Unused tax losses	-	-	(85,618)	(42,985)
	-	-	-	-
Deferred tax assets not recognised:				
Property, plant and equipment	512,657	147,102	-	-
Unused tax losses	35,081,480	35,314,039	1,867,064	1,867,064
Unabsorbed capital allowances	9,186,123	9,063,344	921,876	860,980
Unabsorbed reinvestment allowance	7,996,857	8,001,910	-	-
Other deductible temporary differences	3,121,764	578,066	-	-
	55,898,881	53,104,461	2,788,940	2,728,044

Notes To The Financial Statements (Cont'd)

31 March 2025

9. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

The gross amount and future availability of unused tax losses and unabsorbed allowances which are available to be carried forward for set-off against future taxable income are estimated as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unused tax losses	35,327,905	35,485,708	1,867,064	1,867,064
Unabsorbed capital allowances	12,470,693	11,511,765	1,007,494	903,965
Unabsorbed reinvestment allowance	8,410,796	8,410,796	-	-

In respect of Malaysia's subsidiaries, the unused tax losses can be carried forward for ten consecutive years of assessment immediately following that year of assessment ("YA") of which tax losses was incurred. Unabsorbed reinvestment allowance at the end of the qualifying reinvestment allowance period of fifteen years can be carried forward for seven consecutive years of assessment. However, unabsorbed capital allowance can be carried forward indefinitely.

In respect of Thailand's subsidiaries, the unused tax losses is allowed to be utilised for five (5) consecutive years of assessment.

The unabsorbed reinvestment allowance and the unused tax losses will be disregarded in the following YAs:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
YA 2025	-	6,139,225	-	-
YA 2026	10,874,744	10,854,489	-	-
YA 2028	7,736,991	7,683,675	-	-
YA 2029	15,244,220	15,228,974	200,364	200,364
YA 2030	1,815,091	444,540	-	-
YA 2031	375,585	375,585	-	-
YA 2032	789,095	789,095	-	-
YA 2033	354,981	354,981	146,045	146,045
YA 2034	86,262	86,262	61,958	61,958
YA 2035	1,939,678	1,939,678	1,458,697	1,458,697
YA 2036	4,522,054	-	-	-
	43,738,701	43,896,504	1,867,064	1,867,064

Unrecognised temporary differences relating to investment in subsidiaries

At the end of the reporting period, no deferred tax liability has been recognised for taxes that would be payable on the undistributed earnings of the Group's certain subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised aggregate to **RM24,340,754** (2024: RM20,924,611). The deferred tax liability is estimated to be **RM2,434,075** (2024: RM2,092,461).

Material accounting policy information

The deferred tax on the revaluation surplus of the property measured at fair value is recognised using the tax rates that would apply for the property which is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time.

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the asset and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Notes To The Financial Statements (Cont'd)

31 March 2025

10. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Non-current				
Other receivables				
Third party - non-interest bearing	1,888,784	1,888,784	-	-
Less: Allowance for expected credit losses ("ECLs")	(1,888,784)	-	-	-
	-	1,888,784	-	-
Amount due from subsidiaries	-	-	32,097,037	47,385,638
	-	1,888,784	32,097,037	47,385,638
Current				
Trade receivables				
Third party - interest bearing at 6% per annum	-	165,650	-	-
Third parties - non-interest bearing	33,048,029	30,083,643	-	-
	33,048,029	30,249,293	-	-
Less: Allowance for ECLs	(361,351)	(875,543)	-	-
	32,686,678	29,373,750	-	-
Other receivables				
Sundry receivables	1,623,521	2,865,698	480,239	26,910
Less: Allowance for ECLs	(83,646)	(1,311,738)	-	-
	1,539,875	1,553,960	480,239	26,910
Amount due from subsidiaries	-	-	56,897,294	29,907,815
Less: Allowance for ECLs	-	-	(52,688,319)	(11,680,697)
	-	-	4,208,975	18,227,118
Deposits	2,443,150	2,162,263	8,470	7,770
Less: Allowance for ECLs	(129,994)	-	-	-
	2,313,156	2,162,263	8,470	7,770
Prepayments	8,103,266	10,308,317	20,307	229,444
	11,956,297	14,024,540	4,717,991	18,491,242
Total current trade and other receivables	44,642,975	43,398,290	4,717,991	18,491,242
Total trade and other receivables	44,642,975	45,287,074	36,815,028	65,876,880

The normal trade credit terms granted by the Group range from **7 to 90 days** (2024: 30 to 120 days). Other credit terms are assessed and approved on case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Notes To The Financial Statements (Cont'd)

31 March 2025

10. TRADE AND OTHER RECEIVABLES (CONT'D)

Included in the deposits of the Group is an amount of **RM430,000** (2024: RM430,000) paid to a third party to acquire a leasehold land with a detached factory building pursuant to the Sale and Purchase Agreement dated 23 August 2018.

Included in the prepayments of the Group is an amount of **RM1,229,727** (2024: RM4,200,000) paid to Pasukhas Sdn. Bhd. to design and build the production building, warehouse and three storey office.

The amount due from subsidiaries are unsecured, non-interest bearing, classified based on expected timing of realisation and to be settled in cash except for **RM11,622,712** (2024: RM39,492,046) on which interest is charged at **2.90% to 3.30%** (2024: 2.90% to 3.30%) per annum.

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	19,228,953	22,425,620	35,940,008	65,007,890
Thai Baht	20,797,031	20,287,032	875,020	868,990
United States Dollar	3,844,356	1,997,065	-	-
Singapore Dollar	627,089	408,829	-	-
Japanese Yen	145,546	168,528	-	-
	44,642,975	45,287,074	36,815,028	65,876,880

The movement of the allowance for ECLs is as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade receivables				
Balance at beginning	875,543	918,715	-	-
Current financial year	327,127	105,377	-	-
Reversal	(84,017)	(58,463)	-	-
Written off	(757,825)	(96,100)	-	-
Exchange differences	523	6,014	-	-
Balance at end	361,351	875,543	-	-
Other receivables				
Balance at beginning	1,311,738	1,307,760	-	-
Current financial year	2,080,528	-	-	-
Written off	(1,289,842)	-	-	-
Exchange differences	-	3,978	-	-
Balance at end	2,102,424	1,311,738	-	-

Amount due from subsidiaries

Balance at beginning	-	-	11,680,697	11,656,672
Current financial year	-	-	41,007,622	24,025
Balance at end	-	-	52,688,319	11,680,697
	2,463,775	2,187,281	52,688,319	11,680,697

Notes To The Financial Statements (Cont'd)

31 March 2025

11. INVENTORY PROPERTIES

	GROUP	
	2025	2024
	RM	RM
Land held for development	-	11,027,580
Property development costs		
- Development costs	-	349,488
	<u>-</u>	<u>11,377,068</u>

The subsidiary of the Company, D'nonce Properties Sdn. Bhd., has entered into a Sale and Purchase Agreement dated 29 August 2024 with a third party to dispose of its entire inventory properties for a cash consideration of RM9,500,000.

Material accounting policy information

Inventory properties are stated at the lower of cost and net realisable value.

Land held for development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

Property development costs comprise the related development costs common to the project.

12. INVENTORIES

	GROUP	
	2025	2024
	RM	RM
At cost		
Raw materials	8,862,249	6,758,446
Work-in-progress	1,521,940	2,114,737
Finished goods	6,338,775	6,701,954
Trading goods	6,757,123	6,560,709
	23,480,087	22,135,846
At net realisable value		
Raw materials	159,402	829,547
Work-in-progress	4,454	-
Finished goods	249,356	795,861
Trading goods	527,215	356,607
	940,427	1,982,015
	24,420,514	24,117,861

Notes To The Financial Statements (Cont'd)

31 March 2025

12. INVENTORIES (CONT'D)

	GROUP	
	2025	2024
	RM	RM
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	123,250,047	102,664,041
Inventories written down		
- Addition	436,559	783,827
- Reversal	(733,612)	(666,545)
Inventories written off	22,893	36,676

The reversal of inventories written down was made in the current financial year when the related inventories were sold above their carrying amounts.

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is determined on the first-in, first-out basis.

13. CONTRACT ASSETS

	GROUP	
	2025	2024
	RM	RM
Balance at beginning	515,855	856,022
Billings during the financial year	(515,855)	(856,022)
Revenue recognised during the financial year	638,152	515,855
Balance at end	638,152	515,855

Contract assets relate to the Group's rights to consideration for work completed on service contracts but not yet billed at the end of the reporting period.

14. OTHER INVESTMENTS

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Financial assets at fair value through profit or loss:				
Investment in shares quoted in:				
- Malaysia	30,922,590	32,361,134	-	-
- Outside Malaysia	111,150	166,210	-	-
Short term investment	2,504	2,504	2,504	2,504
	31,036,244	32,529,848	2,504	2,504

The short term investment represents investment in money market instruments with different maturity period and can be redeemed at any time upon notice given to the financial institution.

Notes To The Financial Statements (Cont'd)

31 March 2025

15. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Deposits with licensed banks				
- Encumbered	9,164,811	8,285,068	-	-
Short term money market deposit	60,587	20,126,435	60,587	20,126,435
Cash in hand and at banks	15,180,920	14,124,356	8,176	285,547
	24,406,318	42,535,859	68,763	20,411,982

The encumbered fixed deposits are pledged to licensed banks as securities for banking facilities granted to certain subsidiaries as disclosed in Note 19 to the financial statements.

The effective interest rates per annum and maturities of the deposits with licensed banks of the Group as at the end of the reporting period range from **2.20% to 3.10%** (2024: 1.60% to 3.10%) per annum and **1 month to 12 months** (2024 : 1 month to 12 months) respectively.

The effective interest rates per annum and maturities of the short term money market deposit of the Group and of the Company as at the end of the reporting period are **2.55%** (2024: 1.30% to 2.65%) per annum and **1 day** (2024: 1 day to 14 days) respectively.

The currency profile of cash and bank balances is as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	13,354,912	33,966,731	68,350	20,410,338
Thai Baht	8,493,764	6,092,555	261	1,644
United States Dollar	2,149,048	1,972,496	-	-
Singapore Dollar	407,760	503,189	152	-
Others	834	888	-	-
	24,406,318	42,535,859	68,763	20,411,982

16. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025	2024	2025	2024
			RM	RM
Issued and fully paid:				
Balance at beginning	868,281,324	434,462,377	135,403,947	117,910,820
Issuance of ordinary shares pursuant to rights issue of shares with warrants	-	433,818,947	-	18,524,069
Shares issuance expenses	-	-	-	(1,030,942)
Balance at end	868,281,324	868,281,324	135,403,947	135,403,947

Notes To The Financial Statements (Cont'd)

31 March 2025

16. SHARE CAPITAL (CONT'D)

In the prior financial year, the Company had increased its issued and fully paid up ordinary share capital by way of the issuance of 433,818,947 new ordinary shares at an issue price of RM0.09 per share pursuant to the renounceable rights issue of shares with warrants on the basis of 1 rights share for every 1 existing share held, together with 1 warrant for every 1 rights share subscribed for.

The new ordinary shares issued in the prior financial year ranked *pari passu* in all respects with the existing ordinary shares of the Company.

17. RESERVES

	NOTE	GROUP		COMPANY	
		2025	2024	2025	2024
		RM	RM	RM	RM
Non-distributable:					
Foreign currency translation reserve	17.1	7,704,793	7,057,984	-	-
Revaluation reserve	17.2	36,245,337	36,608,323	-	-
Legal reserve	17.3	32,510	32,510	-	-
Warrants reserve	17.4	20,519,636	20,519,636	20,519,636	20,519,636
Other capital reserve	17.5	5,120,000	5,120,000	-	-
		69,622,276	69,338,453	20,519,636	20,519,636

17.1 Foreign currency translation reserve

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

17.2 Revaluation reserve

	GROUP	
	2025 RM	2024 RM
Balance at beginning	36,608,323	36,969,039
Realisation of revaluation surplus upon depreciation	(362,986)	(360,716)
Balance at end	36,245,337	36,608,323

This is in respect of revaluation surplus net of deferred tax arising from the revaluation of the Group's freehold land, leasehold land and buildings and is non-distributable.

Notes To The Financial Statements (Cont'd)

31 March 2025

17. RESERVES (CONT'D)

17.3 Legal reserve

Legal reserve was set up in prior years upon payment of dividends of RM650,210 by a subsidiary in Thailand. The amount transferred from retained profits to the legal reserve is fixed at 5% of the subsidiary's retained profits at each dividend payment date. This transfer is mandatory until the reserve reaches 10% of the subsidiary's issued and fully paid capital.

17.4 Warrants reserve

Warrants reserve represents the fair value of the warrants issued pursuant to rights issue exercise undertaken by the Company.

In the prior financial year, the Company had issued 433,818,947 warrants in conjunction with the issuance of rights shares.

The warrant is constituted by a deed poll dated 29 January 2024 ("Deed Poll"). The salient features of the warrant are as follows:

- (i) The warrants are detachable and separately tradable;
- (ii) Each warrant entitles the holder to subscribe for 1 new ordinary share in the Company at an exercise price of RM0.09;
- (iii) The warrants are exercisable over a period of 5 years until 7 March 2029;
- (iv) The exercise price and the number of warrants are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions in the Deed Poll;
- (v) The warrant holders are not entitled to any voting rights or participation in any form of dividends, distributions and/or offer of securities in the Company until and unless such warrant holders exercise their warrants into new ordinary shares; and
- (vi) The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank *pari passu* with the then existing ordinary shares.

The movement of the warrants during the financial year are as follows:

	Number of warrants			
	Balance at 1.4.2024	Issuance	Lapsed	Balance at 31.3.2025
Warrants expiring 7 March 2029	433,818,947	-	-	433,818,947

17.5 Other capital reserve

Other capital reserve arose as a result of the capitalisation of retained profits for bonus issues made by subsidiaries.

Notes To The Financial Statements (Cont'd)

31 March 2025

18. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded, defined benefit plan – Retirement Benefit Scheme (“the Scheme”) for eligible employees in Thailand. Under the Scheme, eligible employees are entitled to retirement benefits upon attaining their retirement age. The Group’s obligation under the Scheme is determined based on the latest actuarial valuation by an independent actuary.

The amounts recognised in the statements of financial position are determined as follows:

	GROUP	
	2025	2024
	RM	RM
Present value of defined benefit plan, representing net liability under non-current liabilities	3,027,914	3,229,796

The amounts recognised in the profit and loss are as follows:

	GROUP	
	2025	2024
	RM	RM
Current service cost	281,830	676,852
Interest cost	79,428	79,531
	361,258	756,383

The movement of the defined benefit plan is as follows:

	GROUP	
	2025	2024
	RM	RM
Balance at beginning	3,229,796	3,523,435
Recognised in profit or loss	361,258	756,383
Recognised in other comprehensive income	-	(998,974)
Paid during the financial year	(583,750)	(49,681)
Exchange differences	20,610	(1,367)
Balance at end	3,027,914	3,229,796

The principal actuarial assumptions used in determining the defined benefit plan are as follows:

	GROUP	
	2025	2024
	%	%
Discount rate	2.50	2.50
Expected salary increment rate	6.00	6.00

Notes To The Financial Statements (Cont'd)

31 March 2025

18. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The following table demonstrates the sensitivity analysis of the Group if significant actuarial assumptions at the end of the reporting period changed by one hundred (100) basis points with all other variables held constant:

	GROUP			
	2025	2024	2025	2024
	%	%	RM	RM
Discount rate increase	1	1	(285,140)	(285,604)
Discount rate decrease	(1)	(1)	322,804	325,178
Expected salary increment rate increase	1	1	344,202	312,430
Expected salary increment rate decrease	(1)	(1)	(309,159)	(580,133)

The expected payments to the defined benefit plan in future years are as follows:

	GROUP	
	2025	2024
	RM	RM
Within next 12 months	9,091	82,027
Between 2 to 5 years	795,322	762,431
Beyond 5 years	7,322,556	7,812,402
	8,126,969	8,656,860

The average duration of the defined benefit plan obligation at the end of the reporting period is **9.90 years** (2024: 10.90 years).

19. BORROWINGS

	GROUP	
	2025	2024
	RM	RM
Non-current liabilities		
Secured:		
<u>Finance lease liabilities</u>		
Minimum payments:		
Within one year	1,277,333	1,317,670
More than one year and less than two years	1,168,019	1,245,202
More than two years and less than five years	1,124,133	2,174,627
	3,569,485	4,737,499
Future finance charges	(256,378)	(437,172)
	3,313,107	4,300,327
Amount due within one year included under current liabilities	(1,135,583)	(1,119,958)
	2,177,524	3,180,369

Notes To The Financial Statements (Cont'd)

31 March 2025

19. BORROWINGS (CONT'D)

	GROUP	
	2025	2024
	RM	RM
<u>Term loans</u>		
Total amount repayable	41,295,109	29,677,347
Amount due within one year included under current liabilities	(2,944,740)	(2,695,558)
	38,350,369	26,981,789
	40,527,893	30,162,158
Current liabilities		
Secured:		
Bank overdrafts	1,556,465	3,058,860
Bankers' acceptance	5,991,222	8,526,703
Finance lease liabilities	1,135,583	1,119,958
Revolving credit	9,956,737	8,736,031
Term loans	2,944,740	2,695,558
Trust receipt	4,432,949	-
	26,017,696	24,137,110
Total borrowings	66,545,589	54,299,268

The borrowings are secured by way of:

- (i) Legal charges over certain subsidiaries' freehold land, leasehold land, buildings, plant and machinery as disclosed in Note 4 to the financial statements;
- (ii) Legal charges over certain subsidiaries' investment properties as disclosed in Note 5 to the financial statements;
- (iii) Deposits with licensed banks of the Group as disclosed in Note 15 to the financial statements;
- (iv) Corporate guarantee of the Company and certain subsidiaries; and
- (v) Leased assets as disclosed in Note 4 to the financial statements.

The currency profile of borrowings is as follows:

	GROUP	
	2025	2024
	RM	RM
Ringgit Malaysia	56,512,148	48,562,772
Thai Baht	10,033,441	5,736,496
	66,545,589	54,299,268

Notes To The Financial Statements (Cont'd)

31 March 2025

19. BORROWINGS (CONT'D)

A summary of the effective interest rates and maturities of the borrowings is as follows:

Group	Effective interest rates per annum (%)	Total RM	Within one year RM	More than one year and less than two years RM	More than two years and less than five years RM	More than five years RM
2025						
Bank overdrafts	7.40 - 7.58	1,556,465	1,556,465	-	-	-
Bankers' acceptance	3.28 - 5.65	5,991,222	5,991,222	-	-	-
Finance lease liabilities	2.65 - 4.48	3,313,107	1,135,583	1,085,200	1,092,324	-
Revolving credit	4.81 - 5.25	9,956,737	9,956,737	-	-	-
Term loans	4.47 - 6.28	41,295,109	2,944,740	4,324,593	7,397,846	26,627,930
Trust receipts	4.81	4,432,949	4,432,949	-	-	-
2024						
Bank overdrafts	7.40 - 7.58	3,058,860	3,058,860	-	-	-
Bankers' acceptance	3.31 - 5.39	8,526,703	8,526,703	-	-	-
Finance lease liabilities	2.29 - 4.48	4,300,327	1,119,958	1,110,300	2,070,069	-
Revolving credit	5.03 - 5.15	8,736,031	8,736,031	-	-	-
Term loans	4.47 - 6.28	29,677,347	2,695,558	3,015,406	6,221,017	17,745,366

20. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade payables				
Third parties	16,763,605	14,599,200	-	-
Balance carried forward	16,763,605	14,599,200	-	-

Notes To The Financial Statements (Cont'd)

31 March 2025

20. TRADE AND OTHER PAYABLES (CONT'D)

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Balance brought forward	16,763,605	14,599,200	-	-
Other payables				
Sundry payables	3,150,910	2,035,840	6,243	308,145
Amount due to subsidiaries	-	-	2,172,667	8,874,631
Accruals	3,417,610	5,627,873	298,238	247,508
Amount due to directors	105,000	105,000	-	-
Deposits received	1,088,752	1,091,717	-	-
	7,762,272	8,860,430	2,477,148	9,430,284
Total trade and other payables	24,525,877	23,459,630	2,477,148	9,430,284

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	8,907,536	2,154,248	2,477,148	9,430,284
Thai Baht	14,640,638	20,557,029	-	-
United States Dollar	651,144	415,861	-	-
Singapore Dollar	300,571	332,492	-	-
Other	25,988	-	-	-
	24,525,877	23,459,630	2,477,148	9,430,284

Trade payables of the Group are non-interest bearing and are normally settled within **30 to 90 days** (2024: 30 to 90 days) credit terms.

The amount due to subsidiaries are unsecured, non-interest bearing, repayable on demand and to be settled in cash except for **RM378,750** (2024: RM7,599,052) on which interest is charged at **3.30%** (2024: 3.30%) per annum.

The amount due to directors of the Group are unsecured, non-interest bearing and repayable on demand.

Notes To The Financial Statements (Cont'd)

31 March 2025

21. REVENUE

21.1 Disaggregated revenue information

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Types of goods or service				
Sale of goods	182,223,029	163,469,647	-	-
Cleanroom services and contract manufacturing	13,598,686	10,063,341	-	-
Mould income	434,130	260,632	-	-
Management fees	-	-	4,296,000	4,275,120
Total revenue from contracts with customers	196,255,845	173,793,620	4,296,000	4,275,120
Rental income, representing other revenue	2,001,000	2,589,300	-	-
Total revenue	198,256,845	176,382,920	4,296,000	4,275,120
Geographical markets				
Thailand	97,641,494	88,193,649	-	-
Malaysia	77,396,622	66,880,023	4,296,000	4,275,120
Singapore	14,893,507	9,238,784	-	-
United Kingdom	2,002,954	1,828,228	-	-
Indonesia	1,626,329	793,466	-	-
United States of America	1,537,135	5,558,774	-	-
United Arab Emirates	512,887	-	-	-
Taiwan	263,291	263,759	-	-
Europe	207,780	730,413	-	-
China	121,496	81,035	-	-
Vietnam	10,753	65,011	-	-
Others	41,597	160,478	-	-
Total revenue from contracts with customers	196,255,845	173,793,620	4,296,000	4,275,120
Timing of revenue recognition				
Revenue recognised at a point in time	196,255,845	173,793,620	-	-
Revenue recognised over time	-	-	4,296,000	4,275,120
Total revenue from contracts with customers	196,255,845	173,793,620	4,296,000	4,275,120

Notes To The Financial Statements (Cont'd)

31 March 2025

21. REVENUE (CONT'D)

21.2 Contract balances

	GROUP	
	2025	2024
	RM	RM
Trade receivables (Note 10)	32,686,678	29,373,750
Contract assets (Note 13)	638,152	515,855

21.3 Performance obligations

The performance obligations to recognise revenue are as follows:

(i) **Sale of goods**

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

(ii) **Cleanroom services and contract manufacturing**

Revenue from cleanroom services and contract manufacturing is recognised at a point in time when services are rendered to the customer and coincides with the acceptance by customers.

(iii) **Mould income**

Revenue from mould income is recognised at a point in time when control of the mould is transferred to the customer, generally on delivery of the mould.

(iv) **Management fee**

Management fee is recognised when services are rendered.

22. OTHER INCOME

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Gain on disposal of property, plant and equipment	38,651	34,430	-	7,828
Insurance claims	310	46,230	-	-
Lease modification	10,619	-	-	-
Others	381,232	580,815	-	8,295
Rental income	54,000	33,500	-	-
Reversal of allowance for expected credit losses	84,017	58,463	-	-
Sales commission	397,819	353,504	-	-
Scrap sales	2,529,220	1,812,353	-	-
	3,495,868	2,919,295	-	16,123

Notes To The Financial Statements (Cont'd)

31 March 2025

23. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fees	393,555	375,102	262,710	256,904
Salaries, wages, bonus and allowances	34,146,486	33,468,261	2,900,667	3,169,643
Defined contribution plan ("EPF")	1,751,981	1,871,458	275,662	314,052
Social security contribution ("SOCSCO")	552,873	606,500	19,307	19,762
Employment insurance scheme ("EIS")	18,939	18,848	1,926	1,967
Defined benefit plan (Note 18)	361,258	756,383	-	-
Other benefits	2,333,928	1,860,327	47,812	47,599
	39,559,020	38,956,879	3,508,084	3,809,927

Included in the employee benefits expense of the Group and of the Company is directors' remuneration as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Executive directors of the Company:				
- Salaries, bonus and allowances	254,630	357,258	72,000	357,258
- EPF	30,344	42,294	8,400	42,294
- SOCSCO	2,500	785	625	785
- EIS	285	90	71	90
	287,759	400,427	81,096	400,427
Non-executive directors of the Company:				
- Fees	262,710	256,904	262,710	256,904
- Allowances	46,000	24,000	46,000	24,000
	308,710	280,904	308,710	280,904
Executive directors of subsidiaries:				
- Fees	130,845	118,198	-	-
- Salaries, bonus and allowances	2,937,116	3,202,526	562,500	575,000
- EPF	147,633	198,404	22,500	23,000
- SOCSCO	4,061	4,215	-	-
- EIS	370	495	-	-
	3,220,025	3,523,838	585,000	598,000
Total directors' remuneration	3,816,494	4,205,169	974,806	1,279,331

Notes To The Financial Statements (Cont'd)

31 March 2025

23. EMPLOYEE BENEFITS EXPENSE (CONT'D)

The directors' remuneration can be further analysed as:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Present directors:				
- Executive	3,271,522	3,425,198	666,096	598,000
- Non-executive	252,000	280,903	252,000	280,903
	3,523,522	3,706,101	918,096	878,903
Past directors:				
- Executive	236,262	499,068	-	400,428
- Non-executive	56,710	-	56,710	-
	292,972	499,068	56,710	400,428
	3,816,494	4,205,169	974,806	1,279,331

24. FINANCE COSTS

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Accretion of interest on lease liabilities	130,708	185,866	-	50,938
Interest expenses on:				
- amount due to subsidiaries	-	-	52,613	291,695
- finance lease liabilities	202,661	264,665	-	-
- other banks borrowings	1,320,377	1,397,576	26,459	368,459
- term loans	1,573,776	1,349,670	-	-
Less: Capitalised in property, plant and equipment (Note 4)	(330,710)	(265,644)	-	-
	2,896,812	2,932,133	79,072	711,092

25. FINANCE INCOME

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Interest income from:				
- amounts due from subsidiaries	-	-	1,444,944	869,442
- deposits with licensed banks	265,637	252,042	132,836	95,645
- trade and other receivables	-	980	-	-
	265,637	253,022	1,577,780	965,087

Notes To The Financial Statements (Cont'd)

31 March 2025

26. LOSS BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
After charging:				
Auditors' remuneration				
- Statutory audit				
- Grant Thornton Malaysia PLT				
- Current year	300,000	295,000	142,000	142,000
- (Over)/Under provision in prior year	(3,000)	38,000	-	20,000
- Other auditors	179,642	159,397	-	-
- Assurance related and non-audit services				
- Grant Thornton Malaysia PLT	5,000	60,000	5,000	60,000
- Affiliate of Grant Thornton Malaysia PLT	62,100	60,800	7,500	7,500
Bad debts written off	73,867	66,265	-	-
(Gain)/Loss on derecognition of right-of-use assets and lease liabilities	-	(1,067)	-	12,919
Property, plant and equipment written off	5,266	2,675	-	-

27. TAXATION

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Statements of comprehensive income:				
Malaysian income tax:				
Based on results for the financial year				
- Current tax	(360,833)	(183,442)	(144,273)	-
- Deferred tax relating to the origination and reversal of temporary differences	(270,414)	(107,989)	-	-
	(631,247)	(291,431)	(144,273)	-
Under provision in prior year				
- Current tax	83,381	94,391	-	-
- Deferred tax	(1,115,846)	(327,343)	-	-
	(1,032,465)	(232,952)	-	-
Tax expense recognised in profit or loss	(1,663,712)	(524,383)	(144,273)	-

Taxation for other jurisdiction is calculated at the rate prevailing in that jurisdiction.

Notes To The Financial Statements (Cont'd)

31 March 2025

27. TAXATION (CONT'D)

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Loss before tax	(22,806,812)	(8,201,975)	(44,752,875)	(2,109,220)
Income tax at Malaysian statutory tax rate of 24%	5,473,635	1,968,474	10,740,690	506,213
Effect of tax rate in foreign jurisdiction	49,601	(112,595)	-	-
Income not subject to tax	54,960	429,396	-	-
Expenses not deductible for tax purposes	(5,461,113)	(4,176,400)	(10,870,348)	(153,193)
Effect of double deduction	6,510	24,103	-	-
Utilisation of current year reinvestment allowance	-	85,194	-	-
Utilisation of unrecognised unused tax losses and unabsorbed allowances	1,020,634	1,672,758	-	-
Deferred tax assets not recognised	(1,878,490)	(284,808)	(14,615)	(353,020)
Annual crystallisation of deferred tax on revaluation reserve	103,016	102,447	-	-
	(631,247)	(291,431)	(144,273)	-
Under provision in prior year	(1,032,465)	(232,952)	-	-
Tax expense recognised in profit or loss	(1,663,712)	(524,383)	(144,273)	-

28. LOSS PER SHARE

Basic loss per share

Basic loss per share of the Group is calculated by dividing the loss attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2025	2024
Loss attributable to owners of the Company (RM)	(24,106,277)	(8,831,601)
Weighted average number of ordinary shares in issue	868,281,324	453,479,098
Basic loss per share (in sen)	(2.78)	(1.95)

The dilutive loss per share in the current year equals the basic loss per share due to the anti-dilutive effect of the warrants which have been ignored in calculating the diluted loss per share.

Notes To The Financial Statements (Cont'd)

31 March 2025

29. SEGMENTAL INFORMATION

Business Segments

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

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

The Group has arrived at three reportable segments divided by the customers' industries that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follows:

Reportable segments by customers' industries	Description
(i) Healthcare	End-to-end packaging and design solutions primarily supporting customers in the healthcare industry.
(ii) Electrical and electronics	End-to-end packaging and design solutions, precision polymer engineering services, cleanroom services and contract manufacturing primarily supporting customers in the electrical and electronics industry.
(iii) Other industries	End-to-end packaging and design solutions and supply of goods and services primarily supporting customers in the automotive, food and beverage and other manufacturing industries.

Other operating segments that do not meet the quantitative thresholds of an individual reporting segment consist of investment holding and others.

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

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

Segment assets exclude tax assets and unallocated assets.

Segment liabilities exclude tax liabilities and unallocated liabilities.

Notes To The Financial Statements (Cont'd)

31 March 2025

29. SEGMENTAL INFORMATION (CONT'D)

By business segments divided by the customers' industries

2025

	Healthcare RM	Electrical and electronics RM	Other industries RM	Others RM	Elimination RM	Note	Total RM
Revenue							
External sales	63,277,095	79,731,770	45,747,980	9,500,000	-		198,256,845
Inter-segment sales	-	4,296,000	-	-	(4,296,000)	A	-
Total revenue	63,277,095	84,027,770	45,747,980	9,500,000	(4,296,000)		198,256,845
Results							
Segment results	4,930,412	(297,209)	873,469	(10,668,423)	-		(5,161,751)
Fair value loss on other investments							(15,013,886)
Operating loss							(20,175,637)
Finance costs							(2,896,812)
Finance income							265,637
Loss before tax							(22,806,812)
Taxation							(1,663,712)
Loss for the financial year							(24,470,524)
Assets							
Segment assets	90,057,645	159,654,768	36,997,653	3,611,733	-		290,321,799
Other investments							31,036,244
Current tax assets							2,305,723
Deferred tax assets							40,287
Total assets							323,704,053
Liabilities							
Segment liabilities	13,215,589	63,821,425	18,729,858	357,468	-		96,124,340
Deferred tax liabilities							12,941,272
Total liabilities							109,065,612
Other segment information							
Additions to non-current assets	2,976,061	24,461,466	3,339,306	171,159	-	B	30,947,992
Depreciation							
- property, plant and equipment	2,456,631	3,933,812	2,290,095	120,128	-		8,800,666
- right-of-use assets	173,810	679,641	277,164	646,121	-		1,776,736
Non-cash expenses other than depreciation	24,047	2,189,674	180,788	(44,783)	-	C	2,349,726

Notes To The Financial Statements (Cont'd)

31 March 2025

29. SEGMENTAL INFORMATION (CONT'D)

By business segments divided by the customers' industries

2024

	Healthcare RM	Electrical and electronics RM	Other industries RM	Others RM	Elimination RM	Note	Total RM
Revenue							
External sales	60,281,661	79,150,897	36,950,362	-	-		176,382,920
Inter-segment sales	-	4,275,120	-	-	(4,275,120)	A	-
Total revenue	<u>60,281,661</u>	<u>83,426,017</u>	<u>36,950,362</u>	<u>-</u>	<u>(4,275,120)</u>		<u>176,382,920</u>
Results							
Segment results	4,714,480	3,017,942	860,876	(6,756,318)	-		1,836,980
Fair value loss on other investments							(7,359,844)
Operating loss							(5,522,864)
Finance costs							(2,932,133)
Finance income							253,022
Loss before tax							(8,201,975)
Taxation							(524,383)
Loss for the financial year							<u>(8,726,358)</u>
Assets							
Segment assets	83,894,107	146,890,872	32,007,292	36,260,938	-		299,053,209
Other investments							32,529,848
Current tax assets							2,548,420
Deferred tax assets							49,562
Total assets							<u>334,181,039</u>
Liabilities							
Segment liabilities	10,268,138	55,362,941	16,788,376	1,735,181	-		84,154,636
Deferred tax liabilities							11,564,287
Total liabilities							<u>95,718,923</u>
Other segment information							
Additions to non-current assets	1,121,552	24,941,327	4,481,124	385,134	-	B	30,929,137
Depreciation	2,360,147	3,456,677	1,961,453	217,572	-		7,995,849
- property, plant and equipment	158,713	1,261,994	209,890	861,496	-		2,492,093
- right-of-use assets	(86,289)	(934,368)	429,115	198,968	-	C	(392,574)
Non-cash expenses other than depreciation							

Notes To The Financial Statements (Cont'd)

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29. SEGMENTAL INFORMATION (CONT'D)

- A Inter-segment revenues are eliminated on consolidation.
- B Additions to non-current assets consist of total costs incurred to acquire property, plant and equipment and investment properties. It excludes the additions of right-of-use assets, financial instruments and deferred tax assets.
- C Other material non-cash expenses other than depreciation consist of the following items:

	GROUP	
	2025	2024
	RM	RM
Accretion of interest on lease liabilities	130,708	185,866
Allowance for expected credit losses	2,407,655	105,377
Bad debts written off	73,867	66,265
Defined benefit plan	361,258	756,383
Fair value gain on investment properties	(219,000)	(1,789,150)
(Gain)/Loss on disposal of other investments	(1,513)	115,314
Gain on disposal of property, plant and equipment	(38,651)	(34,430)
Gain on derecognition of right-of-use assets and lease liabilities	-	(1,067)
(Reversal)/Addition of inventories written down	(297,053)	117,282
Inventories written off	22,893	36,676
Lease modification	(10,619)	-
Property, plant and equipment written off	5,266	2,675
Reversal of allowance for expected credit losses	(84,017)	(58,463)
Unrealised (gain)/loss on foreign exchange	(1,068)	104,698
	2,349,726	(392,574)

By geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as disclosed in Note 21.1 to the financial statements. Segment assets are based on the geographical location of assets.

	Non-current assets	
	2025	2024
	RM	RM
Malaysia	118,963,053	125,536,809
Thailand	77,291,074	51,621,029
	196,254,127	177,157,838

Information about major customers

Total revenue from 1 (2024: 1) major customer which individually contributed to 10% or more of the Group's revenue from the supply of end-to-end packaging and design solutions, amounted to **RM31,624,981** (2024: RM30,332,305).

Notes To The Financial Statements (Cont'd)

31 March 2025

30. CAPITAL COMMITMENTS

	GROUP	
	2025	2024
	RM	RM
Contracted but not provided for:		
- Renovation	-	17,845,643
Approved but not provided for:		
- Leasehold land and building	3,870,000	3,870,000
- Plant and machinery	1,989,447	61,900
- Renovation	48,755	-

31. RELATED PARTY DISCLOSURES

(i) Identity of related party

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

Related parties	Relationship
AT Glove Engineering Sdn. Bhd.	A subsidiary of the corporate shareholder of the Company.
AT Precision Tooling Sdn. Bhd.	A subsidiary of the corporate shareholder of the Company.
Key Alliance Group Berhad	Companies in which a director of the Company, Mr. Roy Ho Yew Kee, has directorship.
General Labels & Labelling (JB) Sdn. Bhd.	
Komark International (M) Sdn. Bhd.	
Komark Mask (M) Sdn. Bhd.	
Pasukhas Sdn. Bhd.	A former director of certain subsidiaries, Mr. Mak Siew Wei, who is also a former director in the holding company of Pasukhas Sdn. Bhd.
Wangsa Interaktif Sdn. Bhd.	A company in which a director of certain subsidiaries, Mr. Low Chee Min, has directorship.

Notes To The Financial Statements (Cont'd)

31 March 2025

31. RELATED PARTY DISCLOSURES (CONT'D)

(ii) Related party transactions

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

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Net advances to subsidiaries	-	-	21,164,000	22,099,400
Interest paid/payable to subsidiaries	-	-	52,613	291,695
Interest income from subsidiaries	-	-	1,444,944	869,442
Management fees from subsidiaries	-	-	4,296,000	4,275,120
Sales to AT Precision Tooling Sdn. Bhd.	136,510	432,592	-	-
Purchase from:				
- AT Glove Engineering Sdn. Bhd.	-	6,451	-	-
- General Labels & Labelling (JB) Sdn. Bhd.	16,240	-	-	-
- Komark International (M) Sdn. Bhd.	513,334	-	-	-
- Komark Mask (M) Sdn. Bhd.	432	-	-	-
- Wangsa Interaktif Sdn. Bhd.	301,019	-	-	-
Purchase of motor vehicle from key Alliance Group Berhad	152,000	-	-	-
Rental of motor vehicles paid to a subsidiary	-	-	-	41,888
Rental income received from AT Precision Tooling Sdn. Bhd.	876,200	808,800	-	-
Renovation services rendered by Pasukhas Sdn. Bhd.	17,872,957	1,582,312	-	-

(iii) Compensation of key management personnel

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

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

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Fees	393,555	375,102	262,710	256,904
Salaries, allowances and bonus	3,237,746	3,583,784	680,500	956,258
EPF	177,977	240,698	30,900	65,294
SOCSSO	6,560	5,000	625	785
EIS	656	585	71	90
	3,816,494	4,205,169	974,806	1,279,331
Analysed as:				
- Directors	3,816,494	4,205,169	389,806	681,331
- Key management personnel	-	-	585,000	598,000
	3,816,494	4,205,169	974,806	1,279,331

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS

32.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") and fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2025			
Financial assets			
Trade and other receivables, excluding prepayments	36,539,709	36,539,709	-
Other investments	31,036,244	-	31,036,244
Cash and bank balances	24,406,318	24,406,318	-
	91,982,271	60,946,027	31,036,244
Financial liabilities			
Borrowings	66,545,589	66,545,589	-
Trade and other payables	24,525,877	24,525,877	-
	91,071,466	91,071,466	-
2024			
Financial assets			
Trade and other receivables, excluding non-refundable deposits and prepayments	32,896,953	32,896,953	-
Other investments	32,529,848	-	32,529,848
Cash and bank balances	42,535,859	42,535,859	-
	107,962,660	75,432,812	32,529,848
Financial liabilities			
Borrowings	54,299,268	54,299,268	-
Trade and other payables	23,459,630	23,459,630	-
	77,758,898	77,758,898	-

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.1 Categories of financial instruments (Cont'd)

COMPANY

	Carrying amount RM	AC RM	FVTPL RM
2025			
Financial assets			
Trade and other receivables, excluding prepayments	35,950,414	35,950,414	-
Other investments	2,504	-	2,504
Cash and bank balances	68,763	68,763	-
	36,021,681	36,019,177	2,504
Financial liability			
Trade and other payables	2,477,148	2,477,148	-
2024			
Financial assets			
Trade and other receivables, excluding prepayments	65,647,436	65,647,436	-
Other investments	2,504	-	2,504
Cash and bank balances	20,411,982	20,411,982	-
	86,061,922	86,059,418	2,504
Financial liability			
Trade and other payables	9,430,284	9,430,284	-

32.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group's exposure to credit risk arises principally from its trade receivables whilst the Company's exposure to credit risk arises principally from advances to its subsidiaries and financial guarantees provided to financial institutions in respect of credit facilities granted to certain subsidiaries.

32.3.1 Trade receivables

The Group gives its customers credit terms that range between **7 to 90 days** (2024: 30 to 120 days). In deciding whether credit shall be extended, the Group will take into consideration factors such as relationship with the customer, its payment history and credit worthiness. The Group subjects new customers to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

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

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

	Gross RM	Allowance for ECLs RM	Net RM
GROUP			
2025			
Not past due	25,136,194	-	25,136,194
1 to 30 days past due	5,120,940	-	5,120,940
31 to 60 days past due	967,409	-	967,409
61 to 90 days past due	590,372	-	590,372
More than 90 days past due	871,763	-	871,763
	7,550,484	-	7,550,484
Impaired	361,351	(361,351)	-
	33,048,029	(361,351)	32,686,678
2024			
Not past due	20,984,028	-	20,984,028
1 to 30 days past due	5,260,747	-	5,260,747
31 to 60 days past due	1,678,228	-	1,678,228
61 to 90 days past due	693,247	-	693,247
More than 90 days past due	757,500	-	757,500
	8,389,722	-	8,389,722
Impaired	875,543	(875,543)	-
	30,249,293	(875,543)	29,373,750

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Credit risk (Cont'd)

32.3.1 Trade receivables (Cont'd)

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

The Group has trade receivables amounting to **RM7,550,484** (2024: RM8,389,722) that are past due but not impaired as the management is of the view that these debts will be collected in due course.

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

The Group has no significant concentration of credit risk in the form of outstanding balance due from the customers.

Maximum exposure to credit risk

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

	Gross RM	Allowance for ECLs RM	Net RM
Credit risk rating			
GROUP			
2025			
Low risk	33,324,830	-	33,324,830
Individually impaired	361,351	(361,351)	-
	33,686,181	(361,351)	33,324,830
2024			
Low risk	29,889,605	-	29,889,605
Individually impaired	875,543	(875,543)	-
	30,765,148	(875,543)	29,889,605

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

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

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.3 Credit risk (Cont'd)

32.3.2 Intercompany balances

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

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

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable except for the impairment made for advance to the subsidiaries which the Company deems uncollectible as disclosed in Note 10 to the financial statements. The Company does not specifically monitor the ageing of these advances.

32.3.3 Financial guarantees

The Company has issued financial guarantees to financial institutions for banking facilities granted to certain subsidiaries.

	COMPANY	
	2025	2024
	RM	RM
Corporate guarantees issued to financial institutions for banking facilities granted to certain subsidiaries		
- Limit	132,382,402	118,557,034
- Maximum exposure	66,545,589	54,299,268

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that the subsidiaries would default on repayment. The directors considered that the fair value of the financial guarantee contracts on initial recognition is insignificant.

32.4 Liquidity risk

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

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.4 Liquidity risk (Cont'd)

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

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM	More than five years RM
GROUP					
2025					
<i>Non-derivative financial liabilities</i>					
Borrowings	66,545,589	82,440,897	27,990,827	20,019,369	34,430,701
Lease liabilities	2,024,960	2,216,697	718,757	1,497,940	-
Trade and other payables	24,525,877	24,525,877	24,525,877	-	-
Total undiscounted financial liabilities	93,096,426	109,183,471	53,235,461	21,517,309	34,430,701
2024					
<i>Non-derivative financial liabilities</i>					
Borrowings	54,299,268	64,743,462	25,587,763	16,393,424	22,762,275
Lease liabilities	3,165,942	3,459,811	1,042,914	2,416,897	-
Trade and other payables	23,459,630	23,459,630	23,459,630	-	-
Total undiscounted financial liabilities	80,924,840	91,662,903	50,090,307	18,810,321	22,762,275
COMPANY					
2025					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	2,477,148	2,477,148	2,477,148	-	-
* Financial guarantees	-	66,545,589	66,545,589	-	-
Total undiscounted financial liabilities	2,477,148	69,022,737	69,022,737	-	-
2024					
<i>Non-derivative financial liabilities</i>					
Trade and other payables	9,430,284	9,430,284	9,430,284	-	-
* Financial guarantees	-	54,299,268	54,299,268	-	-
Total undiscounted financial liabilities	9,430,284	63,729,552	63,729,552	-	-

* This has been included for illustration purpose only as the related financial guarantees have not crystallised as at the end of the reporting period.

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.5 Interest rate risk

The Group's and the Company's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's floating rate instruments are exposed to a risk of change in cash flows due to changes in interest rates.

The interest rate profile of the Group's and of the Company's interest bearing financial instruments based on their carrying amounts as at the end of the reporting period are as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets	9,225,398	28,577,153	60,587	20,126,435
Financial liabilities	<u>23,694,015</u>	<u>21,563,061</u>	<u>-</u>	<u>-</u>
Floating rate instruments				
Financial assets	-	-	11,622,712	39,492,046
Financial liabilities	<u>42,851,574</u>	<u>32,736,207</u>	<u>378,750</u>	<u>7,599,052</u>

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for variable rate instruments

An increase of 20 basis point at the end of the reporting period would have impacted the Group's and the Company's loss before tax and equity by the amount shown below, and a corresponding decrease would have an equal but opposite effect. These changes are considered to be reasonably possible based on observation of current market conditions. This analysis assumes that all other variables remain constant.

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Increase/(Decrease) in loss before tax	<u>85,703</u>	<u>65,472</u>	<u>(22,488)</u>	<u>(63,786)</u>
(Decrease)/Increase in equity	<u>(65,134)</u>	<u>(49,759)</u>	<u>17,091</u>	<u>48,477</u>

32.6 Foreign currency risk

The objectives of the Group's and of the Company's foreign exchange policies are to allow the Group and the Company to manage exposures that arise from trading activities effectively within a framework of controls that does not expose the Group and the Company to unnecessary foreign exchange risks.

The Group is exposed to foreign currency risk mainly on sales and purchases that are denominated in currencies other than the functional currency of the Group entities. The Group and the Company also hold cash and bank balances denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Thai Baht ("THB").

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.6 Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and of the Company's loss before tax and equity to a reasonably possible change in the various exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	GROUP			
	2025		2024	
	Increase/(Decrease)			
	Equity RM	Loss before tax RM	Equity RM	Loss before tax RM
USD/RM - strengthened 5%	(164,096)	(215,916)	(94,253)	(124,017)
- weakened 5%	164,096	215,916	94,253	124,017
THB/RM - strengthened 5%	(1,309,930)	(220,947)	(2,261,849)	(966,600)
- weakened 5%	1,309,930	220,947	2,261,849	966,600
USD/THB- strengthened 5%	(59,725)	(78,585)	(81,466)	(107,192)
- weakened 5%	59,725	78,585	81,466	107,192

	COMPANY			
	2025		2024	
	Increase/(Decrease)			
	Equity RM	Loss before tax RM	Equity RM	Loss before tax RM
THB/RM - strengthened 5%	(33,261)	(43,764)	(33,084)	(43,532)
- weakened 5%	33,261	43,764	33,084	43,532

32.7 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of the Group's financial assets designated at FVTPL will fluctuate because of changes in market prices. Equity price risk arises from the Group's investment in quoted shares which are the equity securities quoted in both local and foreign countries.

The Investment Committee ("IC") has been set up to review and recommend to the Board of Directors on any proposed investments. The IC consists of two independent directors and chief financial officer. The IC monitors the equity investments on a portfolio basis. The IC will evaluate the investment in quoted shares after considering:

- (i) the objective and rationale of investment in quoted shares;
- (ii) the valuation and future prospects of the investment in quoted shares;
- (iii) the key risk factors when the quoted shares are invested; and
- (iv) the regulatory requirements.

The Board of Directors will approve the investments based on the IC recommendation. The Board of Directors will delegate to the authorised personnel with the approved transaction limit to invest in quoted shares or to dispose of the quoted shares.

Notes To The Financial Statements (Cont'd)

31 March 2025

32. FINANCIAL INSTRUMENTS (CONT'D)

32.7 Equity price risk (Cont'd)

Sensitivity analysis for equity price risk

As at the end of the reporting period, if the share price of the quoted equity securities had been 5% higher, with all other variables held constant, would have impacted on the Group's loss before tax and equity by the amount shown below, and a decrease would have an equal but opposite effect, arising as a result of higher/lower fair value gain on investment in quoted shares.

	GROUP	
	2025	2024
	RM	RM
Decrease in loss before tax and increase in equity	1,551,687	1,626,367

33. FAIR VALUE INFORMATION

The carrying amounts of the financial assets (other than other investments) and financial liabilities of the Group and of the Company as at the end of the reporting period approximate their fair values due to their short term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

The carrying amounts of the non-current portion of finance lease liabilities are reasonable approximation of fair values due to the insignificant impact of discounting.

33.1 Non-financial assets that are measured at fair value

The directors determine the recurring fair values of the Group's freehold land, leasehold land, buildings and investment properties with reference to valuation reports by external independent professional valuers using the market comparison method, investment method and cost method.

Description of valuation techniques used and key inputs to valuation of investment properties:

Valuation techniques	Significant unobservable inputs	Range
2025		
Market comparison method	Difference in location, time factor, size, view, level, terrain and tenure	-12% to 20%
Investment method	Estimated rental value per square foot per month	RM1.40
	Estimated outgoing per square foot per month	RM0.07
	Market yield rate	4% to 4.5%
	Void rate	5.5%
2024		
Market comparison method	Difference in location, time factor, size, view, level, terrain and tenure	-30% to 20%
Investment method	Estimated rental value per square foot per month	RM1.20 to RM1.50
	Estimated outgoing per square foot per month	RM0.07 to RM0.20
	Market yield rate	4% to 6%
	Void rate	5.5%

Notes To The Financial Statements (Cont'd)

31 March 2025

33. FAIR VALUE INFORMATION (CONT'D)

33.1 Non-financial assets that are measured at fair value (Cont'd)

Significant changes in any of the above inputs in isolation would result in significant changes in the fair value of freehold land, leasehold land, buildings and investment properties.

Market comparison method

Under the market comparison method, the land and buildings are valued by reference to transactions of similar land and buildings in the surrounding with adjustments made for differences in size, accessibility, frontage, site improvement, tenure if any and other relevant characteristics.

Investment method

Under investment method, a property's fair value is derived from an estimate of the market rental, which the subject property can reasonably be let for. Outgoings or operating expenses, such as repair and maintenance, insurance and management fee are then deducted from the annual rental income. The net annum rental income is capitalised at an appropriate current market yield to arrive at its indicative property's fair value.

Cost method

Under the cost method, the land is valued by reference to transactions of similar lands in the surrounding with adjustments made for differences in size, accessibility, frontage, site improvement, tenure if any and other relevant characteristics. The building is valued at current gross replacement cost of improvements less allowance for physical deterioration and all relevant forms of obsolescence at the date of valuation. The land and building values are the summated to arrive at the fair value.

Details of the Group's freehold land, leasehold land, buildings and investment properties and information about the fair value hierarchy are as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2025					
Freehold land	-	-	53,653,406	53,653,406	53,653,406
Leasehold land	-	-	19,680,000	19,680,000	18,760,235
Buildings	-	-	29,139,879	29,139,879	26,157,960
Investment properties	-	-	30,330,000	30,330,000	30,330,000
2024					
Freehold land	-	-	53,604,845	53,604,845	53,604,845
Leasehold land	-	-	19,680,000	19,680,000	19,254,592
Buildings	-	-	28,743,997	28,743,997	26,704,159
Investment properties	-	-	30,040,000	30,040,000	30,040,000

Notes To The Financial Statements (Cont'd)

31 March 2025

33. FAIR VALUE INFORMATION (CONT'D)

33.1 Non-financial assets that are measured at fair value (Cont'd)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the freehold land, leasehold land, buildings and investment properties.

Level 3 fair value of freehold land, leasehold land, buildings and investment properties have been generally derived using the market comparison approach and investment method.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, 2 and 3 during the financial year.

33.2 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2025					
Financial asset					
Other investments	31,036,244	-	-	31,036,244	31,036,244
2024					
Financial asset					
Other investments	32,529,848	-	-	32,529,848	32,529,848
COMPANY					
2025					
Financial asset					
Other investments	2,504	-	-	2,504	2,504
2024					
Financial asset					
Other investments	2,504	-	-	2,504	2,504

Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets at the end of the reporting period.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, 2 and 3 during the financial year.

Notes To The Financial Statements (Cont'd)

31 March 2025

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its business and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

The Group and the Company consider their total equity and total loans and borrowings to be the key components of their capital structure. The Group and the Company monitor capital using a debt to equity ratio, which is calculated as total borrowings divided by total equity as follows:

	GROUP	
	2025	2024
	RM	RM
Total borrowings	66,545,589	54,299,268
Less: Cash and bank balances	(24,406,318)	(42,535,859)
Net debt	42,139,271	11,763,409
Total equity	214,638,441	238,462,116
Gearing ratio	0.20	0.05

List of Properties Owned

As At 31 March 2025

Beneficial owner / Location	Description / Existing Use	Land / Built in area (sq.ft.)	Age of building (years) as at 31.03.2025	Type of land / tenure (Year of expiry for leasehold)	Net book value as at 31.03.2025 RM'000	Date of acquisition
D'nonce (M) Sdn. Bhd.						
No. 12 Hujung Perusahaan 2, Kawasan MIEL, Prai Industrial Estate, 13600 Penang. #	Industrial land and building / Factory	1,875 / 2,500	34	60 years - leasehold (2045)	353	05.11.1990
51-14 B & C, Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang. #	Building / Corporate Head Office	* / 3,670	30	Freehold	1,598	14-B: 21.03.1994 14-C: 18.04.1994
BAM Villa, Unit 42C-7-5C, Taman Maluri, Cheras, 56000 Kuala Lumpur. @	Condominium	* / 975	32	99 years - leasehold (2090)	305	02.01.1992
Attractive Venture Sdn. Bhd.						
Plot 425, Tingkat Perusahaan 6A, Free Trade Zone, 13600 Prai, Penang. #	Industrial land and building / Factory	46,800 / 29,614	36	60 years - leasehold (2046)	4,467	17.08.1998
Lot 1218 Jalan Sri Putri 3/4, Taman Putri Kulai, 81000 Kulai, Johor. @	Industrial land and building / Factory	5,381 / 2,777	29	Freehold	950	10.05.1995
Plot 37, 1652 Mukim 11, Lorong Perusahaan Maju 7, Taman Perindustrian Bukit Tengah, Phase IV, 13600 Prai, Penang. @	Industrial land and building / Factory	44,800 / 50,000	23	60 years - leasehold (2052)	11,275	27.08.1997
Plot 314, Penang Science Park, Bukit Minyak, Mukim 13, Daerah Seberang Perai Tengah, Penang. @	Industrial land and building / Factory	111,148 / 51,955	8	60 years - leasehold (2072)	16,500	29.04.2011
No. 2733, Tingkat Perusahaan 6A, 13600 Prai, Penang. #	Industrial land and building / Factory	43,706 / 25,649	21	60 years - leasehold (2049)	4,451	01.07.2015
Attractive Venture (JB) Sdn. Bhd.						
No. 17 1/4, Jalan Air Hitam, 81400 Saleng, Senai, Johor. #	Building / Factory	103,226 / 31,300	28	Freehold	4,004	14.12.2010
HS(D) 78374 PTD 114164, Mukim Senai, Kulai, Johor.	Capital work-in-progress	174,242 / *	0	Freehold	6,362	05.08.2022
HS(D) 78375 PTD 114165, Mukim Senai, Kulai, Johor.	Vacant industrial land	174,242 / *	0	Freehold	6,362	05.08.2022

List of Properties Owned (cont'd)

As At 31 March 2025

Beneficial owner / Location	Description / Existing Use	Land / Built in area (sq.ft.)	Age of building (years) as at 31.03.2025	Type of land / tenure (Year of expiry for leasehold)	Net book value as at 31.03.2025 RM'000	Date of acquisition
D'nonce (Johore) Sdn. Bhd.						
8 Jalan Mutiara Emas 5/17, Taman Mount Austin, Johore Bahru, 81100 Johor. @	Industrial land and building / Office	3,120 / 2,568	28	Freehold	1,300	05.08.1996
Attractive Venture (KL) Sdn. Bhd.						
Lot 21, Jalan 1, Taman Cheras Jaya, 43200 Cheras, Selangor Darul Ehsan.	Industrial land and building / Factory	73,552 / 44,822	34	99 years - leasehold (2088)	17,795	11.08.2023
ISCM Industries (Thailand) Co., Ltd.						
188 Moo 1, Kanchanavanich Road, Tambol Samnakkam, Sadao, Songkhla, 90320, Thailand. #	Industrial land and building / Factory	876,169 / 270,695	25	Freehold	48,480	15.03.2007
ISCM Technology (Thailand) Co., Ltd.						
Plot No. 33, Thanu, U-Thai, Pranakorn Sri Ayutthaya, Thailand. #	Vacant industrial land	62,157 / *	0	Freehold	1,763	21.01.2011
70/6 Moo 9, Rojana Industrial Park, Tambol Thanu, U-Thai Ayutthaya, 13210, Thailand. #	Industrial land and building / Factory	27,900 / 21,533	16	Freehold	2,879	05.02.2016
					128,844	

* Not applicable

Revalued as at 31 March 2022

@ Revalued as at 31 March 2025

Analysis of Shareholdings

As At 30 June 2025

Total Number of Issued Shares	:	868,281,324
Class of Shares	:	Ordinary Shares
Number of Shareholders	:	4,597
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	57	1.24	2,241	⁽¹⁾ 0.00
100 – 1,000	644	14.00	468,386	0.05
1,001 – 10,000	1,671	36.35	9,800,364	1.13
10,001 – 100,000	1,657	36.05	65,543,206	7.55
100,001 – Less than 5% of issued shares	565	12.29	491,662,895	56.63
5% and above of issued shares	3	0.07	300,804,232	34.64
Total	4,597	100.00	868,281,324	100.00

⁽¹⁾ Negligible

DIRECTORS' SHAREHOLDINGS

(As per Register of Directors' Shareholdings)

Name of Directors	No. of Shares held		No. of Shares held	
	Direct	%	Indirect	%
Dato' Moktar Bin Mohd Noor	-	-	-	-
Datuk Sham Shamrat Sen Gupta	-	-	-	-
Datin Ong Poh Lin Abdullah	-	-	-	-
Roy Ho Yew Kee (Appointed on 17.07.2024)	-	-	-	-
Kong June Hon (Appointed on 16.06.2025)	-	-	-	-
Kang Teik Yih (Resigned on 21.03.2025)	-	-	-	-

SUBSTANTIAL SHAREHOLDERS

(As per Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct		Indirect	
	No. of Shares held	%	No. of Shares held	%
ERDASAN GROUP BERHAD (Formerly known as AT SYSTEMATIZATION BERHAD)	126,866,555	14.61	-	-
GENERAL LABELS & LABELLING (M) SDN. BHD.	123,928,677	14.27	-	-
KOMARKCORP BERHAD	-	-	⁽¹⁾ 123,928,677	14.27

Note :

⁽¹⁾ Deemed interest by virtue of its shareholdings in General Labels & Labelling (M) Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

Analysis of Shareholdings (Cont'd)

As At 30 June 2025

LIST OF TOP THIRTY (30) LARGEST REGISTERED SHAREHOLDERS (According to the Record of Depository as at 30 June 2025)

No.	Name of Shareholders	No. of Shares Held	%
1.	ERDASAN GROUP BERHAD	126,855,555	14.61
2.	GENERAL LABELS & LABELLING (M) SDN. BHD.	123,928,677	14.27
3.	M & A NOMINEE (ASING) SDN. BHD. - EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	50,020,000	5.76
4.	BOTANICAL DISTRIBUTION SDN. BHD.	40,010,000	4.61
5.	M & A NOMINEE (TEMPATAN) SDN. BHD. - EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	36,025,000	4.15
6.	LKL ADVANCE METALTECH SDN. BHD.	22,222,220	2.56
7.	SUPERNOVA INTERNATIONAL SDN. BHD.	22,010,000	2.54
8.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. - EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	12,005,000	1.38
9.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR NG GEOK WAH (B BRKLANG-CL)	12,000,000	1.38
10.	CHEETAH MARKETING SDN. BHD.	11,010,000	1.27
11.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	10,010,000	1.15
12.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LOOI BOON HAN (MY4392)	9,500,000	1.09
13.	LIM POH FONG	9,111,900	1.05
14.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	8,213,200	0.95
15.	TYE LIM HUAT	6,110,000	0.70
16.	AFFIN HWANG INVESTMENT BANK BERHAD - EXEMPT AN CLR FOR SFGHK LIMITED (515)	6,000,000	0.69
17.	CHEE WAI HONG	6,000,000	0.69
18.	SIAH NAM WAH	4,750,100	0.55
19.	DATO' SRI WONG ING SOON	4,700,000	0.54
20.	CHEANG FOOK SAM	4,630,000	0.53
21.	M & A SECURITIES SDN. BHD. - EXEMPT AN CLR FOR SFGHK LIMITED	4,310,500	0.50
22.	GLORY SANCTUARY CAPITAL SDN. BHD.	4,133,700	0.48
23.	KHOR PAY CHII	4,016,000	0.46
24.	TAN MING CHUAN	3,728,900	0.43
25.	CAPITAL PAIRING SDN. BHD.	3,630,000	0.42
26.	JAIN CONSULTANCY SDN. BHD.	3,600,000	0.41
27.	CHIN KIAM HSUNG	3,500,000	0.40
28.	CHUNG SOOK YEE	3,500,000	0.40
29.	HLB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR SER KONG LAM	3,438,200	0.40
30.	LENA LEONG OY LIN	3,000,000	0.35
Total		561,968,952	64.72

Analysis of Warrants B Holdings

As At 30 June 2025

Class of Securities	:	Warrants B
Number of Warrants B	:	433,818,947
Number of Warrants B holder	:	516
Exercise price of Warrants B	:	RM0.09
Exercise period of Warrants B	:	8 March 2024 to 7 March 2029
Subscription Rights	:	Each Warrant B entitles the holder to subscribe for one new ordinary share in the Company at the exercise price from time to time during the exercise period

DISTRIBUTION OF WARRANTS B HOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	1	0.19	10	⁽¹⁾ 0.00
100 – 1,000	18	3.49	13,600	⁽¹⁾ 0.00
1,001 – 10,000	94	18.22	686,700	0.16
10,001 – 100,000	217	42.05	9,518,350	2.19
100,001 – Less than 5% of issued warrants	179	34.69	158,296,767	36.49
5% and above of issued warrants	7	1.36	265,303,520	61.16
Total	516	100.00	433,818,947	100.00

⁽¹⁾ Negligible

DIRECTORS' SHAREHOLDINGS

(As per Register of Directors' Warrant B Holdings)

Name of Directors	No. of Shares held		No. of Shares held	
	Direct	%	Indirect	%
Dato' Moktar Bin Mohd Noor	-	-	-	-
Datuk Sham Shamrat Sen Gupta	-	-	-	-
Datin Ong Poh Lin Abdullah	-	-	-	-
Roy Ho Yew Kee (Appointed on 17.07.2024)	-	-	-	-
Kong June Hon (Appointed on 16.06.2025)	-	-	-	-
Kang Teik Yih (Resigned on 21.03.2025)	-	-	-	-

Analysis of Warrants B Holdings (Cont'd)

As At 30 June 2025

LIST OF TOP THIRTY (30) LARGEST WARRANTS B HOLDERS (According to the Record of Depository as at 30 June 2025)

No.	Name of Shareholders	No. of Shares Held	%
1.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	50,020,000	11.53
2.	M & A NOMINEE (ASING) SDN. BHD. - EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	50,011,300	11.53
3.	M & A NOMINEE (TEMPATAN) SDN. BHD. - EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	48,030,000	11.07
4.	BOTANICAL DISTRIBUTION SDN. BHD.	40,010,000	9.22
5.	GENERAL LABELS & LABELLING (M) SDN. BHD.	33,000,000	7.61
6.	LKL ADVANCE METALTECH SDN. BHD.	22,222,220	5.12
7.	SUPERNOVA INTERNATIONAL SDN. BHD.	22,010,000	5.07
8.	ERDASAN GROUP BERHAD	15,555,555	3.58
9.	CHEETAH MARKETING SDN. BHD.	11,010,000	2.54
10.	TAN BEE YOOK	6,823,900	1.57
11.	LIM WAI HENG	6,648,300	1.53
12.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR NG GEOK WAH (B BRKLANG-CL)	6,000,000	1.38
13.	HLB NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR SER KONG LAM	5,123,300	1.18
14.	TAN MING CHUAN	5,000,000	1.15
15.	TAN SUI LAN	4,898,000	1.13
16.	TAN TIONG HAN	4,710,000	1.08
17.	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. - EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	3,906,600	0.90
18.	TYE LIM HUAT	3,500,000	0.81
19.	LIM POH FONG	3,108,900	0.72
20.	WONG SOOK FONG	2,750,000	0.63
21.	LEE KOK GUAN	2,325,000	0.54
22.	NG AH BAH @ NG SEE KAI	2,233,400	0.51
23.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. - KUEK FOOK HAI	1,700,000	0.39
24.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR HEAN CHEW (7005326)	1,500,000	0.35
25.	LENA LEONG OY LIN	1,500,000	0.35
26.	LEOW HO KENG	1,500,000	0.35
27.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LEE CHER KEAM (E-SRB/KKG)	1,500,000	0.35
28.	WONG YIT LEE	1,500,000	0.35
29.	OOI PHUAY GIM	1,499,700	0.35
30.	LIM YAW JENN	1,219,000	0.28
Total		360,815,175	83.17

Notice of Twenty-Fifth Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Fifth (“25th”) Annual General Meeting (“AGM”) of **D’NONCE TECHNOLOGY BHD.** (“D’nonce” or the “Company”) will be held at Cardamom, Level 2, The Light Hotel Penang, Lebuhraya 2, Bandar Seberang Jaya, 13700 Perai, Pulau Pinang on Tuesday, 23 September 2025 at 10:30 a.m. to transact the following businesses:-

A G E N D A

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 2)**
2. To approve the payment of Directors’ Fees and Benefits up to an amount of RM400,000 for the period from this 25th AGM until the next AGM of the Company. **(Ordinary Resolution 1)**
3. To re-elect the following Directors retiring under the respective Articles of the Constitution of the Company, and who, being eligible offer themselves for re-election :-
(i) Dato’ Moktar Bin Mohd Noor Article 107 **(Ordinary Resolution 2)**
(ii) Mr. Kong June Hon Article 114 **(Ordinary Resolution 3)**
4. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 4)**

Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications as Ordinary Resolutions of the Company:-

5. **Authority to Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (“Proposed General Mandate”)** **(Ordinary Resolution 5)**

“THAT subject always to Sections 75 and 76 of the Companies Act 2016 (“Act”), the Constitution, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this Ordinary Resolution shall continue in force until the conclusion of the 26th AGM or when it is required by law to be held, whichever is earlier, AND THAT the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Act read together with Article 11 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

Notice of Twenty-Fifth Annual General Meeting (Cont'd)

6. **Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed New Shareholders' Mandate")** **(Ordinary Resolution 6)**

"THAT subject always to the provisions of the MMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as specified in Section 2.2(b) of the Circular to Shareholders dated 31 July 2025, provided that such transactions and/or arrangements which are necessary for the day-to-day operations are undertaken in the ordinary course of business, at arm's length basis, on normal commercial terms and transaction prices which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders of the Company.

THAT the Proposed New Shareholders' Mandate shall only continue to be in full force until:

- i) the conclusion of the next AGM of the Company at which time it will lapse, unless by a resolution passed at said AGM, such authority is renewed; or
- ii) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act; or
- iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary or in the best interest of the Company to give effect to the Proposed New Shareholders' Mandate."

7. To consider any other business of which due notice shall be given in accordance with the Act.

BY ORDER OF THE BOARD

ADELINE TANG KOON LING (LS 0009611)
(SSM PC NO. 202008002271)

WONG YUET CHYN (MAICSA 7047163)
(SSM PC NO. 202008002451)

Company Secretaries

Pulau Pinang

Date: 31 July 2025

NOTES:-

1. APPOINTMENT OF PROXY

- (a) Only a member whose name appear on the Record of Depositors as at 12 September 2025 shall be regarded as a member entitled to attend, speak and vote or to appoint a proxy or proxies to attend, speak and vote at the AGM.
- (b) A member entitled to participate in this AGM is entitle to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to attend and vote instead of the member at the AGM.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

Notice of Twenty-Fifth Annual General Meeting (Cont'd)

NOTES:- (CONT'D)

1. APPOINTMENT OF PROXY (CONT'D)

- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (f) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (g) The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed. The duly completed proxy form transmitted by facsimile or electronic mail will not be accepted.
- (h) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (i) Last date and time for lodging the proxy form is Sunday, 21 September 2025 at 10:30 a.m.
- (j) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form at the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.
- (k) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set in the notice of AGM will be put to vote by way of poll.
- (l) The members are advised to refer to the Administrative Guide on the registration and voting process for the AGM.

2. Audited Financial Statements for the financial year ended 31 March 2025

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1)(a) of the Act. Hence, this Agenda is not put forward for voting by shareholders.

3. Ordinary Resolution 1 – Directors' Fees and Benefits

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting.

The Proposed Ordinary Resolution 1 for the Directors' Fees and Benefits proposed for the period from this 25th AGM until the date of next AGM are calculated based on the current Board size and number of scheduled Board and Committee meetings to be held from this 25th AGM until the date of next AGM. This Ordinary Resolution is to facilitate payment of Directors' Fees and Benefits on a current financial year basis. In the event the proposed amount is insufficient, (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

4. Ordinary Resolution 2 – Re-election of Director who retires in accordance with Article 107 of the Constitution of the Company

Article 107 of the Constitution of the Company provides that an election of Directors shall take place each year. 1/3 of the Directors for the time being shall retire from office at each AGM but shall be eligible for re-election at the said meeting. If the total number of the Directors is not 3 or a multiple of 3, the number nearest to 1/3 will retire. The Directors to retire in every year shall be those who have been longest in office since their last election.

Dato' Moktar Bin Mohd Noor who will be retiring and offering himself for re-election at the 25th AGM was evaluated by the Nominating Committee ("NC") and the Board. Based on the evaluation outcome, the NC and the Board were of the view that his performance was satisfactory and recommended his re-election for shareholders' approval.

5. Ordinary Resolution 3 – Re-election of Director who retires in accordance with Article 114 of the Constitution of the Company

Article 114 of the Constitution of the Company provides that any Director appointed to fill a casual vacancy or as an addition to the existing Directors shall hold office only until the next following AGM, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Mr. Kong June Hon was newly appointed to the Board on 16 June 2025 and will be retiring and offering himself for re-election at the 25th AGM.

Notice of Twenty-Fifth Annual General Meeting (Cont'd)

NOTES:- (CONT'D)

6. Ordinary Resolution 4 – Re-appointment of Auditors

The Board has through the Audit and Risk Management Committee (“ARMC”) assessed the suitability and independence of the External Auditors, Messrs. Grant Thornton Malaysia PLT and considered the re-appointment of Messrs. Grant Thornton Malaysia PLT as Auditors of the Company. The Board and ARMC collectively agreed and satisfied that Messrs. Grant Thornton Malaysia PLT has the relevant criteria prescribed by Paragraph 15.21 of the MMLR of Bursa Securities.

7. Explanatory Notes on Special Business

(i) Ordinary Resolution 5 – Authority to Allot Shares Pursuant to Sections 75 and 76 of the Act

Ordinary Resolution 5 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Act. The proposed Ordinary Resolution 5, if passed, will give the Directors of the Company authority to allot and issue shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company.

The Proposed 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 funding future investment project(s), working capital and/or acquisitions.

By approving the allotment and issue of the Company’s shares pursuant to the Proposed General Mandate which will rank equally with the existing issued shares in the Company, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85 of the Act and Article 11 of the Constitution of the Company to be first offered the Company’s shares which will result in a dilution to their shareholdings percentage in the Company.

The General Mandate is to provide flexibility to the Company to allot new securities without the need to convene a separate general meeting to obtain its shareholders’ approval so as to avoid incurring additional cost and time. The purpose of this General Mandate is for possible fund-raising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, operational expenditure and acquisitions.

As at the date of this notice, no shares had been allotted and issued since the general mandate granted to the Directors at the 24th AGM held on 12 September 2024 which will lapse at the conclusion of the 25th AGM.

(ii) Ordinary Resolution 6 – Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Ordinary Resolution 6, if passed, will allow the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

Further details are set out in the Circular to Shareholders dated 31 July 2025.

Personal Data Privacy

By registering for the meeting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member’s personal data by the Company (or its agents’): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company’s (or its agents’) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively “the Purpose”); (ii) warrants that he/she has obtained such proxy(ies)’ and/or representative(s)’ prior consent for the Company’s (or its agents’) processing of such proxy(ies)’ and/or representative(s)’ personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

Note: The term “processing” and “personal data” shall have the meaning as defined in the Personal Data Protection Act, 2010.

Your Dependable Partner

No. of Shares held	
CDS Account No.	

I/We _____ NRIC/ Passport/ Registration No. _____

[Full name in block as per NRIC/Passport]

of _____

[Address]

Email Address: _____ Contact No.: _____

being member(s) of **D'nonce Technology Bhd.**, hereby appoint:-

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:		Contact No.:	

and/or^

Full Name (in Block as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:		Contact No.:	

or failing him/her, the Chairman of the Meeting, as ^my/our proxy to vote for ^me/us and on ^my/our behalf at the Twenty-Fifth ("25th") Annual General Meeting ("AGM") of the Company, which will be held at Cardamom, Level 2, The Light Hotel Penang, Lebuh Tenggiri 2, Bandar Seberang Jaya, 13700 Perai, Pulau Pinang on **Tuesday, 23 September 2025 at 10:30 a.m.** or any adjournment thereof, and to vote as indicated below:-

Ordinary Resolution	Description of Ordinary Resolution	For	Against
1	Approval on the payment of Directors' Fees and Benefits up to an amount of RM400,000 for the period from this 25 th AGM until the next AGM of the Company.		
2	Re-election of Dato' Moktar Bin Mohd Noor as Director of the Company pursuant to Article 107 of the Company's Constitution.		
3	Re-election of Mr. Kong June Hon as Director of the Company pursuant to Article 114 of the Company's Constitution.		
4	Re-appointment of Messrs. Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
5	Authority to Allot Shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
6	Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the Ordinary Resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____ 2025.

Signature*
Member

^ Delete whichever is not applicable

* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

1. APPOINTMENT OF PROXY

- (a) Only a member whose name appears on the Record of Depositors as at 12 September 2025 shall be regarded as a member entitled to attend, speak and vote or to appoint a proxy or proxies to attend, speak and vote at the AGM.
- (b) A member entitled to participate in this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to attend and vote instead of the member at the AGM.
- (d) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (f) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

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Affix
Stamp

The Share Registrar of

D'nonce Technology Bhd.

Registration No. 200001000687 (503292-K)

c/o Prosec Share Registration Sdn. Bhd.

DF2-09-02, Level 9, Persoft Tower

6B, Persiaran Tropicana

Tropicana Golf & Country Resort

47410 Petaling Jaya

Selangor Darul Ehsan

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- (g) The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed. The duly completed proxy form transmitted by facsimile or electronic mail will not be accepted.
- (h) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (i) Last date and time for lodging the proxy form is Sunday, 21 September 2025 at 10:30 a.m.
- (j) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form at the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.
- (k) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set in the notice of AGM will be put to vote by way of poll.
- (l) The members are advised to refer to the Administrative Guide on the registration and voting process for the AGM.

Administrative Guide For The Twenty-Fifth Annual General Meeting (“25th AGM”)

Date & Time : Tuesday, 23 September 2025 at 10:30 a.m.

Venue : Cardamom, Level 2, The Light Hotel Penang, Lebuhr Tenggiri 2,
Bandar Seberang Jaya, 13700 Perai, Pulau Pinang.

1. REGISTRATION AT THE 25TH AGM

- (a) Registration will commence at 9:30 a.m. and will end at a time as directed by the Chairman of the Meeting.
- (b) Kindly present your original MyKad or passport (for Non-Malaysian) to the registration personnel at the registration counter for verification.
- (c) Upon verification, you are required to sign the Attendance List and will be given a wristband for entry to the meeting venue. There will be no replacement of wristband in the event you lose or misplace the wristband.
- (d) Registration on behalf of another person even with his/her original MyKad or passport is strictly **NOT ALLOWED**.
- (e) If you are attending the 25th AGM as shareholder as well as proxy, you will be registered once and will only be given one wristband.

2. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only members whose names appear on the Record of Depositors as at 12 September 2025 shall be eligible to participate in the 25th AGM or appoint proxy(ies) or corporate representative(s) or attorney(s) and/or the Chairman of the Meeting to participate and vote on his/her behalf.

The hard copy of the Proxy Form and/or documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the 25th AGM shall be deposited by hand or post with the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not later than **Sunday, 21 September 2025 at 10:30 a.m.**

The procedures and requisite documents to be submitted by the respective members are summarised below:-

(I) For Individual Members

If an individual member is unable to participate the 25th AGM, he/she is encouraged to appoint proxy(ies) or the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

(II) For Corporate Members

Corporate members [through the appointment of Corporate Representative(s) or proxy(ies)] who wish to participate at the 25th AGM is required to deposit the following documents to the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not later than **Sunday, 21 September 2025 at 10:30 a.m.**:

- (a) Certificate of appointment of its Corporate Representative or Proxy Form under the seal of the corporation;
- (b) Copy of the Corporate Representative's or proxy's MyKad (front and back)/Passport; and
- (c) Corporate Representative's or proxy's email address and mobile phone number.

If a corporate member [through the appointment of Corporate Representative(s) or proxy(ies)] is unable to participate the 25th AGM, the corporate member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

Administrative Guide For The Twenty-Fifth Annual General Meeting (“25th AGM”) (Cont'd)

2. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY (CONT'D)

(III) For Institutional Members

The beneficiaries of the shares under a Nominee Company's CDS account (“Institutional member(s)”) who wish to participate at the 25th AGM may request its Nominee Company to appoint him/her as a proxy to participate at the 25th AGM. The Nominee Company is required to deposit the following documents to the share registrar's office at DF2-09-02, Level 9, Persoft Tower, 6B, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan not later than **Sunday, 21 September 2025 at 10:30 a.m.**:

- (a) Proxy Form under the seal of the Nominee Company;
- (b) Copy of the proxy's MyKad (front and back)/Passport; and
- (c) Proxy's email address and mobile phone number.

If an institutional member is unable to participate the 25th AGM, the institutional member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

3. REVOCATION OF PROXY

Please note that if a Shareholder has submitted his/her Proxy Form prior to the 25th AGM and subsequently decides to personally participate in the 25th AGM, the Shareholder must contact the share registrar to revoke the appointment of his/her proxy not later than **Sunday, 21 September 2025 at 10:30 a.m.**

4. VOTING AT MEETING

The voting at the 25th AGM will be conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Company has appointed Prosec Share Registration Sdn. Bhd. as the Poll Administrator and Symphony Corporate Services Sdn. Bhd. as Independent Scrutineers to verify the poll results.

Shareholders can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the Meeting and submit your votes at any time from the commencement of the voting session announced by the Chairman of the Meeting.

The Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolution tabled for voting is duly passed or otherwise.

5. RESULTS OF THE VOTING

The resolutions proposed at the 25th AGM and the results of the voting for the same will be announced at the 25th AGM and subsequently via an announcement made by the Company through Bursa Securities at www.bursamalaysia.com.

6. NO RECORDING OR PHOTOGRAPHY

By participating at the 25th AGM, you agree that no part of the 25th AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronical, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

7. NO DOOR GIFTS OR VOUCHERS

There will be NO distribution of door gifts or vouchers.

Administrative Guide For The Twenty-Fifth Annual General Meeting ("25th AGM") (Cont'd)

8. OTHER INFORMATION FOR ATTENDEES AT THE 25TH AGM

- (a) Parking bays are available at The Light Hotel Penang. Kindly use Touch 'n Go (with minimum RM 10.00 card balance), debit or credit card to enter the parking bay as it is a cashless payment system.
- (b) Although the wearing of face mask in an enclosed area is now optional, you are encouraged to wear your face mask throughout the meeting session.

9. ENQUIRY

If you have any enquiries on the above, please contact the following designated persons during office hours on Mondays to Fridays from 9:00 a.m. to 5:30 p.m. (except on public holidays):-

Prosec Share Registration Sdn. Bhd.

Name : Mr. Vemalan a/I Naraynan/ Mr. Tee Yee Loon
Contact No. : 03-3008 1123/ 012-766 8921
Email : sharereg@prosec.com.my

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D'NONCE TECHNOLOGY BHD.

[200001000687/503292-K]

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Jalan Sultan Ahmad Shah,
10050 Georgetown, Pulau Pinang.

: 604-228 1198

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