

DIVERSIFICATION
& EXPANSION

ANNUAL REPORT
2026



OUR VISION

To be a pre-eminent group in providing products and services to the water supply and sewerage industry, thus contributing effectively towards **building the nation.**



OUR MISSION

By constantly enhancing our capabilities in manufacturing, trading and services, we intend to be the leading player in the rapidly growing water and sewerage sectors within the Asian region. We will continue to look for opportunities to further **enhance Shareholders' value.**



31st

Annual General Meeting
("AGM") of **YLI Holdings Berhad**

Thursday, 27 August 2026, 10:00 a.m.

YLI Holdings Berhad

Event Hall, Lot 3066, Jalan Datuk Sulaiman,
Sungai Penchala, 60000 Kuala Lumpur.



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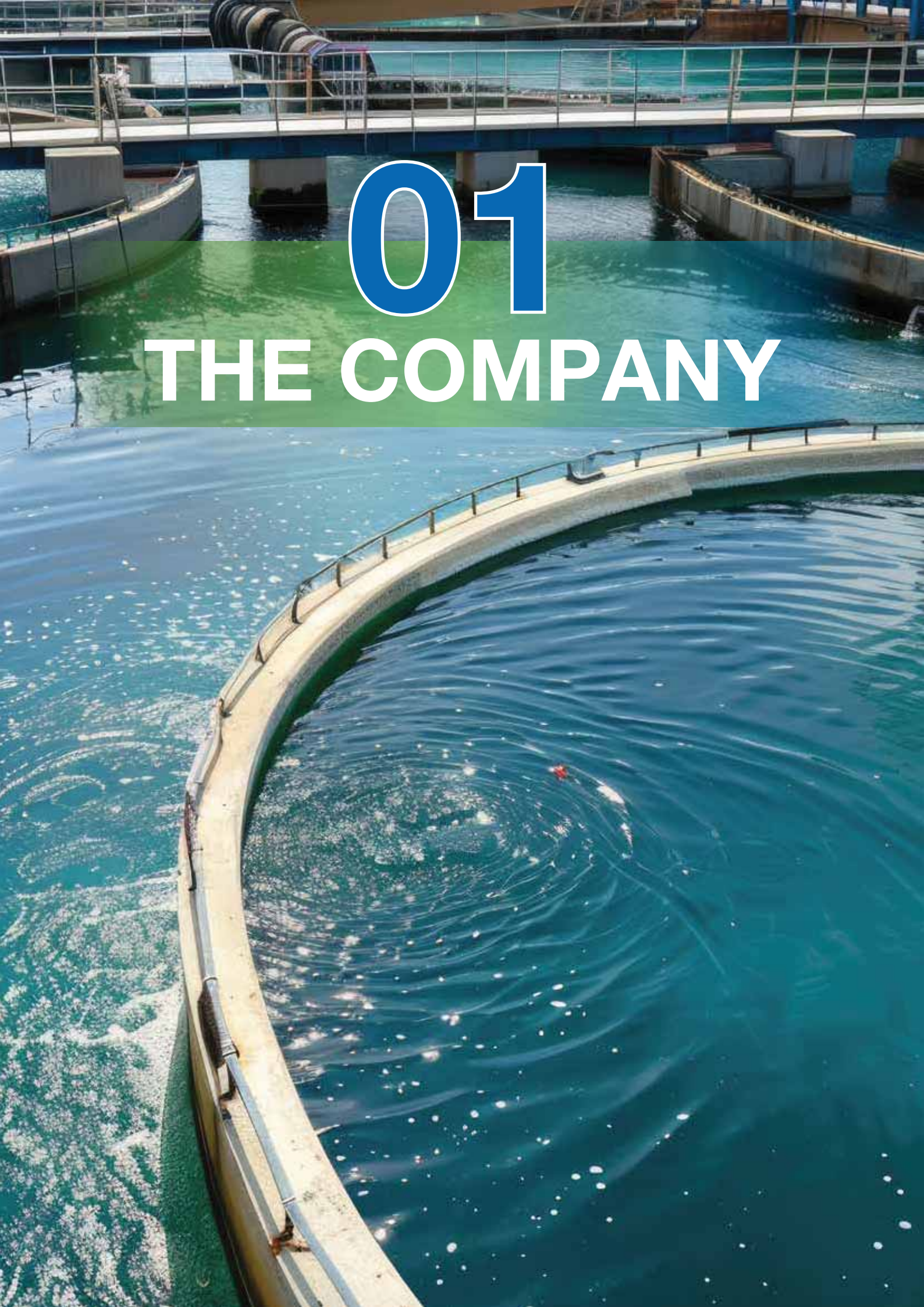
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01

THE COMPANY

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Abdul Jalil Bin Abdul Karim
Independent Non-Executive Chairman

Seah Heng Chin
Group Managing Director

Shamshiah Binti Hashim @ Abu Bakar
Non-Independent Executive Director

Azmi Bin Mohd
Non-Independent Executive Director

Lim Yoke Moi
Independent Non-Executive Director

Datuk Haji Jalaludin Bin Haji Ibrahim
Independent Non-Executive Director

Dr Haji Badrul Hisham Bin Mohd Yusoff
Independent Non-Executive Director

BOARD COMMITTEES

Audit and Risk Management Committee

Dr Haji Badrul Hisham Bin Mohd Yusoff - *Chairman*
Datuk Haji Jalaludin Bin Haji Ibrahim
Lim Yoke Moi

Nomination Committee

Lim Yoke Moi - *Chairperson*
Datuk Haji Jalaludin Bin Haji Ibrahim
Dr Haji Badrul Hisham Bin Mohd Yusoff

Remuneration Committee

Datuk Haji Jalaludin Bin Haji Ibrahim - *Chairman*
Lim Yoke Moi
Dr Haji Badrul Hisham Bin Mohd Yusoff

REGISTERED OFFICE

3rd Floor, Lot 3066
Jalan Datuk Sulaiman
Sungai Penchala
60000 Kuala Lumpur
Wilayah Persekutuan
Malaysia
Tel: +60 (3) 7722 2296
Fax: +60 (3) 7722 2057
Email: corporate@yli.com.my

COMPANY SECRETARIES

Wan Razmah Binti Wan Abd Rahman (MAICSA 7021383)
SSM Practicing Certificate No. 202008002111

Wong Shey Lan (MAICSA 7042197)
SSM Practicing Certificate No. 202108000580

AUDITORS

Baker Tilly Monteiro Heng PLT

Chartered Accountants
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur, Malaysia
Tel: +60 (3) 2297 1000
Fax: +60 (3) 2282 9980

SHARE REGISTRAR

Plantation Agencies Sdn Berhad

3rd Floor, 2 Lebuhr Pantai
10300 Georgetown, Penang
Tel : +60 (4) 262 5333
Fax : +60 (4) 262 2018
Email : sharereg@plantationagencies.com.my

PRINCIPAL BANKERS

Ambank (M) Berhad
AmInvestment Bank Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

The Main Market of Bursa Malaysia Securities Berhad

Sector : Industrial Products and Services
Stock Name : YLI
Stock Code : 7014



CORPORATE STRUCTURE



YLI HOLDINGS BERHAD
199501038047 (367249-A)

100%

YEW LEAN FOUNDRY & CO SDN BHD
197601002136 (28131-K)

YEW LEAN INDUSTRIES SDN BHD
199301016469 (271209-W)

LOGAM UTARA (M) SDN BHD
198801003097 (170454-P)

YEW LI FOUNDRY & CO SDN BHD
197901006108 (50391-V)

100%

ZENITH EASTERN (M) SDN BHD
198901008998 (186299-T)

80%

DAMINI CORPORATION SDN BHD
199501004088 (333283-H)

100%

DELTA PERDANA SDN BHD
199401005683 (291362-X)

97.5%

DELTA PRIMA METERING SDN BHD
201201044935 (1029412-P)

100%

DMC DIGITAL MEDIA SDN BHD
201101045253 (973373-V)

70%

HALUAN PRISMA SDN BHD
199601004555 (376901-W)

MRPI PIPES SDN BHD
197801003263 (40279-V)

51%

LAKSANA WIBAWA SDN BHD
199601027502 (399854-W)

FINANCIAL TRACK RECORD

FINANCIAL YEAR ENDED 31 MARCH

	2026 RM'000	2025 RM'000
Revenue	65,886	48,014
Loss Before Taxation	(42,672)	(57,086)
Loss After Taxation Attributed to Shareholders	(44,727)	(55,165)
Shareholders' Funds	100,123	142,429
Total Assets Employed	162,348	228,537
Loss After Taxation as a Percentage of Shareholders' Fund (%)	(44.67)	(38.73)
Basic/Diluted Loss Per Share (sen)	(39.64)	(52.51)
Net Assets Per Share (RM)	0.89	1.26
No. of Shares in Issue (Net of Treasury Shares)	112,830	112,830

OUR PERFORMANCE

FINANCIAL YEAR ENDED 31 MARCH

		2026 RM'000	2025 RM'000	CHANGE %	
INCOME STATEMENT	Revenue	65,886	48,014	37.22	
	Loss Before Taxation	(42,672)	(57,086)	(25.25)	
	Loss After Taxation Attributed to Shareholders	(44,727)	(55,165)	(18.92)	
BALANCE SHEET	Shareholders' Funds	100,123	142,429	(29.70)	
	Total Assets Employed	162,348	228,537	(28.96)	
RATIOS	Current Ratio	times	2.58	2.31	11.69
	Return on Equity	%	(44.67)	(38.73)	15.34
	Return on Total Assets	%	(27.55)	(24.14)	14.13
	Financial Leverage Ratio	times	0.20	0.20	-
	Basic/Diluted Loss Per Share	sen	(39.64)	(52.51)	(24.51)
	Net Tangible Asset Per Share	RM	0.89	1.26	(29.37)
	Closing Price for 31 March	RM	0.240	0.305	(21.31)

BOARD OF DIRECTORS

FROM THE LEFT

MS LIM YOKE MOI, ENCIK AZMI BIN MOHD, MR SEAH HENG CHIN,
DATO' ABDUL JALIL BIN ABDUL KARIM, DATUK HAJI JALALUDIN BIN HAJI IBRAHIM,
DR. HAJI BADRUL HISHAM BIN MOHD YUSOFF,
PUAN SHAMSHIAH BINTI HASHIM @ ABU BAKAR



BOARD OF DIRECTORS

DATO' ABDUL JALIL BIN ABDUL KARIM

Independent Non-Executive
Chairman



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Dato' Abdul Jalil bin Abdul Karim was appointed as the Chairman of YLI Holdings Berhad on 1 August 2024. He was formerly the Managing Director of Puncak Niaga Holdings Group until April 2021. He served as a member of the Executive Committee of Puncak Niaga, Puncak Niaga Construction Sdn. Bhd., and was also a Board member of most of the subsidiaries within the Puncak Niaga Group.

He graduated with a Bachelor of Science in Mechanical Engineering from the University of Alabama, USA in 1987. He was previously the Chief Executive Officer of Merge Energy Bhd (now known as Varia Berhad), a public listed company.

Dato' Abdul Jalil has over 36 years of extensive experience in project consultancy, management, and construction, particularly in the water supply, sewerage, wastewater-related industries, and mechanical & electrical (M&E) works for government hospitals. Since 1987, he has served at various capacities, including senior management and board-level roles in both local and international companies.

He was involved in numerous major water supply projects in Malaysia during his tenure with Taliworks Consortium, Ranhill Engineering & Construction, Ranhill Consulting, Merge Energy Bhd, and Puncak Niaga Holdings Bhd.

Although now retired, Dato' Abdul Jalil remains active in social and community activities.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- He attended all five (5) Board Meetings during the financial year ended 31 March 2026

Length of Service:

1 year 11 months (as at 1 July 2026)

Date of Last Re-election:

28 August 2025

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

Nil



BOARD OF DIRECTORS

SEAH HENG CHIN

Group Managing Director
Non-Independent Executive
Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Mr Seah Heng Chin was appointed as the Group Managing Director of YLI Holdings Berhad on 3 January 2020. He was the Executive Director since 14 November 2014. Prior to his appointment as a Director, he has served as the Financial Controller in Yew Lean Foundry & Co. Sdn. Bhd., a wholly owned subsidiary of YLI Holdings Berhad since June 2008.

He has over twenty years of working experience in both accounting and audit related field in various industries. As the Managing Director, he is mainly responsible for the Group's strategic direction as well as its business and corporate development. He also sits on the Board of various subsidiaries of the YLI Group.

He graduated with a Bachelor of Art (Hons) Business Administration from Coventry University in 1997. He is a Fellow ACCA ("FCCA") and a Member of the Malaysian Institute of Accountants ("MIA"). He also holds a Master's degree in Business Administration from Strathclyde University, Scotland.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- He attended all five (5) Board Meetings during the financial year ended 31 March 2026

Length of Service:

11 years, 7 months (as at 1 July 2026)

Date of Last Re-election:

28 August 2023

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil



Board Committee Memberships :

Nil

BOARD OF DIRECTORS

PUAN SHAMSHIAH BINTI HASHIM @ ABU BAKAR

Non-Independent Executive Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Puan Shamsiah Binti Hashim @ Abu Bakar was appointed to the Board on 1 June 2024.

She graduated with a Degree BA (Hons) in Accounting & Finance from Manchester Metropolitan University (formerly known as Manchester Polytechnic) in 1992.

She has a total working experience of 26 years in construction related industries.

She had worked with a few construction companies before joining WWE Holdings Berhad in 1998 where her last position was Assistant General Manager of the Finance and Accounts Department.

Later she joined TRIpIc Berhad as General Manager of Corporate Finance and Accounts in April 2012 and was then promoted to Executive Director, Finance in February 2016 and later being transferred under employment of Pimpinan Ehsan Berhad from 18 May 2018 to 30 April 2021.

From July 2021 to May 2024, she held the position as an Executive Director in Primula Terbilang Sdn Bhd, a plantation company and was primarily responsible for the finance and accounts.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- She attended all five (5) Board Meetings during the financial year ended 31 March 2026

Length of Service:

2 years 1 month (as at 1 July 2026)

Date of Last Re-election:

29 August 2024

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

Nil

BOARD OF DIRECTORS

DATUK HAJI JALALUDIN BIN HAJI IBRAHIM

Independent Non-Executive Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Datuk Haji Jalaludin Bin Haji Ibrahim was appointed to the Board on 3 January 2020. He is the Chairman of the Remuneration Committee, and also a member of the Audit and Risk Management Committee and the Nomination Committee of YLI Holdings Berhad.

He graduated with a Bachelor of Science (Hons) degree in Physics from Universiti Malaya. He also holds a Master of Business Administration degree from Ohio University, the United States of America, a Postgraduate Diploma in Forensic Science from King's College London, United Kingdom and a Postgraduate Diploma in Forensic Science from University of Strathclyde, Glasgow, United Kingdom.

He has 33 years of illustrious working experience in the Royal Malaysian Police. He joined the Malaysian police force in 1984 and had since held many key positions including Senior Lecturer in Forensic Science CID Department, Head of Criminal Investigation Officer of Police District Brickfield, Officer In-Charge of Police District Ipoh (OCPD), Head of Counter Terrorism Unit in Royal Malaysian Police, and Assistant Director of Special Branch.

He was appointed as the Chief Executive Officer of Felda Global Venture Security Services Sdn. Bhd. (FGVSSSB) from 2013 to 2019 and in 2020 was appointed as an Advisor of FGVSSSB.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- He attended all five (5) Board Meetings during the financial year ended 31 March 2026

Length of Service:

6 years, 5 months (as at 1 July 2026)

Date of Last Re-election:

28 August 2025

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

- Remuneration Committee (Chairman)
- Nomination Committee (Member)
- Audit and Risk Management Committee (Member)

BOARD OF DIRECTORS

DR HAJI BADRUL HISHAM BIN MOHD YUSOFF

Independent Non-Executive Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Dr. Haji Badrul Hisham bin Mohd Yusoff was appointed to the Board on 31 October 2025. He is the Chairman of the Audit and Risk Management Committee, and also a member of the Nomination Committee and the Remuneration Committee of YLI Holdings Berhad.

He graduated with a Doctor of Business Administration from University Utara Malaysia in 2010. He holds a Master of Business Administration from Charles Sturt University Australia in 2002 and also holds a Bachelor of Accounting (Honours) from Universiti Utara Malaysia in 1997. Dr. Haji Badrul Hisham has accumulated a comprehensive suite of professional credentials spanning accounting, auditing, financial planning, and consultancy.

Dr. Haji Badrul Hisham has over 25 years of experience in internal auditing, risk management, and corporate governance across the banking, capital market, and corporate sectors. His career encompasses leadership roles in both public-listed and government-linked companies, where he has been instrumental in strengthening governance frameworks and implementing risk-based audit methodologies.

Dr. Haji Badrul Hisham began his career with Arthur Andersen & Co., gaining broad exposure to statutory audits, corporate recovery, and due diligence across multiple industries. He later held senior positions at Affin Investment Bank Berhad, Chemical Company of Malaysia Berhad, Kenanga Investment Bank Berhad, Bursa Malaysia Berhad, and Bank Rakyat, where he served as Chief Internal Auditor.

Dr. Haji Badrul Hisham has also contributed as Independent Non-Executive Director and Audit Committee Chairman for several public-listed companies, including Puncak Niaga Holdings Berhad and Utusan Melayu (Malaysia) Berhad. In addition, he serves as an Adjunct Lecturer with local universities and frequently speaks on topics related to internal audit, risk management, and corporate governance.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- He attended only two (2) Board Meetings during the financial year ended 31 March 2026 as he was only appointed as Director on 31 October 2025

Length of Service:

8 months (as at 1 July 2026)

Date of Last Re-election:

Nil

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

- Audit and Risk Management Committee (Chairman)
- Nomination Committee (Member)
- Remuneration Committee (Member)

BOARD OF DIRECTORS

LIM YOKE MOI

Independent Non-Executive
Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Miss Lim Yoke Moi was appointed to the Board on 1 August 2024. Miss Lim is a Chartered Accountant of the Malaysian Institute of Accountants (MIA), and a Fellow Member of the Association of Chartered Accountants (FCCA). She is the Chairperson of the Nomination Committee, and also a member of the Audit and Risk Management Committee and the Remuneration Committee of YLI Holdings Berhad.

She has vast experience of more than 30 years in various areas covering auditing, taxation, accounting, finance and corporate finance.

Miss Lim started her career in 1994 as an auditor in an established accounting firm. With her 12 years' professional experience in the audit industries, her portfolio consisted of diversified clientele ranging from SMEs to PLCs, across different industries such as property development, construction, manufacturing, food & beverage, hospitality, etc.

In the year 2006, she joined a Financial Consultancy company at senior management level, and was subsequently promoted to Executive Director in year 2018, to be responsible for the overall function that the Company undertakes.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- She attended all five (5) Board Meetings during the financial year ended 31 March 2026

Length of Service:

1 year 11 months (as at 1 July 2026)

Date of Last Re-election:

28 August 2025

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

- Nomination Committee
(Chairperson)
- Audit and Risk Management Committee (Member)
- Remuneration Committee (Member)



BOARD OF DIRECTORS

ENCIK AZMI BIN MOHD

Non-Independent Executive Director



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Academic & Professional Qualification / Date of Appointment / Working Experience:

Encik Azmi bin Mohd was appointed to the Board on 19 March 2026 as Executive Director, Operations. Prior to this, he served as Managing Director of Haluan Prisma Sdn Bhd since 4 June 2024.

He graduated with a Bachelor of Engineering in Civil Engineering (Construction Management) from University of Technology Malaysia (UTM) in 2003 and has been a registered member of the Board of Engineers Malaysia since 2004.

With over 22 years of experience in the construction industry, Encik Azmi has built extensive expertise across multiple sectors, including state development corporations, property development, contractors, and consultancy.

During his tenure with a State Development Corporation, the Technical Unit under his leadership received the Chief Minister's Award for two consecutive years in recognition of its outstanding achievement in delivering construction projects within the stipulated timeline, without extensions of time or additional costs.

Throughout his career, Encik Azmi has been involved in more than 60 development projects, including several major infrastructure and housing developments in Malaysia. Notable projects include the RM500 million fast-track infrastructure project in Pengerang, Johor, undertaken in 2015, and the PR1MA housing development comprising nearly 2,500 units with a total project value of RM580 million, delivered between 2017 and 2023.

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

Board Meeting Attendance in 2026:

- He has not attended any Board Meetings during the financial year ended 31 March 2026 as he was only appointed as Director on 19 March 2026

Length of Service:

3 months (as at 1 July 2026)

Date of Last Re-election:

Nil

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Board Committee Memberships :

Nil

KEY SENIOR MANAGEMENT



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DATO' BORHANUDDIN BIN RAMLI

Managing Director,
Damini Corporation Sdn Bhd



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LO SEE YONG

Executive Director Operations,
Damini Corporation Sdn Bhd

Academic / Professional Qualification:

1979/1982 : B.A. Hons (Universiti Kebangsaan Malaysia)
1983/1984 : Diploma in Public Administration (INTAN)
1988/1989 : Diploma in Management Science (INTAN)
1992/1993 : Diploma in Information Management for
Development (University of Birmingham, UK)
1993/1994 : M.Sc. Public Economic Management,
(University of Birmingham, UK)

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Date of Appointment / Working Experience:

From 1982 to 1997, Dato' Borhanuddin Bin Ramli served in key positions across the banking and public sectors, including roles as Sub-Accountant at Malayan Banking Berhad, Administrative and Diplomatic Officer at the Public Services Commission, Assistant Director at Ministry of Investment, Trade and Industry (MITI), and Assistant Secretary at the Ministry of Finance.

Since 1997, he has served as Managing Director of Damini Corporation Sdn. Bhd., and was subsequently appointed as Managing Director of Delta Perdana Sdn. Bhd. in 2005 and Delta Prima Metering Sdn. Bhd. in 2013.

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

Academic / Professional Qualification:

- Mr Lo is a Chartered Accountant of the Malaysian Institute of Accountants (MIA) and a Fellow Member of the Association of Chartered Certified Accountants (FCCA).

Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

Date of Appointment / Working Experience:

Mr Lo joined Damini Corporation Sdn Bhd as General Manager – Corporate Finance since 2015. He is currently the Chief Operating Officer & Executive Director for the Damini Group.

He has more than 20 years of experience in both accounting and auditing related fields in various industries. Mr Lo started his career in 1997 as an auditor with Ernst & Young and left as Audit Manager. He later joined Naza Motor Trading Sdn Bhd as Senior Accountant, Dceil International Berhad as Corporate Planning Manager, AWC Facility Berhad as Finance Manager, Jendela Permai Sdn Bhd as Senior Manager in 2007, and subsequently appointed as Executive Director – Finance & Operation at Suasa Efektif Sdn Bhd.

Family relationship with any director and/or major shareholder:

Nil

Conflict of Interest with the Company:

Nil

List of convictions for offences within the past 5 years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any:

Nil

FINANCIAL CALENDAR

FINANCIAL YEAR END

31 March 2026

ANNUAL GENERAL MEETING

27 August 2026

ANNOUNCEMENT OF RESULTS

First Quarter

(Financial Period Ended 30 June 2025)

29 August 2025

Second Quarter

(Financial Period Ended 30 September 2025)

27 November 2025

Third Quarter

(Financial Period Ended 31 December 2025)

26 February 2026

Fourth Quarter

(Financial Period Ended 31 March 2026)

29 May 2026

ANNUAL REPORT

Date of Issuance

30 July 2026



02

CORPORATE STATEMENTS

MANAGEMENT DISCUSSION & ANALYSIS

GENERAL DESCRIPTION OF THE GROUP

YLI Holdings Berhad (“YLI” or “the Company”) is an investment holding company with several key subsidiaries involve in activities as tabulated below:

Yew Lean Foundry & Co Sdn Bhd (“YLF”)

YLF is a leading supplier of ductile iron pipes, fittings and other related products in Malaysia and the ASEAN region. Its pipes supplied are according to BS EN standards and MS ISO standards for potable and sewerage applications. It is 100% owned by YLI Holdings Berhad.

Logam Utara Sdn Bhd (“LUSB”)

LUSB is primarily in the trading of Scrap Metal and other waterworks pipes, fittings and accessories for Water & Sewerage Industry. It is 100% owned by YLI Holdings Berhad.

Laksana Wibawa Sdn Bhd (“Laksana”)

Laksana is primarily involved in the trading of high-quality steel pipes for water, sewerage and construction industries. It is 51% owned by YLI Holdings Berhad.

MRPI Pipes Sdn Bhd (“MRPI”)

MRPI is principally involved in the trading and marketing of High Density Polyethylene (“HDPE”) pipes and fittings. The pipes and fittings supplied are in conformance with Malaysia and International Standards, primarily for potable and sewerage applications. It is 70% owned by YLI Holdings Berhad.

Haluan Prisma Sdn Bhd (“HPSB”)

HPSB is a contractor registered with the Pusat Khidmat Kontraktor (PKK) as a Class A Bumiputera contractor and is also registered with the Construction Industry Development Board Malaysia (CIDB) as a Grade 7 contractor. It is 70%-owned by YLI Holdings Berhad.

Damini Corporation Sdn Bhd (“Damini”)

Damini is involved in the supply of chemicals and equipment for the waste and water treatment industries. It is 80% owned by YLI Holdings Berhad.

Delta Perdana Sdn Bhd (“DPSB”)

DPSB is involved in the assembly of water meters. Both Damini and Delta Perdana Sdn Bhd are involved in the trading of in-house and 3rd party water meters and related equipment. Its primary customer is Pengurusan Air Selangor Sdn Bhd. It is 100% owned by Damini Corporation Sdn Bhd.

Delta Prima Metering Sdn Bhd (“DPMSB”)

DPMSB is involved in the assembly and trading of smart electric meters. Its primary customer is Tenaga Nasional Berhad. It is 97.5% owned by Damini Corporation Sdn Bhd.

With the above key subsidiaries, YLI Group aspires to become the one-stop solution to all Utility Services Provider for Water and Electricity. While YLF, Laksana and MRPI serve to fulfill pipe requirement of various base materials (i.e. Ductile Iron, Mild Steel and HDPE), HPSB could synergistically act as the contractor in a supply-and-lay contract whenever such services are required by the Group’s customers. LUSB also serves to provide additional income stream to the Group with trading on the scrap metal in the open market. Besides trading in pipes, fittings, accessories, and scraps. On 10 January 2025, the Group had further diversified their income stream to include chemicals and equipment for the waste and water treatment industries, water meters for water authorities and smart electric meters for Tenaga Nasional Berhad.

Along with our vision to be a pre-eminent group in providing value-added services and products to the Utility Services Provider for Water and Electricity, we strive to contribute effectively towards nation building.

FINANCIAL REVIEW

Revenue

The Group’s revenue for the financial year ended 31 March 2026 (“FY2026”) was RM65.886 million as compared to RM48.014 million achieved in the previous financial year (“FY2025”). The higher revenue in the group was primarily attributable to newly acquired Damini Corporation Sdn Bhd and its subsidiary companies for full 12 months in FY2026 as compared to 3 months in FY2025.

Gross Loss

A gross loss of RM12.873 million was recorded for FY2026 as compared to a gross loss of RM44.137 million for FY2025, in tandem with the higher group revenue, lower impairment on inventories and retrenchment costs of workers with shift in focus from manufacturing to trading business for the Group.

Other Income

Other income for FY2026 at RM17.813 million, higher by RM10.063 million as compared to RM7.750 million recorded in FY2025. The increase in other income for FY2026 as compared to FY2025 was mainly due to fair value gain on investment properties.

MANAGEMENT DISCUSSION & ANALYSIS

Administrative and Other Expenses

Administrative and other expenses for FY2026 of RM42.038 million was higher as compared to RM19.229 million in FY2025 by RM22.809 million mainly due to the written off of buildings together with full 12 months expenses for Damini Group in FY2026 as compared to 3 months in FY2025.

Loss After Tax & Total Comprehensive Income

Consequently, for reasons stated above, the Group recorded a lower Loss after Tax of RM46.411 million in FY2026 as compared to a Loss after Tax of RM56.837 million for FY2025 mainly due to higher revenue recorded and lower written down of inventories.

Equity Attributable to the Owners of the Company

The equity attributable to the owners of the Company decreased by RM47.291 million from RM2.564 million as at the end of FY2025 to -RM44.727 million as at the end of FY2026.

Gearing and Liquidity

Total short-term and long-term borrowings of the Group (defined to include overdraft, finance lease payables, term loans and other bank borrowings, both long-term and short-term) as at the end of FY2026 amounted to RM19.775 million as compared to RM28.302 million as at the end of FY2025. In terms of liquidity, the Group recorded a cash and cash equivalents of RM22.219 million as at the end of FY2026 as compared to RM18.626 million as at the end of FY2025.

Capital expenditure requirement

A total of RM3.427 million was expended during FY2026 to fulfill capital expenditure requirement and the amount to be expended within the next financial year is expected to be within the range of RM4 million to RM5 million for the Group.

PROSPECTS

The Malaysian economy is expected to record a Gross Domestic Product ("GDP") growth rate of 4.0% to 5.0% in 2026 compared to 4.2% in 2025. The industry outlook for the Group's business is expected to remain extremely challenging moving forward in view of the higher pace of inflation around the World with US Tariffs uncertainties, ongoing conflict between Russia & Ukraine and war in the Middle East.

Despite the above, the Board of Directors and the Management believe that the demand for the Group's products (i.e. pipe and fittings made of ductile iron, mild steel and high-density polyethylene, water meters) will gradually improve over time as the Government's efforts in improving the water infrastructure and delivery are intensified to reduce the currently high rate of non-revenue water in order to avoid water shortages in the future.

The Group would continue to scout for investment opportunities to further diversify the earnings base of the Group and enhance the returns to its shareholders.

DIVIDEND

The Board of Directors does not recommend any dividend payment for the current financial year ended 31 March 2026.



SUSTAINABILITY STATEMENT



INTRODUCTION

YLI Holdings Berhad (“YLI” or “the Group”) is pleased to present the annual Sustainability Statement (“Statement”) for the financial year ended 2026 (“FY2026”). At YLI, we recognise the value of integrating environmental, social, and governance (“ESG”) considerations into all aspects of our business. These efforts reflect our belief that long-term success is built on balancing financial performance with meaningful social impact, good governance and environmental stewardship. We are committed to advancing our sustainability journey, embedding responsible practices throughout every facet of our operations to help shape a resilient and sustainable future.

This Statement reflects our ongoing efforts and performance in managing and improving sustainability across our operations, detailing the progress we have made and the strategic path we are setting for the future. In navigating an increasingly complex global landscape, we remain dedicated to fostering sustainable practices that align with our core values and generate long-term benefits for our stakeholders.

We prioritise innovation to create solutions that are efficient and sustainable, meeting the evolving demands of our clients. At the same time, we endeavour to minimise the Group’s environmental footprint, while ensuring the well-being of our employees, customers, and the wider community. These efforts reinforce our pledge to responsible growth and long-term resilience. We are pleased to share this year’s achievements and to outline our commitment to building a more resilient, sustainable and responsible organisation. We will continue to enhance and improve our sustainability reporting to demonstrate transparency, and enable our stakeholders to make informed decisions.

As we look to the future, we remain dedicated to improving our ESG performance, building partnerships that drive positive change and innovating to meet the evolving needs of our stakeholders. We have made progress in our sustainability journey over the years and will continue to strive towards upholding our sustainability performance in the years to come.

SUSTAINABILITY STATEMENT

REPORTING PERIOD AND SCOPE

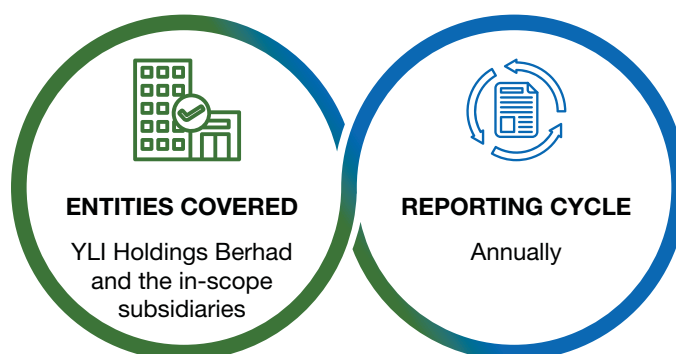
This Statement covers the sustainability-related principles, initiatives and performance of our operations for the financial year from 1 April 2025 to 31 March 2026, unless otherwise stated in the sections of this report where relevant. Data from the previous financial years has been included where relevant for meaningful comparisons. The scope of this Statement covers the following in-scope entities:

Entities	Sites of Operations	Principal Activities
Yew Lean Foundry & Co Sdn Bhd	Perai, Penang	Trading of ductile iron pipes, fittings and other related products
Logam Utara (M) Sdn Bhd	Klang, Selangor	Trading in scrap metal, ductile iron pipes and fittings
Laksana Wibawa Sdn Bhd	Taman Tun Dr Ismail, Kuala Lumpur	Trading of steel pipes and related products
MRPI Pipes Sdn Bhd	Klang, Selangor	Trading of HDPE Pipes & MDPE Pipes
Haluan Prisma Sdn Bhd	Bukit Jalil, Kuala Lumpur	Construction and project management
Damini Corporation Sdn Bhd	Petaling Jaya, Selangor	Supply of chemicals and equipment for the waste and water treatment industries
Delta Perdana Sdn Bhd	Shah Alam, Selangor	Manufacturing and trading of water meters and related equipment
Delta Prima Metering Sdn Bhd	Shah Alam, Selangor	Manufacturing and trading of smart electric meters

This Statement encompasses key business activities such as the supply of ductile iron (“DI”) pipes, trading of high-density polyethylene (“HDPE”) pipes and fittings, trading of mild steel (“MS”) pipes and fittings as well as the construction, project management, trading of scrap metal and supply of chemicals and equipment for waste and water treatment industries, manufacturing and trading of water meters and smart electric meters.

There was no significant change to the Group’s operations and business nature during the reporting year.

The overview of the scope, reporting period and the Group’s key business operations and subsidiaries are presented below:



This Statement shall be read together with the Management Discussion and Analysis (“MD&A”) disclosed under our Annual Report which outlines the Group’s financial and operational performance for the reporting year.

SUSTAINABILITY STATEMENT

REPORTING FRAMEWORK

This Statement is prepared in accordance with Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements, with reference to Bursa's Sustainability Reporting Guide (3rd Edition) and the principles of the Malaysia Code on Corporate Governance ("MCCG" or "the Code"). The disclosures contained herein are focused on material sustainability issues for both the Group and its stakeholders.

ASSURANCE

All data contained within this Statement has been sourced internally and verified by the respective business units or information owners. The data contained in this Statement has been internally assured by YLI's internal audit function. The Company did not seek external assurance for this Statement but may consider doing so in the future.

FEEDBACK

This Statement can be found and downloaded on our official website, www.yli.com.my, under the Annual Report section. We welcome your views and feedback on our sustainability practices and reporting. For any enquiry related to this Statement, please contact corporate@yli.com.my, or via our 'Contact Us' page.

OUR ENGAGEMENT WITH THE STAKEHOLDERS

Stakeholders play a vital role in our businesses, making it essential to maintain open communication channels for discussing relevant topics and understanding their expectations. We are committed to sustaining constructive dialogue with all stakeholder groups and foster closer relationships, ensuring their needs and concerns are incorporated into the development of our sustainability initiatives and strategies. This is achieved through regular, timely engagements across various channels.

We engage with our key stakeholders on issues which are material to the Group's business activities and operations as a whole. While engaging with our stakeholders, we pursue various approaches to enable them to understand our business operations and seek their feedback and input on several matters relevant to them. Stakeholder engagement takes place through a range of communication methods, including online platforms, meetings, seminars, and face-to-face interactions.



SUSTAINABILITY STATEMENT

OUR ENGAGEMENT WITH THE STAKEHOLDERS (CONT'D)

In FY2026, the Group continued to review its key stakeholders based on their level of influence and dependence on the Group, as well as the appropriate channels of engagement. We concluded that our primary stakeholders remain the same individuals or groups that have interests that are affected or could be affected by the Group's activities. Details of our key stakeholders and their engagement activities are presented in the stakeholder engagement table below.

Types of Stakeholders	Engagement Methods	Frequency
Customers	- Meetings / Discussions - Press release / Announcements - Customer service practices - Contract negotiations - Corporate website	- Ongoing - Ad-hoc - Ongoing - Ad-hoc - Ongoing
Employees	- Meetings / Discussions - Annual performance review - Grievances / Whistleblowing procedures - Dialogue session	- Ongoing - Annually - Ad-hoc - Ad-hoc
Shareholders	- Annual General Meeting - Annual report - Quarterly announcements / Reports - Press release - Corporate website	- Annually - Annually - Quarterly - Ad-hoc - Ongoing
Government / Regulatory Bodies	- Report submissions - Audits / Inspection Visits - Meetings / Discussions - Press release / Announcements - Contract negotiations - Corporate website	- Ongoing - Ad-hoc - Ongoing - Ad-hoc - Ad-hoc - Ongoing
Suppliers / Vendors	- Meetings / Discussions - Performance evaluations - Contract negotiations - Vendor registrations	- Ongoing - Annually - Ad-hoc - Ad-hoc
Public / Local Communities	- Press release - Corporate website	- Ad-hoc - Ongoing

SUSTAINABILITY STATEMENT

IDENTIFYING AND PRIORITISING OUR MATERIAL ASPECTS

We are aware that material matters can directly or indirectly impact the long-term value for our stakeholders. The materiality assessment entails the process of identifying key sustainability matters relevant to the Group's business and strategies, followed by rating-based assessment on the identified key sustainability matters. Each of the material sustainability matters was duly identified, assessed and rated accordingly by the Sustainability Working Group ("SWG").

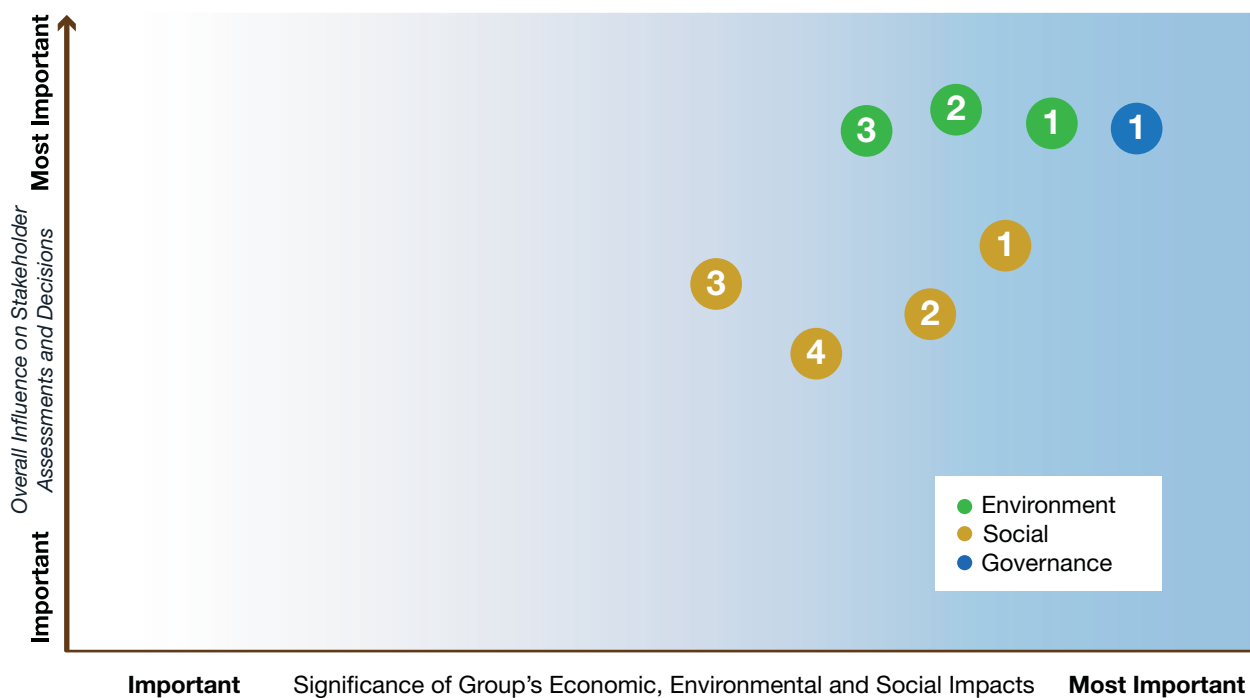
The following methodologies and procedures are applied in a materiality assessment process:

Step 1	Initiate yearly assessment	SWG initiates a review on preceding year's assessment and provide reasonable assurance to the Board that all identified matters remained impartial to the Group.
Step 2	Evaluate stakeholders prioritisation	SWG to identify, evaluate and assign weightages of its key stakeholders based on their influence and interest.
Step 3	Identify and discuss new interests	Dialogues with respective key functional divisions to determine any new matters that are deemed essential to the Group and its stakeholders.
Step 4	Analyse and review materiality matrix	Senior management to analyse the materiality level of each matter. Subsequently, the Board (or delegated personnel) to endorse on the results of the analysis, i.e., materiality matrix.
Step 5	Monitor and Manage Sustainability Matters	All functional divisions are responsible to manage the sustainability matters, monitor its performance, and report to the Group when there are any rising matters that may effect the interests of the Group and its stakeholders.

SUSTAINABILITY STATEMENT

IDENTIFYING AND PRIORITISING OUR MATERIAL ASPECTS (CONT'D)

To ensure the relevance and significance of the material topics to our business, we review our materiality assessment annually. In FY2026, the Group reviewed its material topics and assessed that they remain relevant and applicable to the Group. Moving forward, YLI will continue to monitor these material matters to ensure that they remain relevant not only for our business but also for our internal and external stakeholders.



Environmental	Social	Governance
1 Waste Management Practices	1 Health and Safety Initiative	1 Compliance and Ethical Business Engagements
2 Sustainable Manufacturing Practices	2 Human Rights, Diversity, Equal Opportunity and Inclusivity	
3 Environmental Conservation, Preservation Initiatives and Efforts	3 Training and Development	
	4 Supporting Our Local Economy and Community	

SUSTAINABILITY STATEMENT

IDENTIFYING AND PRIORITISING OUR MATERIAL ASPECTS (CONT'D)

Through our materiality assessment process, we have identified potential sustainability risks and opportunities that are relevant and material to both our business and stakeholders. By integrating these diverse risk categories, we ensure a risk management approach that supports our sustainability objectives and long-term corporate goals.

Material Sustainability Matters	Risk	Opportunities
Compliance and Ethical Business Engagements	Lapse in corporate governance practices may damage the reputation and corporate image.	Effective corporate governance practices enhance reputation and corporate image.
Waste Management Practices	Inadequate waste management may lead to environmental pollution.	Effective waste management presents opportunities for resource recovery through recycling and cost savings for business.
Environmental Conservation, Preservation Initiatives and Efforts	Failure to comply with environmental regulations can result in legal and financial penalties and negative publicity.	Sustainable resource management practices can lead to significant cost savings for businesses in the long term and improve overall profitability.
Sustainable Manufacturing Practices	Lack of sustainable manufacturing practices may result in excessive pollution, resource depletion, decline in air and water quality, loss of biodiversity, and overall damage to ecosystems in the long term.	Opportunity to reduce long-term costs by improving energy and resource efficiency can lead to cost savings such as lower energy consumption.
Health and Safety Initiative	Workplace accidents and injuries result in decreased productivity.	Robust safety culture and a supportive work environment not only boosts employee well-being and efficiency but also upholds Group's reputation.
Human Rights, Diversity, Equal Opportunity and Inclusivity	Violation of human rights and discriminatory practices in the workplace can result in regulatory fines, negatively affect employee retention and reputational damage.	Diversity, equity and inclusion in workplace empowers work culture, attracts new talents and improves the quality of decision making.
Training and Development	Inadequate training may result in reduced productivity and performance.	Continued upskilling is key to attracting and keeping employees, which contributes to earnings of the Group.
Supporting Our Local Economy and Community	Business activities that negatively impact communities may expose the business to violations of laws, regulations, and operational disruptions.	Regular engagements through community impact programs strengthen our relationship with local communities.

SUSTAINABILITY STATEMENT

SUSTAINABILITY TARGETS

The Group recognises the importance of setting measurable sustainability performance targets to drive progress and accountability across our ESG initiatives. In FY2026, we have continue to set a selected short-term sustainability-related targets for the financial year ended 2027 ("FY2027") to measure our sustainability performance more effectively. The results of FY2026 performance are indicated below.

Material Sustainability Matters	Perpetual Sustainability Targets	FY2026 Performance
Compliance and Ethical Business Engagements: <i>Anti-Bribery and Corruption Management</i>	We aim to achieve zero confirmed incidents of corruption for FY2027.	Achieved zero confirmed incidents of corruption.
Data Privacy: <i>Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</i>	We aim to achieve zero substantiated complaints concerning breaches of customer privacy and losses of customer data for FY2027.	Achieved zero substantiated complaints concerning breaches of customer privacy and losses of customer data.
Waste Management Practices: <i>Non-compliance cases or incidents pertaining to the breach of environment regulatory requirement</i>	We aim to achieve zero instances of incidents pertaining to the breach of environment regulatory requirement for FY2027.	Achieved zero instances of non-compliance cases or incidents pertaining to the breach of environment regulatory requirement.
Health and Safety Initiatives: <i>Occupational, Health and Safety</i>	We aim to achieve zero instances of work-related fatality for FY2027.	Achieved zero instances of work-related fatality.
Human Rights, Diversity and Equal Opportunity: <i>Number of substantiated complaints concerning human rights violations</i>	We aim to achieve zero instances of substantiated complaints concerning human rights violation for FY2027.	Achieved zero instances of substantiated complaints concerning human rights violations.

GOVERNANCE STRUCTURE

The Group recognises the importance of an effective sustainability governance structure in driving long-term value creation for our stakeholders. The Board of Directors ("Board") is primarily responsible for the Group's sustainability practices and performance. The Board drives the sustainability agenda, maintaining overall oversight and incorporating key sustainability issues into its strategic formulation to ensure alignment with the Group's long-term objectives. The sustainability governance structure is integrated into the Group's corporate governance framework to ensure sustainability is embedded across the organisation.

The Group Managing Director ("GMD") is tasked to develop relevant strategies and plans to ensure all key aspects of the Group's business activities are in line with the direction stipulated by the Board. Besides, the GMD is also responsible to ensure sufficient resources are being allocated to undertake the necessary sustainability initiatives and strategic plans. The GMD is supported by the Sustainability Working Group which is a dedicated committee that prioritises the relevant sustainability strategies, including the integration of sustainability considerations into the Company's operations.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

The SWG has taken the following key criteria into consideration prior to establishing an effective governance structure to oversee the sustainability matter:



TONE FROM THE TOP

Regular update and review made to the senior and top management concerning the progress of sustainability initiatives and efforts

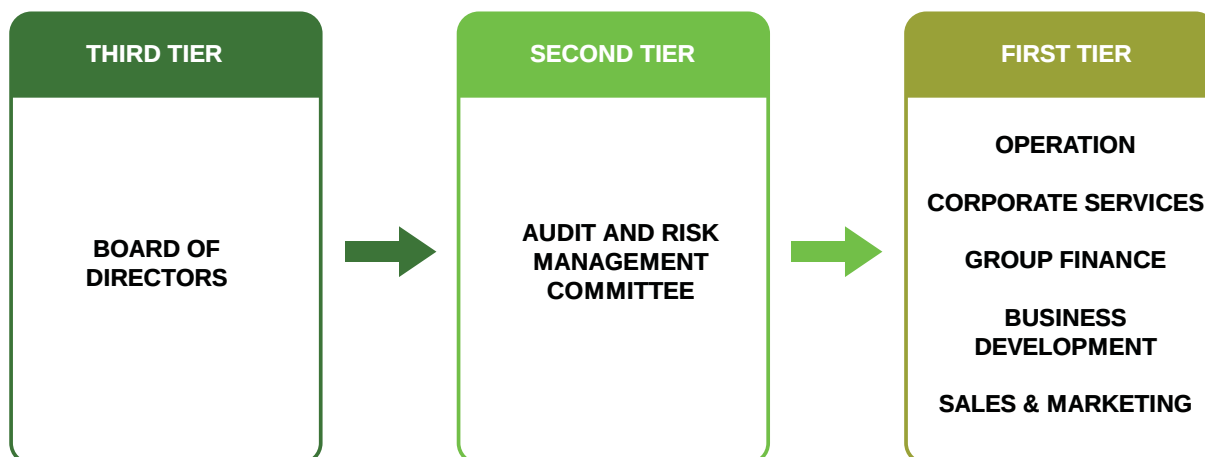


DEFINED ROLES AND RESPONSIBILITIES

Well laid-out duties and responsibilities amongst the assigned SWG and management team

The SWG meets at least once in the financial year to assess and undertake where necessary, sustainability initiatives for business improvement purposes. SWG meetings are held to review the relevant data and information that necessitates the preparation of this Statement, including the confirmation of governance structure, stakeholder's engagement analysis, prioritisation of sustainability matters, and other matters disclosed under this Statement.

The Group's sustainability governance structure can be outlined in the following diagram:



SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Policies and Procedures for Governance

At YLI, we are committed to maintaining the highest standards of corporate governance, given the pivotal role it plays in the Group's long-term success. Strong governance is the backbone of our operations, ensuring that ethical business practices are ingrained across all levels, driving our sustainable growth and enhancing our corporate resilience. We aspire to be transparent and conduct our business in an ethical and principled way to achieve long-term success, as well as to ensure trust amongst shareholders and investors. The outlined policies below ensures that the Group adheres to the highest ethical principles, governs its business activities with effectiveness, and showcases the integrity of its operations:

- Anti-Bribery and Corruption Policy;
- Whistleblowing Policy;
- Directors' Code of Conduct;
- Fit and Proper Policy;
- Conflict of Interest Policy;
- Employee Handbook

Board Diversity

The Group's Board, composed of experienced professionals from diverse industries, plays a pivotal role in aligning our business objectives with sustainability and climate goals. All appointments to the Board are made on merit, ensuring that individuals are selected for their qualifications, experience, and expertise. The Board's policy is designed to create a diverse and skilled composition that is able to effectively address the needs and challenges of the business. The Board diversity in terms of gender and age group is illustrated below:

Indicator	Measurement Unit	2024	2025	2026
Bursa C3(b) Percentage of directors by gender and age group				
<u>Gender Group</u>				
Male	Percentage	80.00	50.00	71.43
Female	Percentage	20.00	50.00	28.57
<u>Age Group</u>				
Below 40	Percentage	Nil	Nil	Nil
Between 40 and 55	Percentage	20.00	50.00	42.86
Above 55	Percentage	80.00	50.00	57.14

Compliance and Ethical Business Engagements

At YLI, we are fully committed to upholding the highest standards of ethics and integrity in all our operations. We ensure that our employees adhere to relevant regulations and professional code of conduct, fostering an environment of trust and transparency. We maintain a firm stance against corruption and require all employees to act with fairness, professionalism, and respect in all business dealings.

Our Code of Ethics is our ethical handbook that all employees and external stakeholders must abide by in discharging both their duties and conducting business activities. This covers a wide range of ethical considerations, such as supplier responsibility, human rights, health and safety, environment, conflicts of interest, regulatory compliance, and confidentiality.

The governance structure of the Group is based on the Malaysian Code on Corporate Governance, whereby the Board of Directors, management and employees of the Group discharge their obligatory duties with clear accountabilities and responsibilities.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Compliance and Ethical Business Engagements (cont'd)

We strongly believe that effective risk management is key to strategic planning and decision-making processes. We also take into account the risks arising from both environmental and social perspectives to have a balanced assessment of our business opportunities. Additionally, the Group places a great level of emphasis on internal control by appointing an independent consulting firm in conducting regular internal audit exercises.

Further details of our corporate governance practices are disclosed in the Corporate Governance section of this Annual Report.

Anti-Bribery and Corruption Management

YLI's corporate policy strictly enforces zero tolerance for any form of corrupt behaviour or practices. This aligns with our principles of integrity, responsibility and accountability, and ensures full compliance with all anti-corruption laws and regulations.

The Group is committed to all laws relevant to countering bribery and corruption in Malaysia and all other jurisdictions in which it operates. The Group maintains an Anti-Bribery and Corruption ("ABC") Policy which consist of relevant rules and regulations to deter any malpractices or misconduct within the Group. The ABC Policy of the Group specifies the following key rules:

- YLI shall not offer or provide any forms of gratifications to any person associated with the Group for the purpose of gaining advantages over business dealings;
- The employees are prohibited from offering or accepting any forms of gratifications from business associates with the intention of influencing a business decision;
- YLI shall take appropriate actions against employees who engaged in any form of bribery and corruption activities;
- YLI forbids any retaliation action to be taken against any person who report a misconduct in the Group in good faith;
- YLI commits to perform reasonable due diligence to all employees and business associates prior or throughout their engagement with the Group;
- YLI shall ensure adequate communication is performed to its employees and business associates concerning its stance on ABC activities;
- YLI shall maintain and conduct regular review on its Anti-Bribery and Corruption Management System ("ABMS") to ensure the practices remain relevant and effective.

In FY2026, the Group had conducted briefing sessions to its management as a means to create awareness on the MACC Act to cultivate a zero-bribery and corruption culture. As of 31 March 2026, we recorded zero incidents of corruption across the business operations.

Indicator	Measurement Unit	2024	2025	2026
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category:				
- Manager and Above	Percentage	73.68	62.07	25.00
- Executive	Percentage	13.16	32.50	22.22
- Non-Executive	Percentage	11.54	9.43	10.34
- Foreign Workers	Percentage	Nil	Nil	22.22
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Percentage	Nil	Nil	Nil

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Data Privacy

Ensuring the protection of data privacy is a top priority for us, serving as a cornerstone of our commitment to operational integrity. We recognise that safeguarding personal and sensitive information of customers, employees and partners is the foundation for building trust and maintaining our reputation. Our customers' data is treated with the utmost privacy and confidentiality. All data collected is with the consent of customers and with their full understanding and awareness that such data is collected by YLI and may be used for internal purposes.

In FY2026, we are pleased to report that there were no substantiated complaints concerning leaks or breaches of customer privacy or loss of customer data.

Indicator	Measurement Unit	2024	2025	2026
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	Nil	Nil	Nil

Waste Management Practices

The Group consistently monitors the environmental impacts of its operations and implements measures and policies to minimise waste and reduce our environmental footprint. We acknowledge the adoption of proper waste management, specifically on scheduled waste, is vital to protect our workplace health and safety. We are committed to ensuring that waste generated from our operations is managed through proper disposal channels, reinforcing our commitment to environmental stewardship and sustainable practices. The Group's operational processes incorporate policies and procedures for proper and safe handling, management, and disposal of scheduled waste which are guided by applicable laws, regulations, and industry codes and standards.

As part of the Group's initiatives, we adopt active waste sorting and separation where appropriate to enable better recoverability and recyclability. In addition, the Group maintains a Department of Environment ("DOE")'s Electronic Scheduled Waste Information System ("ESWIS") to ensure that the waste management approach is in line with the Group's objective in preserving the natural environment, as well as ascertaining the compliance of relevant environmental rules and regulations.

In general, the assigned waste management teams are responsible for overseeing waste management activities at their respective operating sites, ensuring they comply with our policies and procedures, as well as applicable laws and regulations. The following scheduled wastes would be collected and kept in designated waste areas to ensure proper storage and safety of the employees:

Schedule Waste Code	Description
SW104	Dust, slag, dross or ash containing aluminum, arsenic mercury, lead, cadmium, chromium, nickel, copper, vanadium, beryllium, antimony, tellurium, thallium or selenium excluding slag from iron and steel factory
SW204	Sludges containing one or several metals including chromium, copper, nickel, zinc, lead, cadmium, aluminum, tin, vanadium and beryllium
SW305	Spent lubricating oil
SW306	Spent hydraulic oil
SW409	Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes
SW417	Waste of inks, paints, pigments, lacquer, dye or varnish

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Waste Management Practices (cont'd)

At present, the storage of scheduled wastes is limited to the permitted maximum capacity of 20 tonnes. As of 31 March 2026, the Group did not exceed the permitted capacity of maximum scheduled waste storage capacity of 20 tonnes.

All scheduled wastes would be managed by relevant subject matter experts including the melting furnaces and zinc coating performances. For the financial year of 2026, there was zero non-compliance cases or incidents pertaining to the breach of environment regulatory requirement.

Indicator	Measurement Unit	2024	2025	2026
Non-compliance cases or incidents pertaining to the breach of environment regulatory requirement	No. of Incidents	Nil	Nil	Nil

The Group is committed to environmental conservation by continuously advancing the engineering properties of iron pipes, including tensile strength, elongation, and durability, while also refining the manufacturing processes for ductile iron pipes. These ongoing improvements are designed to enhance the performance and reliability of the pipes, reducing the risk of potential technical failures. By achieving higher mechanical properties, the ductile iron pipes are engineered to deliver exceptional longevity, with a useful life of up to 50 years. This extended lifespan not only ensures superior performance but also minimises the need for frequent replacements, thereby reducing resource consumption and waste. As a result, the Group's efforts contribute to a lower environmental footprint, aligning with its mission to promote sustainability and responsible resource management. Through these initiatives, the Group aims to provide durable, high-quality solutions that benefit both customers and the environment.

For our construction sites, we have appointed a qualified management contractor to collect the construction and domestic wastes on a regular basis. We have also adopted modular construction system, namely an industrialised Building System ("IBS"), integrated blockwork, and metal frame with the aim to minimise timber waste that is associated with the formwork fabricated by plywood and dimensional timber. The said IBS also assists the management in overseeing the overall building cost and quality.

The Group's continued efforts can be observed via its strict compliance with the Environmental Quality Act ("EQA") 1974 and Environmental Quality (Scheduled Waste) Regulation 2005. The Group would continue to adopt sustainable and environmentally conscious manufacturing processes, as well as promoting employees' awareness of the waste we generate.

By implementing such strategy, this provides an opportunity for the Group to lower costs and streamline processes which ultimately contributes to the Group's bottom line. As part of our waste minimisation efforts, we explore and undertake recycling initiatives to divert waste from landfills. This includes initiatives like reusing, recycling and recovery of materials whenever possible.

Our management team monitors the Group's waste management processes with the main objective of mitigating the impact of waste on the environment.

Indicator	Measurement Unit	2024	2025	2026
Bursa C10(a) Total waste generated, and a breakdown of the following:	Tonnes	2,261.86	274.48	9.90
(i) total waste diverted from disposal	Tonnes	25.33	16.55	9.90
(ii) total waste directed to disposal	Tonnes	2,236.53	257.93	-

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Sustainable Manufacturing Practices

We aim to integrate sustainable practices in our daily operations, focusing on continuous improvement and accountability. We prioritise innovation to create solutions that are efficient and sustainable, meeting the evolving demands of our clients. At the same time, we endeavour to minimise the Group's environmental footprint, while ensuring the well-being of our employees, customers, and the wider community. These efforts reinforce our pledge to responsible growth and long-term resilience.

The quality of our deliverables would always be warranted by our dedicated management team. Our business activities are accredited with ISO 9001:2015 - Quality Management System certification. The said certifications assured the output to our customers are with required standards and quality. The said efforts are also complemented by the Group's regular engagement with independent organisations to perform detailed inspection on the key production activities to ensure the consistency of our deliverables.

In general, the Group applies the following approaches in ensuring the product quality:



The Group aims to adopt leading technologies in its manufacturing processes. Our operations and processes are embedded into standard operating procedures to conform to ISO 9001:2015 Standard and relevant environmental rules and regulations. As our goal is to remain competitive and relevant in the market, we continuously pursue operational excellence, optimising the conversion of capital inputs to outputs through optimising the operating cost and performance whilst maximising production output.

Our commitment to delivering high-quality products that comply with all regulatory requirements extends to our supply chain. Recognising the critical role suppliers play in our operations, we prioritise sourcing materials of the highest quality that meet our product quality standards. This ensures that the products we deliver can guarantee the trust and satisfaction of our clients. A resilient supply chain is key to delivering operational and production excellence. We source materials and services through a structured due diligence process, emphasising quality, and adherence to our ethical standards.

Promoting local suppliers is another key aspect of the Group's aim. Wherever feasible, we prioritise suppliers local to where we operate. We endeavour to promote and contribute to the local economy through our procurement activities. For FY2026, approximately 33.44% of the Group's direct material spending is attributable to purchases from local suppliers. While the priority is given to the local suppliers, the purchases would largely depend on the availability of materials and other relevant resources in the regions we operate in.



SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Sustainable Manufacturing Practices (cont'd)

Thorough and precise supplier selection process are adopted by the responsible management teams to ensure that only materials and services of quality are being sourced. At present, the management of the Group’s suppliers and sub-contractors can be summarised as follows:

Management of Suppliers		
Conduct due diligence to ensure the suppliers' competency level	Strict adherence to the Group's Standard Operating Procedures	Regular review of suppliers' performance

As of 31 March 2026, we have retained a total of 22 suppliers in our Approved Vendor Listing (“AVL”), and have conducted the annual supplier performance evaluation towards our key suppliers. In summary, the results of the overall evaluation are deemed satisfactory (>86% satisfactory level) to the Group’s requirements.

Environmental Conservation, Preservation Initiatives and Efforts

Preservation Initiatives

We are committed to minimising our environmental impact by actively reducing our carbon footprint, improving energy efficiency across all aspects of our operations, and implementing sustainable waste reduction practices. It is our goal to develop our internal strategies, policies, and processes that will ensure continued improvements in key business areas as well as full compliance with environmental regulations.

The Group preserves its self-regulation initiatives – Guided Self-Regulation (“GSR”) to ensure the compliance with relevant rules and regulations, whilst minimising any harmful impact to the environment driven by the Group’s business activities. In addition, the DOE conducts regular environmental preservation awareness sessions to provide relevant guiding principles in managing risks and hazards relevant to business operations. We assess our ESG initiatives against the performance targets set by the GMD. The aforesaid evaluation criteria are crafted and maintained in conjunction with the EQA 1974 and the prevailing guidelines.

We recognise that the manufacturing sector carries significant potential for environmental pollution, given the scale and nature of its operations. In all our business activities, we prioritise proactive measures to prevent pollution, ensuring that our operations adhere to the highest environmental standards. To this end, we have implemented comprehensive monitoring activities to ensure compliance with all local and international environmental standards.

As part of the Group’s long-term commitment towards the environmental preservation, we seek to minimise the Group’s pollution risk for our manufacturing activities by leveraging our subject matter experts to monitor the key parameters of the surrounding environment to ensure strict compliance with the standards set by the DOE. Moreover, the Group also takes the initiative to place proper dust bag filters around the plants to prevent the release of harmful pollutants during the production runs. The Group also engaged a third party to perform Stack Emission Monitoring Test for all the dust collections, with the aim to ensure all relevant machines and equipment are operating in accordance with our needs and the regulated limit.

For FY2026, an annual budget of RM100,000 was allocated to upkeep and maintain the Group’s pollution control activities.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

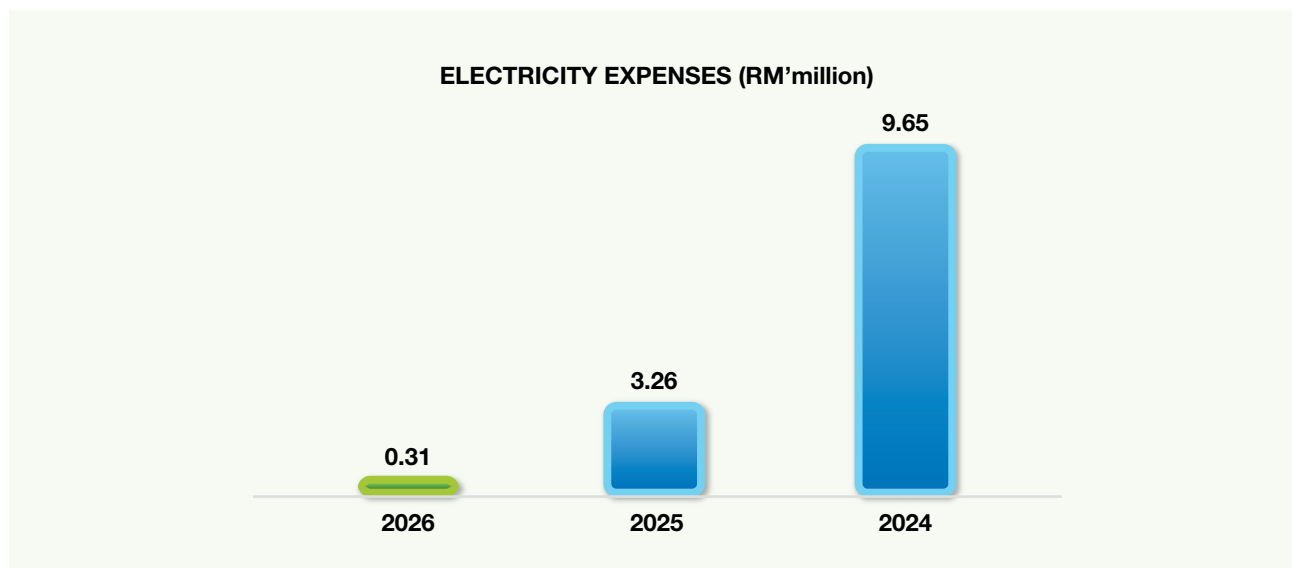
Environmental Conservation, Preservation Initiatives and Efforts (cont'd)

Environmental Conservation Efforts

The Group is observing the following key strategies in conserving the environment:



We actively implement ongoing energy-efficiency initiatives, including the regular maintenance of equipment, continuous process optimisation, and investing in more energy-efficient equipment. These efforts are aimed at reducing energy consumption, enhancing operational efficiency, and minimising our environmental impact. Our management team also keeps a close look on the energy consumption rate at the relevant factories to ensure the electricity consumption is minimised with reduced Maximum Demand (MD) charges, whilst productivity levels are optimised. The electricity expenses over the past 3 years are shown as follows:



Our manufacturing activities across the Group, primarily Yew Lean Foundry & Co Sdn Bhd was discontinued in FY2026, thus the electricity consumption rates have decreased accordingly.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Environmental Conservation, Preservation Initiatives and Efforts (cont'd)

Energy Consumption

As we look to the future, we anticipate a continued rise in energy costs in the coming years, driven primarily by the Malaysian government's decision to increase electricity tariffs for non-domestic consumers and gradually phase out fuel subsidies. These policy changes, aimed at promoting energy efficiency and reducing fiscal burdens, are expected to significantly impact companies across industries.

These measures are being driven by various factors, including the government's commitment to achieving net zero carbon emissions and its strategy to reduce the fiscal deficit by cutting back on energy cost subsidies. While these actions align with the government's aspirations for achieving net zero emissions, they are also contributing to the upward trajectory of energy expenses.

Energy management is a critical component of the Group's operations, especially within the manufacturing segment, where energy usage plays a pivotal role in overall performance. We are dedicated to optimising energy efficiency by monitoring our power consumption.

Indicator	Measurement Unit	2024	2025	2026
Bursa C4(a) Total energy consumption				
Total Energy Consumption	Megawatt	29,843.87	10,525.27	359.32
- Electricity	Megawatt	13,122.82	5,540.26	351.29
- Diesel	Litres	39,974.00	23,465.82	733.00
- Natural Gas	MMBtu/MT	55,606.60	16,132.00	Nil

Note:

MMBtu=One million British thermal units

MT=Metric tonne

Assumptions:

Diesel: 1 litre = 10.96 kWh

Natural Gas: 1 MMBtu = 293.07 kWh

We remain committed to exploring sustainable alternatives and improving energy efficiency across all aspects of our business operations.

Our manufacturing activities across the Group, primarily Yew Lean Foundry & Co Sdn Bhd was discontinued in FY2026, thus the overall energy consumption rates has decreased accordingly.

Emissions Management

The Board recognises the growing importance of developing an appropriate response to climate change. GHG emissions are a global environmental concern, and we recognise the role that energy efficiency plays in mitigating its impact. The Group is committed to doing its part to reduce its carbon footprint and contribute to global efforts to mitigate the adverse impacts of climate change. We constantly monitor and optimise our energy consumption to ensure resources are used economically and responsibly. We aim to explore renewable energy options to mitigate our reliance on fossil fuels while also encouraging energy-efficient practices among employees, for example, switching off unused equipment and appliances.

The Group relies on various energy sources to power its daily operations. Electricity from the national grid is used for lighting, air-conditioning and running of equipment and machinery. Other energy consumption includes diesel and gas. We have also begun measuring our emissions, enabling us to track our carbon footprint and our progress for the upcoming years.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Environmental Conservation, Preservation Initiatives and Efforts (cont'd)

Emissions Management (cont'd)

In deriving our Scope 1 emission factors, we make reference to the GHG Protocol, developed by the World Resources Institute ("WRI") and the World Business Council for Sustainable Development ("WBCSD"). This globally recognised standard guides our carbon reporting, ensuring we stay aligned with the best practices in sustainability. Our Scope 2 emissions factors are derived from Malaysian Green Technology Corporation ("MGTC") 2017 Clean Development Mechanism ("CDM") Electricity Baseline for Malaysia.

Indicator	Measurement Unit	2024	2025	2026
Scope 1 Emissions	tCO ₂ e	3,097.86	926.60	8.87
Scope 2 Emissions	tCO ₂ e	10,201.40	3,267.41	183.63
Scope 3 Emissions	tCO ₂ e	1,372.48	1,224.66	121.99

Scope 1

Our Scope 1 emissions are primarily attributed to the consumption of diesel and gas at our operations. In FY2026, our Scope 1 emissions amounted to 8.87 tCO₂e.

Scope 2

Our Scope 2 emissions are primarily driven by electricity consumed in our operations. In FY2026, our Scope 2 emissions amounted to 183.63 tCO₂e.

Scope 3

Our Scope 3 emissions comprise of business travel and employee commuting. In FY2026, our Scope 3 emissions amounted to 121.99 tCO₂e.

Our manufacturing activities across the Group, primarily Yew Lean Foundry & Co Sdn Bhd was discontinued in FY2026, thus the overall emission rates have decreased accordingly.

Water Management

We recognise that freshwater is a finite and invaluable resource, essential to life, ecosystems, and sustainable development. As such, it is our responsibility to prioritise its preservation and ensure its responsible use. By adopting efficient water management practices and promoting conservation efforts, we aim to safeguard this critical resource for current and future generations. With this in mind, we encourage our employees to use water responsibly in their daily tasks.

Indicator	Measurement Unit	2024	2025	2026
Bursa C9(a) Total volume of water used	Megalitres	115.90	64.03	23.03

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Health and Safety Initiatives

Occupational, Health and Safety

Ensuring the safety and well-being of our employees is one of our top priorities. We strive to create a safe and supportive work environment by implementing robust safety protocols, providing regular training, and fostering a culture of care and accountability. Besides ensuring a robust management system to continually manage the Group's occupational health and safety matters, we also encourage our employees to be participate in our discussions and meetings which concern the health and safety of the employees.

At present, the environment, health and safety management at workplace is headed by the Environment, Health and Safety Committee ("EHS Committee") which is made up of representatives from both the management and the employees in compliance with EQA 1974, Occupational Safety and Health Act 1994, and Factories & Machinery Act 1967, guided by the Safety and Health Policy established by the EHS Committee. The EHS Committee, helmed by a senior management personnel, is responsible for overseeing and monitoring on a daily basis the site's health and safety management. The personnel is also responsible for the risk assessment and management, compliance matters, audits and investigations, receiving and addressing complaints and grievances, and ensuring the implementation of action plans and initiatives concerning the site's health and safety matters.

The Group has employed a Qualified Safety and Health Officer ("SH Officer") to administer and upkeep the relevant safety and health measures which are aimed at enhancing the overall safety level of the employees, whilst fostering decent conduct amongst the employees at the workplace. Additionally, relevant awareness programmes for safety and health are also scheduled and implemented to enhance the competence level amongst the employees to uphold the safety and health when carrying out their respective duties and responsibilities. The Group also provide healthcare benefits and ensure all employees have access to healthcare services. Our regular health services include health screenings, and access to medical treatment from panel clinics.

The types of training programmes provided to the employees include tailor-made training and general safety and health training.



Tailor-Made Training

- Job nature and routines specificity



General Safety and Health Training

- Continuous training, education and awareness creation

The Group is committed to continuously increase its communication efforts in safety, including placing signages to remind employees to be more cautious about their own health and safety. The number of health and safety related incidents are presented as follows:

NUMBER OF HEALTH AND SAFETY RELATED INCIDENTS

Indicator	Measurement Unit	2024	2025	2026
Number of Health and Safety-Related Incidents	Number of Incidents	16	Nil	Nil

We recognise that our workforce is our most valuable asset, and ensuring their safety is not only a moral imperative but also a foundation of our operational success. We promote a workplace that prioritises the minimisation of occupational injuries and illnesses. As such, we offer health and safety training to ensure that our team is proficient in adhering to the standards of health and safety protocols.

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Health and Safety Initiatives (cont'd)

Occupational, Health and Safety (cont'd)

We are pleased to report that there are no health and safety-related incidents for FY2026.

Indicator	Measurement Unit	2024	2025	2026
Bursa C5(a) Number of work-related fatalities	Number	Nil	Nil	Nil
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	7.37	4.05	Nil
Bursa C5(c) Number of employees trained on health and safety standards	Number	17	26	2

Human Rights, Diversity and Equal Opportunity

The Group remains steadfast in its commitment to fostering diversity and equal opportunities, ensuring a work environment free from discrimination based on gender, age, or ethnicity. Embracing diversity is crucial as it brings together a wide range of perspectives, experiences, and skills that can fuel creativity and drive innovation. By fostering a diverse workforce, we are able to tap into a wealth of insights, allowing us to better understand our customers' needs and preferences. This deeper understanding enables us to deliver better customer service and build stronger, more meaningful relationships with those we serve.

Indicator	Measurement Unit	2024	2025	2026
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Manager and Above Under 40	Percentage	0.00	3.45	10.00
Manager and Above Between 40-55	Percentage	63.16	68.97	65.00
Manager and Above 55	Percentage	36.84	27.58	25.00
Executive Under 40	Percentage	21.05	34.09	52.38
Executive Between 40-55	Percentage	47.37	50.00	33.33
Executive Above 55	Percentage	31.58	15.91	14.29
Non-executive/Technical Staff Under 40	Percentage	30.77	28.71	64.00
Non-executive/Technical Staff Between 40-55	Percentage	47.12	53.47	32.00
Non-executive/Technical Staff Above 55	Percentage	22.12	17.82	4.00
Foreign Workers Under 40	Percentage	82.61	72.73	70.00
Foreign Workers Between 40-55	Percentage	17.39	27.27	30.00
Foreign Workers Above 55	Percentage	0.00	0.00	0.00
Gender Group by Employee Category				
Manager and Above Male	Percentage	78.95	70.00	65.00
Manager and Above Female	Percentage	21.05	30.00	35.00
Executive Male	Percentage	65.79	59.18	61.90
Executive Female	Percentage	34.21	40.82	38.10
Non-executive/Technical Staff Male	Percentage	85.58	74.74	28.00
Non-executive/Technical Staff Female	Percentage	14.42	25.26	72.00
Foreign Workers Male	Percentage	100.00	100.00	100.00
Foreign Workers Female	Percentage	0.00	0.00	0.00

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Human Rights, Diversity and Equal Opportunity (cont'd)

We acknowledge the critical importance of upholding human rights as a fundamental principle that guides and defines the way we operate and conduct our business. As a responsible organisation, we adhere to the employment laws of Malaysia, which aim to protect the rights of workers by ensuring fair minimum wages and reasonable working hours. Our compliance with these regulations underscores our dedication to creating a work environment that prioritises the well-being and equitable treatment of our employees.

Indicator	Measurement Unit	2024	2025	2026
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.22	29.25	3.95
Bursa C6(c) Total number of employee turnover by employee category				
Manager & Above	Number	3	17	22
Executive	Number	11	26	30
Non-Executive	Number	44	52	107
Foreign Workers	Number	10	77	11

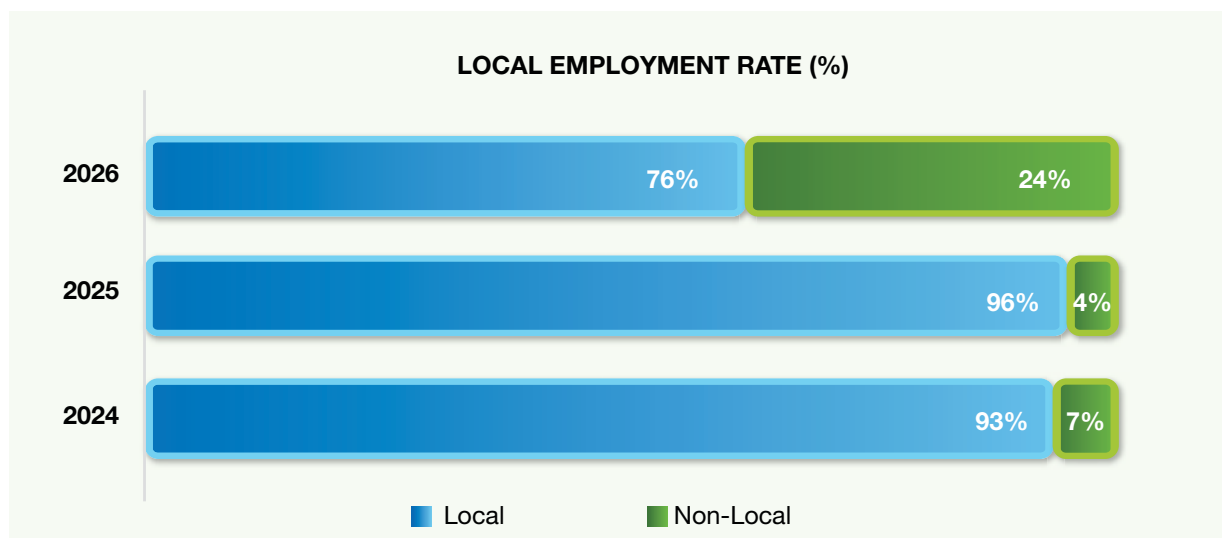
Local Job Opportunities

Despite the challenges of world economy uncertainties, the Group continues to make contributions to the overall economy by creating job opportunities to the local communities. All open positions are advertised in the job market with priority given to employing local talents.

(i) Local Employment

During the reporting period, the Group had provided job opportunities in a variety of fields such as production, human resource and administration. The Group had posted more than 14 job advertisements via relevant job portals.

As of 31 March 2026, we have a total workforce of 76, of which 76% are local employees. The employment ratio between local and non-local workforce can be illustrated as follows:



SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Human Rights, Diversity and Equal Opportunity (cont'd)

We strive to build a responsible workplace that upholds human rights that fosters fair and equitable growth of diverse talent. At our organisation, we are committed to ensuring that all recruitment and promotion decisions are conducted based on equal opportunity for every individual regardless of their gender, marital status, sexuality, race or physical ability. We firmly believe in and adhere to a non-discriminatory practice that is designed to create a working environment where every employee feels valued, respected and free from any form of unlawful discrimination or harassment.

Indicator	Measurement Unit	2024	2025	2026
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	Nil

During FY2026, we are pleased to announce that no complaints were received from any regulatory or official bodies in relation to violation of human rights of its workers.

Employees' Welfare and Wellbeing

Effective employee management is a vital and foundational element of our sustainability strategy. We recognise that our people are at the heart of our success, and by fostering a supportive, inclusive, and empowering work environment, we can drive long-term growth and resilience. Through initiatives that prioritise employee well-being, we aim to build a motivated and engaged workforce. We strive to build a conducive working environment that promotes career satisfaction, fair remuneration, equitable opportunities and personal development.

The Group also acknowledges that dedicated staff are the bedrock to its success. It is the staff's collective commitment that will continue to drive YLI to attain the objective of sustainable growth in our long-term plan. The Group ensures competitive compensation and employee benefits. We would review the packages of remunerations and benefits on an annual basis considering, amongst others, industry benchmark and market conditions. Besides, our employees are provided with insurance and other benefits on top of medical insurance and social security insurance as required by law. The operators and non-executives are represented by Metal Industry Employees' Union whereby a collective bargaining agreement is reviewed by the said union every three years.

Training and Development

We are committed to providing relevant and training programmes that enhance the knowledge and capabilities of our employees. Given our diverse workforce and the operational nature of our business, our employees participate in relevant functional training and learn on the job to enhance their skills, improve their lifelong employability, and foster pride and loyalty. The Group believes that it is essential to provide our employees with the necessary competencies to effectively perform their job responsibilities while also fostering their personal and professional growth.

Indicator	Measurement Unit	2024	2025	2026
Bursa C6(a) Total hours of training by employee category				
Manager & Above	Hours	56.00	173.50	162.00
Executive	Hours	143.00	278.25	217.00
Non-Executive	Hours	279.00	180.00	28.00
Foreign Workers	Hours	Nil	Nil	Nil

The Group remains focused on talent development and continuously provides a platform for employees to continue building their capabilities and learning experience. Training programmes are identified based on business strategies and operational needs, meeting regulatory requirements and ensuring the development of technical, inter-personal, business and management skills of our people. In FY2026, the types of training programmes as attended by the employees consisted of the following:

SUSTAINABILITY STATEMENT

GOVERNANCE STRUCTURE (CONT'D)

Training and Development (cont'd)

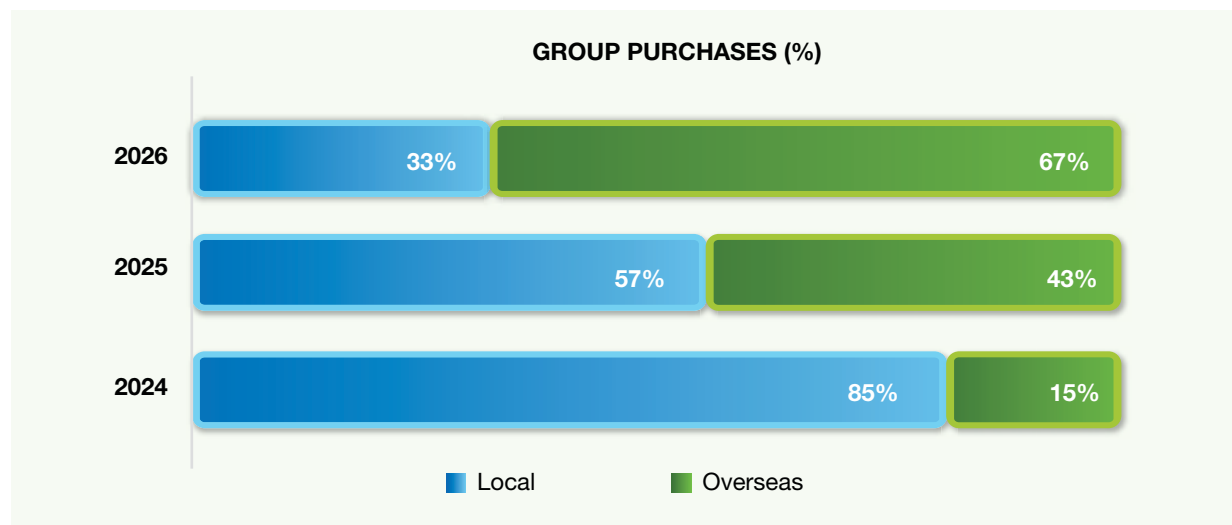
Internal & External Training Programmes

- E-Invoicing Implementation In Malaysia
- Microsoft Excel - Intermediate to Advance
- Construction Project Management
- Occupational Safety And Health - Management For Contractors
- ChatGPT And AI Tools Mastery
- Managing Payroll, EPF, Socso, Income Tax and Related Issues
- Tax Budget 2026 And Digital Conference
- FMM Sustainability Conference 2025 : Bridging Climate Policy & Industry Practice for Sustainable Future
- Baker Tilly Tax & Budget Seminar
- ACCA Virtual Seminar – Post Budget 2026

Supporting Our Local Economy and Community

(i) Sourcing Locally

The Group is committed to prioritising the engagement of local service providers to support the major business operations including the maintenance of machine tools and scrap metal. The Group believes that the focus on local sourcing would bring greater stability and economic value to its supply chain. During the reporting period, the Group had spent approximately RM 43.58 million on direct purchases, of which RM 14.57 million were incurred locally.



Our manufacturing activities across the Group, primarily Yew Lean Foundry & Co Sdn Bhd was discontinued in FY2026, thus there was a corresponding decrease in local purchases.

Indicator	Measurement Unit	2024	2025	2026
Bursa C7(a) Proportion of spending on local suppliers	Percentage	85.26	56.55	33.44

(ii) Community Investment

Indicator	Measurement Unit	2024	2025	2026
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	Nil	Nil	Nil
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	Nil	Nil	Nil



SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA

YLI HOLDINGS BHD
BMLR Transition PeriodDate & Time: 2026-07-17 13:33:45
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Anti-Bribery and Corruption Management	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category:	Percentage	—	25.00	—	Internal	Manager and Above
	—	Percentage	—	22.22	—	Internal	Executive
	—	Percentage	—	10.34	—	Internal	Non-Executive
	—	Percentage	—	22.22	—	Internal	Foreign Workers
—	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	—	100.00	—	Internal	
—	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	—	—	—	Internal	
Community/Society	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	—	—	—	Internal	
	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	—	—	—	Internal	
Diversity	Bursa C3(a) Percentage of employees by gender and age group, for each employee category	Percentage	—	10.00	—	Internal	Manager and Above Under 40
—	—	Percentage	—	65.00	—	Internal	Manager and Above-Between 40-55
—	—	Percentage	—	25.00	—	Internal	Manager and Above 55
—	—	Percentage	—	52.38	—	Internal	Executive Under 40

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SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA (CONT'D)

YLI HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-07-17 13:33:45

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
—	—	Percentage	—	33.33	—	Internal	Executive Between 40-55
—	—	Percentage	—	14.29	—	Internal	Executive Above 55
—	—	Percentage	—	64.00	—	Internal	Non-executive/Technical Staff Under 40
—	—	Percentage	—	32.00	—	Internal	Non-executive/Technical Staff Between 40-55
—	—	Percentage	—	4.00	—	Internal	Non-executive/Technical Staff Above 55
—	—	Percentage	—	70.00	—	Internal	Foreign Workers Under 40
—	—	Percentage	—	30.00	—	Internal	Foreign Workers Between 40-55
—	—	Percentage	—	0.00	—	Internal	Foreign Workers Above 55
—	—	Percentage	—	65.00	—	Internal	Manager and Above Male
—	—	Percentage	—	35.00	—	Internal	Manager and Above Female
—	—	Percentage	—	61.90	—	Internal	Executive Male
—	—	Percentage	—	38.10	—	Internal	Executive Female
—	—	Percentage	—	28.00	—	Internal	Non-executive/Technical Staff Male
—	—	Percentage	—	72.00	—	Internal	Non-executive/Technical Staff Female
—	—	Percentage	—	100.00	—	Internal	Foreign Workers Male
—	—	Percentage	—	0.00	—	Internal	Foreign Workers Female

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SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA (CONT'D)

YLI HOLDINGS BHD
BMLR Transition PeriodDate & Time: 2026-07-17 13:33:45
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
—	Bursa C3(b) Percentage of directors by gender and age group (Board of Directors)	Percentage	—	71.43	—	Internal	Male
—	—	Percentage	—	28.57	—	Internal	Female
—	—	Percentage	—	—	—	Internal	Below 40
—	—	Percentage	—	42.86	—	Internal	Between 40 and 55
—	—	Percentage	—	57.14	—	Internal	Above 55
Energy management	Bursa C4(a) Total energy consumption	Megawatt	—	359.32	—	Internal	Total Energy Consumption
—	—	Kilowatt	—	351.29	—	Internal	- Electricity
—	—	Liters	—	733.00	—	Internal	- Diesel
—	—	MMBtu/MT	—	—	—	Internal	- Natural Gas
Health and Safety	Bursa C5(a) Number of work-related fatalities	Number	—	—	—	Internal	—
—	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	—	—	—	Internal	—
—	Bursa C5(c) Number of employees trained on health and safety standards	Number	—	2	—	Internal	—
Labour practices and standards	Bursa C6(a) Total hours of training by employee category	Hours	—	162.00	—	Internal	Manager & Above
—	—	Hours	—	217.00	—	Internal	Executive
—	—	Hours	—	28.00	—	Internal	Non-Executive

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SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA (CONT'D)

YLI HOLDINGS BHD

BMLR Transition Period

Date & Time: 2026-07-17 13:33:45

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
—	—	Hours	—	—	—	Internal	Foreign Workers
—	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	—	3.95	—	Internal	
—	Bursa C6(c) Total number of employee turnover by employee category	Number	—	22.00	—	Internal	Manager & Above
—	—	Number	—	30.00	—	Internal	Executive
—	—	Number	—	10700	—	Internal	Non-Executive
—	—	Number	—	11.00	—	Internal	Foreign Workers
—	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	—	—	—	Internal	
Supply chain management	Bursa C7(a) Proportion of spending on local suppliers	Percentage	—	33.44	—	Internal	
Data privacy and security	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	—	—	—	Internal	
Water	Bursa C9(a) Total volume of water used	Megalitres	—	23.03	—	Internal	
Waste Management	Bursa C10(a) Total waste generated, and a breakdown of the following:	Tonnes	—	9.90	—	Internal	
—	—	Tonnes	—	9.90	—	Internal	(i) total waste diverted from disposal

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SUSTAINABILITY STATEMENT

SUSTAINABILITY PERFORMANCE DATA (CONT'D)

YLI HOLDINGS BHD
BMLR Transition PeriodDate & Time: 2026-07-17 13:33:45
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
—	—	Tonnes	—	—	—	Internal	(ii) total waste directed to disposal
Emissions Management	Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	—	8.87	—	Internal	
—	Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	—	183.63	—	Internal	
—	Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e	tCO ₂ e	—	121.99	—	Internal	

03

CORPORATE GOVERNANCE



CORPORATE GOVERNANCE OVERVIEW STATEMENT

DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE (“MCCG”)

The Board of Directors of YLI Holdings Berhad (“YLI”) wishes to present this statement to its shareholders and stakeholders with an overview of YLI’s application of the Malaysian Code on Corporate Governance (“MCCG”) practices for the financial year ended 31 March 2026.

The meaningful explanation of how the Company applied each of the MCCG’s practices including its explanations and alternative practices for any departure of the MCCG practices are described in detail in the Corporate Governance (“CG”) Report, which is published at our corporate website at www.yli.com.my.

The Board of YLI recognises the importance of adopting good corporate governance in its efforts to direct and manage the business and affairs of the company towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders.

As such, the Board fully supports all the practices as set out in the MCCG, by applying the best corporate governance standard through the company’s structures, systems, processes and development of a corporate governance culture and environment, and by implementing almost all of the practices in substance to achieve the intended outcomes of building and supporting a strong corporate governance culture throughout the company.

In line with this commitment, the Board has continuously reviewed and where appropriate, taken the necessary steps to implement all the practices of the MCCG and to provide a fair and meaningful disclosure on the company’s corporate governance practices.

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

Principle A – Board Leadership and Effectiveness

The Board Charter has been revised to align with the spirit and the Intended Outcome of the MCCG, in the following areas:

- i. Separation of positions of Chairman and Managing Director;
- ii. Responsibilities of the Chairman;
- iii. Board composition to have at least half of Independent and Non-Executive Directors (“INED”);
- iv. Duties and responsibilities of Board, Board Committees, Managing Director, Senior Independent Director and Company Secretaries;
- v. Review and oversee sustainability strategies, priorities and targets; and
- vi. Board Meeting Administration.

The Board Charter is available in our corporate website at www.yli.com.my.

The current composition of the Board comprises seven (7) directors, of whom three (3) are Independent Non-Executive Directors, one (1) Independent Non-Executive Chairman, and three (3) Executive Directors.

The current Board composition complies with the best practice of having at least half of the Board comprising Independent Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (CONT'D)

Principle A – Board Leadership and Effectiveness (Cont'd)

During the financial year ended 31 March 2026, five (5) Board Meetings were held. Details of the attendance of Directors at the Board Meetings are as follows:-

Board of Directors' Meeting			May' 25	May' 25	Aug' 25	Nov' 25	Feb' 26	
	Directors	Position	Attendance					Total
1	Dato' Abdul Jalil Bin Abdul Karim	Independent and Non-Executive Chairman	•	•	•	•	•	5/5
2	Seah Heng Chin	Group Managing Director	•	•	•	•	•	5/5
3	Datuk Haji Jalaludin Bin Haji Ibrahim	Independent Non-Executive Director	•	•	•	•	•	5/5
4	Hew Kam Mooi (retired on 31 August 2025)	Independent Non-Executive Director	•	•	•			3/3
5	Lim Yoke Moi	Independent Non-Executive Director	•	•	•	•	•	5/5
6	Shamshiah Binti Hashim @ Abu Bakar	Non-Independent Executive Director	•	•	•	•	•	5/5
7	Dr Haji Badrul Hisham Bin Mohd Yusof (appointed on 31 October 2025)	Independent Non-Executive Director				•	•	2/2
8	Encik Azmi Bin Mohd (appointed on 19 March 2026)	Non-Independent Executive Director						Nil

Based on the above, all Directors have complied with the minimum of 50% attendance requirement in respect of Board Meetings as stipulated in Para 15.05 of the Bursa Securities Main Market Listing Requirements. The Board is satisfied with the level of commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out above. All the Directors had attended the Directors' Mandatory Accreditation Programme ("MAP"). The Directors will continue to attend various professional programmes necessary to enhance their professionalism in the discharge of their duties.

All directors of the Company do not hold more than 5 directorships in listed issuers under paragraph 15.06 of the Main Market Listing Requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (CONT'D)

Principle A – Board Leadership and Effectiveness (Cont'd)

During the financial year ended 31 March 2026, the Directors have evaluated their own training needs on a continuous basis and attended the following:-

Directors	Types of training
Dato' Abdul Jalil Bin Abdul Karim	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Seah Heng Chin	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Datuk Haji Jalaludin Bin Haji Ibrahim	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Hew Kam Mooi (<i>Retired on 31 August 2025</i>)	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Lim Yoke Moi	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Shamshiah Binti Hashim @ Abu Bakar	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad
Dr Haji Badrul Hisham Bin Mohd Yusof (<i>Appointed on 31 October 2025</i>)	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad 3) Mandatory Accreditation Programme I
Azmi Bin Mohd (<i>Appointed on 19 March 2026</i>)	1) ESG Fraud and its Associated Risks 2) New ISSB Standards IFRS S1 and S2 Reporting: What It Means and How Does It Impact YLI Holdings Berhad 3) Mandatory Accreditation Programme I

The Board through the Nomination Committee periodically reviews its required mix of skills and experience and other qualities, including core competencies that Non-Executive Directors should bring to the Board. The Nomination Committee will carry out its duties and responsibilities as set out in its Terms of Reference which can be viewed on the Company's website. The Nomination Committee will convene its meeting at least once a year and they may invite other Board members, officers of the Company, employees and any other external parties to attend meetings or part thereof as and when necessary. Through its Chairman, the Nomination Committee reports to the Board on matters discussed at the next Board of Directors' Meeting after each meeting. The Company Secretary is the Secretary to the Nomination Committee.

In accordance with the Company's Constitution, an election of Directors shall take place each year. All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Newly appointed directors shall hold office only until the next Annual General Meeting and shall be eligible for re-election.

The Nomination Committee is also responsible for recommending to the Board those Directors who are eligible to stand for re-election/re-appointment and annual assessment on the independence of the independent directors. The Nomination Committee assessed and was satisfied and made recommendations to the Board for their re-election with regard to the re-election of the directors, namely Mr Seah Heng Chin, Puan Shamshiah binti Hashim @ Abu Bakar, Dr Haji Badrul Hisham bin Mohd Yusof and Encik Azmi bin Mohd who are due for retirement but shall be eligible for re-election at the forthcoming AGM to be held on 27 August 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (CONT'D)

Principle A – Board Leadership and Effectiveness (Cont'd)

During the financial year ended 31 March 2026, the Nomination Committee held one (1) meeting and carried out the following activities in the discharge of its functions and duties:-

- (1) Assessed the Board and Board Committees and contributions of each Director.
- (2) Reviewed the structure, size, balance, diversity, composition and effectiveness of the Board and Committees.
- (3) Reviewed and recommended to the Board for re-election of the Directors who retired under the Constitution.
- (4) Assessed the independence of Independent Directors.
- (5) Reviewed the terms of office and performance of the Audit and Risk Management Committee and each of its Members.
- (6) Reviewed the Terms of Reference of Nomination Committee.
- (7) Reviewed and recommended the appointment of Director and Company Secretary.
- (8) Reviewed the Directors' Fit and Proper Policy.
- (9) Conducted the annual assessment of the Company Secretary.
- (10) Reviewed the training needs of the Directors.

At present, the Company adopts a gender diversity policy which encapsulates the objectives, principles and measures of the Group's diversity standpoint. In summary, the Board is supportive in upholding gender diversity within the boardroom and the management alongside due consideration on merited factors, such as, skills, experience, attitude and suitability of any potential candidates. Hence, as part of the Company's succession planning, gender diversity objectives will constantly be observed as a key consideration by the Company even without any specific targets determined. Additionally, the Board will look into the scope and measures of the policy on a regular basis, in ensuring its on-going effectiveness and applicability.

The Board has formalised a Whistleblowing Policy, with the aims of promoting a workplace conducive to open communication regarding the Group's business practices. The Whistleblowing Policy provides a mechanism for stakeholders of the Group (such as employees), people performing services for the Group (such as contractors and service providers), members of the public who are natural persons, not being incorporated or unincorporated bodies, to raise genuine concerns, channel their complaints or to provide information on wrongdoings and improper conduct which may adversely impact the Group.

The Board has implemented Anti-Bribery and Corruption Policy to regulate inappropriate behaviour, such as acts of corruption in line with Practice 3.1 of the MCCG.

The Gender Diversity Policy, the Code of Conduct for Directors, Anti-Bribery and Anti- Corruption Policy and Whistleblowing Policy have been established and published on the Company's website www.yli.com.my.

The Board together with Senior Management, takes responsibility for the governance of sustainability in the Group including setting the Group's sustainability strategies, priorities and targets. The Board shall promote sustainability within the aspects of environment, social, governance and economy. The Board acknowledges that the environmental, social and governance aspects of sustainability as key elements in the formulation of its objectives and strategies. The Group also recognizes the need to safeguard and develop the workforce, strengthen stakeholders relationship and protect the interests of shareholders which are detailed out under the Sustainability Statement.

The Remuneration Committee recommends to the Board for approval the remuneration package of Directors. The remuneration system takes into account individual performance, comparison of the Company's actual performance relative to other companies in the same sector and additional responsibilities of the Directors. The Board has in place a Directors Remuneration Policy to determine the remuneration of Directors and Senior Management. The policy is periodically reviewed and made available on the Company's website at www.yli.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (CONT'D)

Principle A – Board Leadership and Effectiveness (Cont'd)

To enable stakeholders to assess whether the remuneration of Directors is commensurate with their individual performance, the detailed disclosure on a named basis for the remuneration of Directors for the financial year ended 31 March 2026 is disclosed below:-

	Director's Fee (RM)	Salary and Other Emoluments (RM)	Contribution to Defined Contribution Plans (RM)
Dato' Abdul Jalil Bin Abdul Karim	6,000.00	86,972.60	-
Seah Heng Chin	42,000.00	521,750.00	73,763.00
Datuk Haji Jalaludin Bin Haji Ibrahim	6,000.00	53,000.00	-
Hew Kam Mooi (Retired on 31 August 2025)	2,515.07	21,618.00	-
Lim Yoke Moi	6,000.00	49,232.88	-
Shamshiah Binti Hashim @ Abu Bakar	42,000.00	482,526.69	67,132.00
Dr Haji Badrul Hisham Bin Mohd Yusof (Appointed on 31 October 2025)	2,498.63	15,082.19	-
Azmi Bin Mohd (Appointed on 19 March 2026)	605.48	4,822.57	579.00
Total	107,619.18	1,235,004.93	141,474.00

However, the Board departed from Practice 8.2 by only disclosing the top five Senior Management's remuneration in bands of RM50,000 and without named basis. The Board chooses a more general alternative disclosure of the Senior Management's remuneration in order to allay valid concerns on invasion of staff confidentiality and the Company's ability to retain the right talented Senior Management Personnel in view of the competitive employment environment of the Group's business.

The top 5 senior management's remuneration in bands of RM50,000 are disclosed as follows:-

Top 5 senior management	Number of Senior Management
RM100,001 – RM150,000	2
RM150,001 – RM200,000	-
RM200,001 – RM250,000	-
RM250,001 – RM300,000	1
RM300,001 – RM350,000	2

Principle B – Effective Audit and Risk Management

YLI has an effective and independent Audit and Risk Management Committee. As the Chairman of the Audit and Risk Management Committee is not the Chairman of the Board, all members of the Audit and Risk Management Committee are Independent Non-Executive Directors and all members are financially literate and possess a wide range of necessary skills to discharge their duties. The Audit and Risk Management Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit and Risk Management Committee. The Audit and Risk Management Committee has assessed the suitability, objectivity and independence of the external auditors.

The Terms of Reference of the Audit and Risk Management Committee have also been revised to take cognisance of the new MCCG practices and is published in our corporate website at www.yli.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (CONT'D)

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

The Board has established an effective risk management and internal control framework to safeguard the Group's business interests from risk events that may impede the achievement of its business strategies and growth opportunities besides providing reasonable assurance to all stakeholders that internal controls are effective.

The Group's internal audit function ("IAF") is outsourced to a professional accounting and consulting firm, RKT Corporate Consulting (Malaysia) Sdn Bhd (f.k as RSM Corporate Consulting (Malaysia) Sdn Bhd) ("RKT") that adopts internal audit standards and best practices based on the International Professional Practices Framework ("IPPF") endorsed by the Institute of Internal Auditors Malaysia ("IIAM"). The IAF team is headed by a Managing Director - Risk Advisory who is a Certified Internal Auditor of Institute of Internal Auditors, assisted by a Manager and supported with two (2) professional staff.

RKT is sufficiently resourced to provide the services that meet the Group's required service level in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control systems. All personnel deployed by RKT are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of work. The Internal Auditors report directly to the Chairman of the Audit and Risk Management Committee.

Principle C – Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

YLI always keeps shareholders informed of announcements and timely release of quarterly financial results through Bursa Link, press releases, annual report and circular to shareholders.

At the previous AGM of the Company held on 28 August 2025, the Company has conducted its AGM physically and all the Directors as well as the External Auditors and shareholders also participated in the meeting physically.

In line with good corporate governance practice, YLI had issued the Notice of its 30th Annual General Meeting ("AGM") and Annual Report to the shareholders more than 28 days before the AGM. Each item of special business included in the notice of meeting is accompanied by explanation to facilitate an understanding of the proposed resolution so as to enable shareholders to make informed voting decisions at the AGM. The voting at the AGM was conducted by e-polling. The outcome of AGM was announced to Bursa Malaysia Securities Berhad immediately and the proceedings of the AGM were subsequently uploaded to the Company's website. The minutes of the AGM recording of the general meeting will be made available at the Company's website within 30 business days from the conclusion of the AGM.

The Company maintains a website, www.yli.com.my that allows the shareholders, investors and members of the public to gain access to information and new events relating to the Group.

The Company does not fall within the definition of large company and hence the adoption of integrated reporting is not applicable to the Company.

COMPLIANCE WITH THE MCCG

The Board is of the opinion that the Group had complied with the spirit and objectives of the MCCG. Although, there are departures from several practices as recommended in the MCCG, the Board believes that there are justifiable reasons for the departures and that the overall corporate governance of the Group is not compromised. Nevertheless, YLI will continue to strengthen its governance practices to safeguard the best interests of its shareholders and other stakeholders.

This Corporate Governance Overview Statement was approved by the Board on 29 May 2026.

ADDITIONAL COMPLIANCE INFORMATION

During the financial year:

a) Utilisation of proceeds from corporate proposals

No proceeds were raised by the Company from any corporate proposal.

b) Material contracts

There were no material contracts of the Company and its subsidiaries involving Directors' and/or major shareholders' interests.

c) Recurrent Related Party Transactions of Revenue Nature ("RRPT")

The Company did not enter into any RRPT.

d) Conviction for offences

None of the Directors has been convicted for offences within the past five (5) years other than traffic offences.

e) Audit and Non-Audit Fees

The amount of audit fees and non-audit fees payable to Messrs. Baker Tilly Monteiro Heng PLT and its affiliates for services rendered for the financial year ended 31 March 2026 are as follows:-

	Group RM'000	Company RM'000
Audit Fees	198	61
Non-Audit Fees	31	10

f) Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(i) Group Total Income and Total Assets

	Group	
	2026 RM'000	2025 RM'000
Revenue	65,886	48,014
Other income	17,813	7,750
Interest / Finance income	376	557
Total Income	84,075	56,321
Total Assets	162,348	228,537

ADDITIONAL COMPLIANCE INFORMATION

f) Disclosure of Financial Data for Shariah Screening (Cont'd)

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position. (Cont'd)

(ii) Business Activities

		Group	
Interest income	Remarks	2026 RM'000	2025 RM'000
<u>Shariah Non-compliant Activities</u>			
Interest income	Conventional account	160	131
Interest income	Islamic Account	216	426
Total		376	557

(iii) Component of Financial Position

Cash Component

	Group	
	2026 RM'000	2025 RM'000
<u>Islamic Account / Instruments</u>		
Cash and bank balances	1,020	6
Short-term deposits	4,974	4,955
	5,994	4,961

	Group	
	2026 RM'000	2025 RM'000
<u>Conventional Account / Instruments</u>		
Cash and bank balances	14,738	9,441
Short-term deposits	1,487	4,224
	16,225	13,665

ADDITIONAL COMPLIANCE INFORMATION

f) Disclosure of Financial Data for Shariah Screening (Cont'd)

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position. (Cont'd)

(iii) Component of Financial Position (Cont'd)

Debt Component

	Group	
	2026 RM'000	2025 RM'000
Islamic Financing		
Current		
Term loans	81	81
Hire purchase payables	72	40
Non-current		
Term loans	81	162
Hire purchase payables	350	198
Total Financing	584	481

	Group	
	2026 RM'000	2025 RM'000
Conventional Account / Instruments		
Current		
Term loans	910	797
Bank overdrafts	830	2,896
Bankers' acceptances	-	2,783
Lease liabilities	1,800	4,068
Hire purchase payables	113	72
Trust receipts	330	-
Revolving credit	1,000	2,000
Non-current		
Term loans	9,640	10,541
Lease liabilities	4,102	4,535
Hire purchase payables	466	129
Total Debt	19,191	27,821

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

Chairman

Dr. Hj. Badrul Hisham bin Mohd Yusoff (appointed on 31 October 2025)

Independent Non-Executive Director

Members

YBhg Datuk Haji Jalaludin Bin Haji Ibrahim

Independent Non-Executive Director

Miss Lim Yoke Moi (redesignated from Chairman to member on 31 October 2025)

Independent Non-Executive Director

Miss Hew Kam Mooi (retired on 31 August 2025)

Independent Non-Executive Director

TERMS OF REFERENCE

The Terms of Reference of the Audit and Risk Management Committee can be viewed in the Board Charter in the Company's website at www.yli.com.my

DETAILS OF ATTENDANCE OF MEMBERS AT AUDIT AND RISK MANAGEMENT COMMITTEE MEETINGS

For the financial year ended 31 March 2026, four (4) Audit and Risk Management Committee meetings were held.

The attendance of each member is set out below:

		May' 25	Aug' 25	Nov' 25	Feb' 26	
Committee Members	Position	Attendance				Total
Dr. Hj. Badrul Hisham bin Mohd Yusoff <i>(appointed as Chairman on 31 October 2025)</i>	Chairman	-	-	•	•	2/2
Miss Lim Yoke Moi <i>(redesignated as member on 31 October 2025)</i>	Member	•	•	•	•	4/4
YBhg Datuk Haji Jalaludin Bin Haji Ibrahim	Member	•	•	•	•	4/4
Miss Hew Kam Mooi <i>(retired on 31 August 2025)</i>	Member	•	•	-	-	2/2

Total number of meetings held: 4

SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee ("ARMC") in discharging its duties and functions in accordance with their Terms of Reference had carried out its works during the financial year ended 31 March 2026 as follows:-

1. The ARMC had ensured that the quarterly results of YLI Group complied with the Malaysian Financial Reporting Standard ("MFRS") and paragraph 9.22 of MMLR. The quarterly financial results for the 4th quarter ended 31 March 2025, 1st quarter ended 30 June 2025, 2nd quarter ended 30 September 2025 and 3rd quarter ended 31 December 2025 were reviewed by the ARMC at their meetings held in May 2025, August 2025, November 2025 and February 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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

2. At the ARMC Meeting held in May 2025, the ARMC discussed with the External Auditors their Audit Review Memorandum. The ARMC received the Internal Audit Report on Procurement to Payment for MRPI Pipes Sdn Bhd and Sustainability Reporting for YLI Holdings Berhad from the Internal Auditors. The ARMC also received the Enterprise Risk Management Report on Risk Profile Update from the Internal Auditors. The ARMC also reviewed the Statement on Risk Management and Internal Control and the ARMC Report and recommended it to the Board for approval and for inclusion in the 2025 Annual Report. The ARMC also recommended the External Auditors to be re-appointed at the annual general meeting of the Company to be held in 2025. The ARMC also reviewed the Terms of Reference of the ARMC. The ARMC reviewed the Business Plan and Budget for Financial Year Ended 31 March 2026 and recommended the same to the Board.
3. At the ARMC meeting held in August 2025, the ARMC received the Internal Audit Report on Sales and Distribution for Damini Corporation Sdn Bhd from the Internal Auditors.
4. At the ARMC meeting held in November 2025, the ARMC received the Internal Audit Report on Procurement to Payment for Delta Perdana Sdn Bhd from the Internal Auditors. The ARMC also reviewed the revised Business Plan for financial year ending 31 March 2026 and recommended the same to the Board.
5. At the ARMC meeting held in February 2026, the ARMC received the External Audit Plan for the year ending 31 March 2026 from the External Auditors. The ARMC received the Internal Audit Report on Operation (Factory Audit) for Delta Prima Metering Sdn Bhd and Delta Perdana Sdn Bhd. The existing Anti-Bribery and Corruption Policy was tabled for discussion and it remained status quo.
6. At each quarterly meeting, the ARMC discussed whether there were any related party transactions and conflicts of interest situation that may arise within the Group and asserted that there were no related party transactions for the year ended 31 March 2026.

SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Group's internal audit function has been outsourced since August 2023. The total costs incurred for internal audit amounted to RM46,000.00 for the year ended 31 March 2026.

The Group's internal audit activities are mainly carried out in accordance with the annual audit plan and selected ad-hoc audits on management's requests. The Internal Auditors adopted risk-based approach and focuses on financial, operational, compliance with applicable laws and assesses the adequacy of internal controls as well as the effectiveness of risk management framework for key operating companies within the Group. The representative of the Internal Auditors reports directly to the ARMC and assists the ARMC to monitor and manage risks and provide the ARMC with independent views on the effectiveness of the system of internal control after their reviews. The internal audit findings and recommendations of the Internal Auditors are reviewed quarterly by the ARMC and their recommendations for improvements on control and minutes of ARMC meetings are circulated to the Board.

The Internal Auditors carried out their duties during the financial year ended 31 March 2026 in accordance with their Internal Audit Plan and a summary of their activities are as follows:-

- (a) In May 2025, the Internal Auditors presented to the ARMC their Internal Audit Report on Procurement to Payment for MRPI Pipes Sdn Bhd and Sustainability Reporting for YLI Holdings Berhad and briefed the ARMC on the risk profile update in respect of Enterprise Risk Management Report.
- (b) In August 2025, the Internal Auditors presented to the ARMC their Internal Audit Report on Sales and Distribution for Damini Corporation Sdn Bhd.
- (c) In November 2025, the Internal Auditors presented to the ARMC their Internal Audit Report on Procurement to Payment for Delta Perdana Sdn Bhd.
- (d) In February 2026, the Internal Auditors presented to the ARMC their Internal Audit Report on Operation (Factory Audit) for Delta Prima Metering Sdn Bhd and Delta Perdana Sdn Bhd.
- (e) At each quarterly meeting, the Internal Auditor updated the ARMC on the status of all previous audit findings that had been followed-up, implemented or in-progress.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code of Corporate Governance requires listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investment and the Group's assets.

Guided by the Statement on Risk Management and Internal Control: Guidance for Directors of Listed Issuers, the Board of Director of YLI Holdings Berhad is pleased to present the Statement on Risk Management and Internal Control which is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad.

RESPONSIBILITY FOR RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises its overall responsibility for the Group's systems of risk management and internal control for reviewing the adequacy and integrity of those systems. In view of the limitations that are inherent in any systems of internal control, the systems of risk management and internal control are designed to manage risk within tolerable levels rather than eliminate the risk of failure to achieve business objectives. Hence, such system by its nature can only provide reasonable and not absolute assurance against material misstatement, error or losses.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing its business objectives. This process has been in place throughout the financial year and up to the date of approval of this statement. The adequacy and effectiveness of this process have been continually reviewed by the Board and are in accordance with the said Guidance in respect of risk management and internal control.

RISK MANAGEMENT

The Board and the management practice proactive significant risks identification 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, and 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.

INTERNAL AUDIT

The Board acknowledges the importance of internal audit function and has outsourced its internal audit function to an independent professional accounting and consulting firm, RTK Corporate Consulting (Malaysia) Sdn Bhd (f.k.a RSM Corporate Consulting (Malaysia) Sdn Bhd) as part of its efforts to provide the Audit and Risk Management Committee and the Board with objective assurance on the adequacy and effectiveness of the Group's risk management, internal controls and governance processes, in line with the SORMIC Guide 2025.

The outsourced internal audit team operates as the third line of defense, reporting functionally to the Audit and Risk Management Committee and led by qualified professionals with extensive experience in internal auditing and risk management, holding certifications such as Certified Internal Auditors and Chartered Certified Accountants. Independence is ensured through contractual arrangement and unrestricted access to records, personnel and management, with no operational responsibility.

The internal audits are conducted in accordance with the Global Internal Audit Standards of the International Practices Framework (IPPF) by The Institute of Internal Auditors (IIA). The internal auditors adopt a risk-based approach in developing its audit plan, covering significant operational, financial, compliance and strategic risks. The performance of internal audit function is carried out as per the annual audit plan approved by the Audit and Risk Management Committee.

The internal audits ascertain that the risks are effectively mitigated by the controls. On a quarterly basis or earlier as appropriate, the internal auditors report to the Audit and Risk Management Committee on areas for improvement. The highlighted areas will be followed up closely to determine the extent of their recommendations that have been implemented by the management.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL

Apart from risk management and internal audit, the Group has put in place the following key elements of internal control:

- An organization structure with well-defined scopes of responsibility, clear lines of accountability, and appropriate levels of delegated authority;
- A process of hierarchical reporting which provides a documented and auditable trail of accountability;
- A set of documented internal policies and procedures which is subject to review and improvement when needed;
- Regular and comprehensive information provided to management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;
- Quarterly monitoring of results against budget, with major variances being followed up and management action taken, where necessary; and
- Regular visits to operating units by members of the Board and senior management.

WHISTLE BLOWING POLICY

A Whistle Blowing Policy for the Group has been adopted effective 23 February 2012. The policy is built into the Group's culture, abhorrence for fraud, and aims to provide broad principles and strategy for the Group to adopt in relation to fraud in order to promote high standard of integrity. It also promotes a transparent and open environment for fraud reporting within the Group. The Policy reaffirms the Board's commitment to safeguard those who report in good faith against any form of reprisal.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement on Risk Management and Internal Control under a limited assurance engagement. Their limited assurance engagement was performed in accordance with Audit and Assurance Practice Guide (AAPG) 3 Guidance for Auditors on Engagement to Report on Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants.

Based on their limited assurance engagement, the External Auditors have reported to the Board that nothing has come to their attention that caused them to believe that this statement is not prepared in all material aspects, in accordance with disclosure required by Section 7 of the Statement of Risk Management and Internal Control: Guidance for Directors of Listed Companies, nor is the statement factually inaccurate.

CONCLUSION

The Board has received assurance from Group Managing Director that the Group's risk management and internal control systems have been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this statement. Taking this assurance into consideration, the Board is of the view that there were no significant weaknesses in the current systems of risk management and internal control of the Group that may have a material impact on the operations of the Group for the financial year ended 31 March 2026. The Board and the management will continue to take necessary measures and ongoing commitment to strengthen and improve its internal control environment and risk management.

This statement is issued in accordance with a resolution of the Directors dated 29 May 2026.

DIRECTORS'

RESPONSIBILITY STATEMENT

In Respect Of Annual Audited Financial Statements

The Directors are required by the Companies Act 2016 ("CA") to prepare financial statements for each financial year which have been made out in accordance with the applicable Malaysian Financial Reporting Standards (MFRSs), the International Financial Standards (IFRSs) and the requirements of the CA in Malaysia. The Directors are responsible to ensure that the financial statements 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.

In preparing the financial statements, the Directors have:-

- adopted appropriate accounting policies and applied them consistently;
- made judgements and estimates where applicable that are prudent, just and reasonable; and
- prepared the financial statements on a going concern basis.

The Directors also 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.

04

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DIRECTORS' REPORT

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of trading of ductile iron pipes, plastic pipes and fittings and waterwork related products, trading of steel pipes and related products, construction and project management, trading in scrap metal, supplying chemicals and equipments, manufacturing and trading of energy meters, water meters and other related activities.

There have been no significant changes in the nature of these principal activities during the financial year other than the cessation of manufacturing of plastic pipes.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year, net of tax	(46,411)	(5,086)
Attributable to:		
Owners of the Company	(44,727)	(5,086)
Non-controlling interests	(1,684)	-
	(46,411)	(5,086)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 March 2026.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

DIRECTORS' REPORT

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

In the opinion of the directors, other than disclosed in Note 36 to the financial statement, no contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors, other than as disclosed in the financial statements,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and of the Company during the financial year were RM198,000 and RM61,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

DIRECTORS' REPORT

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

TREASURY SHARES

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

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

The number of treasury shares held at the end of the financial year was 121,000 (2025: 121,000) units. Such treasury shares are held at a carrying amount of RM107,620 (2025: RM107,620).

As at 31 March 2026, the number of outstanding shares in issue after setting off treasury shares against equity is 112,829,873 (2025: 112,829,873) shares.

DIRECTORS

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

Dato' Abdul Jalil Bin Abdul Karim

Seah Heng Chin *

Shamshiah Binti Hashim @ Abu Bakar *

Datuk Haji Jalaludin Bin Haji Ibrahim

Lim Yoke Moi

Dr. Haji Badrul Hisham Bin Mohd Yusoff

(Appointed on 31 October 2025)

Azmi Bin Mohd *

(Appointed on 19 March 2026)

Hew Kam Mooi

(Retired on 31 August 2025)

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato' Borhanuddin Bin Ramli

Lo See Yong

Aidil Bin Abdul Aziz

Mohd Khair Bin Mat Saman

Anuar Shukry Bin Ismail @ Che Wan Mahmud

(Resigned on 31 October 2025)

DIRECTORS' REPORT

DIRECTORS' INTERESTS

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

	At 1 April 2025 '000	Number of ordinary shares		At 31 March 2026 '000
		Bought '000	Sold '000	

The Company

Deemed Interests:

Shamshiah Binti Hashim @ Abu Bakar *	32,510	-	-	32,510
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* Deemed interest in YLI Holdings Berhad ("YLI") by virtue of her substantial shareholding in Suasana Karisma Sdn. Bhd.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

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

The directors' benefits of the Group and of the Company were as follows:

	Group RM'000	Company RM'000
Directors of the Company		
Fees	108	58
Other emoluments	1,235	281
Defined contribution plans	141	-
	1,484	339

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were RM5,000,000 and RM17,290 respectively.

DIRECTORS' REPORT

SUBSIDIARIES

The details of the Company's subsidiaries are as follows:

Name of companies	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2026 %	2025 %	
Yew Lean Foundry & Co. Sdn. Bhd.	Malaysia	100%	100%	Trading of ductile iron pipes, fittings and other related products. The Company ceased its manufacturing operations in year 2025.
Yew Li Foundry & Co. Sdn. Bhd.	Malaysia	100%	100%	Trading of cast iron fittings, saddles and manhole covers and fabrication of pipes.
Logam Utara (M) Sdn. Bhd.	Malaysia	100%	100%	Trading of all kinds of metal and non-metal waste and scrap, UVPC, ductile iron pipes and fittings, sanitary fittings and brass fittings.
Yew Lean Industries Sdn. Bhd.	Malaysia	100%	100%	Property development, construction of buildings, wholesale of other construction materials, hardware, plumbing and heating equipment and supplies.
Laksana Wibawa Sdn. Bhd.	Malaysia	51%	51%	Trading of steel pipes and related products. The Company ceased its manufacturing operations in year 2023.
Haluan Prisma Sdn. Bhd.	Malaysia	70%	70%	Construction and project management.
MRPI Pipes Sdn. Bhd.	Malaysia	70%	70%	Trading of HDPE Pipes & MDPE Pipes. The Company ceased its manufacturing operations in year 2025.
Damini Corporation Sdn. Bhd	Malaysia	80%	80%	Supplying chemicals and equipment for waste and water treatment, oil and gas and general trading.
Subsidiary of Yew Lean Foundry & Co. Sdn. Bhd.				
Zenith Eastern (M) Sdn. Bhd.	Malaysia	100%	100%	Property investment holding.
Subsidiaries of Damini Corporation Sdn. Bhd.				
Delta Perdana Sdn. Bhd.	Malaysia	100%	100%	Manufacturing and trading of water meters, general trader and other related activities.
Delta Prima Metering Sdn. Bhd.	Malaysia	97.5%	97.5%	Manufacturing and trading of energy meters.
DMC Digital Media Sdn. Bhd.	Malaysia	100%	100%	Dormant.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

DIRECTORS' REPORT

EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

- (a) On 3 June 2026, Yew Lean Foundry & Co. Sdn. Bhd. ("YLF"), a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement to dispose of 2 plots of industrial land of the Lot. 2432 (PT 1359), Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang and Lot. 2462 (PT 1424), Lorong Perusahaan 10, Prai Industrial Estate, 13600 Prai, Pulau Pinang together with the 33kV electrical system and substation erected thereon for a total cash consideration of RM 28,500,000. The land disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.
- (b) On 29 June 2026, Yew Lean Industries Sdn. Bhd. ("YLISB"), a wholly owned subsidiary of the Company has entered into a joint development agreement with Puncak Alam Housing Sdn. Bhd. ("the Landowner") to undertake a development on a land located at Plot 1, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor measuring approximately 10.963 acres. YLISB has yet to apply for any approval from the relevant authorities for the development as at the date of authorisation of these financial statements.
- (c) On 2 July 2026, the Company proposes to undertake a reduction of the issued share capital of the Company pursuant to Section 116 of the Companies Act 2016. The Proposed Capital Reduction is subject to the approval of the shareholders of the Company at an extraordinary general meeting to be convened and the order from the High Court of Malaya pursuant to Section 116 of the Act to be obtained as at the date of authorisation of these financial statements.
- (d) On 27 July 2026, Zenith Eastern (M) Sdn. Bhd. ("Zenith"), a wholly owned sub-subsidiary of the Company has entered into a Sale and Purchase Agreement to dispose one (1) unit of single-storey detached factory erected on land held under HS(D) 37829 (PT 445) Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang for a total cash consideration of RM14,000,000. The disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.
- (e) On 27 July 2026, Yew Lean Foundry & Co Sdn. Bhd., a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement to dispose one (1) unit of single storey detached factory erected on land held under HS(D) 37820 (PT 434) Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang for a total cash consideration of RM14,000,000. The disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.

DIRECTORS' REPORT

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors:

.....
SHAMSHIAH BINTI HASHIM @ ABU BAKAR

Director

.....
SEAH HENG CHIN

Director

Date : 30 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	25,607	16,052	8,918	7,392
Investment properties	6	65,600	103,200	-	-
Intangible assets	7	496	1,799	-	-
Investment in subsidiaries	8	-	-	63,238	67,959
Deferred tax assets	9	636	3,221	-	-
Lease receivable	10	-	2,317	-	2,317
Other investment	11	39	39	-	-
Contract costs	12	616	-	-	-
Total non-current assets		92,994	126,628	72,156	77,668
Current assets					
Inventories	13	19,059	53,511	-	-
Current tax assets		199	318	2	2
Trade and other receivables	14	25,866	21,508	1,138	1,814
Contract assets	15	1,844	6,023	-	-
Contract costs	12	167	-	-	-
Lease receivable	10	-	1,923	-	1,923
Cash and short-term deposits	16	22,219	18,626	54	268
Total current assets		69,354	101,909	1,194	4,007
TOTAL ASSETS		162,348	228,537	73,350	81,675
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	114,259	114,259	114,259	114,259
Treasury shares	18	(108)	(108)	(108)	(108)
Other reserves	19	25,911	56,262	(1,467)	(1,467)
Accumulated losses		(39,939)	(27,984)	(45,835)	(40,749)
		100,123	142,429	66,849	71,935
Non-controlling interests		14,473	16,157	-	-
TOTAL EQUITY		114,596	158,586	66,849	71,935
Non-current liabilities					
Loans and borrowings	20	14,632	15,565	4,102	4,514
Deferred tax liabilities	9	6,289	10,327	-	-
Total non-current liabilities		20,921	25,892	4,102	4,514
Current liabilities					
Loans and borrowings	20	5,143	12,737	1,768	3,843
Provision for warranty	21	-	87	-	-
Current tax liabilities		47	17	-	-
Trade and other payables	22	21,614	31,103	631	1,383
Contract liabilities	15	27	115	-	-
Total current liabilities		26,831	44,059	2,399	5,226
TOTAL LIABILITIES		47,752	69,951	6,501	9,740
TOTAL EQUITY AND LIABILITIES		162,348	228,537	73,350	81,675

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	23	65,886	48,014	110	110
Cost of sales		(78,759)	(92,151)	-	-
Gross (loss)/profit		(12,873)	(44,137)	110	110
Other income		17,813	7,750	413	2,579
Selling and distribution expenses		(881)	(1,259)	-	-
Administrative expenses		(24,029)	(13,823)	(4,038)	(4,044)
Other expenses		(18,009)	(5,406)	(1,306)	(744)
Net of impairment losses on financial instruments and contract assets		(3,798)	21	-	-
Operating loss		(41,777)	(56,854)	(4,821)	(2,099)
Finance costs	24	(1,271)	(789)	(247)	(171)
Finance income	25	376	557	7	89
Loss before tax	26	(42,672)	(57,086)	(5,061)	(2,181)
Tax (expense)/credit	28	(3,739)	249	(25)	-
Loss for the financial year		(46,411)	(56,837)	(5,086)	(2,181)
Other comprehensive income, net of tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Surplus on revaluation of property		-	58,588	-	-
Other comprehensive income for the financial year		-	58,588	-	-
Total comprehensive (loss)/ income for the financial year		(46,411)	1,751	(5,086)	(2,181)
Loss attributable to:					
Owners of the Company		(44,727)	(55,165)	(5,086)	(2,181)
Non-controlling interests		(1,684)	(1,672)	-	-
		(46,411)	(56,837)	(5,086)	(2,181)
Total comprehensive (loss)/ income attributable to:					
Owners of the Company		(44,727)	2,564	(5,086)	(2,181)
Non-controlling interests		(1,684)	(813)	-	-
		(46,411)	1,751	(5,086)	(2,181)
Loss per share attributable to owners of the Company (sen):					
- Basic	29	(39.64)	(52.51)		
- Diluted	29	(39.64)	(52.51)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Group	Note	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2024		110,159	(108)	(1,467)	27,181	135,765	13,282	149,047
Loss for the financial year		-	-	-	(55,165)	(55,165)	(1,672)	(56,837)
Other comprehensive income for the financial year		-	-	57,729	-	57,729	859	58,588
Total comprehensive income		-	-	57,729	(55,165)	2,564	(813)	1,751
Transaction with owners								
Issue of ordinary shares	17	4,100	-	-	-	4,100	-	4,100
Non-controlling interests arising from acquisition of subsidiaries	8(d)	-	-	-	-	-	3,688	3,688
Total transactions with owners		4,100	-	-	-	4,100	3,688	7,788
At 31 March 2025		114,259	(108)	56,262	(27,984)	142,429	16,157	158,586
Total comprehensive loss for the financial year		-	-	-	(44,727)	(44,727)	(1,684)	(46,411)
Realisation in revaluation due to disposal/written off of assets	19	-	-	(30,351)	29,498	(853)	-	(853)
Realisation in deferred taxation previously recognised on revaluation	9	-	-	-	3,274	3,274	-	3,274
At 31 March 2026		114,259	(108)	25,911	(39,939)	100,123	14,473	114,596

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

	Note	Share capital RM'000	Treasury shares RM'000	Other reserves RM'000	Accumulated losses RM'000	Total equity RM'000
Company						
At 1 April 2024		110,159	(108)	(1,467)	(38,568)	70,016
Issue of ordinary shares	17	4,100	-	-	-	4,100
Total comprehensive loss for the financial year		-	-	-	(2,181)	(2,181)
At 31 March 2025		114,259	(108)	(1,467)	(40,749)	71,935
Total comprehensive loss for the financial year		-	-	-	(5,086)	(5,086)
At 31 March 2026		114,259	(108)	(1,467)	(45,835)	66,849

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from operating activities					
Loss before tax		(42,672)	(57,086)	(5,061)	(2,181)
Adjustments for:					
Amortisation of contract costs	12	200	-	-	-
Amortisation of intangible assets	7	426	32	-	-
Bargain purchase on business combination	8(d)	-	(7,083)	-	-
Depreciation of property, plant and equipment	5	3,510	5,727	2,375	2,496
Fair value gain on investment properties	6	(13,500)	-	-	-
Fair value loss on other investment		-	5	-	-
Gain on derecognition of right-of-use assets		-	(160)	-	(160)
Gain on disposal of other investment		-	(16)	-	-
Gain/(Loss) on termination of lease liability		(54)	1	(54)	-
Impairment loss on contract assets	15	3,793	-	-	-
Impairment loss on investment in subsidiaries	8(d)	-	-	1,306	744
Impairment loss on property, plant and equipment	5	-	4,838	-	-
Impairment loss on trade and other receivables	14	12	1	-	-
Interest expense	24	1,271	789	247	171
Interest income	25	(376)	(557)	(7)	(89)
Investment properties written off	6	14,100	-	-	-
Inventories written down	13	1,863	25,153	-	-
Loss on disposal of investment properties		2,643	-	-	-
Loss on disposal of property, plant and equipment		86	565	-	-
Loss on termination of lease receivable		74	-	74	-
Other receivables and deposits written off		307	3	-	-
Property, plant and equipment written off	5	873	-	-	-
Reversal of impairment loss on invesment in a subsidiary	8	-	-	-	(2,298)
Reversal of impairment loss on trade and other receivables	14	(7)	(22)	-	-
Reversal of provision on warranty	21	(87)	-	-	-
Unrealised (gain)/loss on foreign exchange		(349)	126	-	-
Operating loss before changes in working capital carried forward					
		(27,887)	(27,684)	(1,120)	(1,317)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

		Group	Company		
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from operating activities (Cont'd)					
Operating loss before changes in working capital brought forward					
		(27,887)	(27,684)	(1,120)	(1,317)
Changes in working capital:					
Inventories		32,589	19,586	-	-
Trade and other receivables		(4,670)	6,046	676	(689)
Contract assets		386	(385)	-	-
Contract costs		(106)	-	-	-
Lease receivable		339	1,491	339	1,491
Trade and other payables		(8,158)	(6,782)	(752)	938
Contract liabilities		(88)	(927)	-	-
Net cash (used in)/generated from operations					
		(7,595)	(8,655)	(857)	423
Interest paid		(1,271)	(789)	(247)	(171)
Interest received		376	557	7	89
Tax paid		(1,982)	(107)	(26)	-
Tax refunded		213	426	1	5
Net cash (used in)/from operating activities					
		(10,259)	(8,568)	(1,122)	346
Cash flows from investing activities					
Acquisition of subsidiaries	8(d)	-	95	-	(3,500)
Repayments from subsidiaries		-	-	3,415	2,445
Proceeds from disposal of other investment		-	74	-	-
Proceeds from disposal of property, plant and equipment		34	3,539	-	-
Net proceeds from disposal of investment properties		26,357	-	-	-
Purchase of property, plant and equipment	(b)	(2,741)	(3,617)	(444)	(3,366)
Placement of fixed deposits with licensed bank		(15)	(403)	-	-
Net cash from/(used in) investing activities					
		23,635	(312)	2,971	(4,421)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash flows from financing activities					
Drawdown of short-term borrowing	(c)	330	2,783	-	-
Repayment of hire purchase	(c)	(124)	(92)	-	-
Repayments of lease liabilities	(c)	(2,304)	(3,852)	(2,063)	(3,789)
Repayment of short-term borrowing	(c)	(3,783)	(9,304)	-	-
Repayment of term loans	(c)	(869)	(220)	-	-
Repayment to a corporate shareholder of a subsidiary	(c)	(382)	(391)	-	-
Repayment to directors	(c)	(600)	(800)	-	-
Net cash used in financing activities		(7,732)	(11,876)	(2,063)	(3,789)
Net increase/(decrease) in cash and cash equivalents		5,644	(20,756)	(214)	(7,864)
Cash and cash equivalents at the beginning of the financial year		14,527	35,406	268	8,132
Effects of exchange rate changes on cash and cash equivalents		-	(123)	-	-
Cash and cash equivalents at the end of the financial year		(a) 20,171	14,527	54	268

(a) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	16	15,758	9,447	54	268
Short-term deposits	16, (i)	6,461	9,179	-	-
		22,219	18,626	54	268
Less:					
Deposits with maturity periods more than 3 months	(ii)	(1,218)	(1,203)	-	-
Bank overdrafts	20	(830)	(2,896)	-	-
		20,171	14,527	54	268

- (i) The short-term deposits of the Group bear effective interest at rates ranging from 1.32% to 3.20% (2025: 2.00% to 3.70%) per annum and mature within 30 days to 12 months (2025: 14 days to 12 months).
- (ii) The deposits placed with licensed banks for the maturity period more than 3 months bear interest at rates ranging from 2.05% to 2.10% (2025: 2.50% to 2.80%) per annum and having a maturity period of 12 months (2025: 12 months).

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 (CONT'D)

(b) Purchase of property, plant and equipment:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Additions of property, plant and equipment	10,739	9,688	7,729	9,437
Less: Financed by way of lease arrangement	(7,312)	(6,071)	(7,285)	(6,071)
Less: Financed by way of hire purchase arrangement	(686)	-	-	-
	2,741	3,617	444	3,366

(c) Reconciliation of liabilities arising from financing activities:

	1 April 2025 RM'000	Cash flows RM'000	Non-cash acquisition/ (termination) RM'000	31 March 2026 RM'000
Group				
Term loans	11,581	(869)	-	10,712
Lease liabilities	8,603	(2,304)	(397)	5,902
Hire purchase payables	439	(124)	686	1,001
Short-term borrowings	4,783	(3,453)	-	1,330
Amount due to a corporate shareholder of a subsidiary	382	(382)	-	-
Amount due to directors	602	(600)	-	2
	26,390	(7,732)	289	18,947
Company				
Lease liabilities	8,357	(2,063)	(424)	5,870

	1 April 2024 RM'000	Cash flows RM'000	Acquisition of subsidiaries RM'000	Non-cash acquisition/ (termination) RM'000	31 March 2025 RM'000
Group					
Term loans	-	(220)	11,801	-	11,581
Lease liabilities	6,096	(3,852)	302	6,057	8,603
Hire purchase payables	470	(92)	61	-	439
Short-term borrowings	11,304	(6,521)	-	-	4,783
Amount due to a corporate shareholder of a subsidiary	773	(391)	-	-	382
Amount due to directors	-	(800)	1,402	-	602
	18,643	(11,876)	13,566	6,057	26,390
Company					
Lease liabilities	6,075	(3,789)	-	6,071	8,357

(d) Total cash outflows for leases

During the financial year, the Group and the Company had total cash outflows for leases of RM2,687,665 (2025: RM4,350,558) and RM2,310,000 (2025: RM3,960,000) respectively.

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

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

1. CORPORATE INFORMATION

YLI Holdings Berhad (“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 3rd Floor, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur. The principal place of the business of the Company is located at 3rd Floor, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of trading of ductile iron pipes, plastic pipes and fittings and waterwork related products, trading of steel pipes and related products, construction and project management, trading in scrap metal, supplying chemicals and equipments, manufacturing and trading of energy meters, water meters and other related activities.

There have been no significant changes in the nature of these principal activities during the financial year other than the cessation of manufacturing of plastic pipes.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 July 2026.

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 Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year:

MFRS 121 The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

**Effective for financial
periods beginning
on or after**

New MFRSs

MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

Amendments to MFRSs

MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7 Financial Instruments: Disclosures	1 January 2026
MFRS 9 Financial Instruments	1 January 2026
MFRS 10 Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
MFRS 107 Statements of Cash Flows	1 January 2026
MFRS 121 The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128 Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

2. BASIS OF PREPARATION (CONT'D)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (Cont'd)

- (b) The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (Cont'd)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to:

- investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.
- (c) The initial application of the above applicable new MFRSs amendments to MFRSs is not expected to have material financial impact to the current and prior years financial statements of the Group and of the Company.

2.4 Functional and presentation currency

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

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

2.6 Fundamental accounting principle

During the financial year ended 31 March 2026, the Company incurred a net loss of RM5,085,877. As of that date, the Company's current liabilities exceeded its current assets by RM1,205,535. Despite this, the Group's financial position, including repayment of advances from subsidiaries, provides adequate resources to enable the Company in meeting its obligations and continue its operations of at least 12 months from the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group, except for those business combinations which were accounted for using merger method of accounting. Four subsidiaries (i.e. Laksana Wibawa Sdn. Bhd., Haluan Prisma Sdn. Bhd., MRPI Pipes Sdn. Bhd. and Damini Corporation Sdn. Bhd.) are consolidated using acquisition method of accounting, the rest of the subsidiaries are accounted for using merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the result of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to merger reserve or merger deficit.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries is measured at cost less any accumulated impairment losses.

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

3.3 Financial instruments

Financial assets - subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group subsequently measures these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost.

The Group and the Company subsequently measure these financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.4 Property, plant and equipment

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

Freehold land has an unlimited useful life and therefore is not depreciated. Capital work in progress are not depreciated as these assets are not yet available for use.

All other property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5) are depreciated on a straight-line basis by allocating their depreciable amounts over their remaining useful lives at the following annual rates:

Land and buildings	2% – 4.5%
Plant, machinery, tools and equipment	5% – 20%
Furniture and fittings	5% – 20%
Office and other equipment	8% – 33.3%
Motor vehicles	10% – 20%
Renovation	10% – 20%

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 20.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the increment borrowing rate.

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

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.7 Intangible assets

Intangible assets are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives (years)
Fair value of order book	Percentage of completion	2 years

3.8 Inventories

Trading inventories, finished goods, inventories-in-transit, work-in-progress and raw materials are stated at the lower of cost determined on the first-in first-out basis and net realisable value.

Cost of finished goods and work-in-progress includes cost of raw materials, direct labour and a proportion of manufacturing overheads (based on normal operating capacity). It excludes borrowing costs. Cost of trading inventories, raw materials, inventories-in-transit and stores and spares includes the original purchase price and the incidental cost of bringing the inventories to their present locations and conditions.

3.9 Revenue and other income

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components as the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Sales of goods

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

Sales are made with a credit term of 1 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present

(b) Rendering of services

Revenue is recognised at a point in time when the services have been rendered to the customers and coincides with the delivery of services and acceptance by customers.

Sales are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present.

(c) Rental income

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

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Management fees

Management fees are recognised over time as services are rendered based on time elapsed. Credit term of the management fee billed is 30 days.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

3.10 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. 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 assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

3.11 Contract costs

The Group has applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the amortisation periods of the asset that the Group otherwise would have recognised are one year or less.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

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

4.1 Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged external valuer to determine the fair values. The valuation methods adopted by the valuer include comparison method, being comparison of transacted prices in an active market for similar properties in close proximity and where necessary, adjusting for location, accessibility, time, size, tenure, market uncertainty and other differences; cost method, being current estimates on construction costs to erect equivalent buildings are adopted and appropriate adjustments are then made for factors of obsolescence buildings are adopted. Judgement is made in determining the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the Group's investment properties are disclosed in Note 6.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)

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

4.2 Write-down of slow-moving inventories

The Group writes down their slow-moving inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that carrying amounts may not be recoverable. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amount of the Group's inventories are disclosed in Note 13.

4.3 Impairment of trade receivables and contract assets

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

The Group individually assessed to calculate ECL for trade receivables and contract assets. The individually assessed ECL may be based on indicators such as changes in financial capability of the receivables, and default or significant delay in payments.

The information about the impairment losses on the Group's trade receivables and contract assets are disclosed in Note 30(b)(i).

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

5. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture and fittings RM'000	Office and other equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work in progress RM'000	Right-of- use assets RM'000	Total RM'000
2026									
Cost									
At 1 April 2025	5,175	10,673	1,728	4,165	3,851	2,273	1,235	10,820	39,920
Additions	-	-	50	499	750	96	2,032	7,312	10,739
Disposals	-	(61)	-	(18)	(955)	-	-	-	(1,034)
Written off	(672)	(8,249)	(386)	(1,094)	(4)	-	-	(853)	(11,258)
Reclassification	-	-	232	349	-	654	(1,235)	-	-
Termination of lease	-	-	-	-	-	-	-	(8,107)	(8,107)
Transfer from investment property	-	-	-	-	-	-	-	8,000	8,000
At 31 March 2026	4,503	2,363	1,624	3,901	3,642	3,023	2,032	17,172	38,260
Accumulated depreciation									
At 1 April 2025	2,578	7,858	1,211	3,073	3,055	1,290	-	4,803	23,868
Depreciation charge for the financial year	85	442	179	305	143	268	-	2,088	3,510
Disposals	-	(59)	-	(11)	(844)	-	-	-	(914)
Written off	(555)	(7,542)	(365)	(1,066)	(4)	-	-	-	(9,532)
Termination of lease	-	-	-	-	-	-	-	(4,279)	(4,279)
At 31 March 2026	2,108	699	1,025	2,301	2,350	1,558	-	2,612	12,653
Carrying amount									
At 31 March 2026	2,395	1,664	599	1,600	1,292	1,465	2,032	14,560	25,607

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

Group	Land and buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture and fittings RM'000	Office and other equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work in progress RM'000	Right-of-use assets RM'000	Total RM'000
2025									
Cost									
At 1 April 2024	7,806	81,593	878	1,538	5,167	-	8,784	42,831	148,597
Acquisition of subsidiaries (Note 8)	2,100	2,795	398	1,635	1,049	1,546	-	270	9,793
Additions	30	178	452	995	-	727	1,235	6,071	9,688
Revaluation surplus	15,856	-	-	-	-	-	-	49,302	65,158
Disposals	-	(440)	-	(3)	(2,365)	-	(8,784)	-	(11,592)
Termination of lease	-	-	-	-	-	-	-	(69)	(69)
Derecognition of right-of-use assets	-	-	-	-	-	-	-	(5,571)	(5,571)
Transfer to inventories	-	(73,453)	-	-	-	-	-	-	(73,453)
Transfer to investment property	(20,617)	-	-	-	-	-	-	(82,014)	(102,631)
At 31 March 2025	5,175	10,673	1,728	4,165	3,851	2,273	1,235	10,820	39,920
Accumulated depreciation									
At 1 April 2024	3,211	67,964	744	1,355	3,961	-	-	18,309	95,544
Acquisition of subsidiaries (Note 8)	-	1,505	379	1,585	986	1,250	-	146	5,851
Depreciation charge for the financial year	93	2,026	88	136	137	40	-	3,207	5,727
Disposals	-	(22)	-	(3)	(2,029)	-	-	-	(2,054)
Termination of lease	-	-	-	-	-	-	-	(54)	(54)
Transfer to inventories	-	(63,615)	-	-	-	-	-	-	(63,615)
Transfer to investment property	(726)	-	-	-	-	-	-	(16,805)	(17,531)
At 31 March 2025	2,578	7,858	1,211	3,073	3,055	1,290	-	4,803	23,868

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

Group (Cont'd)	Land and buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture and fittings RM'000	Office and other equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work in progress RM'000	Right-of- use assets RM'000	Total RM'000
2025									
Accumulated impairment loss									
At 1 April 2024	-	-	-	-	-	-	5,434	-	5,434
Charge for the financial year	-	4,838	-	-	-	-	-	-	4,838
Disposals	-	-	-	-	-	-	(5,434)	-	(5,434)
Transfer to inventories	-	(4,838)	-	-	-	-	-	-	(4,838)
At 31 March 2025	-	-	-	-	-	-	-	-	-
Carrying amount									
At 31 March 2025	2,597	2,815	517	1,092	796	983	1,235	6,017	16,052

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

Company 2026	Office and other equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Capital work in progress RM'000	Right-of- use assets RM'000	Total RM'000
Cost						
At 1 April 2025	953	452	726	1,235	8,107	11,473
Additions	298	50	96	-	7,285	7,729
Reclassification	349	232	654	(1,235)	-	-
Termination of lease	-	-	-	-	(8,107)	(8,107)
At 31 March 2026	1,600	734	1,476	-	7,285	11,095
Accumulated depreciation						
At 1 April 2025	59	33	27	-	3,962	4,081
Depreciation charge for the financial year	201	122	217	-	1,835	2,375
Termination of lease	-	-	-	-	(4,279)	(4,279)
At 31 March 2026	260	155	244	-	1,518	2,177
Carrying amount						
At 31 March 2026	1,340	579	1,232	-	5,767	8,918
Cost						
At 1 April 2024	-	-	-	-	7,607	7,607
Additions	953	452	726	1,235	6,071	9,437
Derecognition of right -of-use assets	-	-	-	-	(5,571)	(5,571)
At 31 March 2025	953	452	726	1,235	8,107	11,473
Accumulated depreciation						
At 1 April 2024	-	-	-	-	1,585	1,585
Depreciation charge for the financial year	59	33	27	-	2,377	2,496
At 31 March 2025	59	33	27	-	3,962	4,081
Carrying amount						
At 31 March 2025	894	419	699	1,235	4,145	7,392

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

Analysis of land and buildings:

Group	Freehold land RM'000	Buildings RM'000	Renovation RM'000	Total RM'000
2026				
Cost				
At 1 April 2025	163	2,224	2,788	5,175
Written off	-	-	(672)	(672)
At 31 March 2026	163	2,224	2,116	4,503
Accumulated depreciation				
At 1 April 2025	-	67	2,511	2,578
Depreciation charge for the financial year	-	44	41	85
Written off	-	-	(555)	(555)
At 31 March 2026	-	111	1,997	2,108
Carrying amount				
At 31 March 2026	163	2,113	119	2,395
2025				
Cost				
At 1 April 2024	3,482	867	3,457	7,806
Acquisition of subsidiaries	-	2,100	-	2,100
Additions	-	-	30	30
Revaluation surplus	10,331	5,525	-	15,856
Transfer to investment properties	(13,650)	(6,268)	(699)	(20,617)
At 31 March 2025	163	2,224	2,788	5,175
Accumulated depreciation				
At 1 April 2024	-	366	2,845	3,211
Depreciation charge for the financial year	-	19	74	93
Transfer to investment properties	-	(318)	(408)	(726)
At 31 March 2025	-	67	2,511	2,578
Carrying amount				
At 31 March 2025	163	2,157	277	2,597

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

(a) Assets pledged as security

The carrying amount of assets pledged as security for borrowings of subsidiaries (Note 20) are as follows:

	2026 RM'000	Group 2025 RM'000
Right-of-use assets - Buildings on leasehold land	2,544	818
Right-of-use assets - Leasehold land	6,131	-
Buildings on freehold land	2,058	2,100
	10,733	2,918

Motor vehicles with carrying amount of RM1,205,741 (2025: RM577,011) have been pledged as security for hire purchase arrangement as disclosed in Note 20(c).

(b) Capital work in progress

Capital work-in-progress of the Group and of the Company was the renovation in progress with carrying amount of RM2,032,484 (2025: RM1,235,303).

(c) Right-of-use assets ("ROU assets")

Information about leases for which the Group and the Company are lessees are presented below:

	Leasehold land RM'000	Group Buildings RM'000	Total RM'000
Carrying amount			
At 1 April 2024	7,155	17,367	24,522
Acquisition of subsidiaries	-	124	124
Additions	-	6,071	6,071
Revaluation surplus	31,862	17,440	49,302
Termination of lease	-	(15)	(15)
Derecognition of right-of-use assets	-	(5,571)	(5,571)
Depreciation charge for the financial year	(326)	(2,881)	(3,207)
Transfer to investment properties	(38,691)	(26,518)	(65,209)
At 31 March 2025	-	6,017	6,017
Additions	-	7,312	7,312
Written off	-	(853)	(853)
Termination of lease	-	(3,828)	(3,828)
Depreciation charge for the financial year	(69)	(2,019)	(2,088)
Transfer from investment properties	6,200	1,800	8,000
At 31 March 2026	6,131	8,429	14,560

NOTES TO THE FINANCIAL STATEMENTS

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

(c) Right-of-use assets ("ROU assets") (Cont'd)

The buildings of the Group with net carrying amount of RM14,560,090 (2025: RM6,017,106) are for their office space and operation site. The Group's leasehold land and buildings are with lease terms at a range from 4 to 99 years (2025: 2 to 99 years), including the renewed terms and the remaining lease terms range from 67 to 89 years (2025: 68 to 74 years).

	Company Building RM'000
Carrying amount	
At 1 April 2024	6,022
Additions	6,071
Derecognition of right-of-use assets	(5,571)
Depreciation charge for the financial year	(2,377)
At 31 March 2025	4,145
Additions	7,285
Termination of lease	(3,828)
Depreciation charge for the financial year	(1,835)
At 31 March 2026	5,767

The building of the Company with net carrying amount of RM5,767,574 (2025: RM4,144,760) is for its office space. The Company's buildings are with lease terms of 4 years (2025: 2 years), including the renewed terms.

- (d) In the previous financial year, the Group revalued and reclassified certain properties to investment properties carried at fair value. When an owner-occupied property becomes an investment property carried at fair value, the Group depreciates the property (or the right-of-use asset) and recognises any impairment losses that have occurred. The Group treats any difference at that date between the carrying amount of the property in accordance with MFRS 116 or MFRS 16 and its fair value in the same way as a revaluation in accordance with MFRS 116. Any resulting increase in the carrying amount is recognised in other comprehensive income and increases the revaluation surplus within equity when an owner-occupied property becomes an investment property carried at fair value.

6. INVESTMENT PROPERTIES

	2026 RM'000	Group 2025 RM'000
At fair value:		
At 1 April 2025/2024	103,200	-
Acquisition of subsidiaries (Note 8)	-	18,100
Disposals	(29,000)	-
Written off	(14,100)	-
Net gain arising from fair value adjustment	13,500	-
Transfer (to)/from property, plant and equipment	(8,000)	85,100
At 31 March	65,600	103,200

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6. INVESTMENT PROPERTIES (CONT'D)

- (a) Included in the investment properties are:

	2026 RM'000	Group 2025 RM'000
At fair value:		
Freehold land	10,200	19,807
Leasehold land	45,000	38,690
Buildings on freehold land	1,400	17,893
Buildings on leasehold land	9,000	26,810
At 31 March	65,600	103,200

- (b) The following are recognised in profit or loss in respect of income generating investment properties:

	2026 RM'000	Group 2025 RM'000
Rental income	300	172
Direct operating expenses	(635)	(67)

- (c) Investment properties of the Group with a total fair value of RM22,500,000 (2025: RM51,700,000) are pledged for credit facilities granted to the Group as disclosed in Note 20.
- (d) The investment properties, which comprise freehold land, leasehold land, buildings on freehold land and leasehold land are stated at fair value. Valuations were performed by independent accredited valuers as at 31 March 2026 and 31 March 2025. The fair value of the investment properties was determined using the comparison method and cost method.
- (e) Fair value of investment properties is categorised as follows:

	Level 3 RM'000
Group	
2026	
Freehold land, leasehold land, buildings on freehold land and leasehold land	65,600
2025	
Freehold land, leasehold land, buildings on freehold land and leasehold land	103,200

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6. INVESTMENT PROPERTIES (CONT'D)

- (e) Fair value of investment properties is categorised as follows: (Cont'd)

Level 3 fair value

The following table shows a reconciliation of Level 3 fair values:

	2026 RM'000	Group 2025 RM'000
At 1 April 2025/2024	103,200	-
Acquisition of subsidiaries (Note 8)	-	18,100
Disposals	(29,000)	-
Written off	(14,100)	-
Gain recognised in profit or loss	13,500	-
Transfer (to)/from property, plant and equipment	(8,000)	85,100
At 31 March	65,600	103,200

The following table shows the valuation technique used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models.

Property type	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Lands	Comparison method	Price per square feet RM24-RM1,178 (2025: RM20-RM1,097)	The higher/lower the price per square feet, the higher/lower the fair value
Buildings	Cost method	Price per square feet RM51-RM128 (2025: RM60-RM152)	The higher/lower the price per square feet, the higher/lower the fair value
Buildings	Comparison method	Price per square feet RM674 (2025: RM674)	The higher/lower the price per square feet, the higher/lower the fair value

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels

There were no transfers within the fair value measurement hierarchy during the financial years ended 31 March 2026 and 31 March 2025.

Highest and best use

In estimating the fair value of the properties, the highest and best use of the properties are their current use.

- (f) An written off of RM14,100,000 (2025: Nil) was recognised on certain investment properties due to the Group has demolished the buildings on leasehold land.

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7. INTANGIBLE ASSETS

Group	Fair value of order book RM'000	Development costs RM'000	Total RM'000
2026			
Cost			
At 1 April 2025	922	1,299	2,221
Transferred to contract costs (Note 12)	-	(1,299)	(1,299)
At 31 March 2026	922	-	922
Accumulated amortisation			
At 1 April 2025	-	422	422
Charge for the financial year	426	-	426
Transferred to contract costs (Note 12)	-	(422)	(422)
At 31 March 2026	426	-	426
Carrying amount			
At 31 March 2026	496	-	496
2025			
Cost			
At 1 April 2024	-	-	-
Acquisition of subsidiaries (Note 8)	922	1,299	2,221
At 31 March 2025	922	1,299	2,221
Accumulated amortisation			
At 1 April 2024	-	-	-
Acquisition of subsidiaries (Note 8)	-	390	390
Charge for the financial year	-	32	32
At 31 March 2025	-	422	422
Carrying amount			
At 31 March 2025	922	877	1,799

(a) Fair value of order book

Fair value of order book represents the balance contracts related to order book of a subsidiary acquired by the Group through business combination (Note 8).

(b) Amortisation

The amortisation of intangible assets amounting to RM426,377 (2025: RM32,463) is included in administrative expenses.

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8. INVESTMENT IN SUBSIDIARIES

		Company	
	Note	2026 RM'000	2025 RM'000
Invesment in subsidiaries, carried at cost		82,338	82,338
Loans that are part of net investments	(b)	32,836	36,251
		115,174	118,589
Less: Accumulated impairment losses	(g)	(51,936)	(50,630)
		63,238	67,959

(a) The details of subsidiaries are as follows:

Name of companies	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2026 %	2025 %	
Yew Lean Foundry & Co. Sdn. Bhd.	Malaysia	100%	100%	Trading of ductile iron pipes, fittings and other related products. The Company ceased its manufacturing operations in year 2025.
Yew Li Foundry & Co. Sdn. Bhd	Malaysia	100%	100%	Trading of cast iron fittings, saddles and manhole covers and fabrication of pipes.
Logam Utara (M) Sdn. Bhd.	Malaysia	100%	100%	Trading of all kinds of metal and non-metal waste and scrap, UVPC, ductile iron pipes and fittings, sanitary fittings and brass fittings.
Yew Lean Industries Sdn. Bhd.	Malaysia	100%	100%	Property development, construction of buildings, wholesale of other construction materials, hardware, plumbing and heating equipment and supplies.
Laksana Wibawa Sdn. Bhd.	Malaysia	51%	51%	Trading of steel pipes and related products. The Company ceased its manufacturing operations in year 2023.
Haluan Prisma Sdn. Bhd.	Malaysia	70%	70%	Construction and project management.
MRPI Pipes Sdn. Bhd.	Malaysia	70%	70%	Trading of HDPE Pipes & MDPE Pipes. The Company ceased its manufacturing operations in year 2025.
Damini Corporation Sdn. Bhd.	Malaysia	80%	80%	Supplying chemicals and equipment for waste and water treatment, oil and gas and general trading.

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

Name of companies	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2026 %	2025 %	
Subsidiary of Yew Lean Foundry & Co. Sdn. Bhd.				
Zenith Eastern (M) Sdn. Bhd.	Malaysia	100%	100%	Property investment holding.
Subsidiaries of Damini Corporation Sdn. Bhd.				
Delta Perdana Sdn. Bhd.	Malaysia	100%	100%	Manufacturing and trading of water meters, general trader and other related activities.
Delta Prima Metering Sdn. Bhd.	Malaysia	97.5%	97.5%	Manufacturing and trading of energy meters.
DMC Digital Media Sdn. Bhd.	Malaysia	100%	100%	Dormant.

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

(c) **Acquisition of additional interests in subsidiary**

In the previous financial year, the Company subscribed for 2,400,000 ordinary shares in Logam Utara (M) Sdn. Bhd. for a total consideration of RM2,400,000 via capitalisation of amount due from Logam Utara (M) Sdn. Bhd. There is no changes in the Company's equity interest in Logam Utara (M) Sdn. Bhd.

(d) **Acquisition of Damini Corporation Sdn. Bhd. and its subsidiaries**

In the previous year, the Company acquired 80% equity interest (representing 4,000,000 ordinary shares) in Damini Corporation Sdn. Bhd. and its subsidiaries to be satisfied via a combination of cash of RM3,500,000 and issuance of 10,000,000 new ordinary shares in the Company.

- (i) Fair value of consideration transferred:

	2025 RM'000
Cash consideration	3,500
Fair value of 10,000,000 shares	4,100
	7,600

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Acquisition of Damini Corporation Sdn. Bhd. and its subsidiaries (Cont'd)

(i) Fair value of consideration transferred: (Cont'd)

The fair value of the 10,000,000 ordinary shares issued as part of the consideration paid for Damini Corporation Sdn. Bhd. and its subsidiaries was determined on the basis of the closing market price of the Company's ordinary shares of RM0.41 per share on the acquisition date.

(ii) Fair value of the identifiable assets acquired and liabilities recognised:

	2025 RM'000
Assets	
Property, plant and equipment	3,942
Investment properties	18,100
Intangible assets	1,831
Deferred tax assets	761
Other investment	102
Inventories	3,211
Current tax assets	103
Trade and other receivables	12,252
Cash and short-term deposits	4,976
Total assets	45,278
Liabilities	
Loans and borrowings	(13,545)
Deferred tax liabilities	(1,005)
Provision for warranty	(87)
Trade and other payables	(12,270)
Total liabilities	(26,907)
Total identifiable net assets acquired	18,371
Fair value of non-controlling interests at acquisition date	(3,688)
Bargain purchase on business combination	(7,083)
Fair value of consideration transferred	7,600

(iii) Effects of acquisition on cash flow:

	2025 RM'000
Consideration paid in cash	3,500
Less: Cash and cash equivalents of a subsidiaries acquired	(3,595)
Net cash inflows on acquisition	(95)

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Acquisition of Damini Corporation Sdn. Bhd. and its subsidiaries (Cont'd)

(iv) Effects of acquisition in statements of comprehensive income

From the date of acquisition, the subsidiaries' contributed revenue and profit net of tax are as follows:

	2025 RM'000
Revenue	14,438
Profit for the financial year	457

If the acquisition had occurred on 1 April 2024, the consolidated results for the financial year ended 31 March 2025 would have been as follows:

	2025 RM'000
Revenue	43,777
Loss for the financial year	(746)

(e) Non-controlling interest in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of companies	Principal place of business/ country of incorporation	Ownership interest	
		2026 %	2025 %
Laksana Wibawa Sdn. Bhd.	Malaysia	49%	49%
Haluan Prisma Sdn. Bhd.	Malaysia	30%	30%
MRPI Pipes Sdn. Bhd.	Malaysia	30%	30%
Damini Corporation Sdn. Bhd. and its subsidiaries	Malaysia	20%	20%

Carrying amount of material non-controlling interests:

Name of companies	2026 RM'000	2025 RM'000
Laksana Wibawa Sdn. Bhd.	13,728	14,000
Haluan Prisma Sdn. Bhd.	(2,791)	(1,512)
MRPI Pipes Sdn. Bhd.	(491)	(107)
Damini Corporation Sdn. Bhd. and its subsidiaries	4,027	3,776
	14,473	16,157

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(e) Non-controlling interest in subsidiaries (Cont'd)

(Loss)/Profit allocated to material non-controlling interests:

Name of companies	2026 RM'000	2025 RM'000
Laksana Wibawa Sdn. Bhd.	(272)	(696)
Haluan Prisma Sdn. Bhd.	(1,279)	(314)
MRPI Pipes Sdn. Bhd.	(384)	(750)
Damini Corporation Sdn. Bhd. and its subsidiaries	251	88
	(1,684)	(1,672)

Total other comprehensive (loss)/income allocated to material non-controlling interest:

Name of companies	2026 RM'000	2025 RM'000
Laksana Wibawa Sdn. Bhd.	(272)	(696)
Haluan Prisma Sdn. Bhd.	(1,279)	(314)
MRPI Pipes Sdn. Bhd.	(384)	109
Damini Corporation Sdn. Bhd. and its subsidiaries	251	88
	(1,684)	(813)

(f) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

	Laksana Wibawa Sdn. Bhd. RM'000	Haluan Prisma Sdn. Bhd. RM'000	MRPI Pipes Sdn. Bhd. RM'000	Damini Corporation Sdn. Bhd. and its subsidiaries RM'000
Summarised statements of financial position				
As at 31 March 2026				
Non-current assets	16	807	4,621	22,654
Current assets	23,830	2,189	103	23,920
Non-current liabilities	-	-	(318)	(10,539)
Current liabilities	(1,338)	(12,298)	(6,050)	(16,676)
Net assets/(liabilities)	22,508	(9,302)	(1,644)	19,359

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(f) Summarised financial information of material non-controlling interests (Cont'd)

	Laksana Wibawa Sdn. Bhd. RM'000	Haluan Prisma Sdn. Bhd. RM'000	MRPI Pipes Sdn. Bhd. RM'000	Damini Corporation Sdn. Bhd. and its subsidiaries RM'000
Summarised statements of comprehensive income				
Financial year ended 31 March 2026				
Revenue	-	-	122	40,326
(Loss)/Profit for the financial year	(556)	(4,264)	(1,281)	1,262
Total comprehensive (loss)/income	(556)	(4,264)	(1,281)	1,262
Summarised cash flow information				
Financial year ended 31 March 2026				
Cash flow from/(used in):				
- operating activities	957	(882)	(788)	1,694
- investing activities	(4,847)	3	(21)	307
- financing activities	(1,239)	1,009	758	(1,134)
Net (decrease)/increase in cash and cash equivalents	(5,129)	130	(51)	867
Summarised statements of financial position				
As at 31 March 2025				
Non-current assets	13	843	5,159	23,196
Current assets	25,761	6,042	771	23,089
Non-current liabilities	-	-	(318)	(11,533)
Current liabilities	(2,710)	(11,922)	(5,968)	(16,639)
Net assets/(liabilities)	23,064	(5,037)	(356)	18,113

NOTES TO THE FINANCIAL STATEMENTS

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8. INVESTMENT IN SUBSIDIARIES (CONT'D)

(f) Summarised financial information of material non-controlling interests (Cont'd)

	Laksana Wibawa Sdn. Bhd. RM'000	Haluan Prisma Sdn. Bhd. RM'000	MRPI Pipes Sdn. Bhd. RM'000	Damini Corporation Sdn. Bhd. and its subsidiaries RM'000
Summarised statements of comprehensive income				
Financial year ended 31 March 2025				
Revenue	1,374	-	132	14,438
(Loss)/Profit for the financial year	(1,325)	(425)	(1,569)	457
Total comprehensive (loss)/income	(1,325)	(425)	1,614	457
Summarised cash flow information				
Financial year ended 31 March 2025				
Cash flows (used in)/from:				
- operating activities	(5,362)	(1,123)	(777)	4,964
- investing activities	(928)	11	1	201
- financing activities	(11,644)	1,145	758	(2,994)
Net (decrease)/increase and cash equivalents	(17,934)	33	(18)	2,171

(g) The reconciliation of movement in the impairment of investment in subsidiaries are as follows:

	Company	
	2026 RM'000	2025 RM'000
At 1 April 2025/2024	50,630	52,184
Charge for the financial year	1,306	744
Reversal of impairment losses	-	(2,298)
At 31 March	51,936	50,630

An impairment loss of RM1,306,000 (2025: RM743,468) was recognised on investment in certain subsidiaries due to the cessation of manufacturing operation and continuing losses incurred in the past years.

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9. DEFERRED TAX LIABILITIES /(ASSETS)

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At 1 April 2025/2024	7,106	461	-	-
Acquisition of subsidiaries (Note 8)	-	244	-	-
Recognised in profit or loss (Note 28)	1,821	(169)	-	-
Recognised in other comprehensive income	(3,274)	6,570	-	-
At 31 March	5,653	7,106	-	-
Presented after appropriate offsetting as follows:				
Deferred tax assets	(636)	(3,221)	(42)	(101)
Deferred tax liabilities	6,289	10,327	42	101
	5,653	7,106	-	-

Deferred tax liabilities/(assets) relate to the following:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deferred tax assets:				
Unused tax losses	(61)	(1,806)	-	-
Unabsorbed capital allowances	(175)	(1,019)	(2)	(90)
Property, plant and equipments	(231)	-	-	-
Deductible temporary differences	(169)	(396)	(40)	(11)
	(636)	(3,221)	(42)	(101)
Deferred tax liabilities:				
Property, plant and equipments	692	3,156	42	101
Fair value adjustment on investment properties	2,580	380	-	-
Surplus on revaluation of land and buildings	2,796	6,570	-	-
Fair value of order book	221	221	-	-
	6,289	10,327	42	101

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unused tax losses	180,480	150,505	6,479	3,670
Unabsorbed capital allowances	8,754	9,109	214	-
Property, plant and equipment	21	-	-	-
Deductible temporary differences	7,028	4,314	-	-
	196,283	163,928	6,693	3,670

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

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

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group and the Company which will expire in the following financial years:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
2028	38,489	38,489	1,824	1,824
2029	19,716	19,716	353	353
2030	6,815	6,815	472	472
2031	6,322	6,322	315	315
2032	9,966	9,966	272	272
2033	8,377	8,377	257	257
2034	12,454	12,454	104	104
2035	48,560	48,366	266	73
2036	29,781	-	2,616	-
	180,480	150,505	6,479	3,670

10. LEASE RECEIVABLE

	Group and Company	
	2026 RM'000	2025 RM'000
Non-current		
Lease receivable	-	2,317
Current		
Lease receivable	-	1,923
	-	4,240

In the previous financial year, the Group and the Company have entered into a contract to lease their right-of-use assets for a period of 2 years. During the financial year, the Group and the Company have terminated the contract to lease the right-of-use assets.

Income from lease out the right-of-use assets on lease arrangement is disclosed under Note 25.

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10. LEASE RECEIVABLE (CONT'D)

Gross investment under lease together with the present value of minimum lease payments receivable are as follows:

	Group and Company	
	2026	2025
	RM'000	RM'000
Gross investment:		
Not later than one year	-	2,040
Later than one year and not later than five years	-	2,380
	-	4,420
Less: Amount representing unearned finance income	-	(180)
Present value of minimum lease payments receivable	-	4,240
Present value of minimum lease payments receivable:		
Not later than one year	-	1,923
Later than one year and not later than five years	-	2,317
	-	4,240
Less: Amount due within twelve months	-	(1,923)
Amount due after twelve months	-	2,317

11. OTHER INVESTMENT

	Group	
	2026	2025
	RM'000	RM'000
Financial assets at fair value through profit and loss		
At fair value:		
Quoted shares	39	39

NOTES TO THE FINANCIAL STATEMENTS

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12. CONTRACT COSTS

	2026 RM'000	Group 2025 RM'000
Non-current:		
Costs to obtain contracts	616	-
Current:		
Costs to obtain contracts	167	-
	783	-

Costs to obtain contracts relate to the costs for obtaining necessary certifications to comply with industry standards and regulations, fees for consultancy services related to factory setup, operational planning and product development and integration fees for essential software and technology required for testing electric meter products as a result of obtaining the contracts with customers.

The costs to obtain contracts are amortised in accordance with the pattern of transfer of goods or services to which the asset relates. In 2026, the amortisation of contract costs of the Group recognised was RM200,319.

13. INVENTORIES

	2026 RM'000	Group 2025 RM'000
At cost or net realisable value:		
Raw materials	1,609	3,978
Work in progress	6,813	1,120
Finished goods	10,637	48,413
	19,059	53,511

- During the financial year, the cost of inventories recognised as an expense in cost of sales of the Group was RM78,759,458 (2025: RM92,151,322).
- The cost of inventories of the Group recognised as cost of sales during the year in respect of write-down of inventories to net realisable value was RM1,863,390 (2025: RM25,152,607).

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14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current Trade				
Trade receivables	25,877	21,175	-	-
Less: Allowance for impairment	(4,815)	(6,335)	-	-
	21,062	14,840	-	-
Non-trade				
Other receivables	1,337	3,233	75	751
Less: Allowance for impairment	(535)	(535)	-	-
	802	2,698	75	751
Deposits	1,721	1,825	1,063	1,063
Advance payment to suppliers	413	374	-	-
Prepayments	1,868	1,771	-	-
	4,804	6,668	1,138	1,814
Total trade and other receivables	25,866	21,508	1,138	1,814

- (a) Trade receivables are non-interest bearing and normal credit terms offered by the Group range from 1 to 90 days (2025: 1 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Group	
	2026 RM'000	2025 RM'000
At 1 April 2025/2024	6,335	5,222
Acquisition of subsidiaries (Note 8)	-	1,135
Charge for the financial year	12	-
Reversal of impairment losses	(7)	(22)
Written off	(1,525)	-
At 31 March	4,815	6,335

The information about the credit exposures are disclosed in Note 30(b)(i).

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14. TRADE AND OTHER RECEIVABLES (CONT'D)

- (b) The Group's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	2026 RM'000	Group 2025 RM'000
At 1 April 2025/2024	535	-
Acquisition of subsidiaries (Note 8)	-	534
Charge for the financial year	-	1
At 31 March	535	535

15. CONTRACT ASSETS/(LIABILITIES)

	2026 RM'000	Group 2025 RM'000
Contract assets relating to construction services contract	1,844	5,638
Contract assets relating to sales contracts	-	385
Total contract assets	1,844	6,023
Contract liabilities relating to sales contracts	(27)	(115)
Total contract liabilities	(27)	(115)
Net balance	1,817	5,908

Significant changes in contract balances

	2026 Contract assets Increase/ (decrease) RM'000	2026 Contract liabilities (Increase)/ decrease RM'000	Group 2025 Contract assets Increase/ (decrease) RM'000	Group 2025 Contract liabilities (Increase)/ decrease RM'000
Increase due to revenue recognised during the year, but subject to conditional right to consideration	-	-	385	-
Transfer from contract assets recognised at the beginning of the period to receivables	(386)	-	-	-
Revenue recognised that was included in contract liabilities at the beginning of the financial year	-	115	-	1,042
Increase due to progress billings and cash received, but revenue not recognised	-	(27)	-	(115)
Impairment losses of contract assets	(3,793)	-	-	-

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

Significant changes in contract balances (Cont'd)

Contract assets that are impaired

The Group's contract assets that are impaired at the reporting date and the reconciliation of movement in the impairment of contract assets is as follows:

	Group 2026 RM'000	2025 RM'000
At 1 April 2025/2024	824	824
Charge for the financial year	3,793	-
At 31 March	4,617	824

16. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	15,758	9,447	54	268
Short-term deposits	6,461	9,179	-	-
	22,219	18,626	54	268

17. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2026 Unit ('000)	2025 Unit ('000)	2026 RM'000	2025 RM'000
Issued and fully paid up (no par value):				
At 1 April 2025/2024	112,951	102,951	114,259	110,159
Issued during the year	-	10,000	-	4,100
At 31 March	112,951	112,951	114,259	114,259

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

In the previous financial year, the Company issued 10,000,000 new ordinary shares at a price of RM0.65 per ordinary share as partial discharge of the purchase consideration for the acquisition of the 80% equity interest in Damini Corporation Sdn. Bhd. and its subsidiaries pursuant to a share sale agreement dated 3 July 2024. For the purpose of accounting for the shares consideration, the fair value of RM0.41 per ordinary share as at the date of completion was recorded instead of issue price of RM0.65 per ordinary share.

The new ordinary shares issued during the previous financial year rank pari passu in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

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18. TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

There were no treasury shares purchased or sold during the financial year. The number of treasury shares held at the end of the financial year was 121,000 (2025: 121,000) units. Such treasury shares are held at a carrying amount of RM107,620 (2025: RM107,620).

The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

19. OTHER RESERVES

	2026 RM'000	2025 RM'000
Group		
Capital reserve	(1,467)	(1,467)
Revaluation reserve	27,378	57,729
	25,911	56,262
Company		
Capital reserve	(1,467)	(1,467)

(a) Capital reserve

Capital reserve represents the shortfall of the fair value of shares consideration over the share capital recorded at RM1 par value for the acquisition of the 70% equity interest in Haluan Prisma Sdn. Bhd. and MRPI Pipes Sdn. Bhd. respectively.

(b) Revaluation reserve

The revaluation reserve of the Group represents net revaluation surplus arising from valuation of freehold land, leasehold land and buildings.

NOTES TO THE FINANCIAL STATEMENTS

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20. LOANS AND BORROWINGS

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-current:					
Term loans	(a)	9,714	10,703	-	-
Lease liabilities	(b)	4,102	4,535	4,102	4,514
Hire purchase payables	(c)	816	327	-	-
		14,632	15,565	4,102	4,514
Current:					
Term loans	(a)	998	878	-	-
Bank overdrafts		830	2,896	-	-
Bankers' acceptances		-	2,783	-	-
Lease liabilities	(b)	1,800	4,068	1,768	3,843
Hire purchase payables	(c)	185	112	-	-
Trust receipts		330	-	-	-
Revolving credit		1,000	2,000	-	-
		5,143	12,737	1,768	3,843
		19,775	28,302	5,870	8,357
Total loans and borrowings					
Term loans	(a)	10,712	11,581	-	-
Bank overdrafts		830	2,896	-	-
Bankers' acceptances		-	2,783	-	-
Lease liabilities	(b)	5,902	8,603	5,870	8,357
Hire purchase payables	(c)	1,001	439	-	-
Trust receipts		330	-	-	-
Revolving credit		1,000	2,000	-	-
		19,775	28,302	5,870	8,357

The short-term borrowings (including bank overdrafts, bankers' acceptances, trust receipts and revolving credit) of the Group are secured by:

- charges on certain subsidiaries' freehold land, leasehold land and factory building (Notes 5 and 6);
- placement of 30% marginal deposit in the form of General Investment Account (GIA) on facilities utilised;
- joint and several guarantee by directors of certain subsidiaries; and
- corporate guarantees of the Company and a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

20. LOANS AND BORROWINGS (CONT'D)

The range of effective interest rate are as follows:

	2026 %	Group 2025 %
Bank overdrafts	6.81 - 7.95	7.06 - 8.20
Bankers' acceptances	-	4.86 - 5.13
Trust receipts	7.65	-
Revolving credit	4.42	4.75 - 4.76

(a) Term loans

The term loans bear interest at rates ranging from 4.27% to 10.26% (2025: 4.52% to 12.51%) per annum.

The term loans are secured by:

- (i) first party Deed of Assignment (DOA) over an investment property of certain subsidiaries (Note 6);
- (ii) first party first charge over investment properties of certain subsidiaries (Note 6);
- (iii) assignment of rental proceeds of an investment property;
- (iv) first party legal charge over a subsidiary's factory building (Note 5);
- (v) corporate guarantee issued by a subsidiary;
- (vi) individual guarantee by a director of certain subsidiaries;
- (vii) Syarikat Jaminan Pembiayaan (SJPP) Berhad's guarantee under SJPP-TRRF-I;
- (viii) joint and several guarantee by directors of certain subsidiaries and corporate guarantee from the Company;
- (ix) guaranteed by Credit Guarantee Corporation Malaysia Berhad up to a limit of RM140,000;
- (x) assignment of contract payment or proceeds; and
- (xi) third party legal charge over the property of a subsidiary.

The repayment terms of the term loan are as follows:

	2026 RM'000	Group 2025 RM'000
Within next twelve months	998	878
After next twelve months		
Later than one year but not later than five years	3,052	3,692
Later than five years	6,662	7,011
	9,714	10,703
Total term loans	10,712	11,581

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

20. LOANS AND BORROWINGS (CONT'D)

(b) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Minimum lease payments:				
Not later than one year	2,024	4,221	1,980	3,960
Later than one year and not later than five years	4,290	4,653	4,290	4,620
	6,314	8,874	6,270	8,580
Less: Future finance charges	(412)	(271)	(400)	(223)
Present value of minimum lease payments	5,902	8,603	5,870	8,357
Present value of minimum lease payments:				
Not later than one year	1,800	4,068	1,768	3,843
Later than one year and not later than five years	4,102	4,535	4,102	4,514
	5,902	8,603	5,870	8,357
Less: Amount due within twelve months	(1,800)	(4,068)	(1,768)	(3,843)
Amount due after twelve months	4,102	4,535	4,102	4,514

The lease liabilities of the Group and the Company bear interest at rates ranging from 4.34% to 6.00% (2025: 4.25% to 6.00%) and 4.34% (2025: 4.25% to 4.34%) per annum respectively.

NOTES TO THE FINANCIAL STATEMENTS

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20. LOANS AND BORROWINGS (CONT'D)

(c) Hire purchase payables

Future minimum hire purchase payments together with the present value of net minimum hire purchase payment are as follows:

	Group	
	2026 RM'000	2025 RM'000
Minimum hire purchase payments:		
Not later than one year	223	129
Later than one year and not later than five years	619	335
Later than five years	306	17
	1,148	481
Less: Future finance charges	(147)	(42)
Present value of minimum hire purchase payments	1,001	439
Present value of minimum hire purchase payments:		
Not later than one year	185	112
Later than one year but not later than five years	531	311
Later than five years	285	16
	1,001	439
Less: Amount due within twelve months	(185)	(112)
Amount due after twelve months	816	327

Hire purchase payables of the Group of RM1,001,140 (2025: RM438,781) bear interest ranging from 2.20% to 4.20% (2025: 2.21% to 4.20%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5(a).

21. PROVISION FOR WARRANTY

	Group	
	2026 RM'000	2025 RM'000
At 1 April 2025/2024	87	-
Acquisition of subsidiaries (Note 8)	-	87
Reversal during the financial year	(87)	-
At 31 March	-	87

The provision for warranty represents the present value of the directors' best estimates of future economic obligation that will be required under the Group's obligation for warranty on water meter during the last two financial years. The provision is recognised based on estimation made from historical warranty data associated with similar goods of level of repairs and returns within the warranty period.

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22. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Current:				
Trade				
Trade payables	18,589	19,159	-	-
Non-trade				
Other payables	1,903	5,046	472	718
GST payables	18	18	-	-
Accruals	1,020	4,924	159	155
Deposits received	82	972	-	510
Amount due to a corporate shareholder of a subsidiary	-	382	-	-
Amounts due to directors	2	602	-	-
	3,025	11,944	631	1,383
Total trade and other payables	21,614	31,103	631	1,383

- (a) The normal trade credit term granted by the suppliers to the Group range from 30 to 90 days (2025: 30 to 90 days).
- (b) The amount due to a corporate shareholder of a subsidiary is unsecured, interest free and repayable on demand in cash.
- (c) The amounts due to directors are unsecured, interest free and repayable on demand in cash.

For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 30(b)(ii).

23. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contract customers:				
Sales of goods	65,656	47,786	-	-
Management fees	-	-	110	110
Rendering of services	230	228	-	-
	65,886	48,014	110	110

NOTES TO THE FINANCIAL STATEMENTS

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23. REVENUE (CONT'D)

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Timing of revenue recognition				
At a point in time	65,886	48,014	-	-
Over time	-	-	110	110
	65,886	48,014	110	110

(a) Disaggregation of revenue

The Group reports the following major segments: construction services, manufacturing and trading in accordance with MFRS 8 *Operating Segment*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary geographical market, major goods or services, timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Group	
	2026 RM'000	2025 RM'000
Manufacturing and trading		
Primary geographical market:		
Malaysia	65,764	44,944
Singapore	3	679
Vietnam	119	2,391
	65,886	48,014
Major goods or services:		
Pipes and fittings	25,560	33,576
Chemicals, water and electric meter products	40,326	14,438
	65,886	48,014

(b) Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

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24. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expenses on:				
- bank overdraft	127	99	-	-
- other short-term borrowings	176	321	-	-
- lease liabilities	284	177	247	171
- hire purchase	22	20	-	-
- term loans	587	145	-	-
- other	75	27	-	-
	1,271	789	247	171

25. FINANCE INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest income on:				
- short-term deposits	374	519	5	51
- lease receivable	2	38	2	38
	376	557	7	89

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26. LOSS BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at loss before tax:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Auditors' remuneration - statutory audit:				
- Baker Tilly Monteiro Heng PLT	198	179	61	99
- Other auditors	-	42	-	-
Other services:				
- Baker Tilly Monteiro Heng PLT	5	5	5	5
- Member firms of Baker Tilly International	26	9	5	-
- Other auditors	-	3	-	-
Amortisation of contract costs	200	-	-	-
Amortisation of intangible assets	426	32	-	-
Bargain purchase on business combination	-	(7,083)	-	-
Depreciation of property, plant and equipment	3,510	5,727	2,375	2,496
Employee benefits expenses (Note 27)	9,294	12,530	339	252
Expense related to short-term lease/Rental expense				
- land and building	18	78	-	-
- machinery and vehicles	2	1	-	-
- equipment	80	243	-	-
Fair value gain on investment properties	(13,500)	-	-	-
Fair value loss on other investment	-	5	-	-
Gain on derecognition of right-of-use assets	-	(160)	-	(160)
Gain on disposal of other investment	-	(16)	-	-
(Gain)/Loss on termination of lease liabilities	(54)	1	(54)	-
Impairment loss on contract assets	3,793	-	-	-
Impairment loss on investment in subsidiaries	-	-	1,306	744
Impairment loss on property, plant and equipment	-	4,838	-	-
Impairment loss on trade and other receivables	12	1	-	-
Investment properties written off	14,100	-	-	-
Inventories written down	1,863	25,153	-	-
Loss on disposal of investment properties	2,643	-	-	-
Loss on disposal of property, plant and equipment	86	565	-	-
Loss on termination of lease receivable	74	-	74	-
Net (gain)/loss on foreign exchange				
- realised	(263)	281	-	-
- unrealised	(349)	126	-	-
Other receivable and deposits written off	307	3	-	-
Property, plant and equipment written off	873	-	-	-
Rental income	(609)	(148)	(360)	(120)
Reversal of impairment loss on investment in a subsidiary	-	-	-	(2,298)
Reversal of impairment loss on trade and other receivables	(7)	(22)	-	-
Reversal of provision for warranty	(87)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

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27. EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Wages, salaries and others	8,482	11,595	339	252
Defined contribution plan	812	935	-	-
	9,294	12,530	339	252

Included in employee benefit expenses are:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Directors of the Company				
Directors' fees	108	105	58	55
Other emoluments	1,235	1,023	281	197
Defined contribution plan	141	116	-	-
	1,484	1,244	339	252
Directors of subsidiaries				
Other emoluments	941	384	-	-
Defined contribution plans	86	37	-	-
	2,511	1,665	339	252

28. TAX EXPENSE/(CREDIT)

The major components of tax expense/(credit) for the financial years ended 31 March 2026 and 31 March 2025 are as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Real property gain tax:				
Current financial year	1,797	-	-	-
Current tax:				
Current financial year	104	19	-	-
Under/(Over) provision in prior financial years	17	(99)	25	-
	121	(80)	25	-
Deferred tax (Note 9):				
Current financial year	1,581	(36)	-	-
Under/(Over) provision in prior financial years	240	(133)	-	-
	1,821	(169)	-	-
Tax expense/(credit)	3,739	(249)	25	-

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

28. TAX EXPENSE/(CREDIT) (CONT'D)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year.

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loss before tax	(42,672)	(57,086)	(5,061)	(2,181)
Tax at Malaysian statutory income tax rate of 24% (2025: 24%)	(10,241)	(13,701)	(1,215)	(523)
Tax effect arising from:				
- non-deductible expenses	6,879	1,276	528	458
- non-taxable income	(770)	(1,985)	-	(552)
- double deduction	(51)	(53)	(39)	(41)
- revaluation surplus	(7)	(16)	-	-
Deferred tax assets not recognised	8,044	14,462	726	658
Utilisation of previously unrecognised deferred tax assets	(279)	-	-	-
Impact of RPGT rates	(1,890)	-	-	-
Real property gain tax	1,797	-	-	-
Under/(Over) provision in prior financial years				
- current tax	17	(99)	25	-
- deferred tax	240	(133)	-	-
Tax expense/(credit)	3,739	(249)	25	-

NOTES TO THE FINANCIAL STATEMENTS

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29. LOSS PER SHARE

(a) Basic loss per ordinary share

Basic loss per share are based on the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding (excluding treasury shares) during the financial year, calculated as follows:

	2026 RM'000	Group 2025 RM'000
Loss attributable to ordinary equity holders of the Company:	(44,727)	(55,165)

	2026 Unit ('000)	Group 2025 Unit ('000)
Weighted average number of ordinary shares for basic loss per share *	112,830	105,049

	2026 sen	2025 sen
Basic loss per ordinary share	(39.64)	(52.51)

* As at 31 March 2026, the number of outstanding shares in issue after setting off treasury shares against equity is 112,829,873 (2025: 112,829,873) shares.

(b) Diluted loss per share

The diluted loss per ordinary share of the Group for the financial year are equivalent to the basic loss per ordinary share of the Group as the Company has no potential dilutive ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

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30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	Carrying amount RM'000	Amortised cost RM'000	Fair value through profit or loss RM'000
2026			
Financial assets			
Group			
Other investment	39	-	39
Trade and other receivables *	23,585	23,585	-
Cash and short-term deposits	22,219	22,219	-
	45,843	45,804	39
Company			
Trade and other receivables *	1,138	1,138	-
Cash and short-term deposits	54	54	-
	1,192	1,192	-
Financial liabilities			
Group			
Trade and other payables [#]	21,596	21,596	-
Loans and borrowings [@]	13,873	13,873	-
	35,469	35,469	-
Company			
Trade and other payables	631	631	-

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30. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of financial instruments (Cont'd)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (Cont'd)

	Carrying amount RM'000	Amortised cost RM'000	Fair value through profit or loss RM'000
2025			
Financial assets			
Group			
Other investment	39	-	39
Trade and other receivables *	19,363	19,363	-
Lease receivable	4,240	4,240	-
Cash and short-term deposits	18,626	18,626	-
	42,268	42,229	39
Company			
Trade and other receivables*	1,814	1,814	-
Lease receivable	4,240	4,240	-
Cash and short-term deposits	268	268	-
	6,322	6,322	-
Financial liabilities			
Group			
Trade and other payables [#]	31,085	31,085	-
Loans and borrowings [@]	19,699	19,699	-
	50,784	50,784	-
Company			
Trade and other payables	1,383	1,383	-

* Exclude prepayments and advance payment to suppliers

Exclude GST payable

@ Exclude lease liabilities

(b) Financial risk management

The Group's and the Company's activities 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, foreign currency risk, interest rate risk and market price risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The Audit and Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

NOTES TO THE FINANCIAL STATEMENTS

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30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade receivables) and from their investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group considers any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

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

	2026 RM'000	Group %	2025 RM'000	%
Trade receivables:				
Group				
Manufacturing and trading	21,062	100%	14,840	100%
Contract assets:				
Group				
Manufacturing and trading	-	0%	385	6%
Construction services	1,844	100%	5,638	94%
	1,844	100%	6,023	100%

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

The information about the credit risk exposure on the Group's trade receivables and contract assets are as follows:

	Gross carrying amount RM'000	ECL allowance RM'000	Net balance RM'000
2026			
Contract assets			
Current	6,461	(4,617)	1,844
Trade receivables			
Current	13,115	-	13,115
1 to 30 days past due	3,394	-	3,394
31 to 60 days past due	2,809	-	2,809
61 to 90 days past due	1,708	-	1,708
91 to 180 days past due	33	-	33
More than 181 days past due	3	-	3
Individually assessed (credit impaired)	4,815	(4,815)	-
	32,338	(9,432)	22,906
2025			
Contract assets			
Current	6,847	(824)	6,023
Trade receivables			
Current	9,387	-	9,387
1 to 30 days past due	1,804	-	1,804
31 to 60 days past due	1,891	-	1,891
61 to 90 days past due	1,523	-	1,523
91 to 180 days past due	223	-	223
More than 181 days past due	12	-	12
Individually assessed (credit impaired)	6,335	(6,335)	-
	28,022	(7,159)	20,863

The significant changes in gross carrying amount of trade receivables and contract assets do not contribute to changes in impairment losses during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

As at the end of the reporting date, other than the credit impaired other receivables, the Group and the Company consider the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

Lease receivable

At the reporting date, the Group's maximum exposure to credit risk is represented by the carrying amounts recognised in the statements of financial position.

As at the end of the reporting date, the Group considers the lease receivable as low credit risk and any loss allowance would be negligible.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM7,483,271 (2025: RM8,277,461) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 30(b)(ii). As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

During the financial year ended 31 March 2026, the Company incurred a net loss of RM5,085,877. As of that date, the Company's current liabilities exceeded its current assets by RM1,205,535. Despite this, the Group's financial position, including repayment of advances from subsidiaries, provides adequate resources to enable the Company in meeting its obligations and continue its operations of at least 12 months from the end of the financial year.

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	----- Contractual cash flows -----				
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000	Total RM'000
2026					
Group					
Trade and other payables [#]	21,596	21,596	-	-	21,596
Loans and borrowings	19,775	5,868	9,373	8,424	23,665
	41,371	27,464	9,373	8,424	45,261
Company					
Trade and other payables	631	631	-	-	631
Loans and borrowings	5,870	1,980	4,290	-	6,270
Financial guarantees	-	7,483	-	-	7,483
	6,501	10,094	4,290	-	14,384

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(ii) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (Cont'd)

	Contractual cash flows				
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000	Total RM'000
2025					
Group					
Trade and other payables [#]	31,085	31,085	-	-	31,085
Loans and borrowings	28,302	13,452	10,699	8,974	33,125
	59,387	44,537	10,699	8,974	64,210
Company					
Trade and other payables	1,383	1,383	-	-	1,383
Loans and borrowings	8,357	3,960	4,620	-	8,580
Financial guarantees	-	8,277	-	-	8,277
	9,740	13,620	4,620	-	18,240

[#] Exclude GST payable

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (where sales and purchases that are denominated in a foreign currency).

Management has set up a policy that requires all companies within the Group and the Company to manage their treasury activities and exposures. The Group and the Company also takes advantage of any natural effects of its foreign currencies revenues and expenses by maintaining current accounts in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk (Cont'd)

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	United States Dollar RM'000	Singapore Dollar RM'000	Sri Lankan Rupee RM'000	Chinese Yuan RM'000	Total RM'000
Group					
2026					
Financial assets					
Trade and other receivables	-	-	-	78	78
Financial liabilities					
Trade and other payables	8,382	-	-	-	8,382
2025					
Financial assets					
Trade and other receivables	-	199	7	78	284
Cash and bank balances	6	109	-	-	115
	6	308	7	78	399
Financial liabilities					
Trade and other payables	1,732	-	-	-	1,732

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iii) Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD"), Singapore Dollar ("SGD"), Sri Lankan Rupee ("LKR") and Chinese Yuan ("CNY").

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and CNY, with all other variables held constant on the Group's total equity and loss for the financial year.

	2026		2025	
	Change in rate %	Effect on loss for the financial year/equity RM'000	Change in rate %	Effect on loss for the financial year/equity RM'000
USD	5% -5%	(319) 319	5% -5%	(66) 66
SGD	5% -5%	- -	5% -5%	12 (12)
CNY	5% -5%	3 (3)	5% -5%	3 (3)

As at 31 March 2026 and 31 March 2025, there were no forward foreign currency exchange contract.

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates.

Borrowings at floating rate amounting to RM12,872,059 (2025: RM19,259,876) expose the Group to cash flow interest rate risk whilst borrowings at fixed rate amounting to RM6,903,317 (2025: RM9,042,540) and RM5,869,810 (2025: RM8,356,576) respectively expose the Group and the Company to fair value interest rate risk. The Group and the Company manage their interest rate risk exposure by maintaining a mix of fixed and floating rate borrowings.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial risk management (Cont'd)

(iv) Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and loss for the financial year.

	Change in rate %	Effect on loss for the financial year RM'000	Effect on equity RM'000
Group			
31 March 2026	+ 1%	98	98
	- 1%	(98)	(98)
31 March 2025	+ 1%	146	146
	- 1%	(146)	(146)

(v) Market price risk

The Group's investment in quoted shares are subject to market price risk. Such exposures are not hedged as the investments are mostly stable companies where the risks accepted are commensurate with the expected returns.

Sensitivity analysis for market price risk

The directors believe that the impact of market price fluctuation will not significantly affect the profitability of the Group. As such, sensitivity analysis is not presented.

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There has been no transfer between Level 1 and Level 2 during the financial year (2025: no transfer in either direction).

Cash and cash equivalents, trade and other receivables and payables

The carrying amounts of cash and cash equivalents, trade and other receivables and payables are reasonable approximation of fair values due to short term nature of these financial instruments.

Loans and borrowings

The carrying amounts of the current portion of loans and borrowings are reasonable approximation of fair values due to the insignificant impact of discounting.

The fair value of lease liabilities and hire purchase payables is estimated using discounted cash flow analysis, based on current lending rate for similar types of borrowing arrangements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

30. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value measurement (Cont'd)

The following table provides the fair value measurement hierarchy of the Group's financial instruments that are carried at fair value:

	Carrying amount RM'000	Fair value of financial instruments carried at fair value		
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
Group				
2026				
Current assets				
Other investment	39	39	-	-
2025				
Current assets				
Other investment	39	39	-	-

31. CAPITAL COMMITMENTS

Commitments

The Group and the Company have made commitments for the following capital expenditure:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Property, plant and equipments				
Approved and contracted for	2,149	822	1,438	822

32. FINANCIAL GUARANTEES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Corporate guarantee granted to financial institutions for banking facilities granted to its subsidiaries				
- total banking facilities	27,325	18,675	27,325	18,675
- total utilised	7,483	8,277	7,483	8,277

Fair values of the financial guarantee contracts have not been recognised based on discounted cash flow (expected value) method as they are not material due to the likelihood of the subsidiaries defaulting within the guaranteed period is remote and the estimated loss exposure if the subsidiaries was to default is immaterial.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

33. RELATED PARTIES

(a) Identity of related parties

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

Related parties of the Group include:

- (i) Entities having significant influence over the Group;
- (ii) Subsidiaries;
- (iii) Entities in which directors have substantial financial interest; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Company	
	2026	2025
	RM'000	RM'000
Significant transaction with its subsidiaries:		
Management fee received/receivable	110	110
Rental income received/receivable	360	120

Significant outstanding balances with related parties at the end of the reporting period are disclosed in Note 22.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 30(b)(i).

(c) Compensation of key management personnel

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Directors of the Company and subsidiaries:				
Fees, salaries and other employee benefits	2,284	1,512	339	252
Defined contribution plan	227	153	-	-
	2,511	1,665	339	252
Other key management personnel:				
Salaries and other employee benefits	298	465	-	-
Defined contribution plan	35	61	-	-
	2,844	2,191	339	252

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

34. SEGMENT INFORMATION

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

The reportable operating segments are as follows:

Segments	Product and services
Manufacturing and trading	(i) Manufacturing and trading of energy meters, water meters and other related activities. (ii) Trading of ductile iron pipes, plastic pipes and fittings and waterwork related products, trading of steel pipes and related products, trading in scrap metal, supplying chemicals and equipments.
Construction and project management	Construction and project management.

Segment revenue and results

Segment result represents profit or loss before tax of the respective business segments. There are no transactions between the reportable segments. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Segment assets and liabilities

Segment assets and liabilities are measured based on all assets and liabilities of segment other than those activities that are not part of any reportable segments.

Geographical information

The activities of the Group mainly carried out in Malaysia and as such, geographical segmental reporting is not presented.

Information about major customers

For manufacturing and trading segment, there is 3 (2025: 1) customer with revenue equal or more than 15% (2025: 15%) of the Group's revenue.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

34. SEGMENT INFORMATION (CONT'D)

	Manufacturing and trading RM'000	Construction and project management RM'000	Elimination and ad- justment RM'000	Note	Consoli- dated RM'000
2026					
REVENUE					
External customers	65,886	-	-		65,886
Inter-segment	16,115	-	(16,115)	(a)	-
	82,001	-	(16,115)		65,886
RESULTS					
Reportable segment loss	(38,408)	(4,264)	-		(42,672)
NET ASSETS					
Total segment assets	159,352	2,996	-		162,348
Total segment liabilities	35,454	12,298	-		47,752
Net assets/(liabilities) - Segment	123,898	(9,302)	-		114,596
OTHER INFORMATION					
Capital expenditures	3,427	-	-		3,427
Amortisation of contract costs	200	-	-		200
Amortisation of intangible assets	426	-	-		426
Depreciation on property, plant and equipment	3,475	35	-		3,510
Impairment loss on contract assets	-	3,793	-		3,793
Impairment loss on trade and other receivables	12	-	-		12
Interest expenses	1,233	38	-		1,271
Interest income	(376)	-	-		(376)
Investment properties written off	14,100	-	-		14,100
Inventories written down	1,863	-	-		1,863
Other receivable and deposits written off	307	-	-		307
Property, plant and equipment written off	873	-	-		873
Reversal of impairment loss on trade and other receivables	(7)	-	-		(7)

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

34. SEGMENT INFORMATION (CONT'D)

	Manufacturing and trading RM'000	Construction and project management RM'000	Elimination and ad- justment RM'000	Note	Consoli- dated RM'000
2025					
REVENUE					
External customers	48,014	-	-		48,014
Inter-segment	6,289	-	(6,289)	(a)	-
	54,303	-	(6,289)		48,014
RESULTS					
Reportable segment loss	(56,648)	(438)	-		(57,086)
NET ASSETS					
Total segment assets	221,652	6,885	-		228,537
Total segment liabilities	58,029	11,922	-		69,951
Net assets/(liabilities) - Segment	163,623	(5,037)	-		158,586
OTHER INFORMATION					
Capital expenditures	3,617	-	-		3,617
Amortisation of intangible assets	32	-	-		32
Bargain purchase on business combination	(7,083)	-	-		(7,083)
Depreciation on property, plant and equipment	5,691	36	-		5,727
Impairment loss on trade and other receivables	1	-	-		1
Interest expenses	723	66	-		789
Interest income	(557)	-	-		(557)
Inventories written down	25,153	-	-		25,153
Reversal of impairment loss on trade and other receivables	(22)	-	-		(22)

Note: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

(a) Inter-segment revenue

Inter-segment revenues are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

35. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 March 2026 and 31 March 2025.

The Group and the Company monitor capital using gearing ratio, which is calculated as total-interest-bearing borrowings divided by total equity attributable to the owners. The Group's and the Company's gearing ratio as at the reporting date are as follows:

	Group		Company	
	2026	2025	2026	2025
Total borrowings (RM'000)	19,775	28,302	5,870	8,357
Total equity (RM'000)	100,123	142,429	66,849	71,935
Gearing ratio (%)	19.75%	19.87%	8.78%	11.62%

36. CONTINGENT LIABILITIES

- (a) On 12 June 2024, Yew Lean Foundry & Co. Sdn. Bhd. ("YLF"), a wholly owned subsidiary of the Company, was notified by the Metal Industry Employees' Union ("Union") that its members were not agreeing with the implementation of a reduced working schedule from 26 to 12 working days per month.

The Union has sought the intervention of the Industrial Court, alleging that YLF breached employment contracts by failing to provide the full 26 working days to all monthly employees. The Union contends that employees are entitled to receive their full monthly salaries despite being scheduled for only 12 working days.

The Union is claiming unpaid salaries for the period from 1 July 2024 to 14 April 2025. The Union has not specified the number or identifies of the individual involved and/or the total claim amount. The Court has directed parties to file their respective cause. The hearing fixed on 13 May 2026 and 14 May 2026 has been vacated by the Industrial Court and the matter has been rescheduled to 3 December 2026 and 4 December 2026 respectively.

- (b) A total of 50 former employees filed representations under Section 20 of the Industrial Relations Act 1967, seeking for reinstatements of their positions after the YLF's retrenchment exercise.

The Court has fixed a joint hearing for all 50 cases on 22 October 2026, 23 October 2026, 26 October 2026 and 27 October 2026 respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

37. EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

- (a) On 3 June 2026, Yew Lean Foundry & Co. Sdn. Bhd. ("YLF"), a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement to dispose of 2 plots of industrial land of the Lot. 2432 (PT 1359), Tingkat Perusahaan 6, Prai Industrial Estate, 13600 Prai, Pulau Pinang and Lot. 2462 (PT 1424), Lorong Perusahaan 10, Prai Industrial Estate, 13600 Prai, Pulau Pinang together with the 33kV electrical system and substation erected thereon for a total cash consideration of RM 28,500,000. The land disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.
- (b) On 29 June 2026, Yew Lean Industries Sdn. Bhd. ("YLISB"), a wholly owned subsidiary of the Company has entered into a joint development agreement with Puncak Alam Housing Sdn. Bhd. ("the Landowner") to undertake a development on a land located at Plot 1, Mukim Ijok, Daerah Kuala Selangor, Negeri Selangor measuring approximately 10.963 acres.

YLISB has yet to apply for any approval from the relevant authorities for the development as at the date of authorisation of these financial statements.

- (c) On 2 July 2026, the Company proposes to undertake a reduction of the issued share capital of the Company pursuant to Section 116 of the Companies Act 2016. The Proposed Capital Reduction entails the reduction of RM50.0 million of the issued share capital of the Company pursuant to Section 116 of the Act.

The Proposed Capital Reduction is subject to the approval of the shareholders of the Company at an extraordinary general meeting to be convened and the order from the High Court of Malaya pursuant to Section 116 of the Act to be obtained as at the date of authorisation of these financial statements.

- (d) On 27 July 2026, Zenith Eastern (M) Sdn. Bhd. ("Zenith"), a wholly owned sub-subsiary of the Company has entered into a Sale and Purchase Agreement to dispose one (1) unit of single-storey detached factory erected on land held under HS(D) 37829 (PT 445) Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang for a total cash consideration of RM14,000,000. The disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.
- (e) On 27 July 2026, Yew Lean Foundry & Co Sdn. Bhd., a wholly owned subsidiary of the Company has entered into a Sale and Purchase Agreement to dispose one (1) unit of single storey detached factory erected on land held under HS(D) 37820 (PT 434) Mukim 6, Daerah Seberang Perai Tengah, Pulau Pinang for a total cash consideration of RM14,000,000. The disposal is pending the fulfilment of its conditions precedent as at the date of authorisation of these financial statements.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **SHAMSHIAH BINTI HASHIM @ ABU BAKAR** and **SEAH HENG CHIN**, being two of the directors of YLI HOLDINGS BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 71 to 139 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 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 directors.

.....
SHAMSHIAH BINTI HASHIM @ ABU BAKAR
 Director

.....
SEAH HENG CHIN
 Director

Kuala Lumpur

Date: 30 July 2026

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **SEAH HENG CHIN**, being the director primarily responsible for the financial management of YLI HOLDINGS BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 71 to 139 are 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.

.....
SEAH HENG CHIN
 (MIA Membership No: 23102)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 30 July 2026.

Before me,

.....
 Commissioner for Oaths

Mohamad Zuliswandi Bin Mohamed (W1006)
 Level 25, Menara Hong Leong,
 No. 6, Jalan Damanlela,
 Bukit Damansara,
 50490 Kuala Lumpur.

INDEPENDENT AUDITORS' REPORT

To The Members Of YLI Holdings Berhad (Incorporated In Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of YLI Holdings Berhad, which comprise the statements of financial position as at 31 March 2026 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 71 to 139.

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 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities, 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.

Group

Investment properties (Note 4.1 and Note 6)

The Group's accounting policy is to measure investment properties at fair value. The Group determines the fair value of investment properties based on the market valuation performed by external independent valuers.

We focused on this area because the measurement of fair value requires significant judgement by the directors in determining the key assumptions used in the valuations.

Our audit response:

Our audit procedures included, among others:

- considering the competence, capabilities and objectivity of the external valuers which included consideration of their qualifications and experience;
- understanding the scope and objective of the valuation by reading the terms of engagement;
- reading the valuation reports and discussing with external valuers and directors on their valuation approach and the significant judgements made; and
- understanding the relevance of the key input data used by the external valuers.

INDEPENDENT AUDITORS' REPORT

To The Members Of YLI Holdings Berhad (Incorporated In Malaysia)

Key Audit Matters (Cont'd)

Group (Cont'd)

Inventories (Note 4.2 and Note 13)

The directors are required to perform an assessment to determine whether the inventories are stated at the lower of cost and net realisable value.

We focused on this area because judgement by the directors is required in estimating the net realisable value of inventories.

Our audit response:

Our audit procedures included, among others:

- observing year end physical inventory count to observe physical existence and condition of the finished goods and understanding the design and implementation of controls during the count;
- checking subsequent sales and discussing directors' assessment on estimated net realisable value on selected inventory items; and
- discussing with the Group whether the inventories have been written down to their net realisable value for inventory items with net realisable value lower than their cost.

Trade receivables and contract assets (Note 4.3 and Notes 14 and 15)

The Group has significant trade receivables and contract assets as at 31 March 2026.

We focused on this area because the directors made significant judgements over assumptions about risk of default and expected loss rate. In making the assumptions, the directors selected inputs to the impairment calculation, based on the Group's past history as well as forward looking estimates at the end of the reporting period.

Our audit response:

Our audit procedures included, among others:

- obtaining confirmation of balances from selected receivables;
- checking subsequent receipts, customer correspondence, and understanding the directors' assessment of the recoverability of trade receivables with significantly past due balances by discussing with them their evaluation process, including their consideration of ongoing customer relationships and the level of activity;
- testing the mathematical computation of expected credit losses as at the end of the reporting period; and
- enquiring with the solicitors for selected contract assets.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

To The Members Of YLI Holdings Berhad (Incorporated In Malaysia)

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 the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and 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.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the 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.

INDEPENDENT AUDITORS' REPORT

To The Members Of YLI Holdings Berhad (Incorporated In Malaysia)

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

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.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Dato' Lock Peng Kuan
No. 02819/10/2026 J
Chartered Accountant

Kuala Lumpur

Date: 30 July 2026

05

OTHER INFORMATION



PROPERTIES LISTING

AS AT 31 MARCH 2026

PENANG	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2026 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
YEW LEAN FOUNDRY 2432, Tingkat Perusahaan 6, Prai Industrial Estate 13600 Prai, Pulau Pinang	Land (Leasehold 60 years expiring 03.10.2042)	3.32 acres	14,375	N/A	9 March 2026 1 November 1994
YEW LEAN FOUNDRY 2462, Lorong Perusahaan 10, Prai Industrial Estate, 13600 Prai Pulau Pinang	Land (Leasehold 60 years expiring 13.04.2044)	3.02 acres	13,125	N/A	
YEW LEAN FOUNDRY 2604, Lorong Perusahaan Baru 2, Kawasan Perusahaan Prai, 13600 Prai, Pulau Pinang	Land (Leasehold 60 years expiring 11.12.2050)	3.55 acres	9,100	N/A	27 March 2026
	Factory Building	20,440 sq.ft.	1,900	33	
ZENITH EASTERN No. 2739, Mukim 6 Lorong Nagasari 5 Taman Nagasari 13600 Prai Pulau Pinang	Land (Leasehold expiring 09.05.2051)	3.25 acres	8,400	N/A	27 March 2026
	Single storey building used as a warehouse with a small section as office	39,705 sq. ft	3,100	33	

PROPERTIES LISTING

AS AT 31 MARCH 2026

PENANG	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2026 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
YEW LEAN FOUNDRY No. 11, 12, 13, 14, Tingkat 3, Block C Taman Pelangi 13600 Prai Pulau Pinang	4 units of flats (leasehold expiring 07.11.2093) used as production workers accommodation	700 sq. ft. each	100	30	8 November 1994
LOGAM UTARA No. 7, Lorong Nagasari 22 Taman Nagasari 13600 Prai Pulau Pinang	Land (Freehold) 1 1/2 storey terrace factory erected on it	2,034 sq. ft.	217	30	10 November 1993
DAMINI CORPORATION No.3, Persiaran Bagan Indah, 11900 Bayan Lepas, Pulau Pinang	A unit of three (3) Storey Shop Office (Leasehold expiring 06.12.2095)	5,931 sq.ft.	4,000	24	11 May 2026
SELANGOR	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2026 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
HALUAN PRISMA No.40, Jalan Uranus AH U5/AH Taman Subang Impian Seksyen U5 40150 Shah Alam Selangor D.E.	Three Storey Shop Office	5,280 sq. ft.	790	13	26 April 2015
MRPI PIPE Lot 530, Tile no. GM344, Mukim Batang Kali, District of Hulu Selangor D.E.	Vacant Industrial Land (Freehold)	4.00 acres	4,600	N/A	27 March 2026

PROPERTIES LISTING

AS AT 31 MARCH 2026

SELANGOR	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2026 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
DAMINI CORPORATION No. 12A, Jalan 15/22, Taman Perindustrian Tiong Nam, Seksyen 15, 40200 Shah Alam, Selangor D.E.	A unit of three (3) Storey Semi - Detached Factory (Leasehold expiring 29.04.2115)	14.477 sq.ft	8,000	10	11 May 2026
DAMINI CORPORATION No. 22, Jalan SS 26/6 47301 Petaling Jaya, Selangor D.E.	A unit of three (3) Storey Intermediate Terraced Shop Office (Freehold)	3,960 sq.ft.	2,058	22	20 June 2024
DAMINI CORPORATION No. 25, Jalan Bazar PU 8/P, Bukit Jelutong, 40150 Shah Alam, Selangor D.E.	A unit of Intermediate Double Storey Terraced Shop Office (Freehold)	GFA 2,862 sq.ft.	2,000	13	15 May 2026
DAMINI CORPORATION No. 27, Jalan Bazar, PU 8/P, Bukit Jelutong, 40150 Shah Alam, Selangor D.E.	A unit of Intermediate Double Storey Terraced Shop Office (Freehold)	GFA 2,762 sq.ft.	2,000	13	15 May 2026
DAMINI CORPORATION No. 29, Jalan Bazar, PU 8/P, Bukit Jelutong, 40150 Shah Alam, Selangor D.E.	A unit of Corner Lot Double Storey Terraced Shop Office (Freehold)	GFA 4,390 sq.ft.	3,000	13	15 May 2026

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

SHARE CAPITAL

Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share
Issued Share Capital	:	RM116,658,886.500 consisting of 112,950,873 ordinary shares (exclusive of 121,000 shares held as treasury shares)
Number of Holders	:	1,887

DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS AT 30 JUNE 2026

Size of Shareholdings	No. of Holders	%	No. of Shares	%
1 to 99	76	4.03	1,338	0.001
100-1,000	285	15.11	170,848	0.15
1,001 to 10,000	956	50.69	4,397,232	3.90
10,001 to 100,000	462	24.50	16,344,436	14.49
100,001 to less than 5% of issued shares	105	5.57	48,814,530	43.26
5% and above of issued shares	2	0.11	43,101,489	38.20
Total	1,887	100.00	112,829,873	100.00

THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 JUNE 2026

No.	Name of Shareholders	No. of Shares	%
1	SUASANA KARISMA SDN BHD	32,510,089	28.8134
2	BUMIRAYA ARMANI SDN BHD	10,591,400	9.3871
3	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (8055840)	5,640,000	4.9987
4	NUSMAKMUR DEVELOPMENT SDN BHD	4,861,330	4.3085
5	JB-CITY ALLOY INDUSTRIES SDN. BHD.	3,501,500	3.1033
6	BLESSPLUS SDN. BHD.	2,659,600	2.3572
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR TRADEVIEW CAPITAL SDN. BHD.	2,476,500	2.1949
8	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OKBB SDN BHD	2,316,300	2.0529
9	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR LEE WAY HOONG (SMART)	1,792,900	1.5890
10	OH KIM HUA @ HO KIM HUA	1,066,000	0.9448
11	KEAN MOONG YIN	860,000	0.7622
12	LIM SAY HAN	807,000	0.7152
13	CHOO WOON MENG	640,000	0.5672
14	LOK WEI SEONG	605,800	0.5369
15	CHOO WOON MENG	555,700	0.4925
16	WANG HSUEH YING	526,000	0.4662
17	ONG SOI TAT	520,000	0.4609
18	CHIN HOOI NAN	500,000	0.4431
19	TEO YAU LENG	500,000	0.4431
20	QUEK SER PENG	489,600	0.4339
21	LEE WAY HOONG	470,000	0.4166
22	HOO WAN FATT	445,200	0.3946

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 JUNE 2026 (CONT'D)

No.	Name of Shareholders	No. of Shares	%
23	LEE CHEE BENG	438,100	0.3883
24	KEH SIEW HOON	425,000	0.3767
25	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR HEE YUEN SANG	415,000	0.3678
26	KHOR KENG SAW @ KHAW AH SOAY	400,100	0.3546
27	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW CHIN KOON (DATUK) (MY4469)	400,000	0.3545
28	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOHD DOM BIN AHMAD (MY4624)	400,000	0.3545
29	SONG HUAT CHAN HOLDINGS SDN BHD	373,000	0.3306
30	YONG HUA TING	373,000	0.3306
Total		77,559,119	68.7399

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

SUBSTANTIAL SHAREHOLDERS

In accordance with the Register of Substantial Shareholders, the Substantial Shareholders and their shareholdings as at 30 June 2026 are as follows:

Name of Shareholders	Direct	No of Shares		%#
		%#	Indirect	
Suasana Karisma Sdn. Bhd.	32,510,089	28.81	-	-
Puan Shamshiah Binti Hashim @ Abu Bakar	-	-	32,510,089*	28.81
Muhammad Imran Bin Abdullah	-	-	32,510,089*	28.81
Bumiraya Armani Sdn. Bhd.	10,591,400	9.39	-	-
Dato' Borhanuddin Bin Ramli	-	-	10,591,400^	9.39
Lo See Yong	-	-	10,591,400^	9.39

- # Excluding a total of 121,000 YLI Holdings Berhad ("YLI") shares bought-back by YLI and retained as treasury shares as at 30 June 2026.
- * Deemed interested pursuant to Section 8 of the Companies Act 2016 ("the Act") by virtue of their shareholdings in Suasana Karisma Sdn. Bhd.
- ^ Deemed interested pursuant to Section 8 of the Companies Act 2016 ("the Act") by virtue of their shareholdings in Bumiraya Armani Sdn. Bhd.

DIRECTORS AND THEIR SHAREHOLDINGS

In accordance with the Register of Directors' Shareholdings, the Directors and their shareholdings as at 30 June 2026 are as follows:

Name of Directors	Direct	No of Shares		%#
		%#	Indirect	
Dato' Abdul Jalil Bin Abdul Karim	-	-	-	-
Seah Heng Chin	-	-	-	-
Puan Shamshiah Binti Hashim @ Abu Bakar	-	-	32,510,089*	28.81
Lim Yoke Moi	-	-	-	-
Datuk Hj Jalaludin Bin Hj Ibrahim	-	-	-	-
Dr Haji Badrul Hisham Bin Mohd Yusoff	-	-	-	-
Encik Azmi Bin Mohd - -	-	-	-	-

- # Excluding a total of 121,000 YLI Holdings Berhad ("YLI") shares bought-back by YLI and retained as treasury shares as at 30 June 2026.
- * Deemed interested pursuant to Section 8 of the Companies Act 2016 ("the Act") by virtue of their shareholdings in Suasana Karisma Sdn. Bhd.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting of **YLI Holdings Berhad** will be held at Event Hall, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur on Thursday, 27 August 2026 at 10.00 a.m.

AGENDA

- | | | |
|----|---|-----------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. | Please refer to
Note A |
|----|---|-----------------------------------|

AS ORDINARY BUSINESS

- | | | |
|----|--|---------------------|
| 2. | To re-elect Mr Seah Heng Chin who retires in accordance with Clause 76(3) of the Company's Constitution. | Resolution 1 |
| 3. | To re-elect Puan Shamshiah Binti Hashim @ Abu Bakar who retires in accordance with Clause 76(3) of the Company's Constitution. | Resolution 2 |
| 4. | To re-elect Dr Haji Badrul Hisham bin Mohd Yusoff who retires in accordance with Clause 78 of the Company's Constitution. | Resolution 3 |
| 5. | To re-elect Encik Azmi bin Mohd who retires in accordance with Clause 78 of the Company's Constitution. | Resolution 4 |
| 6. | To re-appoint Baker Tilly Monteiro Heng PLT as Auditors and to authorise the Directors to determine their remuneration. | Resolution 5 |
| 7. | To approve the payment of Directors' fees for the financial year ended 31 March 2026 and Directors' benefits from 28 August 2026 until the next Annual General Meeting of the Company up to an aggregate amount of RM500,000.00. | Resolution 6 |

AS SPECIAL BUSINESS

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

- | | | |
|----|--|---------------------|
| 8. | ORDINARY RESOLUTION I
AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | Resolution 7 |
| | <p>"THAT pursuant to Sections 75 and 76 of Companies Act 2016 ("the Act"), Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").</p> | |

NOTICE OF ANNUAL GENERAL MEETING

THAT such approval on the Proposed General Mandate shall be in force until:

- a. the conclusion of the next Annual General Meeting (“AGM”) of the Company held after the approval was given;
- b. the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting.

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER 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.”

9. **ORDINARY RESOLUTION II PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

Resolution 8

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- i. the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

NOTICE OF ANNUAL GENERAL MEETING

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- i. the conclusion of the next Annual General Meeting of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- iii. revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

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

By Order of the Board

WAN RAZMAH BINTI WAN ABD RAHMAN
(MAICSA 7021383) (SSM PC No. 202008002111)

WONG SHEY LAN
(MAICSA 7042197) (SSM PC No. 202108000580)

Company Secretaries

Kuala Lumpur

Date: 30 July 2026

NOTICE OF ANNUAL GENERAL MEETING

Note A

This Agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence is not put forward for voting.

NOTES:

1. Proxy

- 1.1 *For the purpose of determining who shall be entitled to participate in this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 20 August 2026. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this General Meeting or appoint a proxy to participate on his/her/its behalf.*
- 1.2 *The shareholders who are unable to participate in this AGM may appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.*
- 1.3 *A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his/her place. A proxy may but need not be a member of the Company.*
- 1.4 *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 participate instead of the member at the General Meeting.*
- 1.5 *Where a member of the Company is an authorised nominee as defined in the 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.*
- 1.6 *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 Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
- 1.7 *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.*
- 1.8 *The appointment of a proxy may be made in hard copy form or by electronic form in the following manner and must be received by the Company 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:*
 - (i) *In hard copy form*
In the case of an appointment made in hard copy form, this proxy form must be deposited at the Share Registrar of the Company, Plantation Agencies Sdn Berhad, 3rd Floor, 2 Lebuhr Pantai, 10300 Georgetown, Pulau Pinang
 - (ii) *By electronic means*
The Proxy Form can be electronically lodged via with the Company at sharereg@plantationagencies.com.my. Please refer to the Administrative Guide for the 31st AGM on the procedures for electronic lodgement of the Proxy Form.
- 1.9 *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at 3rd Floor, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting 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.*
- 1.10 *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
- 1.11 *Last date and time for lodging this proxy form is 10.00 a.m. on 25 August 2026, Tuesday.*
- 1.12 *For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment at the registered office of the Company situated at 3rd Floor, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur. The certificate of appointment should be executed in the following manner:*
 - (i) *If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.*
 - (ii) *If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by:*
 - (a) *at least two (2) authorised officers, of whom one shall be a director; or*
 - (b) *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

1. Resolution 1, 2, 3 & 4 – Re-election of retiring Directors

The details and profiles of the retiring Directors, Mr Seah Heng Chin, Puan Shamshiah Binti Hashim @ Abu Bakar, Dr Haji Badrul Hisham Bin Mohd Yusoff and Encik Azmi Bin Mohd who are standing for re-election at the AGM are set out in the Directors' profile on page 9, 10, 12 and 14 of the Annual Report 2026.

The Board through the Nomination Committee ("NC") had conducted an annual assessment on the performance and contribution of the individual Directors including the retiring Directors for the financial year ended 31 March 2026 based on a set of prescribed criteria. Based on the results of the annual assessment, the performance of each individual Director was found to be satisfactory and the NC had assessed that each individual Director was fit and proper to continue to hold the position as a Director of the Company.

Premised on the satisfactory outcome of the assessments, the Board endorsed the recommendation of the NC to seek members' approval for the re-election of Mr Seah Heng Chin, Puan Shamshiah Binti Hashim @ Abu Bakar, Dr Haji Badrul Hisham Bin Mohd Yusoff and Encik Azmi Bin Mohd as the Directors of the Company.

2. Resolution 6 - Directors' Fees and Benefits

Pursuant to Section 230 of the Act, any fees and benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 6, if passed, will authorise the payment of Directors' fees for the financial year ended 31 March 2026 and Directors' benefits from 28 August 2026 until the next Annual General Meeting of the Company up to an aggregate amount of RM500,000.00.

3. Resolution 7 – Authority to Issue Shares

The Board is desirous of seeking a general mandate for issuance of shares at the 31st AGM. The Ordinary Resolution proposed under Resolution 7, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment project(s), working capital and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next Annual General Meeting of the Company ("Proposed General Mandate").

4. Resolution 8 – Proposed Renewal of Authority for Share Buy-Back

The proposed Ordinary Resolution 8, if passed, will empower the Company to purchase and/or hold up to ten per centum (10%) of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company. For further information, please refer to the Statement to Shareholders dated 30 July 2026.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Statement Accompanying Notice of Annual General Meeting pursuant to paragraph 8.27(2) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

There are no individuals who are standing for election as Director (excluding Directors standing for re-election) at the forthcoming Annual General Meeting.

General Mandate for Issues of Securities pursuant to Paragraph 6.03(3) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

This general mandate for issue of shares ("the Mandate") was sought for in the preceding year and the Board did not carry out the Mandate since the Annual General Meeting ("AGM") of the Company until the latest practicable date before the printing of this Annual Report. This Mandate will expire on 27 August 2026. A renewal of this authority is being sought at the Thirty-First AGM.

The Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares, for the purpose of funding further investment project(s), working capital and/or acquisition.

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**YLI HOLDINGS BERHAD**

199501038047 (367249-A)

(Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

I/We _____ Tel: _____

[Full name in block, NRIC/Passport/Company No.]

of _____

being member(s) of **YLI Holdings Berhad**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

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 Thirty-First Annual General Meeting of the Company held at Event Hall, Lot 3066, Jalan Datuk Sulaiman, Sungai Penchala, 60000 Kuala Lumpur on Thursday, 27 August 2026 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

Ordinary Business		For	Against
Re-election of Mr Seah Heng Chin who retires in accordance with Clause 76(3) of the Company's Constitution	Resolution 1		
Re-election of Puan Shamshiah Binti Hashim @ Abu Bakar who retires in accordance with Clause 76(3) of the Company's Constitution	Resolution 2		
Re-election of Dr Haji Badrul Hisham bin Mohd Yusoff who retires in accordance with Clause 78 of the Company's Constitution	Resolution 3		
Re-election of Encik Azmi bin Mohd who retires in accordance with Clause 78 of the Company's Constitution	Resolution 4		
Re-appointment of Baker Tilly Monteiro Heng PLT as Auditors and to authorise the Directors to determine their remuneration	Resolution 5		
Approval of Directors' fees and benefits	Resolution 6		
Special Business			
Ordinary Resolution I - Authority to Issue Shares	Resolution 7		
Ordinary Resolution II - Proposed Renewal of Authority for Share Buy-Back	Resolution 8		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this _____ day of _____

Signature*
Member

* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) 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.
- (c) 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:
- (i) at least two (2) authorised officers, of whom one shall be a director; or
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Fold this flap for sealing

Affix Stamp

YLI HOLDINGS BERHAD

Registration no. 199501038047 (367249-A)
(Incorporated in Malaysia)

Plantation Agencies Sdn Berhad
3rd Floor, 2 Lebuhr Pantai
10300 Georgetown, Pulau Pinang

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First fold here

YLI HOLDINGS BERHAD

199501038047 (367249-A)

Tingkat 3, Lot 3066,
Jalan Datuk Sulaiman,
Sungai Penchala,
60000 Kuala Lumpur, Malaysia

Tel : (603) 77222296

Fax: (603) 77222057

www.yli.com.my