

## ANNUAL REPORT 2024



## DIVERSIFICATION & EXPANSION

# 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 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.



## 29<sup>th</sup>

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



**Thursday,  
29 August 2024  
11:00 a.m.**



### **FULLY VIRTUAL**

basis through live streaming and online remote voting via Remote Participation and Voting facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIIH Online website at <https://tiih.online>.





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# Section I

# THE COMPANY





# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Dato' Haji Samsuri Bin Rahmat**  
*Non-Independent Non-Executive Chairman*

**Seah Heng Chin**  
*Group Managing Director*

**Shamshiah Binti Hashim @ Abu Bakar**  
*Non-Independent Executive Director*  
(Appointed on 1 June 2024)

**Datuk Haji Jalaludin Bin Haji Ibrahim**  
*Independent Non-Executive Director*

**Hew Kam Mooi**  
*Independent Non-Executive Director*

## BOARD COMMITTEES

### Audit and Risk Management Committee

Datuk Haji Jalaludin Bin Haji Ibrahim  
Hew Kam Mooi

### Nomination Committee

Hew Kam Mooi - *Chairman*  
Datuk Haji Jalaludin Bin Haji Ibrahim

### Remuneration Committee

Datuk Haji Jalaludin Bin Haji Ibrahim - *Chairman*  
Hew Kam Mooi

## REGISTERED OFFICE

45, Lorong Rahim Kajai 13  
Taman Tun Dr Ismail  
60000 Kuala Lumpur, Malaysia  
Tel : +60 (3) 7722 2296  
Fax : +60 (3) 7722 2057  
Email : corporate@yli.com.my

## COMPANY SECRETARIES

Chew Siew Cheng  
MAICSA 7019191  
SSM PC NO. 202008001179

Law Mee Poo  
MAICSA 7033423  
SSM PC NO. 201908002275

## 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

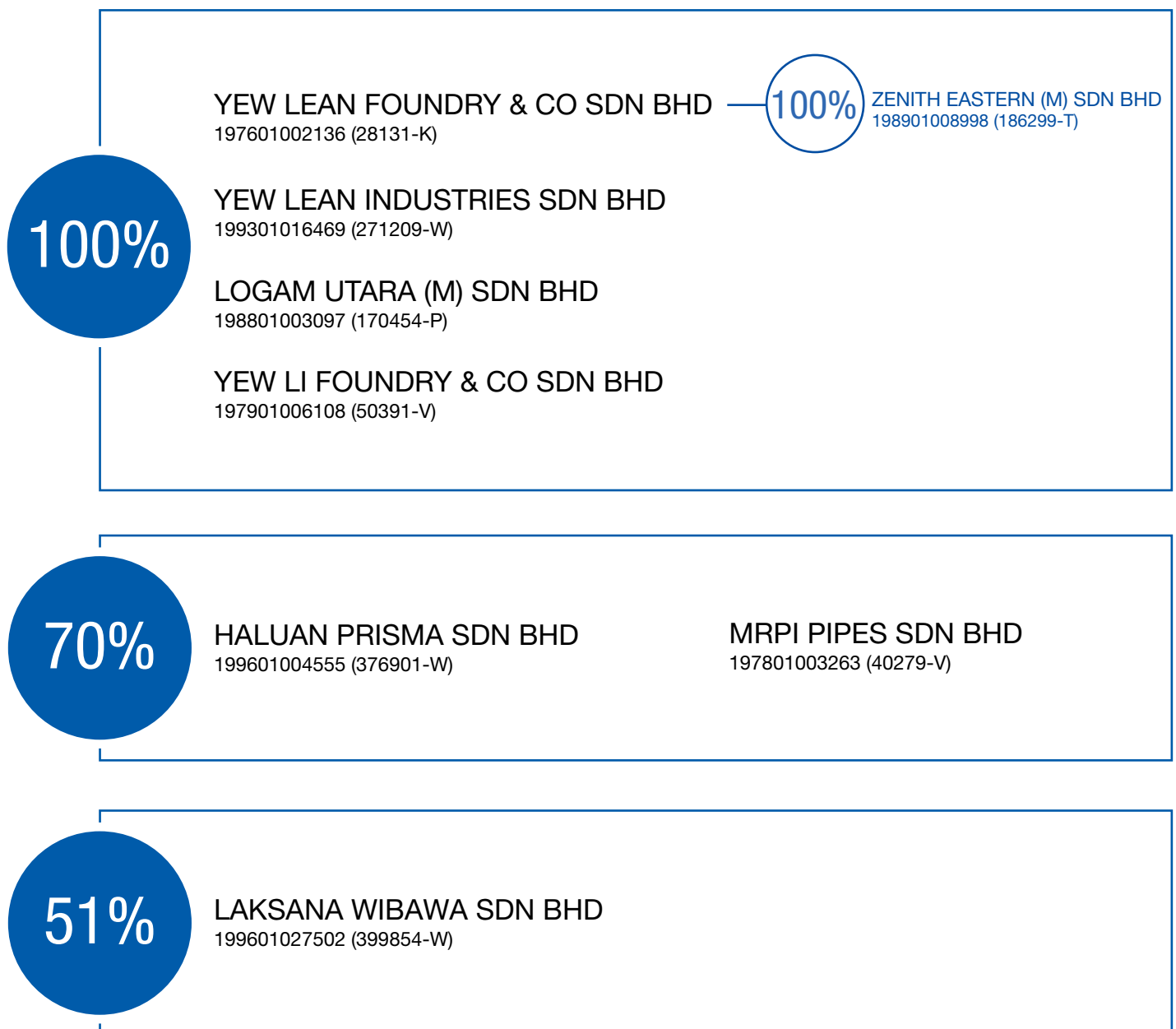
Ambank (M) Berhad  
Aminvestment Bank Berhad  
Hong Leong Bank Berhad  
Malayan Banking Berhad  
United Overseas Bank (Malaysia) Berhad

## STOCK EXCHANGE LISTING

**The Main Market of Bursa Malaysia Securities Berhad**  
Sector : Industrial Products and Services  
Stock Name : YLI  
Stock Code : 7014



## CORPORATE STRUCTURE



# FINANCIAL TRACK RECORD

	FINANCIAL YEAR ENDED 31 MARCH	
	2024 RM'000	2023 RM'000
Revenue	63,547	75,446
Profit Before Taxation	43,171	3,373
Profit After Taxation Attributed to Shareholders	16,281	3,391
Shareholders' Funds	135,765	119,484
Total Asset Employed	196,078	191,558
Profit After Taxation as a Percentage of Shareholders' Fund (%)	11.99	2.84
Basic/Diluted Earnings Per Share (sen)	15.83	3.30
Net Assets Per Share (RM)	1.32	1.16
No. of Shares in Issue (Net of Treasury Shares)	102,830	102,830

## OUR PERFORMANCE

			FINANCIAL YEAR ENDED 31 MARCH		
			2024	2023	CHANGE
			RM'000	RM'000	
INCOME STATEMENT	Revenue		63,547	75,446	-15.77
	Profit Before Taxation		43,171	3,373	1,179.90
	Profit After Taxation Attributed to Shareholders		16,281	3,391	380.12
BALANCE SHEET	Shareholders' Funds		135,765	119,484	13.63
	Total Assets Employed		196,078	191,558	2.36
RATIOS	Current Ratio	times	3.38	1.45	133.10
	Return on Equity	%	11.99	2.84	322.18
	Return on Total Assets	%	8.30	1.77	368.93
	Financial Leverage Ratio	times	0.14	0.38	-63.16
	Basic/Diluted Earnings Per Share	sen	15.83	3.30	379.70
	Net Tangible Asset Per Share	RM	1.32	1.16	13.79
	Closing Price for 31 March	RM	0.400	0.310	29.03

# BOARD OF DIRECTORS

**DATO' HAJI SAMSURI BIN RAHMAT**

(Non-Independent Non-Executive Chairman)

**DATUK HAJI JALALUDIN  
BIN HAJI IBRAHIM**

(Independent Non-Executive Director)

**SEAH HENG CHIN**

(Group Managing Director  
Non-Independent Executive Director)

**HEW KAM MOOI**

(Independent Non-Executive Director)

**SHAMSHIAH BINTI  
HASHIM @ ABU BAKAR**

(Non-Independent Executive Director)





## OUR LEADERSHIP **BOARD OF DIRECTORS**



### **DATO' HAJI SAMSURI BIN RAHMAT**

Non-Independent Non-Executive Chairman



**Age**  
68



**Nationality**  
Malaysian



**Gender**  
Male

**Board Committee Memberships:** Nil

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

Dato' Hj. Samsuri bin Rahmat was appointed as the Chairman of YLI Holdings Berhad on 3 January 2020. He was the Managing Director of the Company since 9 June 2008. Prior to joining the Company, he was the Executive Vice Chairman and also Executive Director of TRIpIc Berhad. Currently, he also sits on the Board of various subsidiaries of the YLI Group.

He graduated with a Bachelor of Science (Hons) degree in Environmental Studies from University Putra Malaysia in 1980. He also holds a Master of Arts degree in Economics from Western Michigan University, the United States of America.

He had held various key positions in the Ministry of Science, Technology and Environment, Ministry of International Trade and Industry, Ministry of National and Rural Development, Socio-Economic Research Unit and Economic Planning Unit (both under the Prime Minister's Department) for sixteen years before joining the private sector in 1996.

#### **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 2024:**

- He attended all six (6) Board Meetings during the financial year ended 31 March 2024

**Length of Service:** 16 years 1 month (as at 15 July 2024)

**Date of Last Re-election:** 30 August 2022

**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 OF DIRECTORS

**SEAH HENG CHIN**

Group Managing Director  
Non-Independent Executive Director



**Age**  
49



**Nationality**  
Malaysian



**Gender**  
Male

**Board Committee Memberships:** Nil

**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 2024:**

- He attended all six (6) Board Meetings held during the financial year ended 31 March 2024

**Length of Service:** 9 years 8 months (as at 15 July 2024)

**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 OF DIRECTORS



### SHAMSHIAH BINTI HASHIM @ ABU BAKAR

Non-Independent Executive Director



**Age**  
54



**Nationality**  
Malaysian



**Gender**  
Female

**Board Committee Memberships:** Nil

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

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

She has a total working experience of 25 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 TRIplc 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 2024:**

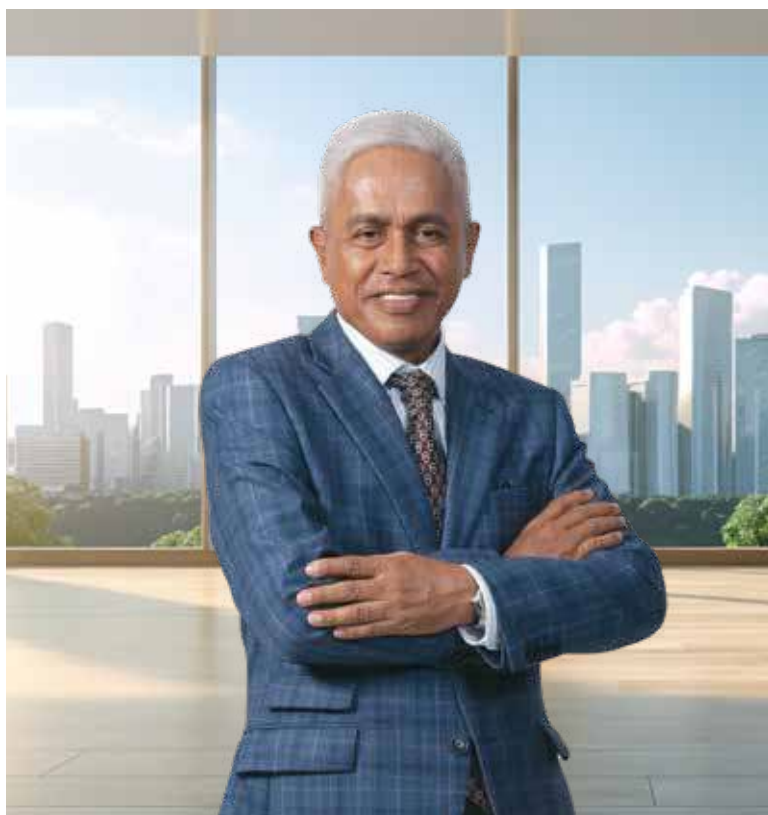
- She has not attended any Board Meeting held during the financial year ended 31 March 2024 as she was only appointed as Director on 1 June 2024

**Length of Service:** 45 days (as at 15 July 2024)

**Date of Last Re-election:** N/A (appointed on 1 June 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 OF DIRECTORS

**DATUK HAJI JALALUDDIN  
BIN HAJI IBRAHIM**

Independent Non-Executive Director

**Age**  
67**Nationality**  
Malaysian**Gender**  
Male**Board Committee Memberships:**

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

**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 Post Graduate Diploma in Forensic Science from King's College London, United Kingdom and a Post Graduate 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 2024:**

- He attended all six (6) Board Meetings during the financial year ended 31 March 2024

**Length of Service:** 4 years six 6 months (as at 15 July 2024)

**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 OF DIRECTORS



### HEW KAM MOOI

Independent Non-Executive Director



**Age**  
67



**Nationality**  
Malaysian



**Gender**  
Female

#### Board Committee Memberships:

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

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

Ms Hew Kam Mooi was appointed to the Board on 31 May 2022. She has more than 45 years of working experience and extensive knowledge in various areas covering operation, corporate banking, corporate financing, merger & acquisition, accounting, taxation, auditing and strategic financial management in private as well as listed companies.

She graduated with a Degree in Accounting & Finance and is a member of the Association of International Accountants (AIA) United Kingdom. She is a member of Institute of Financial Accountants (IFA) United Kingdom and a member of Institute of Public Accountants (IPA) Melbourne, Australia.

She started her young career in a private company in manufacturing, trading & customer services industry. Subsequently, she joined a listed company in oil & gas, shipyard, fabrication, construction, resort, hotel & commercial development and consultancy services as an accountant. Later on, she joined a private company with a subsidiary listed in Philippine Stock Exchange as a Group Accountant and industries covered were Hotel & Resort Development & Management, Construction & Investment.

In year 2000, she joined a developer as a General Manager in township development & construction. In year 2006, she was promoted to Managing Director heading a Financial Consultancy Company, responsible for the overall function that the company undertakes especially in plantation, manufacturing, development & construction and real estate investments. In year 2021, she retired at the age of 65 from the company.

#### 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 2024:

- She attended all six (6) Board Meetings during the financial year ended 31 March 2024

**Length of Service:** 2 years 2 months (as at 15 July 2024)

**Date of Last Re-election:** 30 August 2022

**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

# KEY SENIOR MANAGEMENT

## KHOR SONG SIM

Operations Director, Yew Lean Foundry & Co Sdn Bhd



**Age**  
57



**Nationality**  
Malaysian



**Gender**  
Male

### Academic / Professional Qualification:

- Bachelor of Commerce degree in Accounting & Finance (with merit) from University of New South Wales, Australia in 1992.

### Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

### Date of Appointment / Working Experience:

Khor Song Sim was appointed as the Operations Director on 2 January 2020. Prior to his appointment as Operation Director, he was the Senior General Manager, Corporate Services in Yew Lean Foundry & Co Sdn Bhd.

He joined Yew Lean Foundry & Co Sdn Bhd in 2007 as a General Manager – Corporate Services and has about thirty years of working experience in accounting, corporate services, internal and statutory audit related fields in various industries, including a stint as the Financial Controller of companies that were listed on the Main Market and Mesdaq Market of Bursa Malaysia Securities Berhad.

**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

## ANUAR SHUKRY BIN ISMAIL

Operations Director, MRPI Pipes Sdn Bhd



**Age**  
53



**Nationality**  
Malaysian



**Gender**  
Male

### Academic / Professional Qualification:

- Bachelor of Science degree in Mechanical Engineering from University of Missouri-Rolla, United States in 1994.

### Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

### Date of Appointment / Working Experience:

Anuar Shukry Bin Ismail was appointed as the Operations Director on 2 January 2020. Prior to his appointment as Operations Director, he was the Sales & Marketing Manager in MRPI Pipes Sdn Bhd.

He joined MRPI Pipes Sdn Bhd (formerly known as Musa & Rahman Plastic Industries Sdn Bhd) in 1994 as a Sales Engineer. He had since held various key positions within the company with involvement in various functions including sales, marketing and production. He has vast experience in plastic pipe manufacturing including his involvement in the water supply job for Tenaga Nasional Berhad in Manjung, Perak for submarine application, Lembaga Air Perak/Asian Development Bank project to supply High Density Polyethylene pipes and a number of supply contracts to various state water authorities in Malaysia.

**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



## KEY SENIOR MANAGEMENT

### TEO KEE HENG

Assistant General Manager, Laksana Wibawa Sdn Bhd



**Age**  
51



**Nationality**  
Malaysian



**Gender**  
Male

#### Academic / Professional Qualification:

- Master of Science degree (with merit) in Engineering and Manufacturing Management from Coventry University, England in 2001;
- Diploma in Materials Engineering from Tunku Abdul Rahman College in 1997

#### Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

#### Date of Appointment / Working Experience:

Teo Kee Heng was appointed as the as Assistant General Manager on 1 March 2019. Prior to his appointment as Assistant General Manager, he was holding the position of Senior Manager - Sales/Marketing & Business Development in Laksana Wibawa Sdn Bhd.

He has over twenty years of working experience in piping for waterworks and sewerage industry covering sales and marketing, project and engineering as well as manufacturing and operations.

**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

### AZMI BIN MOHD

Managing Director, Haluan Prisma Sdn Bhd



**Age**  
44



**Nationality**  
Malaysian



**Gender**  
Male

#### Academic / Professional Qualification:

- Bachelor Degree in Civil Engineering - Construction Management (Hons) from University Technology Malaysia (UTM) 2003.

#### Directorship(s):

- Listed Companies: Nil
- Other Public Companies: Nil

#### Date of Appointment / Working Experience:

Azmi Bin Mohd was appointed as the Managing Director on 4 June 2024. Prior to his appointment, he was working in Kayaal Holdings Sdn Bhd. He has over twenty years experiences in contract and construction of residential, commercial, infrastructure and purposed-built or specialty buildings.

**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 2024**

ANNUAL GENERAL MEETING

**29 August 2024**

ANNOUNCEMENT OF RESULTS

**First Quarter**                      **28 August 2023**  
(Financial Period Ended 30 June 2023)**Second Quarter**                      **17 November 2023**  
(Financial Period Ended 30 September 2023)**Third Quarter**                      **27 February 2024**  
(Financial Period Ended 31 December 2023)**Fourth Quarter**                      **30 May 2024**  
(Financial Period Ended 31 March 2024)

ANNUAL REPORT

Date of Issuance

**29 July 2024**



# Section II

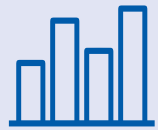
# CORPORATE STATEMENTS



# MANAGEMENT DISCUSSION & ANALYSIS



**Revenue**  
**RM63.55mil**  
31 MAR 2024



**Gross Loss**  
**RM3.94mil**  
FY2024



**Gearing & Liquidity**  
**RM18.73mil**  
FY2024

## GENERAL DESCRIPTION OF THE GROUP

YLI Holdings Berhad ("YLI") is an investment holding company with several key subsidiaries involving in activities as tabulated below:

### Yew Lean Foundry & Co Sdn Bhd ("YLF")

YLF is a leading manufacturer of ductile iron pipes, fittings and other related products in Malaysia and the ASEAN region. Its pipes are manufactured 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. With the compulsory disposal of the land and building for ECRL Project in October 2023, the company ceased its manufacturing business by end of last year and continued in its trading business. It is 51% owned by YLI Holdings Berhad.

### MRPI Pipes Sdn Bhd ("MRPI")

MRPI is principally involved in the manufacturing and marketing of High Density Polyethylene ("HDPE") pipes and fittings. The pipes and fittings manufactured 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 "A" Class and PKK Bumiputra status by Pusat Khidmat Kontraktor ("PKK") and under "G7" Grade by the Construction Industry Development Board ("CIDB"). It is 70% owned by YLI Holdings Berhad.

With the above key subsidiaries, YLI Group aspires to become the one-stop solution to all water and sewerage piping needs of its customers. 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. Besides trading in pipes, fittings and accessories, LUSB also serves to provide synergy to the Group especially YLF on the scrap metal requirement, with excess sold in the open market.

Along with our vision to be a pre-eminent group in providing value-added services and products to the water and sewerage industry, we strive to contribute effectively towards nation building.





# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL REVIEW

### Revenue

The Group revenue for the financial year ended 31 March 2024 ("FY2024") was RM63.547 million as compared to RM75.446 million achieved in previous financial year ("FY2023"). While manufacturing and trading segment recorded a decrease of 15.77% (from RM75.446 million to RM63.547 million) in Group revenue, construction segment recorded zero revenue as in previous year. The lower revenue in the Group was primarily attributed by lower demand of YLI products in domestic market, minimal overseas sales for MRPI in addition to cessation of manufacturing business by end of last year for Laksana.

### Gross Loss

A gross loss of RM3.940 million was recorded for FY2024 as compared to a gross loss of RM835,000 for FY2023, in tandem with the lower Group revenue in FY2024 coupled with higher raw material cost such as scrap metal.

### Other Income

Other income for FY2024 at RM83.810 million rose significantly by RM68.680 million as compared to RM15.130 million registered in FY2023. The increase in other income for FY2024 as compared to FY2023 was mainly due to a one-off gain on compulsory land disposal and gain from disposal of machineries for Laksana at RM83.371 million compared to previous year with a one-off gain from disposal of freehold lands in YLF of RM15.000 million.

### Selling & Distribution Expenses

Selling and distribution expenses for FY2024 of RM1.413 million was higher as compared to RM1.315 million in FY2023 due to increase in transportation cost for current year.



### Administrative Expenses

Administrative expenses for FY2024 of RM32.589 million was higher as compared to RM7.422 million in FY2023 by RM 25.167 million mainly due to related administrative expenses incurred by Laksana on the disposal of land, building and machineries and impairment of DI machinery.

### Profit After Tax & Total Comprehensive Income

Consequently, for reasons stated above, the Group recorded a Profit after Tax of RM43.452 million in FY2024 as compared to a Profit after Tax of RM1.853 million for FY2023. Accordingly, total comprehensive income for FY2024 stood at RM43.452 million (vis-à-vis a Total Comprehensive Income of RM1.853 million for FY2023).

### Equity Attributable to the Owners of the Company

The equity attributable to the owners of the Company (i.e. YLI Holdings Berhad) increased from RM119.484 million as at the end of FY2023 to RM135.765 million as at the end of FY2024. The increase was due to total comprehensive income attributable to the owners of the company of RM16.281 million for FY2024 (vis-à-vis total comprehensive income attributable to the owners of the company of RM3.391 million for FY2023).

### 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 FY2024 amounted to RM18.727 million as compared to RM45.178 million as at the end of FY2023. In terms of liquidity, the Group recorded a cash and cash equivalents of RM35.406 million as at the end of FY2024 as compared to RM9.879 million as at the end of FY2023.



# MANAGEMENT DISCUSSION & ANALYSIS

## Capital expenditure requirement

A total of RM9.214 million was expended during FY2024 to fulfill capital expenditure requirement and the amount to be expended within the next financial year is expected to be within the range of RM5 million – RM10 million for the Group.

## PROSPECTS

The Malaysian economy is expected to record a Gross Domestic Product (“GDP”) growth rate of 4% to 5% in 2024 compared to slower growth of 3.7% in 2023. The industry outlook for the Group’s business is expected to remain extremely challenging moving forward in view of the softer demand of waterworks pipes, competitive pricings offered by competitors, pro-longed hike in raw materials price, consumables items, and utility costs attributed by the unstable worldwide and domestic business environment, higher pace of inflation around the World with higher interest rate on borrowings, and 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) 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. Additionally, the Group would likely see further improvement in its operational efficiency moving forward as a result of its past and ongoing upgrades of its production machineries.

In its attempt to preserve its position as the leading manufacturer and supplier of premium quality water and sewerage pipes and fittings in the ASEAN region, the Group will continue to focus its effort in cost containment. The Group will also seek to intensify its research and marketing initiatives to diversify its product range and widen its foothold beyond its traditional markets.

In order to mitigate the risk of specialising in very limited fields or industries, 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 2024.



# SUSTAINABILITY STATEMENT

## INTRODUCTION

YLI Holdings Berhad (“YLI” or the “the Group”) is pleased to present the financial year ended 2024 (“FY2024”) Sustainability Statement (“Statement”). This Statement reflects our ongoing efforts and performance in managing and improving sustainability across our operations. As we navigate through a landscape marked by economic and geopolitical uncertainties, we remain cognisant of the constantly evolving external factors. Our commitment to prioritising economic, environmental, and social (“EES”) performance remains unwavering, as we firmly believe that it is an essential element of our long-term business strategy and overall success. Despite the challenges posed by external forces, we are dedicated to upholding our sustainability principles and are continuously seeking new opportunities to further integrate sustainability into all aspects of our operations.



In response to the increased emphasis on sustainability within Bursa Malaysia Berhad (“Bursa”)’s enhanced Sustainability Reporting Framework, we have taken the initiative to incorporate new sustainability indicators in this year’s Statement.

The core values of the Group define and structure the much-needed foundation for integrating sustainability into our daily operations, management decisions as well as the strategic moves from the senior management leadership teams. Aligned with the guidelines set forth in the Sustainability Reporting Guide (3rd Edition) by Bursa, YLI has integrated sustainability principles into its operational framework. This strategic integration ensures that the organisation effectively manages Environmental, Social and Governance (“ESG”) risks and opportunities, thereby enhancing organisational resilience, with the aim to increase the Group’s competitive level across the targeted markets.

This Statement aims to provide our stakeholders and shareholders with clear and comprehensive information about our non-financial performance, how we identify and manage our material sustainability matters in the context of ESG.

We will continue to enhance and improve our sustainability reporting to demonstrate transparency and enable our stakeholders make informed decisions.

# SUSTAINABILITY STATEMENT

## REPORTING PERIOD AND SCOPE

This Statement covers the Group's sustainability initiatives, efforts and performance for the financial year from 1 April 2023 to 31 March 2024. Where relevant, we include previous years' data for progress tracking and context.

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	Manufacturing and 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	Manufacturing and trading of HDPE Pipes & MDPE Pipes
Haluan Prisma Sdn Bhd	Bukit Jalil, Kuala Lumpur	Construction and project management

This Statement contains the key business activities such as the manufacturing of ductile iron ("DI") pipes, high-density polyethylene ("HDPE") pipes and relevant fittings, trading of mild steel ("MS") pipes and fittings as well as the construction, project management and trading of scrap metal.

There was no significant change to the Group's operations and business nature during the reporting year other than the cessation of manufacturing of mild steel pipes. Unless specific reference is made in this Statement, the abovementioned scope is applicable to all sustainability matter as disclosed in this Statement.

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



This Statement shall be read by interested parties 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.

## REPORTING FRAMEWORK

This Statement is prepared in accordance with Bursa's Listing Requirements, with reference to Bursa's Sustainability Reporting Guide (3rd Edition) and the principles of the Malaysia Code on Corporate Governance.

## ASSURANCE

All data contained within this Statement has been sourced internally and has been verified by the respective business units or information owners. Where applicable, data has been internally assured by YLI's internal audit function.

## FEEDBACK

This Statement can be found and downloaded in our official website, under the section of Annual Report. We value your comments and recommendation for improvements over our sustainability performance or reporting framework. As such, we welcome any inquiries and suggestions to be directed to our corporate email, at [corporate@yli.com.my](mailto:corporate@yli.com.my), or via our 'Contact Us' page.

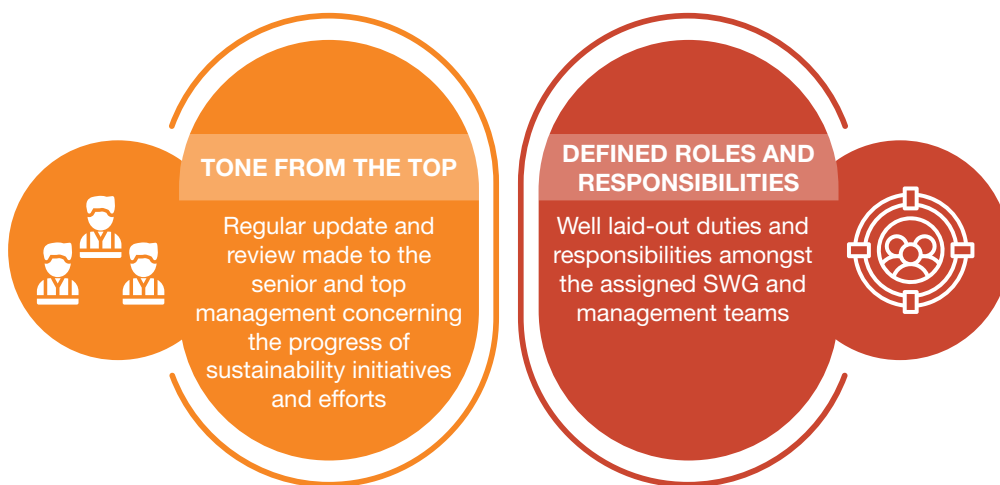


# SUSTAINABILITY STATEMENT

## GOVERNANCE STRUCTURE

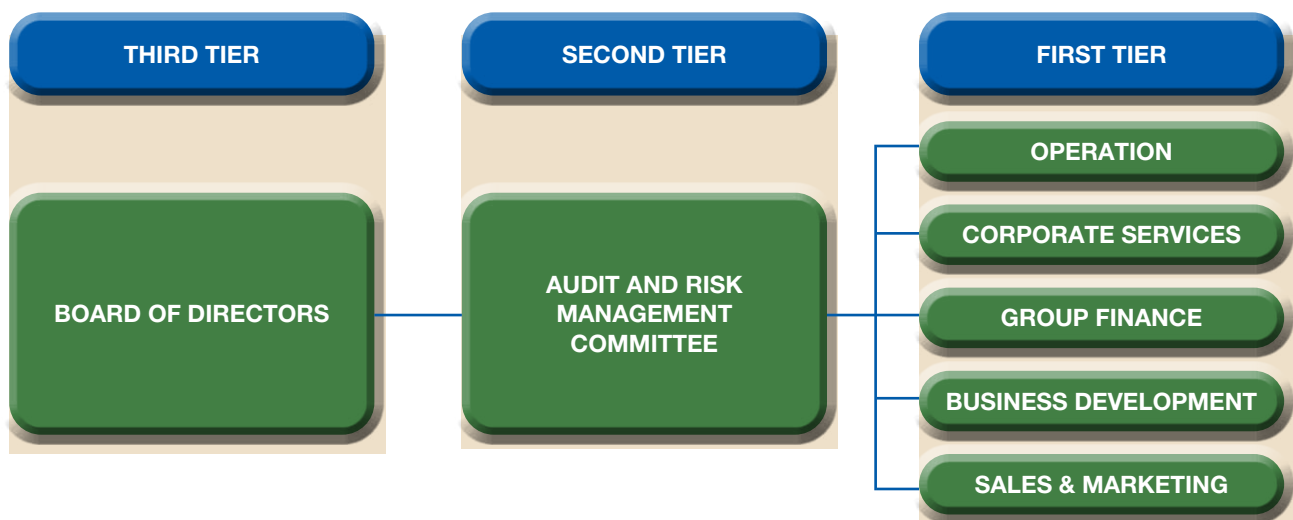
The sustainability governance structure is integrated into the Group's corporate governance framework to ensure sustainability is embedded across the organisation. The Board of Directors ("Board") is primarily responsible for the Group's sustainability practices and performance. The Group Managing Director ("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. At present, the GMD is supported by Sustainability Working Group ("SWG" or "WG") which is a dedicated committee that prioritises the relevant sustainability strategies, including the integration of sustainability considerations into the Company's operations.

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



The SWG meets at least once in the financial year to assess and undertake where necessary, sustainability initiatives for business improvement purpose. 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*

Upholding the highest standards of governance is at the core of everything we do at YLI. Our commitment to ethical business practices is not only a matter of compliance, but also a fundamental aspect of our corporate culture, guiding our decisions and actions. 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

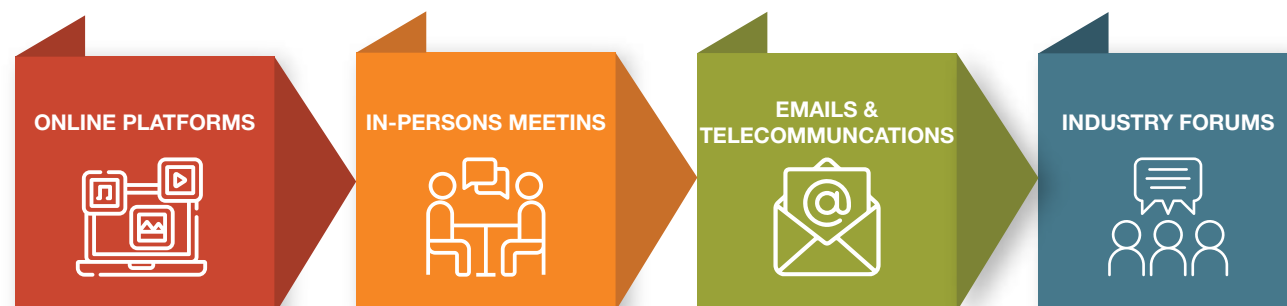
All appointments to the Board are made on merit, ensuring that individuals are selected for their qualification, experience, and expertise. The Board's policy is designed to create a diverse and skilled composition that is able to effectively address the needs and challenges of the business. The Board diversity in terms of gender and age group are illustrated below:

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C3(b)</b> Percentage of directors by gender and age group				
<u>Gender Group</u>				
Male	Percentage	100.00	80.00	80.00
Female	Percentage	Nil	20.00	20.00
<u>Age Group</u>				
Below 40	Percentage	Nil	Nil	Nil
Between 40 and 55	Percentage	20.00	20.00	20.00
Above 55	Percentage	80.00	80.00	80.00

## OUR ENGAGEMENT WITH THE STAKEHOLDERS

We believe in transparency and throughout our business operations, we are always open to engage and communicate with all levels of stakeholders. We constantly engage our stakeholders to build strong relationships, with the Group's core values embedded within the team to ensure businesses are conducted with utmost integrity and fairness. The Group engages its stakeholders through various means of communication. On an annual basis, we would 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.

As different stakeholders may possess different expectations towards the Group, we are committed to maintain a variety of communication channels for our stakeholders to raise their concerns to us in a transparent and effective manner. The types of communication channels are inclusive of the following:



# SUSTAINABILITY STATEMENT

## OUR ENGAGEMENT WITH THE STAKEHOLDERS (CONT'D)

Upon the key stakeholders' assessment conducted by the SWG, we have identified our stakeholders which includes our customers, dealers, employees, suppliers, local communities as well as the government agencies, authorities and regulators. A summary of our key stakeholders, including how we engage with them, the frequency of engagement and the key focus areas of the engagement, is as follows:

Types of Stakeholders	Engagement Methods	Frequency
Customers	<ul style="list-style-type: none"> <li>Meetings / Discussions</li> <li>Press release / Announcements</li> <li>Customer service practices</li> <li>Contract negotiations</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Ad-hoc</li> <li>Ongoing</li> <li>Ad-hoc</li> <li>Ongoing</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Meetings / Discussions</li> <li>Annual performance review</li> <li>Grievances / Whistleblowing procedures</li> <li>Dialogue session</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Annually</li> <li>Ad-hoc</li> <li>Ad-hoc</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual report</li> <li>Quarterly announcements / Reports</li> <li>Press release</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Annually</li> <li>Quarterly</li> <li>Ad-hoc</li> <li>Ongoing</li> </ul>
Government / Regulatory Bodies	<ul style="list-style-type: none"> <li>Report submissions</li> <li>Audits / Inspection Visits</li> <li>Meetings / Discussions</li> <li>Press release / Announcements</li> <li>Contract negotiations</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Ad-hoc</li> <li>Ongoing</li> <li>Ad-hoc</li> <li>Ad-hoc</li> <li>Ongoing</li> </ul>
Suppliers / Vendors	<ul style="list-style-type: none"> <li>Meetings / Discussions</li> <li>Performance evaluations</li> <li>Contract negotiations</li> <li>Vendor registrations</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Annually</li> <li>Ad-hoc</li> <li>Ad-hoc</li> </ul>
Public / Local Communities	<ul style="list-style-type: none"> <li>Press release</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Ad-hoc</li> <li>Ongoing</li> </ul>



# SUSTAINABILITY STATEMENT

## IDENTIFYING AND PRIORITISING OUR MATERIAL ASPECTS

The materiality assessment process entails members of the SWG identifying key sustainability matters relevant to the Group's business and strategies, followed by rating-based assessment on the identified key sustainability matters. Besides, we would also consider how the sustainability matter affects the Group's long-term business plans and values, the financial and non-financial impact to the business activities and the level of concern raised by the relevant stakeholders. Sustainability matters are deemed material under two (2) considerations - when a matter has significant influence over the judgement and decisions of a stakeholder, and when a matter demonstrates substantial EES impacts to the Group's value chain.

The Group applied the following methodologies and procedures in governing its materiality assessment:



In FY2024, selected Head of Departments and key management personnel convened discussions and meetings to review and assess the applicability and relevance of identified key sustainability matters prior to adopting them into the Group's strategic decision making. The discussions included assessing the material sustainability matters ("MSM") in terms of their impact to both Group's businesses and stakeholders which were rated from low to high.

Each of the MSM was duly identified, assessed and rated accordingly by the SWG. Subsequent to aforesaid exercises, the key sustainability matters are then categorised into three aspects – environmental, social and governance. A total of eight (8) key sustainability matters were identified and assessed based on their impact to our stakeholders and to the business.

# SUSTAINABILITY STATEMENT

## IDENTIFYING AND PRIORITISING OUR MATERIAL ASPECTS (CONT'D)

For FY2024, we have reviewed our MSM and consolidated “Local Job Opportunities” and “Employees’ Welfare and Wellbeing” into “Human Rights, Diversity, Equal Opportunity and Inclusivity”. For other existing MSM, they remain unchanged while one (1) existing and one (1) new MSM were updated and identified by YLI, namely “Training and Development” and “Supporting Our Local Economy and Community”.

### Materiality Assessment



The MSM are grouped into three sustainability pillars comprising of Environmental, Social and Governance:

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>Waste Management Practices</li> <li>Environmental Conservation and Preservation Initiatives / Efforts</li> <li>Sustainable Manufacturing Practices</li> </ul>	<ul style="list-style-type: none"> <li>Health and Safety Initiative</li> <li>Human Rights, Diversity, Equal Opportunity and Inclusivity</li> <li>Training and Development</li> <li>Supporting Our Local Economy and Community</li> </ul>	<ul style="list-style-type: none"> <li>Compliance and Ethical Business Engagements</li> </ul>

# SUSTAINABILITY STATEMENT

Materiality assessment helps us to identify sustainability risks and opportunities, which serves as a foundation for our Group to manage them and create long-term value for 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
<b>Compliance and Ethical Business Engagements</b>	Lapse in corporate governance practices may damage the reputation and corporate image.	Effective corporate governance practices enhance reputation and corporate image.
<b>Waste Management Practices</b>	Inadequate waste management may lead to environmental pollution.	Effective waste management presents opportunities for resource recovery through recycling and cost savings for business.
<b>Environmental Conservation and Preservation Initiatives / Efforts</b>	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.
<b>Sustainable Manufacturing Practices</b>	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.
<b>Health and Safety Initiative</b>	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.
<b>Human Rights, Diversity, Equal Opportunity and Inclusivity</b>	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.
<b>Training and Development</b>	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.
<b>Supporting Our Local Economy and Community</b>	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.

## Sustainable Manufacturing Practices

The Group's core values echo our commitment to become a timeless value creator. As the Group's revenue is largely generated from its manufacturing segment, it is imperative for the Group to continually embed sustainable manufacturing practices and initiatives to ensure the attainment of quality deliverables with optimised business running costs. The said aspiration is vital to generate positive returns to our key stakeholders, including customers, suppliers and investors in both medium and long terms.

The quality of our deliverables would always be warranted by our dedicated management team. As part of the efforts in sustaining core businesses, our key subsidiaries that manufacture DI and HDPE pipes and construction 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.



# SUSTAINABILITY STATEMENT

## **Sustainable Manufacturing Practices (cont'd)**

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



In our pursuit of operational excellence, we have committed our resources to achieve high productivity with consistent and high-quality products and services. 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.

Where practical and economically viable, we endeavour to promote and contribute to the local economy through our procurement activities. For FY2024, approximately 85% 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. Nevertheless, the Group strives to maintain a balance participation towards the local economy contributions in various ways, such as local sourcing and procurement of general goods and services.

Thorough and precise suppliers' 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 over 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 2024, we have retained a total of 383 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 requirement of the Group.

# SUSTAINABILITY STATEMENT

## **Compliance and Ethical Business Engagements**

YLI and its management strive to adhere to the highest ethical standards in discharging responsibilities and continue to promote integrity and ethical conduct among employees in all aspects of the Group's business operations. 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 ("MCCG" or "the Code") whereby the Board of Directors, management and employees of the Group discharge their obligatory duties with clear accountabilities and responsibilities.

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 great level of emphasis on internal control by appointing an independent consulting firm in conducting regular internal audit exercises.

In short, YLI's underlying principles and practices include:

- Clear Accountabilities and Responsibilities
- Effective Risk Management
- Integrity and Transparency
- Internal Controls

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

The Group endeavours to practise high ethical standards and strict compliance with the relevant rules and regulations where we operate in. During the reporting period, a compliance review was conducted by AJA EQS Certification (M) Sdn Bhd for a subsidiary registered with manufacturing license of MS pipes. The Group also maintains an ISO 9001: 2015 (Quality Management System) certification.

## *Anti-Bribery and Corruption Management*

The Group conducts all its business in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships. The Group is also committed in upholding all laws relevant to countering bribery and corruption in Malaysia and all other jurisdictions in which it operates. The said efforts could be confirmed by our introduction of Anti-Bribery and Corruption ("ABC") Policy which comprises 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.

# SUSTAINABILITY STATEMENT

## Compliance and Ethical Business Engagements (cont'd)

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C1(a)</b> Percentage of employees who have received training on anti-corruption by employee category:				
- Manager and Above	Percentage	100.00	88.00	73.68
- Executive	Percentage	97.30	30.00	13.16
- Non-Executive	Percentage	66.02	Nil	11.54
- Foreign Workers	Percentage	8.88	Nil	Nil
<b>Bursa C1(b)</b> Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
<b>Bursa C1(c)</b> Confirmed incidents of corruption and action taken	Percentage	Nil	Nil	Nil

In the month of March 2024, the Group had conducted briefing sessions to its management as a means to create awareness on the amended MACC Act to cultivate a zero-bribery and corruption culture. As of 31 March 2024, we recorded zero incidents of corruption across the business operations.

## Waste Management Practices

Minimising the impact towards the environment is our core principle with the Group's waste management approach. We acknowledge the adoption of proper waste management, specifically on scheduled waste, is vital to protect our workplace and health and safety. 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 had also adopted 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 schedule 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

At the present, the storage of scheduled wastes is limited to the permitted capacity of maximum 20 tonnes. As of 31 March 2024, the Group did not exceed the permitted capacity of maximum of 20 tonnes of the scheduled waste storage.

All scheduled wastes would be managed by relevant subject matter experts including the melting furnaces and zinc coating performances. For the financial year of 2024, there was zero non-compliance cases or incidents pertaining to the breach of environment regulatory requirement.



# SUSTAINABILITY STATEMENT

## Waste Management Practices (cont'd)

The Group is committed in conserving the environment by continuously improving engineering properties in the iron pipe i.e. its tensile strength, elongation and solidity and in the ductile iron pipe manufacturing processes. The said efforts would enable the Group to reduce potential technical failures. Aside from the above, the ductile iron pipe would possess higher mechanical properties that may last up to 50 years in useful life, thus bringing least impact to the overall environment.

For our construction sites, we have appointed qualified waste management contractor to collect the construction and domestic wastes on a regular basis. We have also adopted modular construction system – 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 assist the management in overseeing the overall building cost and quality.

The Group’s perseverance of 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 on waste we generate.

By implementing such strategy, this provides an opportunity for the Group to lower costs and streamline processes which ultimately contributes to 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	2022	2023	2024
<b>Bursa C10(a)</b> Total waste generated, and a breakdown of the following:	Metric Tonnes	1,381.06	2,062.67	2,261.86
(i) total waste diverted from disposal	Metric Tonnes	64.90	75.27	25.33
(ii) total waste directed to disposal	Metric Tonnes	1,316.17	1,987.40	2,236.53

## Environmental Conservation and Preservation Initiatives / Efforts

### Preservation Initiatives

We recognise the importance of reducing our carbon footprint, enhancing energy efficiency as well as reducing waste while carrying our business operations. 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. We are also improving our supply chain screening process to ensure compliance with social and environmental standards. The Group preserves its self-regulation initiatives – Guided Self-Regulation (“GSR”) to ensure the compliance of relevant rules and regulations, whilst minimising any harmful impact to the environment driven by the Group’s business activities. In addition, the DOE would be conducting regular environmental preservation awareness sessions to provide relevant guiding principle 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 acknowledge that manufacturing industries possess the highest potential of pollution risks. As such, we are conscious of this challenge and views the prevention of pollution seriously when carrying out our business activities. 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 third party to perform a Stack Emission Monitoring Test for all the dust collections during the reporting year, with the aim to ensure all relevant machines and equipment are operating in accordance to our needs and the regulated limit.

For FY2024, an annual budget of RM100,000 was allocated to upkeep and maintain the Group’s pollution control activities.

# SUSTAINABILITY STATEMENT

## Environmental Conservation and Preservation Initiatives / Efforts (Cont'd)

### Environmental Conservation Efforts

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

### ENVIRONMENTAL CONSERVATION EFFORTS



Awareness of general safety rules



Minimising unnecessary production and general wastes



Constant checks on hazardous or dangerous chemicals



Proper waste disposal management

We practice on-going energy-efficiency initiatives such as the continuous maintenance of equipment and process optimisation, and by investing in more energy-efficient equipment. 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 can be seen as follows:

### ELECTRICITY EXPENSES (RM'million)



# SUSTAINABILITY STATEMENT

## Environmental Conservation and Preservation Initiatives / Efforts (Cont'd)

### Energy Consumption

As we look ahead, it is expected that the cost of energy would continue to escalate in the near future, primarily due to the Malaysian government's raising of the electricity tariff for non-domestic consumers and phase out of fuel subsidies. 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.

Consumption of fossil fuels emit carbon emissions which is a significant driver to climate change and global warming. The continued reliance on fossil fuels for energy production and transportation exacerbates this problem, highlighting the urgent need for transitioning to renewable and sustainable energy sources. We are dedicated to minimising our impact on the environment by focusing on efficient energy usage and as a response to this climate change challenge, we have begun to monitor our energy consumption with the aim to implement green practices into our operations in future to reduce both energy usage and carbon emissions.

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C4(a) Total energy consumption</b>				
Total Energy Consumption	Megawatt	40,395.74	34,549.21	29,843.87
- Electricity	Kilowatt	22,990.03	17,512.56	13,122.82
- Diesel	Litres	58,704.00	55,676.00	39,974.00
- Natural Gas	MMBtu/MT	57,242.30	56,080.60	55,606.60

#### Note:

MMBtu=One million British thermal units

MT=Metric tonne

### Water Management

We acknowledge that freshwater is a finite resource that should be preserved as much as possible. YLI is committed to environmental stewardship of this resource and ensures that its consumption should not pollute the environment by ensuring all effluents are within the permissible levels set by the DOE. With this in mind, we encourage our employees to use water responsibly in their daily tasks.

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C9(a) Total volume of water used</b>	Megalitres	99.42	98.57	115.90

## Health and Safety Initiatives

### Occupational, Health and Safety

While maintaining a safe and healthy working environment helps to protect our stakeholders, it also provides a conducive working and productive environment for our valued employees. In YLI, our relevant health and safety policies depicts not only our commitment towards providing a safe and healthy working environment, but also the priority the Group places upon the required training programmes to be provided to the employees. Our business operations are governed by the principles and guidelines as contained within the said policies. Besides ensuring a robust management system to continually manage the Group's occupational health and safety matters, we also encourage our employees to be participative in our discussions and meetings which concerns the health and safety of the employees.



# SUSTAINABILITY STATEMENT

## Health and Safety Initiatives (Cont'd)

### Occupational, Health and Safety (Cont'd)

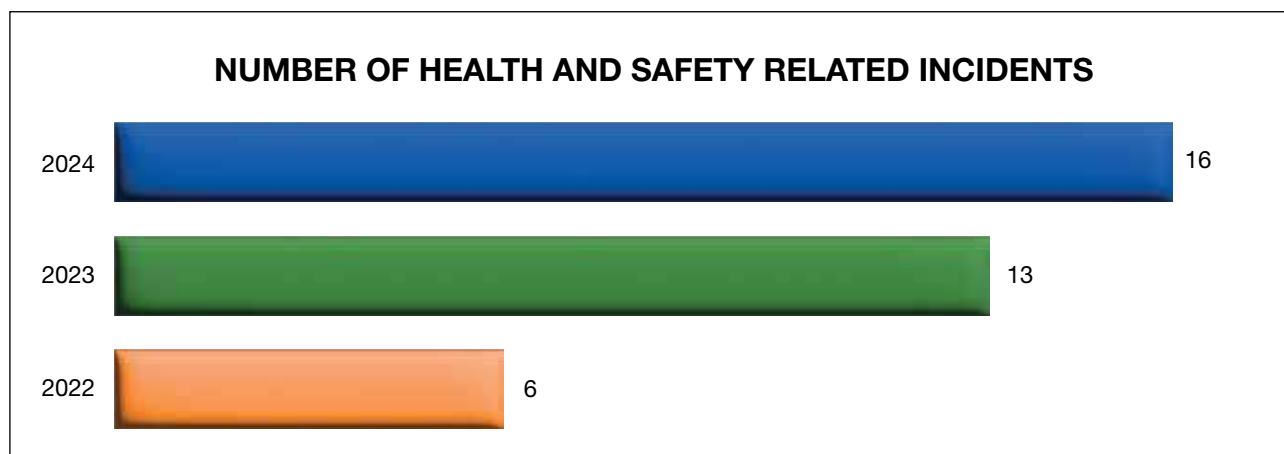
At present, the environment, health and safety management at workplace is headed by the Environment, Health and Safety Committee ("EHS Committee") which is made up of representatives from both the management and the employees in compliance with EQA 1974, Occupational Safety and Health Act 1994, and Factories & 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.

It is important for everyone to be aware of their own health and safety. As such, 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 stakeholders to uphold the safety and health during the executions of their respective duties and responsibilities. The Group also provides healthcare benefits and ensures 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 can be exemplified as follows:



The Group is committed to continuously increase its communication efforts including training, and signages that had also been placed to remind and train employees to be more cautious about their own health and safety. For the FY 31 March 2024, the number of health and safety related incidents are represented as follows:



The Group is committed to place utmost priority towards the health and safety of the employees. 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

## Health and Safety Initiatives (Cont'd)

### Occupational, Health and Safety (Cont'd)

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C5(a)</b> Number of work-related fatalities	Number	Nil	Nil	Nil
<b>Bursa C5(b)</b> Lost time incident rate ("LTIR")	Rate	2.93	5.96	7.37
<b>Bursa C5(c)</b> Number of employees trained on health and safety standards	Number	Nil	80	17

## Human Rights, Diversity and Equal Opportunity

Embracing diversity within our organisation 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 that reflects the communities we serve, 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	2022	2023	2024
<b>Bursa C3(a)</b> Percentage of employees by gender and age group, for each employee category				
<b>Age Group by Employee Category</b>				
Manager and Above Under 40	Percentage	0.00	0.00	0.00
Manager and Above Between 40-55	Percentage	76.92	76.00	63.16
Manager and Above 55	Percentage	23.08	24.00	36.84
Executive Under 40	Percentage	51.35	43.33	21.05
Executive Between 40-55	Percentage	32.43	36.67	47.37
Executive Above 55	Percentage	16.22	20.00	31.58
Non-executive/Technical Staff Under 40	Percentage	34.68	27.81	30.77
Non-executive/Technical Staff Between 40-55	Percentage	46.82	49.67	47.12
Non-executive/Technical Staff Above 55	Percentage	18.50	22.52	22.12
Foreign Workers Under 40	Percentage	65.22	79.66	82.61
Foreign Workers Between 40-55	Percentage	34.78	20.34	17.39
Foreign Workers Above 55	Percentage	0.00	0.00	0.00
<b>Gender Group by Employee Category</b>				
Manager and Above Male	Percentage	73.08	72.00	78.95
Manager and Above Female	Percentage	26.92	28.00	21.05
Executive Male	Percentage	48.65	53.33	65.79
Executive Female	Percentage	51.35	46.67	34.21
Non-executive/Technical Staff Male	Percentage	93.06	91.39	85.58
Non-executive/Technical Staff Female	Percentage	6.94	8.61	14.42
Foreign Workers Male	Percentage	100.00	100.00	100.00
Foreign Workers Female	Percentage	0.00	0.00	0.00

We recognise the utmost importance of upholding human rights as a foundational cornerstone that shapes the way we conduct our business. As a responsible organisation, we adhere to the employment laws of Malaysia, which aims 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 priorities the well-being and equitable treatment of our employees.

# SUSTAINABILITY STATEMENT

## Human Rights, Diversity and Equal Opportunity (Cont'd)

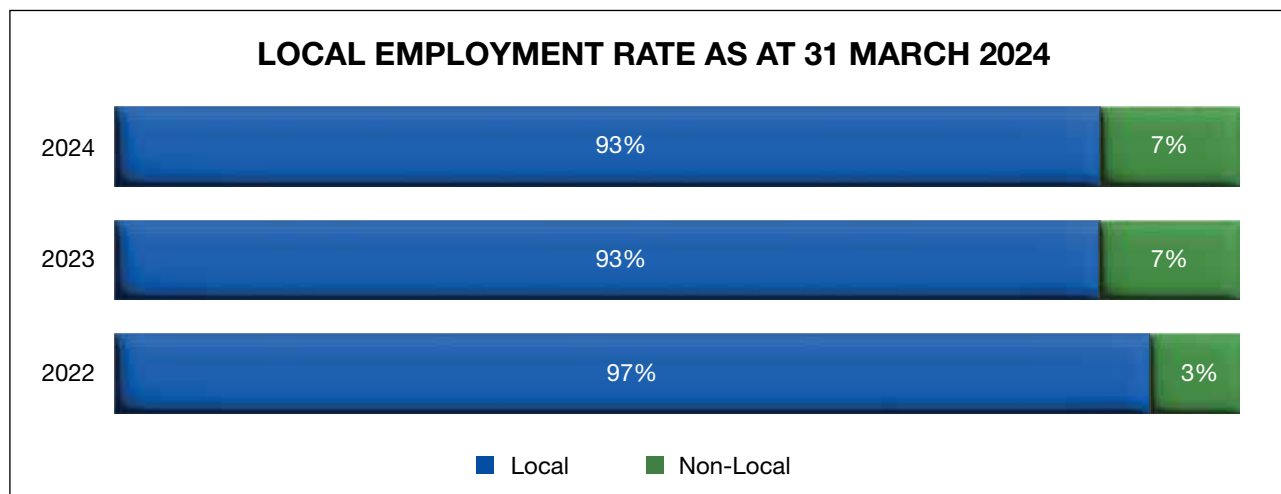
Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C6(b)</b> Percentage of employees that are contractors or temporary staff	Percentage	11.58	10.19	5.22
<b>Bursa C6(c)</b> Total number of employee turnover by employee category				
Manager & Above	Number	1.00	1.00	3.00
Executive	Number	4.00	10.00	11.00
Non-Executive	Number	48.00	42.00	44.00
Foreign Workers	Number	8.00	3.00	10.00

### 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 variety of fields such as production, human resource and administration. The Group had posted more than 6 job advertisements via relevant job portals. As of 31 March 2024, we have a total workforce of 230, of which 93% are local employees. The employment ratio between local and non-local workforce can be illustrated as follows:



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	2022	2023	2024
<b>Bursa C6(d)</b> Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	Nil

During FY2024, 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.



# SUSTAINABILITY STATEMENT

## Human Rights, Diversity and Equal Opportunity (Cont'd)

### Employees' Welfare and Wellbeing

Employee management is a critical pillar of our sustainability strategy. We are committed to fostering a workplace that upholds ethical conduct, health and safety and personal development. We strive to take good care of our employees, build a conducive working environment that promotes career satisfaction, fair remuneration and personal development. The Group also acknowledges that dedicated staff is 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. In the meantime, 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

Education and skills development play a crucial role in YLI's approach to managing talent. We believe 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. By investing in education and skills development, we aim to empower our workforce to meet the demands of their roles and to continuously enhance their capabilities.



Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C6(a)</b> Total hours of training by employee category				
Manager & Above	Hours	32.00	211.50	56.00
Executive	Hours	194.00	199.50	143.00
Non-Executive	Hours	144.50	396.00	279.00
Foreign Workers	Hours	3.00	24.00	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 FY2024, the types of training programmes as attended by the employees consisted of the following:

#### Internal & External Training Programmes

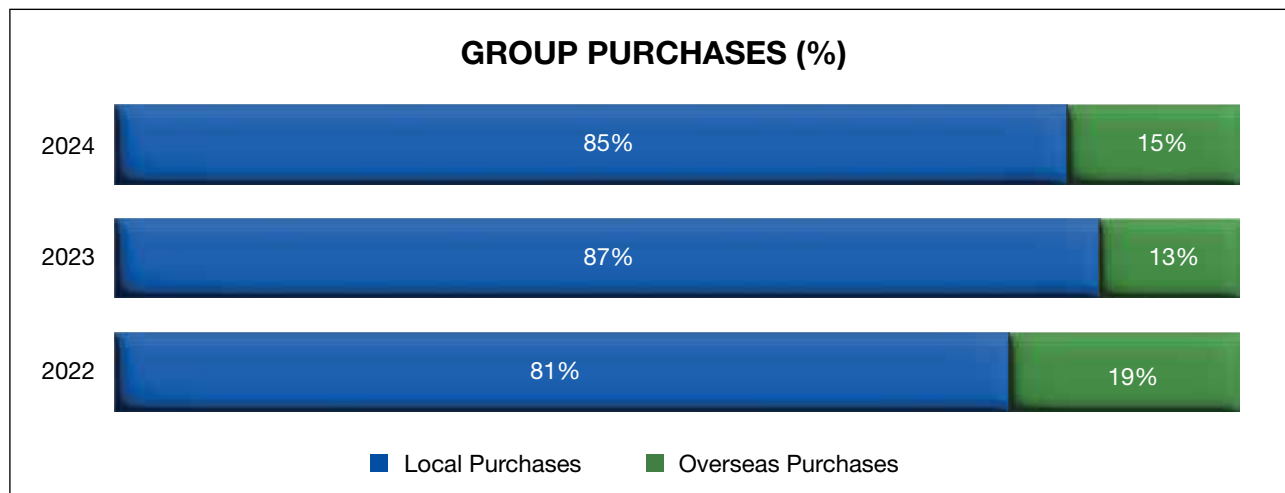
- Introduction to First Aid & CPR
- Building Up a Future Towards Sustainable Risk Assessment and Safety Development
- Certified Environmental Professional in Scheduled Waste Management
- Certified Environmental Professional in Bag Filter Operation
- Sustainability Working Group Kick Off Meeting
- Seminar Pendekatan "Circular Economy" Dalam Pengurusan Buangan Terjadual Yang Mampan Peringkat Negeri Pulau Pinang
- Bunyi Bising Faktor Kehilangan Pendengaran
- Anti-Bribery and Anti-Corruption Annual Refresher Training
- Microsoft Excel (Intermediate Level)

# SUSTAINABILITY STATEMENT

## 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 72 million on direct purchases, of which RM 61 million were incurred locally.



Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C7(a)</b> Proportion of spending on local suppliers	Percentage	81	87	85

### (ii) Community Investment

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa C2(a)</b> Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	Nil	Nil	Nil
<b>Bursa C2(b)</b> Total number of beneficiaries of the investment in communities	Number	Nil	Nil	Nil

## Data Privacy

We highly value the trust and relationship we share with our customers, and we are deeply committed to safeguarding their personal data. 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 FY2024, 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	2022	2023	2024
<b>Bursa C8(a)</b> Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	Nil	Nil	Nil

# SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Manager & Above	Percentage	73.68
Executive	Percentage	13.16
Non-executive/Technical Staff	Percentage	11.54
Foreign Workers	Percentage	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Manager & Above Under 40	Percentage	0.00
Manager & Above Between 40-55	Percentage	63.16
Manager & Above Above 55	Percentage	36.84
Executive Under 40	Percentage	21.05
Executive Between 40-55	Percentage	47.37
Executive Above 55	Percentage	31.58
Non-executive/Technical Staff Under 40	Percentage	30.77
Non-executive/Technical Staff Between 40-55	Percentage	47.12
Non-executive/Technical Staff Above 55	Percentage	22.12
Foreign Workers Under 40	Percentage	82.61
Foreign Workers Between 40-55	Percentage	17.39
Foreign Workers Above 55	Percentage	0.00
Gender Group by Employee Category		
Manager & Above Male	Percentage	78.95
Manager & Above Female	Percentage	21.05
Executive Male	Percentage	65.79
Executive Female	Percentage	34.21
Non-executive/Technical Staff Male	Percentage	85.58
Non-executive/Technical Staff Female	Percentage	14.42
Foreign Workers Male	Percentage	100.00
Foreign Workers Female	Percentage	0.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 40	Percentage	0.00
Between 40-55	Percentage	20.00
Above 55	Percentage	80.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	29,843.87
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	7.37
Bursa C5(c) Number of employees trained on health and safety standards	Number	17
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Manager & Above	Hours	56
Executive	Hours	143
Non-executive/Technical Staff	Hours	279
Foreign Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	5.22
Bursa C6(c) Total number of employee turnover by employee category		
Manager & Above	Number	3
Executive	Number	11
Non-executive/Technical Staff	Number	44
Foreign Workers	Number	10
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	85.26
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	115.900000

Internal assurance    External assurance    No assurance

(\*) Restated





Section III

# **CORPORATE GOVERNANCE**

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

The Board of Directors (“Board”) 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 2024.

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](http://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 revised Board Charter is available in our corporate website at [www.yli.com.my](http://www.yli.com.my).

The current composition of the Board comprises five (5) directors, of whom three (3) are Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Chairman and one (1) Executive Director. 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 2024, six (6) Board Meetings were held. Details of the attendance of Directors at the Board Meetings are as follows:-

Board of Directors' Meeting			May' 23	Aug' 23	Nov' 23	Dec' 23	Feb' 24	Feb' 24	Total
Directors	Position	Attendance							
1	Dato' Haji Samsuri Bin Rahmat	Non-Executive Chairman	•	•	•	•	•	•	6/6
2	Seah Heng Chin	Managing Director	•	•	•	•	•	•	6/6
3	Dr Abdul Latif Bin Shaikh Mohamed (demised)	Director	•	•	•	•	•	•	6/6
4	Datuk Haji Jalaludin Bin Haji Ibrahim	Director	•	•	•	•	•	•	6/6
5	Hew Kam Mooi	Director	•	•	•	•	•	•	6/6

Based on the above, all Directors have completed 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. 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.

During the financial year ended 31 March 2024, the Directors have evaluated their own training needs on a continuous basis and attended the following:-

Directors	Types of training
Dato' Haji Samsuri Bin Rahmat	Money Laundering: Introduction and Its Basics
Seah Heng Chin	
Dr Abdul Latif Bin Shaikh Mohamed (demised)	
Datuk Haji Jalaludin Bin Haji Ibrahim	
Hew Kam Mooi	

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 ("AGM") and shall be eligible for re-election.



# 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)

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 regards to the re-election of the Directors, namely Hew Kam Mooi and Shamshiah Binti Hashim @ Abu Bakar who are due for retirement but shall be eligible for re-election at the forthcoming AGM to be held on 29 August 2024.

Annually, each of the Directors will give confirmation to disclose any potential or actual conflict of interests if arises. This is one of the criteria to enable the Board/Nomination Committee to assess the Directors' independence as and when any new interest or relationship develops.

During the financial year ended 31 March 2024, the Nomination Committee held two (2) meetings 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 the Directors' Fit and Proper Policy.
- (8) Conducted the annual assessment of the Company Secretary.
- (9) Reviewed the training needs of the Directors.
- (10) Reviewed and recommended the appointment of Managing Director in Haluan Prisma Sdn Bhd.
- (11) Reviewed the renewal of contract for Operational Director in MRPI Pipes Sdn Bhd.
- (12) Reviewed the appointment of Non-Executive Director in MRPI Pipes Sdn Bhd.

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 aim to promote 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 Anti-Corruption Policy to regulate inappropriate behaviour, such as acts of corruption in line to Practice 3.1 of the MCCG.

The Gender Diversity Policy, the Code of Conduct for Directors, Anti-Bribery and Anti-Corruption Policy, Conflict of Interest Policy, Fit and Proper Policy and Whistleblowing Policy have been established and published on the Company's website [www.yli.com.my](http://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 formulation of its objectives and strategies. The Group also recognises the need to safeguard and develop the workforce, strengthen stakeholders' relationship and protect the interest of shareholders which are detailed out under the Sustainability Statement.

# 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)

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](http://www.yli.com.my).

To enable stakeholders to assess whether the remuneration of Directors commensurate with their individual performance, the detailed disclosure on named basis for the remuneration of Directors for the financial year ended 31 March 2024 is disclosed below:-

	Director's Fee (RM)	Salary and Other Emoluments (RM)	Contribution to Defined Contribution Plans (RM)	Benefit- in-Kind (RM)
Dato' Haji Samsuri Bin Rahmat	31,000	119,000	-	13,325
Seah Heng Chin	42,000	1,001,750	145,763	9,900
Dr Abdul Latif Bin Shaikh Mohamed (demised)	6,000	54,000	-	-
Datuk Haji Jalaludin Bin Haji Ibrahim	6,000	49,000	-	-
Hew Kam Mooi	6,000	49,000	-	-
<b>Total</b>	<b>91,000</b>	<b>1,272,750</b>	<b>145,763</b>	<b>23,225</b>

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 name 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 right talented Senior Management 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	1
RM150,001 – RM200,000	2
RM200,001 – RM250,000	0
RM250,001 – RM300,000	0
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.

# 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 Terms of Reference of the Audit and Risk Management Committee has also been revised to take cognisance of the new MCGG practices and is published in our corporate website at [www.yli.com.my](http://www.yli.com.my).

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, RSM Corporate Consulting Sdn Bhd ("RSM") 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 Audit of Institute of Internal Auditors, assisted by a Manager and supported with two (2) professional staffs.

RSM is sufficiently resourced to provide the services that meet with 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 RSM are free from any relationships or conflicts of interest, which could impair their objectivity and independence during their 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 by 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 2023, the Company has conducted its AGM fully virtual and all the Directors, the External Auditors and shareholders participated the meeting remotely.

In line with good corporate governance practice, YLI had issued the Notice of its 28th 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 through remote participation voting facilities. 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 after the conclusion of the AGM.

The Company maintains a website, [www.yli.com.my](http://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 MCGG

The Board is of the opinion that the Group had complied with the spirit and objectives of the MCGG. Although, there are departures from several practices as recommended in the MCGG, 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 interest of its shareholders and other stakeholders.

This Corporate Governance Overview Statement was approved by the Board on 30 May 2024.

# 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 fee and non-audit fee paid or payable to the External Auditors and its affiliates by the Company and the Group for the financial year ended 31 March 2024 were as follows:-

	Group RM'000	Company RM'000
Audit Fees	187	69
Non-Audit Fees	17	5

The non-audit fees were in respect of review of Statement of Risk Management and Internal Control as well as tax services.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## Members

Datuk Haji Jalaludin Bin Haji Ibrahim  
**Independent Non-Executive Director**

Hew Kam Mooi  
**Independent Non-Executive Director**

## Chairman

Dr Abdul Latif Bin Shaikh Mohamed (Demised)

*With the recent demise of the Audit and Risk Management Committee Chairman on 19 June 2024, the management was still sourcing for a suitable candidate to be appointed as the Chairperson as of the date of this report.*

## TERMS OF REFERENCE

The Terms of Reference of the Audit and Risk Management Committee (“ARMC”) can be viewed in the Board Charter in the Company’s website at [www.yli.com.my](http://www.yli.com.my).

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

For the financial year ended 31 March 2024, four (4) ARMC meetings were held.

The attendance of each member is set out below:

			May’ 23	Aug’ 23	Nov’ 23	Feb’ 24	
Committee Members		Position	Attendance				Total
1	Dr Abdul Latif Bin Shaikh Mohamed (demised)	Chairman	•	•	•	•	4/4
2	Datuk Haji Jalaludin Bin Haji Ibrahim	Member	•	•	•	•	4/4
3	Hew Kam Mooi	Member	•	•	•	•	4/4

Total number of meetings held: 4

## SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC in discharging their duties and functions in accordance with their Terms of Reference had carried out their works during the financial year ended 31 March 2024 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 2023, 1st quarter ended 30 June 2023, 2nd quarter ended 30 September 2023 and 3rd quarter ended 31 December 2023 were reviewed by the ARMC at their meetings held on 30 May 2023, 28 August 2023, 17 November 2023 and 27 February 2024.
2. At the ARMC Meeting held on 30 May 2023, the ARMC discussed with the External Auditors their Audit Review Memorandum. The ARMC received the Internal Control Review Report on Anti-Bribery Policy and Procedure pursuant to the Corporate Liability Provision under Section 17A of the Malaysian Anti-Corruption Commission (“MACC”) Act 2009. The ARMC also reviewed the Statement on Risk Management and Internal Control and the ARMC Report and recommended to the Board for approval and for inclusion in the 2023 Annual Report. The ARMC also approved the appointment of RSM Corporate Consulting (Malaysia) Sdn Bhd as the new internal auditors, in place of BDO Governance Advisory Sdn Bhd, as well as recommended the External Auditors to be re-appointed at the annual general meeting of the Company to be held in 2023. The ARMC also approved the Internal Audit Plan for 2024. 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 2024 and recommended the same to the Board.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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

3. At the ARMC meeting held on 28 August 2023, the ARMC received the Internal Audit Report on Procurement to Payment Management and Production Management of Laksana Wibawa Sdn Bhd and a detailed follow up Internal Control Review report on the Anti-Bribery Policy and Procedure from the Internal Auditors. The ARMC also reviewed the Whistleblowing Policy and recommended to the Board for approval.
4. At the ARMC meeting held on 17 November 2023, the ARMC received the Internal Audit Report on Sales, Account Receivables and Collection and Production Management for Yew Lean Foundry & Co Sdn Bhd from the Internal Auditors. The ARMC also reviewed the revised Business Plan for Financial Year Ended 31 March 2024 and recommended the same to the Board.
5. At the ARMC meeting held on 27 February 2024, the ARMC received the External Audit Plan for the year ending 31 March 2024 from the External Auditors. The ARMC received the Internal Audit Report on Sales, Account Receivables and Collection for MRPI Pipes Sdn Bhd from the Internal Auditors. The ARMC also received the Enterprise Risk Management Report on Risk Profile Update from the Internal Auditors. An independent consultant was engaged to conduct an overall Corruption Risk Assessment on YLI Group and the report on Bribery and Corruption Risk Assessment was tabled to the ARMC. 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 ("COI") situation that may arise within the Group and asserted that there were no related party transactions for the year ended 31 March 2024 and no COI report was received during the reporting period.

## SUMMARY OF WORK OF THE INTERNAL AUDIT FUNCTION

The Group's internal audit function has been outsourced since June 2008. The total costs incurred for internal audit amounted to RM78,133 for the year ended 31 March 2024.

The Group's internal audit activities are mainly carried out in accordance with the Annual Internal 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 2024 in accordance with their Internal Audit Plan and a summary of their activities are as follows:-

- (a) On 30 May 2023, the out-going Internal Auditors, namely BDO Governance Advisory Sdn Bhd presented to the ARMC their Internal Control Review Report on Anti-Bribery Policy and Procedure pursuant to the Corporate Liability Provision under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009.
- (b) On 28 August 2023, the incoming Internal Auditors, namely RSM Corporate Consulting (Malaysia) Sdn Bhd presented to the ARMC their Internal Audit Report on Procurement to Payment Management and Production Management for Laksana Wibawa Sdn Bhd. A detailed follow up Internal Control Review on the Anti-Bribery Policy and Procedure was also tabled by the Internal Auditors.
- (c) On 17 November 2023, the Internal Auditors presented to the ARMC their Internal Audit Report on Sales, Account Receivables and Collection and Production Management for Yew Lean Foundry & Co Sdn Bhd.
- (d) On 27 February 2024, the Internal Auditors presented to the ARMC the Internal Audit Report on Sales, Account Receivables and Collection for MRPI Pipes Sdn Bhd and also briefed the ARMC on the risk profile update in respect of Enterprise Risk Management Report.
- (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 2017 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 Directors ("Board") 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, RSM Corporate Consulting (Malaysia) Sdn Bhd as part of its efforts to provide adequate and effective internal control systems. The performance of internal audit function is carried out as per the Annual Internal Audit Plan approved by the Audit and Risk Management Committee.

The internal audit adopts a risk-based approach in developing its internal audit plan which addresses all the core auditable areas of the Group based on their risk profile. The internal audit plan is prepared based on key areas or risks identified through risk assessment undertaken by RSM's internal audit team and concerns raised by the management including Audit and Risk Management Committee. The internal audit reports provided insight on the effectiveness of the internal control system in areas under review. 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.

The Group's risk management and internal control system covered key operating companies within the Group.

# 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 organisation 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 MMLR, the External Auditors have reviewed this Statement for inclusion in the 2024 Annual Report. As set out in their terms of engagement, the limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement intended to be included in the annual report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is this 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 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 material impact on the operations of the Group for the financial year ended 31 March 2024. 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 30 May 2024.



# 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.



# Section IV

# FINANCIAL STATEMENTS

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# 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 2024.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of manufacturing and trading of ductile iron pipes, plastic pipes and fittings and waterworks related products, trading of steel pipes and related products, construction work and project management for waterworks and sewerage industry and trading in scrap metal.

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

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	43,452	2,973
Attributable to:		
Owners of the Company	16,281	2,973
Non-controlling interests	27,171	-
	43,452	2,973

## 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 2024.

## RESERVES OR PROVISIONS

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

## 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 there were no known bad debts 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 it necessary to write off any bad debts or render 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, 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 RM187,000 and RM68,500 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 (2023: 121,000) units. Such treasury shares are held at a carrying amount of RM107,620 (2023: RM107,620).

As at 31 March 2024, the number of outstanding shares in issue after setting off treasury shares against equity is 102,829,873 (2023: 102,829,873) 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' Haji Samsuri Bin Rahmat \*

Seah Heng Chin \*

Datuk Haji Jalaludin Bin Haji Ibrahim

Hew Kam Mooi

Shamshiah Binti Hashim @ Abu Bakar

Dr Abdul Latif Bin Shaikh Mohamed

(Appointed on 1 June 2024)

(Demised on 19 June 2024)

\* 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:

Aidil Bin Abdul Aziz

Hong Gaik Im

Mohd Khair Bin Mat Saman

Abdul Jalil Bin Md Khir

Anuar Shukry Bin Ismail

Haji Ruzlan Bin Rahmat

Mohd Rashidi Bin Rawi @ Mohd Rawi

(Appointed on 2 January 2024)

(Resigned on 2 January 2024)

(Resigned on 24 April 2024)

# 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 2023 '000	Number of ordinary shares		At 31 March 2024 '000
		Bought '000	Sold '000	
<b>The Company</b>				
Deemed Interest:				
Dato' Haji Samsuri Bin Rahmat *	32,510	-	-	<b>32,510</b>
Seah Heng Chin *	32,510	-	-	<b>32,510</b>

\* Deemed interest in YLI Holdings Berhad ("YLI") by virtue of their 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 are as follows:

	Group RM'000	Company RM'000
<b>Directors of the Company</b>		
Fees	91	41
Other emoluments	1,273	276
Defined contribution plans	146	-
	<b>1,510</b>	<b>317</b>

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 RM16,096 respectively.

## SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements, which also serve the purpose of this report.

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

# DIRECTORS' REPORT

## SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 22 May 2023, Laksana Wibawa Sdn. Bhd., a 51% owned subsidiary of the Company received a notification on proposed acquisition of land under Borang E & F from Jabatan Ketua Pengarah Tanah Dan Galian (Persekutuan) of its intention to hold a land inquiry on 10 July 2023 pertaining to the compulsory acquisition of a leasehold land of the Group under the Land Acquisition Act, 1960 ("the Act"). The leasehold land comprises of leasehold land, building and capital work in progress.

On 3 October 2023, the Group has received compensation of RM97,835,058 in connection with the compulsory acquisition as disclosed in Note 5(d).

## SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The Company had on 3 July 2024 entered into a conditional share sale agreement with Bumiraya Armani Sdn Bhd for the proposed acquisition of 4,000,000 ordinary shares in Damini Corporation Sdn. Bhd. ("Damini") representing 80% equity interest in Damini, for a purchase consideration of RM10 million to be satisfied via a combination of cash of RM3.5 million and the issuance of 10,000,000 new ordinary shares in the Company at an issue price of RM0.65 per share.

## 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:

**DATO' HAJI SAMSURI BIN RAHMAT**  
Director

**SEAH HENG CHIN**  
Director

Date: 10 July 2024

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 MARCH 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	47,619	68,077	6,022	-
Investment in subsidiaries	6	-	-	61,250	67,085
Total non-current assets		47,619	68,077	67,272	67,085
Current assets					
Inventories	7	90,039	79,000	-	-
Current tax assets		437	478	7	10
Trade and other receivables	8	15,282	19,833	1,125	58
Contract assets	9	5,638	6,867	-	-
Cash and short-term deposits	10	37,063	17,303	8,132	11
Total current assets		148,459	123,481	9,264	79
TOTAL ASSETS		196,078	191,558	76,536	67,164
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	11	110,159	110,159	110,159	110,159
Treasury shares	12	(108)	(108)	(108)	(108)
Other reserves	13	(1,467)	(1,467)	(1,467)	(1,467)
Retained earnings/ (Accumulated losses)		27,181	10,900	(38,568)	(41,541)
		135,765	119,484	70,016	67,043
Non-controlling interests		13,282	(13,889)	-	-
TOTAL EQUITY		149,047	105,595	70,016	67,043
Non-current liabilities					
Deferred tax liabilities	14	461	757	-	-
Loans and borrowings	15	2,670	114	2,286	-
Total non-current liabilities		3,131	871	2,286	-
Current liabilities					
Trade and other payables	16	26,801	38,864	445	121
Contract liabilities	9	1,042	1,164	-	-
Loans and borrowings	15	16,057	45,064	3,789	-
Total current liabilities		43,900	85,092	4,234	121
TOTAL LIABILITIES		47,031	85,963	6,520	121
TOTAL EQUITY AND LIABILITIES		196,078	191,558	76,536	67,164

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



# STATEMENTS OF COMPREHENSIVE INCOME

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	17	63,547	75,446	5,618	110
Cost of sales		(67,487)	(76,281)	-	-
<b>Gross (loss)/profit</b>		<b>(3,940)</b>	<b>(835)</b>	<b>5,618</b>	<b>110</b>
Other income		83,810	15,130	11,948	-
Selling and distribution expenses		(1,413)	(1,315)	-	-
Administrative expenses		(32,589)	(7,422)	(14,493)	(540)
Net of impairment losses on financial instruments and contract assets		(1,570)	13	-	-
<b>Operating profit/(loss)</b>		<b>44,298</b>	<b>5,571</b>	<b>3,073</b>	<b>(430)</b>
Finance costs	18	(2,020)	(2,306)	(118)	-
Finance income	19	893	108	18	-
<b>Profit/(Loss) before tax</b>	20	<b>43,171</b>	<b>3,373</b>	<b>2,973</b>	<b>(430)</b>
Tax credit/(expense)	22	281	(1,520)	-	-
<b>Profit/(Loss) for the financial year, representing the total comprehensive income/ (loss) for the financial year</b>		<b>43,452</b>	<b>1,853</b>	<b>2,973</b>	<b>(430)</b>
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		16,281	3,391	2,973	(430)
Non-controlling interests		27,171	(1,538)	-	-
		<b>43,452</b>	<b>1,853</b>	<b>2,973</b>	<b>(430)</b>
<b>Total comprehensive income/ (loss) attributable to:</b>					
Owners of the Company		16,281	3,391	2,973	(430)
Non-controlling interests		27,171	(1,538)	-	-
		<b>43,452</b>	<b>1,853</b>	<b>2,973</b>	<b>(430)</b>
<b>Earnings per share attributable to owners of the Company (sen):</b>					
- Basic	23	15.83	3.30		
- Diluted	23	15.83	3.30		

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

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Group	Share capital RM'000	Treasury shares RM'000	Non - distributable capital reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>At 1 April 2022</b>	110,159	(108)	(1,467)	7,509	116,093	(12,351)	103,742
Total comprehensive income/(loss) for the financial year	-	-	-	3,391	3,391	(1,538)	1,853
<b>At 31 March 2023</b>	110,159	(108)	(1,467)	10,900	119,484	(13,889)	105,595
Total comprehensive income for the financial year	-	-	-	16,281	16,281	27,171	43,452
<b>At 31 March 2024</b>	<b>110,159</b>	<b>(108)</b>	<b>(1,467)</b>	<b>27,181</b>	<b>135,765</b>	<b>13,282</b>	<b>149,047</b>

Company	Share capital RM'000	Treasury shares RM'000	Non - distributable capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
<b>At 1 April 2022</b>	110,159	(108)	(1,467)	(41,111)	67,473
Total comprehensive loss for the financial year	-	-	-	(430)	(430)
<b>At 31 March 2023</b>	110,159	(108)	(1,467)	(41,541)	67,043
Total comprehensive income for the financial year	-	-	-	2,973	2,973
<b>At 31 March 2024</b>	<b>110,159</b>	<b>(108)</b>	<b>(1,467)</b>	<b>(38,568)</b>	<b>70,016</b>

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>					
Profit/(Loss) before tax		43,171	3,373	2,973	(430)
Adjustments for:					
Deposits written off		243	-	-	-
Depreciation of property, plant and equipment	5	5,078	3,671	1,585	-
Gain on disposal of property, plant and equipment		(83,371)	(15,000)	-	-
Impairment loss on trade and other receivables	8	1,215	-	-	-
Impairment loss on contract assets	9	370	454	-	-
Impairment loss on investment in subsidiaries		-	-	11,949	-
Inventories written down	7	83	67	-	-
Impairment loss on property, plant and equipment	5	3,350	30	-	-
Interest income	19	(893)	(108)	(18)	-
Interest expense	18	2,020	2,306	118	-
Reversal of impairment loss on trade and other receivables	8	(15)	(467)	-	-
Property, plant and equipment written off		-	1	-	-
Unrealised gain on foreign exchange		(145)	(12)	-	-
Reversal of impairment loss on investment in a subsidiary		-	-	(11,948)	-
Dividend income from a subsidiary (redeemable convertible preference shares)		-	-	(5,508)	-
<hr/>					
<b>Operating loss before changes in working capital</b>		<b>(28,894)</b>	<b>(5,685)</b>	<b>(849)</b>	<b>(430)</b>
<u>Changes in working capital:</u>					
Inventories		(11,122)	(12,082)	-	-
Trade and other receivables		3,102	9,073	(1,067)	-
Contract assets		859	(10)	-	-
Trade and other payables		(12,077)	4,290	324	16
Contract liabilities		(122)	1,117	-	-
<hr/>					
Net cash used in operations		(48,254)	(3,297)	(1,592)	(414)
Tax refunded		149	13	5	-
Tax paid		(123)	(1,563)	(2)	(1)
Interest paid		(2,020)	(2,306)	(118)	-
Interest received		893	108	18	-
<hr/>					
Net cash used in operating activities		(49,355)	(7,045)	(1,689)	(415)

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from investing activities</b>					
Dividend received		-	-	5,508	-
(Advances to)/Repayments from subsidiaries		-	-	(14,566)	409
Purchase of property, plant and equipment	(b)	(1,187)	(1,050)	-	-
Proceeds from disposal of property, plant and equipment		104,615	17,311	-	-
Proceeds from redemption of redeemable convertible preference share	6(b)	-	-	20,400	
Net cash from investing activities		103,428	16,261	11,342	409
<b>Cash flows from financing activities</b>					
Drawdown of short-term borrowing	(c)	9,304	10,609	-	-
Repayment of short-term borrowing	(c)	(38,431)	(12,086)	-	-
Repayments of lease liabilities	(c)	(1,629)	(101)	(1,532)	-
Repayment of hire purchase	(c)	(143)	(179)	-	-
Net withdrawal of deposits pledged for credit facilities		2,188	701	-	-
Net cash used in financing activities		(28,711)	(1,056)	(1,532)	-
Net increase/(decrease) in cash and cash equivalents		25,362	8,160	8,121	(6)
<b>Cash and cash equivalents at the beginning of the financial year</b>		9,879	1,719	11	17
Effects of exchange rate changes on cash and cash equivalents		165	-	-	-
<b>Cash and cash equivalents at the end of the financial year</b>	(a)	35,406	9,879	8,132	11



## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

(a) Cash and cash equivalents

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

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	10	36,258	3,224	8,132	11
Short-term deposits	10	805	14,079	-	-
		<b>37,063</b>	17,303	<b>8,132</b>	11
Less:					
Fixed deposits pledged for credit facilities		-	(2,188)	-	-
Deposits with maturity periods more than 3 months		(800)	(800)	-	-
Bank overdrafts	15	(857)	(4,436)	-	-
		<b>35,406</b>	9,879	<b>8,132</b>	11

(i) The short-term deposits of the Group bear effective interest at rates ranging from 1.40% to 4.00% (2023: 1.60% to 4.00%) per annum and mature within 1 month to 12 months (2023: 1 month to 12 months).

(ii) In the previous financial year, included in deposits with licensed banks and bank balances are fixed deposits and sinking fund which are pledged as security for financing facilities amounting RM2,187,607 and RM1,354,009 respectively.

In the previous financial year, sinking fund is related to memorandum deposit of upfront fixed deposits of RM200,000 and memorandum of deposit over sinking fund to be built up by 5% from each proceeds received up to maximum of RM2.5 million or until end of the facility tenure in relation to the Islamic trade facilities financed by a financial institution.

(iii) The deposits placed with licensed banks for the maturity period more than 3 months bear interest rates of 2.85% (2023: 2.20%) per annum and having a maturity period of 12 months (2023: 12 months).

(b) Purchase of property, plant and equipment:

	Group	
	2024 RM'000	2023 RM'000
Additions of property, plant and equipment	9,214	1,119
Less: Financed by way of lease arrangement	(7,607)	(69)
Less: Financed by way of hire purchase arrangement	(420)	-
	<b>1,187</b>	1,050

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024 (CONT'D)

(c) Reconciliation of liabilities arising from financing activities:

	1 April 2023 RM'000	Cash flows RM'000	Non-cash acquisition RM'000	31 March 2024 RM'000
<b>Group</b>				
Lease liabilities	118	(1,629)	7,607	<b>6,096</b>
Hire purchase payables	193	(143)	420	<b>470</b>
Short-term borrowings	40,431	(29,127)	-	<b>11,304</b>
	40,742	(30,899)	8,027	<b>17,870</b>

**Company**

Lease liabilities	-	(1,532)	7,607	<b>6,075</b>
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	1 April 2022 RM'000	Cash flows RM'000	Non-cash acquisition RM'000	31 March 2023 RM'000
<b>Group</b>				
Lease liabilities	150	(101)	69	118
Hire purchase payables	372	(179)	-	193
Short-term borrowings	41,908	(1,477)	-	40,431
	42,430	(1,757)	69	40,742

(d) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM2,133,460 (2023: RM534,740).

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 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 No. 45, Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 60000 Kuala Lumpur, Wilayah Persekutuan. The principal place of the business of the Company is located at 2579, Lorong Perusahaan 10, Prai Industrial Estate, 13600 Prai, Penang.

The principal activities of the Company are investment holding and provision of management services. The principal activities of the Group consist of manufacturing and trading of ductile iron pipes, plastic pipes and fittings and waterworks related products, trading of steel pipes and related products, construction work and project management for waterworks and sewerage industry and trading in scrap metal.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 10 July 2024.

### 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”), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### 2.2 Adoption of amendments/improvements to MFRSs

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

##### New MFRS

MFRS 17	Insurance Contracts
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##### Amendments to MFRSs

MFRS 101	Presentation of Financial Statements
MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
MFRS 112	Income Taxes

The adoption of the above new MFRS and amendments to MFRSs 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, except as discussed below:

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 2. BASIS OF PREPARATION (CONT'D)

#### 2.2 Adoption of amendments/improvements to MFRSs (Cont'd)

##### *Amendments to MFRS 101 Presentation of Financial Statements*

The amendments require an entity to disclose their material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group and the Company.

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

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

Effective for financial  
periods beginning  
on or after

##### New MFRS

MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
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##### Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures	1 January 2024
MFRS 10	Consolidated Financial Statements	Deferred
MFRS 16	Leases	1 January 2024
MFRS 101	Presentation of Financial Statements	1 January 2024
MFRS 107	Statements of Cash Flows	1 January 2024
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS 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.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 2. BASIS OF PREPARATION (CONT'D)

#### 2.3 New MFRS 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 MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (Cont'd)

##### ***MFRS 18 Presentation and Disclosure in Financial Statements (Cont'd)***

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.

##### ***Amendments to MFRS 101 Presentation of Financial Statements***

The amendments include specifying that an entity’s right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

- (c) The initial application of the above applicable 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 Group’s and the Company’s functional currency.

#### 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following accounting policies 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. The Group applies the acquisition method of accounting except for those business combinations which were accounted for using merger method of accounting. Three subsidiaries (i.e. Laksana Wibawa Sdn. Bhd., Haluan Prisma Sdn. Bhd. and MRPI Pipes 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

##### 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 or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other 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 2024

### 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%
Renovation	10% – 20%
Plant, machinery, tools and equipment	5% – 20%
Furniture and fittings	5% – 20%
Office and other equipment	8% – 33.3%
Motor vehicles	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 15.

##### 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.6 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.

#### 3.7 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 30 days, which is consistent with market practice, therefore, no element of financing is deemed present

##### (b) Construction contracts

The Group constructs assets under long-term contracts with customers. Construction service contract comprises multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 3.7 Revenue and other income (Cont'd)

##### (c) Rental income

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

##### (d) Dividend income

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

##### (e) Interest income

Interest income is recognised using the effective interest method.

##### (f) Management fees

Management fees are recognised over time as services are rendered using an output method based on time elapsed to measure progress towards complete satisfaction of the service because the customer simultaneously receives and consumes the benefits provided by the Company.

### 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 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 24(b)(i) to the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

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

#### 4.2 Write-down of obsolete or slow-moving inventories

The Group writes down their obsolete or 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 amounts of the Group's inventories are disclosed in Note 7 to the financial statements.

#### 4.3 Impairment of property, plant and equipment and investment in subsidiaries

The Group and the Company assess impairment of property, plant and equipment and investment in subsidiaries whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Where such indication exists, the Company determines the recoverable amount based on present value of the estimated future cash flows expected to be derived from the assets. In estimating the present value of the estimated cash flows, the Company applies a suitable discount rate and makes assumption underlying the cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Company's financial positions and results if the actual cash flows are less than the expected.

Where such indication exists, the Group determines the recoverable amount using fair value less cost of disposal. Any resulting impairment loss could have a material adverse impact on the Group's financial position and results of operations.

The carrying amounts of the property, plant and equipment and investment in subsidiaries are disclosed in Notes 5 and 6 respectively to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 5. PROPERTY, PLANT AND EQUIPMENT

Group 2024	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	Capital work in progress RM'000	Right-of- use assets RM'000	Total RM'000
<b>Cost</b>								
At 1 April 2023	7,701	125,617	875	1,484	5,035	12,627	61,729	215,068
Additions	183	846	3	54	521	-	7,607	9,214
Disposals	(78)	(44,870)	-	-	(389)	(3,843)	(26,327)	(75,507)
Derecognition of lease upon expiry	-	-	-	-	-	-	(178)	(178)
At 31 March 2024	<b>7,806</b>	<b>81,593</b>	<b>878</b>	<b>1,538</b>	<b>5,167</b>	<b>8,784</b>	<b>42,831</b>	<b>148,597</b>
<b>Accumulated depreciation</b>								
At 1 April 2023	3,188	109,121	691	1,267	4,177	-	26,463	144,907
Depreciation charge for the financial year	91	1,967	53	88	160	-	2,719	5,078
Disposals	(68)	(43,124)	-	-	(376)	-	(10,695)	(54,263)
Derecognition of lease upon expiry	-	-	-	-	-	-	(178)	(178)
At 31 March 2024	<b>3,211</b>	<b>67,964</b>	<b>744</b>	<b>1,355</b>	<b>3,961</b>	<b>-</b>	<b>18,309</b>	<b>95,544</b>
<b>Accumulated impairment loss</b>								
At 1 April 2023	-	-	-	-	-	2,084	-	2,084
Charge for the financial year	-	-	-	-	-	3,350	-	3,350
At 31 March 2024	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,434</b>	<b>-</b>	<b>5,434</b>
<b>Carrying amount</b>								
At 31 March 2024	<b>4,595</b>	<b>13,629</b>	<b>134</b>	<b>183</b>	<b>1,206</b>	<b>3,350</b>	<b>24,522</b>	<b>47,619</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 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	Capital work in progress RM'000	Right-of-use assets RM'000	Total RM'000
2023								
<b>Cost</b>								
At 1 April 2022	9,922	124,724	875	1,441	2,808	12,627	64,131	216,528
Additions	113	893	-	44	-	-	69	1,119
Disposals	(2,334)	-	-	-	-	-	-	(2,334)
Written off	-	-	-	(1)	-	-	-	(1)
Derecognition of lease upon expiry	-	-	-	-	-	-	(244)	(244)
Reclassification	-	-	-	-	2,227	-	(2,227)	-
At 31 March 2023	7,701	125,617	875	1,484	5,035	12,627	61,729	215,068
<b>Accumulated depreciation</b>								
At 1 April 2022	3,125	107,165	638	1,189	2,556	-	26,830	141,503
Depreciation charge for the financial year	86	1,956	53	78	40	-	1,458	3,671
Disposals	(23)	-	-	-	-	-	-	(23)
Derecognition of lease upon expiry	-	-	-	-	-	-	(244)	(244)
Reclassification	-	-	-	-	1,581	-	(1,581)	-
At 31 March 2023	3,188	109,121	691	1,267	4,177	-	26,463	144,907
<b>Accumulated impairment loss</b>								
At 1 April 2022	-	-	-	-	-	2,054	-	2,054
Charge for the financial year	-	-	-	-	-	30	-	30
At 31 March 2023	-	-	-	-	-	2,084	-	2,084
<b>Carrying amount</b>								
At 31 March 2023	4,513	16,496	184	217	858	10,543	35,266	68,077

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

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

Company	Right-of-use assets RM'000	Total RM'000
<b>2024</b>		
<b>Cost</b>		
At 1 April 2023	-	-
Additions	7,607	7,607
At 31 March 2024	<b>7,607</b>	<b>7,607</b>
<b>Accumulated depreciation</b>		
At 1 April 2023	-	-
Depreciation charge for the financial year	1,585	1,585
At 31 March 2024	<b>1,585</b>	<b>1,585</b>
<b>Carrying amount</b>		
At 31 March 2024	<b>6,022</b>	<b>6,022</b>

#### Analysis of land and buildings:

Group	Freehold land RM'000	Buildings on freehold land RM'000	Renovation RM'000	Total RM'000
<b>2024</b>				
<b>Cost</b>				
At 1 April 2023	3,482	867	3,352	7,701
Additions	-	-	183	183
Disposals	-	-	(78)	(78)
At 31 March 2024	<b>3,482</b>	<b>867</b>	<b>3,457</b>	<b>7,806</b>
<b>Accumulated depreciation</b>				
At 1 April 2023	-	347	2,841	3,188
Depreciation charge for the financial year	-	19	72	91
Disposals	-	-	(68)	(68)
At 31 March 2024	<b>-</b>	<b>366</b>	<b>2,845</b>	<b>3,211</b>
<b>Carrying amount</b>				
At 31 March 2024	<b>3,482</b>	<b>501</b>	<b>612</b>	<b>4,595</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

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

Analysis of land and buildings (Cont'd) :

Group	Freehold land RM'000	Buildings on freehold land RM'000	Renovation RM'000	Total RM'000
<b>2023</b>				
<b>Cost</b>				
At 1 April 2022	5,717	867	3,338	9,922
Additions	-	-	113	113
Disposals	(2,235)	-	(99)	(2,334)
At 31 March 2023	3,482	867	3,352	7,701
<b>Accumulated depreciation</b>				
At 1 April 2022	-	328	2,797	3,125
Depreciation charge for the financial year	-	19	67	86
Disposals	-	-	(23)	(23)
At 31 March 2023	-	347	2,841	3,188
<b>Carrying amount</b>				
At 31 March 2023	3,482	520	511	4,513

#### (a) Assets pledged as security

The carrying amount of assets pledged as security for borrowings of a subsidiary (Note 15) are as follows:

	Group	
	2024 RM'000	2023 RM'000
Right-of-use assets - Buildings on leasehold land	2,580	11,650
Right-of-use assets - Leasehold land	1,403	6,601
Freehold land	1,417	1,417
	<b>5,400</b>	<b>19,668</b>

Motor vehicles with carrying amount of RM613,836 (2023: RM647,321) have been pledged as security for hire purchase arrangement as disclosed in Note 15(b).



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

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

#### (b) Capital work in progress

Capital work-in-progress relates to the construction of factory building and installation of plant and machinery. Included in capital work-in-progress is plant and machinery in progress with cost of RM8,783,421 (2023: RM8,783,421) less impairment loss of RM5,433,421 (2023: RM2,083,421).

In the current financial year, the recoverable amount of plant and machinery in progress is estimated at RM3,350,000. The recoverable amount is determined with reference to external information.

In the previous financial year, the recoverable amount of plant and machinery in progress is estimated at RM6,700,000 using fair value less costs of disposals of the assets which is based on the depreciated replacement costs method by reference to an independent valuation carried out by a professional valuer. The estimated fair value is arrived at by estimating the new replacement costs of the assets and the accrued depreciation for age and obsolescence.

#### (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	Motor vehicles RM'000	Total RM'000
<b>Carrying amount</b>				
At 1 April 2022	13,068	23,507	726	37,301
Additions	-	69	-	69
Depreciation charge for the financial year	(401)	(977)	(80)	(1,458)
Reclassification	-	-	(646)	(646)
At 31 March 2023	12,667	22,599	-	35,266
Additions	-	7,607	-	7,607
Disposals	(5,141)	(10,491)	-	(15,632)
Depreciation charge for the financial year	(371)	(2,348)	-	(2,719)
At 31 March 2024	<b>7,155</b>	<b>17,367</b>	-	<b>24,522</b>

The leasehold land and buildings of the Group with net carrying amount of RM24,522,324 (2023: RM35,265,530) are for their office space and operation site. The Group's leasehold land and buildings are with lease terms at a range from 2 to 99 years and the remaining lease terms range from 18 to 72 years.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

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

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

	Company	
	Building RM'000	Total RM'000
<b>Carrying amount</b>		
At 1 April 2023	-	-
Additions	7,607	7,607
Depreciation charge for the financial year	(1,585)	(1,585)
At 31 March 2024	<b>6,022</b>	<b>6,022</b>

The building of the Company with net carrying amount of RM6,021,995 (2023: Nil) is for its office space. The Company's buildings is with lease terms of 2 years.

- (d) As disclosed in Note 30, the Group disposed of its leasehold land, building and capital work in progress for sales consideration amounting to RM97,835,058, resulting in a gain on disposal of RM78,395,858.

### 6. INVESTMENT IN SUBSIDIARIES

		Company	
	Note	2024 RM'000	2023 RM'000
Investment in subsidiaries, carried at cost		<b>72,309</b>	72,309
Loans that are part of net investments	(a)	<b>41,125</b>	26,559
Redeemable convertible preference share issued by a subsidiary	(b)	-	20,400
		<b>113,434</b>	119,268
Less: Accumulated impairment losses	(f)	<b>(52,184)</b>	(52,183)
		<b>61,250</b>	67,085

- (a) 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.
- (b) Redeemable Convertible Preference Shares ("RCPS") issued by Laksana Wibawa Sdn. Bhd. do not carry the right to vote except on a proposal that affects rights, privileges or conditions of RCPS subscriber, proposal to wind up or during winding up of the issuer and during the period when the dividend is unpaid or partly paid. The RCPS carry a cumulative dividend of 4% per annum which is subject to the discretion of the issuer and the availability of distributable profits of the issuer. The RCPS are convertible to ordinary shares at the option of the issuer or the Company and redeemable at the option of the issuer on any date after the issuance of the RCPS.

During the financial year, Laksana Wibawa Sdn. Bhd. has fully redeemed the RCPS at RM1 per share amounted to RM20.400 million.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

(c) The details of subsidiaries are as follows:

Name of companies	Principal place of business/ country of incorporation	Ownership interest		Principal activities
		2024 %	2023 %	
Yew Lean Foundry & Co. Sdn. Bhd.	Malaysia	100%	100%	Manufacturing and trading of ductile iron pipes, fittings and other related products
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%	Marketing and distribution of pipes, accessories and related products. The company has ceased operation in year 2007 and remain inactive
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%	Manufacturing and sales of HDPE Pipes & MDPE Pipes
<b>Subsidiary of Yew Lean Foundry &amp; Co. Sdn. Bhd.</b>				
Zenith Eastern (M) Sdn. Bhd.	Malaysia	100%	100%	Property investment holding

\* Audited by auditors other than Baker Tilly Monteiro Heng PLT.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

#### (d) 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	
		2024 %	2023 %
Laksana Wibawa Sdn. Bhd.	Malaysia	49%	49%
Haluan Prisma Sdn. Bhd.	Malaysia	30%	30%
MRPI Pipes Sdn. Bhd.	Malaysia	30%	30%

Carrying amount of material non-controlling interests:

Name of companies	2024 RM'000	2023 RM'000
Laksana Wibawa Sdn. Bhd.	14,696	(13,056)
Haluan Prisma Sdn. Bhd.	(1,198)	(1,034)
MRPI Pipes Sdn. Bhd.	(216)	201
	<b>13,282</b>	<b>(13,889)</b>

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

Name of companies	2024 RM'000	2023 RM'000
Laksana Wibawa Sdn. Bhd.	27,752	(1,057)
Haluan Prisma Sdn. Bhd.	(164)	(217)
MRPI Pipes Sdn. Bhd.	(417)	(264)
	<b>27,171</b>	<b>(1,538)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

#### (e) 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
<b>Summarised statements of financial position</b>			
<b>As at 31 March 2024</b>			
Non-current assets	3,371	879	2,066
Current assets	30,892	5,971	1,310
Current liabilities	(9,875)	(11,462)	(5,027)
Net assets/(liabilities)	24,388	(4,612)	(1,651)
<b>Summarised statements of comprehensive income</b>			
<b>Financial year ended 31 March 2024</b>			
Revenue	5,799	190	1,506
Profit/(Loss) for the financial year	56,637	(546)	(1,391)
Total comprehensive income/(loss)	56,637	(546)	(1,391)
<b>Summarised cash flow information</b>			
<b>Financial year ended 31 March 2024</b>			
Cash flow (used in)/from:			
- operating activities	(23,692)	19	(503)
- investing activities	104,595	-	(1)
- financing activities	(51,054)	-	9
Net increase/(decrease) in cash and cash equivalents	29,849	19	(495)
Dividend paid to non-controlling interests	-	-	-



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

#### (e) 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
<b>Summarised statements of financial position</b>			
<b>As at 31 March 2023</b>			
Non-current assets	28,227	915	2,217
Current assets	14,398	9,370	3,258
Non-current liabilities	(321)	-	-
Current liabilities	(48,645)	(13,981)	(5,669)
Net liabilities	(6,341)	(3,696)	(194)
<b>Summarised statements of comprehensive income</b>			
<b>Financial year ended 31 March 2023</b>			
Revenue	9,412	10	1,275
Loss for the financial year	(2,157)	(725)	(880)
Total comprehensive loss	(2,157)	(725)	(880)
<b>Summarised cash flow information</b>			
<b>Financial year ended 31 March 2023</b>			
Cash flows from/(used in):			
- operating activities	289	1,240	360
- investing activities	(41)	699	(17)
- financing activities	43	(2,080)	(487)
Net increase/(decrease) in cash and cash equivalents	291	(141)	(144)
Dividend paid to non-controlling interests	-	-	-

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

	Company	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	52,183	52,183
Charge for the financial year	11,949	-
Reversal of impairment losses	(11,948)	-
At 31 March	52,184	52,183

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 7. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
<b>At cost or net realisable value:</b>		
Raw materials	8,139	10,538
Work in progress	12,812	13,370
Finished goods	69,088	55,092
	<b>90,039</b>	<b>79,000</b>

- (a) During the financial year, the cost of inventories recognised as an expense in cost of sales of the Group was RM67,486,803 (2023: RM76,280,539).
- (b) The cost of inventories of the Group recognised as other expenses during the year in respect of write-down of inventories to net realisable value was RM82,990 (2023: RM67,384).

### 8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current</b>				
<b>Trade</b>				
Trade receivables	18,239	20,155	-	-
Less: Allowance for impairment	(5,222)	(4,019)	-	-
	<b>13,017</b>	<b>16,136</b>	<b>-</b>	<b>-</b>
<b>Non-trade</b>				
Other receivables	345	417	55	55
Less: Allowance for impairment	-	(3)	-	-
	<b>345</b>	<b>414</b>	<b>55</b>	<b>55</b>
Deposits	1,504	769	1,062	3
GST refundable	-	1,613	-	-
Advance payment to suppliers	52	124	-	-
Prepayments	364	777	8	-
	<b>2,265</b>	<b>3,697</b>	<b>1,125</b>	<b>58</b>
Total trade and other receivables	<b>15,282</b>	<b>19,833</b>	<b>1,125</b>	<b>58</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 8. TRADE AND OTHER RECEIVABLES (CONT'D)

- (a) Trade receivables are non-interest bearing and normal credit terms offered by the Group ranging from 1 to 90 days (2023: 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	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	4,019	4,998
Charge for the financial year	1,215	-
Reversal of impairment losses	(12)	(467)
Written off	-	(512)
At 31 March	5,222	4,019

The information about the credit exposures are disclosed in Note 24(b)(i) to the financial statements.

- (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:

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	3	3
Reversal of impairment losses	(3)	-
At 31 March	-	3

### 9. CONTRACT ASSETS/(LIABILITIES)

	Group	
	2024 RM'000	2023 RM'000
Contract assets relating to construction services contracts	5,638	6,867
Total contract assets	5,638	6,867
Contract liabilities relating to construction services contracts	-	(47)
Contract liabilities relating to sales contracts	(1,042)	(1,117)
Total contract liabilities	(1,042)	(1,164)
Net balance	4,596	5,703

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 9. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

#### Significant changes in contract balances

	Group		Group	
	2024	2023	2024	2023
	Contract assets Increase/(decrease) RM'000	Contract liabilities (Increase)/decrease RM'000	Contract assets Increase/(decrease) RM'000	Contract liabilities (Increase)/decrease RM'000
Transfer from contract assets recognised at the beginning of the period to receivables	(859)	-	10	-
Revenue recognised that was included in contract liability at the beginning of the financial year	-	1,164	-	-
Increase due to consideration received from customers, but revenue not recognised	-	(1,042)	-	(1,117)
Impairment losses of contract assets	(370)	-	(454)	-

#### Contract assets that are impaired

The Company'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	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	499	45
Charge for the financial year	370	454
Written off	(45)	-
At 31 March	824	499

### 10. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	36,258	3,224	8,132	11
Short-term deposits	805	14,079	-	-
	37,063	17,303	8,132	11

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 11. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2024 Unit ('000)	2023 Unit ('000)	2024 RM'000	2023 RM'000

#### Issued and fully paid up (no par value):

At 1 April 2023/2022/31 March	102,951	102,951	110,159	110,159
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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.

### 12. 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 (2023: 121,000) units. Such treasury shares are held at a carrying amount of RM107,620 (2023: RM107,620).

The directors of the Company are committed to enhancing the value of the Company for its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders. 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.

### 13. OTHER RESERVES

	Group and Company	
	2024 RM'000	2023 RM'000
Capital reserve	1,467	1,467

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.



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 14. DEFERRED TAX LIABILITIES /(ASSETS)

	Group	
	2024 RM'000	2023 RM'000
At 1 April 2023/2022	757	767
Recognised in profit or loss (Note 22)	(296)	(10)
At 31 March	461	757
<b>Presented after appropriate offsetting as follows:</b>		
Deferred tax assets	(4,481)	(4,628)
Deferred tax liabilities	4,942	5,385
	461	757

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

	Group	
	2024 RM'000	2023 RM'000
<b>Deferred tax assets:</b>		
Unused tax losses	(2,611)	(3,224)
Unabsorbed capital allowances	(1,536)	(1,056)
Deductible temporary differences	(334)	(348)
	(4,481)	(4,628)
<b>Deferred tax liabilities:</b>		
Property, plant and equipments	4,942	5,376
Taxable temporary differences	-	9
	4,942	5,385

#### Unrecognised deferred tax assets

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unused tax losses	79,681	70,523	5,830	3,505
Unabsorbed capital allowances	165	9,556	-	-
Deductible temporary differences	3,504	88	109	71
	83,350	80,167	5,939	3,576

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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 14. DEFERRED TAX LIABILITIES /(ASSETS) (CONT'D)

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	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
2028	39,422	42,089	1,836	1,836
2029	8,358	5,992	353	353
2030	6,419	6,419	472	472
2031	6,022	6,022	315	315
2032	2,933	2,933	272	272
2033	7,064	7,068	257	257
2034	9,463	-	2,325	-
	<b>79,681</b>	<b>70,523</b>	<b>5,830</b>	<b>3,505</b>

### 15. LOANS AND BORROWINGS

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Non-current:</b>					
Lease liabilities	(a)	2,286	21	2,286	-
Hire purchase payables	(b)	384	93	-	-
		<b>2,670</b>	<b>114</b>	<b>2,286</b>	<b>-</b>
<b>Current:</b>					
Bank overdrafts		857	4,436	-	-
Bankers' acceptances		9,213	37,782	-	-
Lease liabilities	(a)	3,810	97	3,789	-
Hire purchase payables	(b)	86	100	-	-
Trust receipts		91	-	-	-
Revolving credit		2,000	2,000	-	-
Islamic trade financing		-	649	-	-
		<b>16,057</b>	<b>45,064</b>	<b>3,789</b>	<b>-</b>
		<b>18,727</b>	<b>45,178</b>	<b>6,075</b>	<b>-</b>

#### Total loans and borrowings

Bank overdrafts		857	4,436	-	-
Bankers' acceptances		9,213	37,782	-	-
Lease liabilities	(a)	6,096	118	6,075	-
Hire purchase payables	(b)	470	193	-	-
Trust receipts		91	-	-	-
Revolving credit		2,000	2,000	-	-
Islamic trade financing		-	649	-	-
		<b>18,727</b>	<b>45,178</b>	<b>6,075</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 15. LOANS AND BORROWINGS (CONT'D)

The short-term borrowings of the Group are secured by:

- (i) charges on the subsidiary's freehold land, leasehold land and factory building (Note 5);
- (ii) debentures incorporating fixed and floating charges on all the present and future assets of Laksana Wibawa Sdn. Bhd. During the current financial year, the borrowings of Laksana Wibawa Sdn. Bhd. have been repaid in full and assets of Laksana Wibawa Sdn. Bhd. have been discharged;
- (iii) memorandum deposit of upfront fixed deposit of RM200,000 in the previous financial year;
- (iv) memorandum of deposit over sinking fund to be built up by 5% from each proceeds received up to a maximum of RM2.5 million or until end of the facility tenure in the previous financial year; and
- (v) corporate guarantees of the Company.

The short-term borrowings bear interest at rates range from 3.93% to 8.35% (2023: 3.16% to 9.10%) per annum.

#### (a) Lease liabilities

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

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Minimum lease payments:				
Not later than one year	3,981	99	3,960	-
Later than one year and not later than five years	2,310	21	2,310	-
	6,291	120	6,270	-
Less: Future finance charges	(195)	(2)	(195)	-
Present value of minimum lease payments	6,096	118	6,075	-
Present value of minimum lease payments:				
Not later than one year	3,810	97	3,789	-
Later than one year and not later than five years	2,286	21	2,286	-
	6,096	118	6,075	-
Less: Amount due within twelve months	(3,810)	(97)	(3,789)	-
Amount due after twelve months	2,286	21	2,286	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 15. LOANS AND BORROWINGS (CONT'D)

#### (b) Hire purchase payables

Hire purchase payables of the Group of RM470,553 (2023: RM193,124) bear interest ranging from 2.21% to 2.96% (2023: 2.21% to 2.96%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5(a).

	Group	
	2024 RM'000	2023 RM'000
Minimum lease payments:		
Not later than one year	106	105
Later than one year and not later than five years	357	100
Later than five years	67	-
	530	205
Less: Future finance charges	(60)	(12)
Present value of minimum lease payments	470	193
Present value of minimum lease payments:		
Not later than one year	86	100
Later than one year but not later than five years	319	93
Later than five years	65	-
	470	193
Less: Amount due within twelve months	(86)	(100)
Amount due after twelve months	384	93

### 16. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Current:</b>				
<b>Trade</b>				
Trade payables	14,891	24,066	-	-
<b>Non-trade</b>				
Other payables	8,018	10,599	332	-
GST payables	18	18	-	-
Accruals	3,845	4,168	113	121
Deposits received	29	13	-	-
	11,910	14,798	445	121
Total trade and other payables	26,801	38,864	445	121

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 16. TRADE AND OTHER PAYABLES (CONT'D)

- (a) The normal trade credit term granted by the suppliers to the Group ranging from 30 to 90 days (2023: 30 to 90 days).
- (b) Included in the trade payables is retention sum amounting to RM464,510 (2023: RM535,922). The retention sum which is payable upon the expiry of defect liability period is expected to be settled within one year.
- (c) Included in other payables is an amount of RM772,559 (2023: RM688,559) due to a corporate shareholder of a subsidiary. This amount is 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 24(b)(ii) to the financial statements.

### 17. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Revenue from contract customers:</b>				
Sales of goods	63,547	75,446	-	-
Management fees	-	-	110	110
	<b>63,547</b>	<b>75,446</b>	<b>110</b>	<b>110</b>
<b>Revenue from other sources:</b>				
Dividend income from a subsidiary	-	-	5,508	-
	<b>63,547</b>	<b>75,446</b>	<b>5,618</b>	<b>110</b>
<b>Timing of revenue recognition</b>				
At a point in time	63,547	75,446	-	-
Over time	-	-	110	110
	<b>63,547</b>	<b>75,446</b>	<b>110</b>	<b>110</b>



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 17. REVENUE (CONT'D)

#### (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	
	2024 RM'000	2023 RM'000
<b>Manufacturing and trading</b>		
<b>Primary geographical market:</b>		
Malaysia	61,577	74,083
Singapore	306	841
Vietnam	1,512	522
Madagascar	152	-
	<b>63,547</b>	<b>75,446</b>
<b>Major goods or services:</b>		
Pipes and fittings	<b>63,547</b>	<b>75,446</b>

#### (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.

### 18. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expenses on:				
- bank overdraft	193	321	-	-
- other short-term borrowings	1,566	1,967	-	-
- lease liabilities	120	5	118	-
- hire purchase	19	13	-	-
- other	122	-	-	-
	<b>2,020</b>	<b>2,306</b>	<b>118</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 19. FINANCE INCOME

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest income on:				
- short-term deposits	780	108	18	-
- other	113	-	-	-
	893	108	18	-

### 20. PROFIT/(LOSS) BEFORE TAX

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration - statutory audit:				
- Baker Tilly Monteiro Heng PLT	165	155	69	61
- Other auditors	22	22	-	-
Other services:				
- Baker Tilly Monteiro Heng PLT	5	5	5	5
- Member firms of Baker Tilly International	9	9	-	-
- Other auditors	3	3	-	-
Deposits written off	243	-	-	-
Depreciation of property, plant and equipment	5,078	3,671	1,585	-
Employee benefits expenses (Note 21)	14,851	13,108	317	206
Impairment loss on trade and other receivables	1,215	-	-	-
Gain on disposal of property, plant and equipment	(83,371)	(15,000)	-	-
Loss/(Gain) on foreign exchange				
- realised	317	146	-	-
- unrealised	(145)	(12)	-	-
Impairment loss on property, plant and equipment	3,350	30	-	-
Impairment loss on contract assets	370	454	-	-
Impairment loss on investment in subsidiaries	-	-	11,949	-
Inventories written down	83	67	-	-
Property, plant and equipment written off	-	1	-	-
Expense related to short term lease/Rental expense				
- land and building	176	160	-	-
- machinery	128	63	-	-
- office equipment	81	13	-	-
Reversal of impairment loss on trade and other receivables	(15)	(467)	-	-
Dividend income from a subsidiary (redeemable convertible preference shares)	-	-	(5,508)	-
Rental income	(48)	-	-	-
Reversal of impairment loss on investment in a subsidiary	-	-	(11,948)	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 21. EMPLOYEE BENEFIT EXPENSES

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and others	13,696	11,945	317	206
Defined contribution plan	1,155	1,163	-	-
	14,851	13,108	317	206

Included in employee benefit expenses are:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Directors of the Company</b>				
Directors' fees	91	93	41	43
Other emoluments	1,273	671	276	163
Defined contribution plans	146	76	-	-
	1,510	840	317	206
<b>Directors of subsidiaries</b>				
Other emoluments	192	165	-	-
Defined contribution plans	18	13	-	-
	1,720	1,018	317	206

### 22. TAX (CREDIT)/EXPENSE

The major components of tax (credit)/expense for the financial years ended 31 March 2024 and 31 March 2023 are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Current tax:</b>				
Current financial year	15	8	-	-
Under provision in prior financial years	-	14	-	-
	15	22	-	-
<b>Deferred tax (Note 14):</b>				
Current financial year	40	(8)	-	-
Over provision in prior financial years	(336)	(2)	-	-
	(296)	(10)	-	-
<b>Real property gain tax:</b>				
Current financial year	-	1,508	-	-
Tax (credit)/expense	(281)	1,520	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 22. TAX (CREDIT)/EXPENSE (CONT'D)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2023: 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 (credit)/expense are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit/(Loss) before tax	43,171	3,373	2,973	(430)
Tax at Malaysian statutory income tax rate of 24% (2023: 24%)	10,361	810	714	(103)
Tax effect arising from:				
- non-deductible expenses	9,357	548	2,909	68
- non-taxable income	(20,404)	(3,604)	(4,190)	-
- double deduction	(14)	(10)	-	-
- revaluation surplus	(9)	(16)	-	-
Deferred tax assets not recognised	2,808	2,272	567	35
Utilisation of previously unrecognised deferred tax assets	(2,044)	-	-	-
Under/(Over) provision in prior financial years				
- current tax	-	14	-	-
- deferred tax	(336)	(2)	-	-
Real property gain tax	-	1,508	-	-
Tax (credit)/expense	(281)	1,520	-	-

### 23. EARNINGS PER SHARE

#### (a) Basic earnings per ordinary share

Basic earnings per share are based on the profit 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:

	Group	
	2024 RM'000	2023 RM'000
Profit attributable to ordinary equity holders of the Company:	16,281	3,391

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 23. EARNINGS PER SHARE (CONT'D)

#### (a) Basic earnings per ordinary share (Cont'd)

	2024 Unit ('000)	Group 2023 Unit ('000)
Weighted average number of ordinary shares for basic earnings per share *	102,830	102,830

	2024 sen	2023 sen
Basic earnings per ordinary share	15.83	3.30

\* As at 31 March 2024, the number of outstanding shares in issue after setting off treasury shares against equity is 102,829,873 (2023: 102,829,873) shares.

#### (b) Diluted earnings per share

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

### 24. 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
<b>2024</b>		
<b>Financial assets</b>		
<b>Group</b>		
Trade and other receivables *	14,866	14,866
Cash and short-term deposits	37,063	37,063
	51,929	51,929
<b>Company</b>		
Trade and other receivables *	1,117	1,117
Cash and short-term deposits	8,132	8,132
	9,249	9,249



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. 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
<b>2024</b>		
<b>Financial liabilities</b>		
<b>Group</b>		
Trade and other payables #	26,783	26,783
Loans and borrowings @	12,631	12,631
	<b>39,414</b>	<b>39,414</b>
<b>Company</b>		
Trade and other payables	445	445
<b>2023</b>		
<b>Financial assets</b>		
<b>Group</b>		
Trade and other receivables *	17,319	17,319
Cash and short-term deposits	17,303	17,303
	<b>34,622</b>	<b>34,622</b>
<b>Company</b>		
Trade and other receivables *	58	58
Cash and short-term deposits	11	11
	<b>69</b>	<b>69</b>
<b>Financial liabilities</b>		
<b>Group</b>		
Trade and other payables #	38,846	38,846
Loans and borrowings @	45,060	45,060
	<b>83,906</b>	<b>83,906</b>
<b>Company</b>		
Trade and other payables	121	121

\* Exclude GST refundable, prepayments and advance payment to suppliers

# Exclude GST payable

@ Exclude lease liabilities

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### (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 and interest rate 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.

#### (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 its operating activities (primarily trade receivables) and from its 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:

	2024 RM'000	Group %	2023 RM'000	%
<b>Trade receivables:</b>				
<b>Group</b>				
Manufacturing and trading	13,017	100%	14,003	87%
Construction services	-	-	2,133	13%
	<b>13,017</b>	<b>100%</b>	<b>16,136</b>	<b>100%</b>
<b>Contract assets:</b>				
<b>Group</b>				
Construction services	5,638	100%	6,867	100%
	<b>5,638</b>	<b>100%</b>	<b>6,867</b>	<b>100%</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (i) Credit risk (Cont'd)

##### Trade receivables and contract assets (Cont'd)

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

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
<b>2024</b>			
<b>Contract assets</b>			
Current	6,462	(824)	5,638
<b>Trade receivables</b>			
Current	8,235	-	8,235
1 to 30 days past due	1,692	-	1,692
31 to 60 days past due	1,725	-	1,725
61 to 90 days past due	776	-	776
91 to 180 days past due	414	-	414
More than 181 days past due	175	-	175
Individually assessed (credit impaired)	5,222	(5,222)	-
	<b>24,701</b>	<b>(6,046)</b>	<b>18,655</b>
<b>2023</b>			
<b>Contract assets</b>			
Current	7,366	(499)	6,867
<b>Trade receivables</b>			
Current	6,305	-	6,305
1 to 30 days past due	3,068	-	3,068
31 to 60 days past due	1,552	-	1,552
61 to 90 days past due	651	-	651
91 to 180 days past due	844	-	844
More than 181 days past due	3,716	-	3,716
Individually assessed (credit impaired)	4,019	(4,019)	-
	<b>27,521</b>	<b>(4,518)</b>	<b>23,003</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. 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.

###### 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 RM12,160,656 (2023: RM44,867,899) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 24(b)(ii) to the financial statements. 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 2024

### 24. 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.

#### 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
<b>2024</b>					
<b>Group</b>					
Trade and other payables #	26,783	26,783	-	-	26,783
Loans and borrowings	18,727	16,248	2,667	67	18,982
Financial guarantees	-	12,161	-	-	12,161
	<b>45,510</b>	<b>55,192</b>	<b>2,667</b>	<b>67</b>	<b>57,926</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. 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
<b>2024</b>					
<b>Company</b>					
Trade and other payables	445	445	-	-	445
Loans and borrowings	6,075	3,960	2,310	-	6,270
Financial guarantees	-	12,161	-	-	12,161
	<b>6,520</b>	<b>16,566</b>	<b>2,310</b>	<b>-</b>	<b>18,876</b>
<b>2023</b>					
<b>Group</b>					
Trade and other payables #	38,846	38,846	-	-	38,846
Loans and borrowings	45,178	45,071	121	-	45,192
Financial guarantees	-	44,868	-	-	44,868
	<b>84,024</b>	<b>128,785</b>	<b>121</b>	<b>-</b>	<b>128,906</b>
<b>2023</b>					
<b>Company</b>					
Trade and other payables	121	121	-	-	121
Financial guarantees	-	44,868	-	-	44,868
	<b>121</b>	<b>44,989</b>	<b>-</b>	<b>-</b>	<b>44,989</b>

# Exclude GST payable



# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (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, purchases and borrowings 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's and the Company's policy may include hedging all their material foreign currency exposures arising from its transactions and balances using derivative instruments that have maturity periods that match the corresponding maturity periods of the hedged items. In addition, 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.

The Group's and the Company'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	Total RM'000
<b>Group</b>				
<b>2024</b>				
<b>Financial assets</b>				
Trade and other receivables	617	71	7	695
Cash and bank balances	14	-	-	14
	<b>631</b>	<b>71</b>	<b>7</b>	<b>709</b>
<b>2023</b>				
<b>Financial assets</b>				
Trade and other receivables	37	148	7	192
Cash and bank balances	1	-	-	1
	<b>38</b>	<b>148</b>	<b>7</b>	<b>193</b>
<b>Financial liabilities</b>				
Trade and other payables	863	-	-	863

#### Sensitivity analysis for foreign currency risk

The Group's principal foreign currency exposure relates mainly to United States Dollar ("USD") and Singapore Dollar ("SGD").

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

As at 31 March 2024 and 31 March 2023, there were no forward foreign currency exchange contract.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial risk management (Cont'd)

##### (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 RM12,160,656 (2023: RM44,867,687) expose the Group to cash flow interest rate risk whilst borrowings at fixed rate amounting to RM6,566,121 (2023: RM310,579) expose the Group to fair value interest rate risk. The Group manages its interest rate risk exposure by maintaining a mix of fixed and floating rate borrowings.

##### 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 profit for the financial year.

	Change in rate %	Effect on profit for the financial year RM'000	Effect on equity RM'000
<b>Group</b>			
<b>31 March 2024</b>	+ 1%	92	92
	- 1%	(92)	(92)
<b>31 March 2023</b>	+ 1%	341	341
	- 1%	(341)	(341)

#### (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 (2023: Level 1 and Level 2 during the financial year).

##### **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 fixed rate loan 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 2024

### 25. CAPITAL COMMITMENTS

The Group has made commitments for the following capital expenditure:

	2024 RM'000	Group 2023 RM'000
<b>Property, plant and equipments</b>		
Approved and contracted for	36	3,292
Approved but not contracted for	-	13,327

### 26. FINANCIAL GUARANTEES

	2024 RM	Group 2023 RM	Company 2024 RM	2023 RM
Corporate guarantee granted to financial institutions for banking facilities granted to its subsidiaries				
- total banking facilities	51,000	106,700	51,000	106,700
- total utilised	12,161	44,868	12,161	44,868

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.

### 27. 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 27. RELATED PARTIES (CONT'D)

#### (b) Significant related party transactions and balances

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

	Group	
	2024	2023
	RM'000	RM'000

#### Significant transaction with corporate shareholder of a subsidiary:

Lease paid/payable	63	84
Rental paid/payable	21	-

	Company	
	2024	2023
	RM'000	RM'000

#### Significant transaction with its subsidiaries:

Management fee received/receivable	110	110
Dividend income received/receivable	5,508	-

Significant outstanding balances with related parties at the end of the reporting period are disclosed in Note 16 to the financial statements.

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Directors of the Company and subsidiaries:</b>				
Fees, salaries and other employee benefits	1,556	929	317	206
Defined contribution plans	164	89	-	-
	1,720	1,018	317	206
<b>Other key management personnel:</b>				
Salaries and other employee benefits	655	643	-	-
Defined contribution plans	83	82	-	-
	2,458	1,743	317	206

### 28. 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.

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 28. SEGMENT INFORMATION (CONT'D)

The reportable operating segments are as follows:

Segments	Product and services
Manufacturing and trading	Manufacturing and trading of ductile iron pipes and plastic pipes and fittings and waterwork related products, trading of steel pipes and related products.
Construction and project management	Construction and project management for waterworks and sewerage industry.

#### Segment revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3 to the financial statements. 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 1 (2023: 1) customer with revenue equal or more than 15% (2023: 15%) of the Group's revenue.

	Manu- facturing and trading RM'000	Construction and project management RM'000	Elimination and ad- justment RM'000	Note	Consoli- dated RM'000
<b>2024</b>					
<b>REVENUE</b>					
External customers	63,547	-	-		63,547
Inter-segment	28,039	154	(28,193)	(a)	-
	<b>91,586</b>	<b>154</b>	<b>(28,193)</b>		<b>63,547</b>
<b>RESULTS</b>					
Reportable segment profit/(loss)	<b>43,717</b>	<b>(546)</b>	-		<b>43,171</b>
<b>NET ASSETS</b>					
Total segment assets	<b>189,228</b>	<b>6,850</b>	-		<b>196,078</b>
Total segment liabilities	<b>35,569</b>	<b>11,462</b>	-		<b>47,031</b>
Net assets/(liabilities)					
- Segment	<b>153,659</b>	<b>(4,612)</b>	-		<b>149,047</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 31 March 2024

### 28. SEGMENT INFORMATION (CONT'D)

	Manu- facturing and trading RM'000	Construction and project management RM'000	Elimination and ad- justment RM'000	Note	Consoli- dated RM'000
<b>2024 (CONT'D)</b>					
<b>OTHER INFORMATION</b>					
Capital expenditures	9,214	-	-		9,214
Depreciation on property, plant and equipment	5,042	36	-		5,078
Impairment loss on trade and other receivables	1,215	-	-		1,215
Impairment loss on property, plant and equipment	3,350	-	-		3,350
Impairment loss on contract assets	-	370	-		370
Inventories written down	83	-	-		83
Interest expenses	1,979	41	-		2,020
Interest income	(893)	-	-		(893)
Reversal of impairment loss on trade and other receivables	(15)	-	-		(15)
<b>2023</b>					
<b>REVENUE</b>					
External customers	75,446	-	-		75,446
Inter-segment	19,725	-	(19,725)	(a)	-
	95,171	-	(19,725)		75,446
<b>RESULTS</b>					
Reportable segment profit/(loss)	4,098	(725)	-		3,373
<b>NET ASSETS</b>					
Total segment assets	181,273	10,285	-		191,558
Total segment liabilities	71,982	13,981	-		85,963
Net assets/(liabilities) - Segment	109,291	(3,696)	-		105,595
<b>OTHER INFORMATION</b>					
Capital expenditures	1,119	-	-		1,119
Depreciation on property, plant and equipment	3,635	36	-		3,671
Impairment loss on property, plant and equipment	30	-	-		30
Impairment loss on contract assets	-	454	-		454
Inventories written down	67	-	-		67
Interest expenses	2,268	38	-		2,306
Property, plant and equipment written off	1	-	-		1
Interest income	(98)	(10)	-		(108)
Reversal of expected credit losses on trade and other receivables	(335)	(132)	-		(467)

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 2024

### 29. 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 2024 and 31 March 2023.

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

	Group		Company	
	2024	2023	2024	2023
Total borrowings (RM'000)	18,727	45,178	6,075	-
Total equity (RM'000)	149,047	105,595	70,016	67,043
Gearing ratio (%)	12.56%	42.78%	8.68%	-

The Group and the Company are not subject to any externally imposed capital requirements.

### 30. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 22 May 2023, Laksana Wibawa Sdn. Bhd., a 51% owned subsidiary of the Company received a notification on proposed acquisition of land under Borang E & F from Jabatan Ketua Pengarah Tanah Dan Galian (Persekutuan) of its intention to hold a land inquiry on 10 July 2023 pertaining to the compulsory acquisition of a leasehold land of the Group under the Land Acquisition Act, 1960 ("the Act"). The leasehold land comprises of leasehold land, building and capital work in progress.

On 3 October 2023, the Group has received compensation of RM97,835,058 in connection with the compulsory acquisition as disclosed in Note 5(d).

### 31. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The Company had on 3 July 2024 entered into a conditional share sale agreement with Bumiraya Armani Sdn Bhd for the proposed acquisition of 4,000,000 ordinary shares in Damini Corporation Sdn. Bhd. ("Damini") representing 80% equity interest in Damini, for a purchase consideration of RM10 million to be satisfied via a combination of cash of RM3.5 million and the issuance of 10,000,000 new ordinary shares in the Company at an issue price of RM0.65 per share. As at date of this report, the proposed acquisition is pending finalisation.

# STATEMENT BY DIRECTORS

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

We, **DATO' HAJI SAMSURI BIN RAHMAT** 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 58 to 109 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 2024 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.

.....  
**DATO' HAJI SAMSURI BIN RAHMAT**  
Director

.....  
**SEAH HENG CHIN**  
Director

Kuala Lumpur

Date: 10 July 2024

# 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 58 to 109 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 10 July 2024.

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 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 58 to 109.

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 2024, 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"), 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

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#### Property, plant and equipment ("PPE") (Note 4.3 and Note 5(b))

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As at 31 March 2024, the plant and machineries and capital work in progress of the Group amounting to RM1.078 million and RM3.350 million respectively remain idle. During the financial year, an impairment loss of RM3.350 million was recognised by the Group. We focused on this area because judgements and estimates by directors are involved in determining the recoverable amount of these machineries.

#### Our audit response:

Our audit procedures included, among others:

- understanding and obtaining explanations from the Group on their intention and plans related to the idle assets; and
- understanding the basis adopted by the directors in determining the recoverable amount.

# INDEPENDENT AUDITORS' REPORT

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

### Key Audit Matters (Cont'd)

#### Group (Cont'd)

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#### Trade receivables and contract assets (Note 4.1 and Notes 8 and 9)

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As at 31 March 2024, the Group's trade receivables and contract assets amounted to RM13.017 million and RM5.638 million respectively. 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 and 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 considering level of activity with the customer and the directors' explanation on recoverability with significantly past due balances; and
- testing the mathematical computation of expected credit losses as at the end of the reporting period.

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#### Inventories (Note 4.2 and Note 7)

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As at 31 March 2024, the Group's inventories amounted to RM90.039 million and inventories written down during the year amounted to RM0.083 million. We focused on this area because judgement by 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 reading the design and implementation of controls during the count;
- checking subsequent sales and evaluating 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.

#### Company

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#### Investment in subsidiaries (Note 4.3 and Note 6)

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As at 31 March 2024, the Company's investment in subsidiaries amounted to RM61.250 million. During the financial year, an impairment loss of RM11.949 million was recognised by the Group. We focused on this area because the directors' assessment of the recoverable amount involved significant judgement.

#### Our audit response:

Our audit procedures included, among others:

- comparing the actual results with previous budget to understand the performance of the business;
- comparing the directors' key assumptions in cash flow forecast which include the directors' assessment and consideration of the current economic and business environment in relation to key assumptions;
- testing the mathematical computation of the impairment assessment; and
- performing the sensitivity analysis of key assumptions and the impacts of these key assumptions and inputs that are expected to be most sensitive to the recoverable amount.

# INDEPENDENT AUDITORS' REPORT

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

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

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

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

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

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

### Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with 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.

# INDEPENDENT AUDITORS' REPORT

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

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

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

### Other 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.

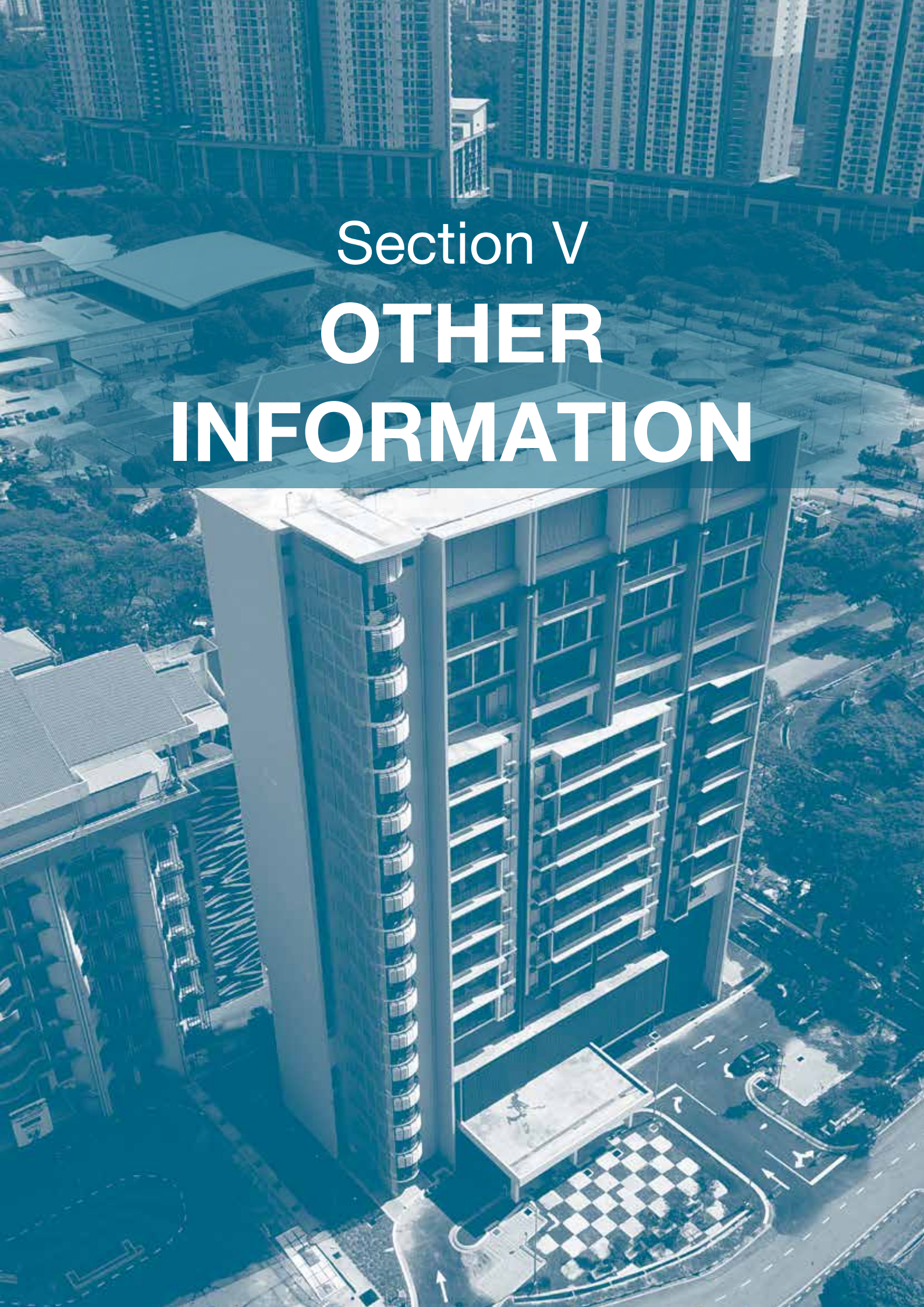
**Baker Tilly Monteiro Heng PLT**  
201906000600 (LLP0019411-LCA) & AF 0117  
Chartered Accountants

Kuala Lumpur

Date: 10 July 2024

**Andrew Choong Tuck Kuan**  
No.03264/04/2025 J  
Chartered Accountant





# Section V **OTHER INFORMATION**



# PROPERTIES OF THE GROUP

FACTORIES	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2024 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
2432, Tingkat Perusahaan 6, Prai Industrial Estate 13600 Prai, Pulau Pinang	Land (Leasehold 60 years expiring 03.10.2042)	3.30 acres	808	N/A	1 November 1994
	Main factory	76,100 sq. ft.	2,728	41	
	Machine workshop	3,200 sq. ft.		33	
	Canteen	2,050 sq. ft.		28	
	Office building	7,949 sq. ft.		28	
2462, Lorong Perusahaan 10, Prai Industrial Estate, 13600 Prai Pulau Pinang	Land ( Leasehold 60 years expiring 13.04.2044)	3.01 acres	2,608	N/A	10 September 1999
	Factory Building	60,702 sq. ft.	3,158	24	14 July 2000
2579, Lorong Perusahaan 10, Prai Industrial Estate 13600 Prai Pulau Pinang	Land ( Leasehold 60 years expiring 23.01.2045)	3.02 acres	1,403	N/A	19 July 1999
	Single Storey factory cum workshop	40,050 sq. ft.	1,753	32	19 July 1999
	Double-storey office building	4,450 sq. ft.			
2604 Lorong Perusahaan Baru 2, Kawasan Perusahaan Prai, 13600 Prai, Pulau Pinang	Land (Leasehold 60 years expiring 11.12.2050)	3.55 acres	1,099	N/A	6 May 2004
	Factory Building	24,208 sq. ft.	1,003	34	
OFFICE CUM WORKSHOP					
51, Jalan Layang- Layang 3 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Land ( Freehold)	7,201 sq. ft.	750	N/A	26 May 1997
	1 1/2 storey semi-detached factory erected on it		365	27	

## PROPERTIES OF THE GROUP

WAREHOUSE	DESCRIPTION	LAND AREA/ BUILT-UP AREA	NET BOOK VALUE @31.03.2024 RM'000	APPROXIMATE AGE OF BUILDING YEARS	DATE OF REVALUATION/ ACQUISITION
No. 2739, Mukim 6 Lorong Nagasari 5 Taman Nagasari 13600 Prai Pulau Pinang	Land (Leasehold expiring 09.05.2051)	3.25 acres	2,092	N/A	22 June 1996
	Single storey building used as a warehouse with a small section as office	10,744 sq. ft.	1,216	28	
GENERAL PROPERTIES					
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	110	28	8 November 1994
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.	223	28	10 November 1993
HS(M)21310, PT No.18066 HS(M)28813, PT No.64243 HS(M)21312, PT No.18068 HS(M)21313, PT No.18069	Land (Freehold)	1,200 sq. m.	610	N/A	May 2002
	Warehouse		76	N/A	January 2003
Moveable Site Hostel No.2739, Mukim 6 Lorong Nagasari 5 Taman Nagasari 13600 Prai, Pulau Pinang	Double Storey Steel Container	40' X 8' X 8' (8 units)	7	N/A	16 September 2002
No.40, Jalan Uranus AH U5/AH Taman Subang Impian Seksyen U5 40150 Shah Alam Selangor	Three Storey Shop Office	5,280 sq. ft.	847	11	26 April 2015
Lot 530, Tile no. GM 344, Mukim Batang Kali, District of Hulu Selangor	Vacant Industrial Land (Freehold)	18,211 sq. m.	1,960	N/A	14 April 2015

# ANALYSIS OF SHAREHOLDINGS

## As at 28 June 2024

Class of Shares	: Ordinary Shares
Voting Rights	: One vote per ordinary share
Issued Share Capital	: RM110,158,886.50 consisting of 102,950,873 ordinary shares (inclusive of 121,000 shares held as treasury shares)
Number of Holders	: 2,036

### DISTRIBUTION SCHEDULE OF SHAREHOLDINGS AS AT 28 JUNE 2024

No. of Holders	Size of Holdings	Total Holdings	%
54	less than 100 shares	1,042	#
302	100 to 1,000 shares	185,047	0.18
1,055	1,001 to 10,000 shares	4,994,932	4.86
514	10,001 to 100,000 shares	18,377,833	17.87
110	100,001 to less than 5% of issued shares	46,760,930	45.47
1	5% and above of issued shares	32,510,089	31.62
<b>2,036</b>		<b>102,829,873</b>	<b>100.00</b>

\* The issued and paid-up capital is as per Record of Depositors as at 28 June 2024 exclusive of 121,000 shares held as treasury shares

# Negligible

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 28 JUNE 2024

	Name	Shareholdings	%
1	SUASANA KARISMA SDN BHD	32,510,089	31.62
2	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD		
	PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (8055840)	4,939,000	4.80
3	NUSMAKMUR DEVELOPMENT SDN BHD	4,861,330	4.73
4	JB-CITY ALLOY INDUSTRIES SDN BHD	3,501,500	3.41
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD		
	EXEMPT AN FOR TRADEVIEW CAPITAL SDN BHD	2,782,900	2.71
6	BLESSPLUS SDN BHD	2,659,600	2.59
7	TA NOMINEES (TEMPATAN) SDN BHD		
	PLEDGED SECURITIES ACCOUNT FOR OKBB SDN BHD	2,316,300	2.25
8	OH KIM HUA @ HO KIM HUA	1,066,000	1.04
9	LIM SAY HAN	807,000	0.78
10	RHB NOMINEES (TEMPATAN) SDN BHD		
	PLEDGED SECURITIES ACCOUNT FOR HEE YUEN SANG	718,000	0.70
11	KEAN MOONG YIN	715,000	0.70
12	PHANG SUN WAH	700,000	0.68
13	BUMIRAYA ARMANI SDN BHD	591,400	0.58
14	WANG HSUEH YING	526,000	0.51
15	ONG SOI TAT	520,000	0.51
16	CHIN HOOI NAN	500,000	0.49
17	PUBLIC NOMINEES (TEMPATAN) SDN BHD		
	PLEDGED SECURITIES ACCOUNT FOR HOR BING HWA (E-TCS/TCT)	500,000	0.49
18	QUEK SER PENG	489,600	0.48
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD		
	PLEDGED SECURITIES ACCOUNT FOR NG BENG HOO	464,000	0.45

# ANALYSIS OF SHAREHOLDINGS

## As at 28 June 2024

### THIRTY (30) LARGEST SECURITIES ACCOUNT HOLDERS ACCORDING TO THE RECORD OF DEPOSITORS AS AT 28 JUNE 2024 (CONT'D)

	Name	Shareholdings	%
20	HOO WAN FATT	445,200	0.43
21	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	403,000	0.39
22	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOW CHIN KOON (DATO') (MY4469)	400,000	0.39
23	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD DOM BIN AHMAD (MY4624)	400,000	0.39
24	LEE CHEE BENG	377,900	0.37
25	SONG HUAT CHAN HOLDINGS SDN BHD	373,000	0.36
26	KHOR KENG SAW @ KHAW AH SOAY	342,600	0.33
27	LEONG CHEE HOK	340,000	0.33
28	WONG KEE CHONG	340,000	0.33
29	LIEW BOON SIONG	335,000	0.33
30	CHOO WOON MENG	298,300	0.29
	<b>TOTAL</b>	<b>65,222,719</b>	<b>63.43</b>

# ANALYSIS OF SHAREHOLDINGS

## As at 28 June 2024

### SUBSTANTIAL SHAREHOLDERS

In accordance with the Register of Substantial Shareholders, the Substantial Shareholders and their shareholdings as at 28 June 2024 are as follows:-

Name of Shareholders	Direct Interest	No of Shares		Indirect Interest	%#
		%#			
Suasana Karisma Sdn. Bhd.	32,510,089	31.62	-	-	-
Shamshiah Binti Hashim @ Abu Bakar	-	-	32,510,089*	31.62	
Muhammad Imran Bin Abdullah	-	-	32,510,089*	31.62	

# Excluding a total of 121,000 YLI Holdings Berhad ("YLI") shares bought-back by YLI and retained as treasury shares as at 28 June 2024.

\* Deemed interested pursuant to Section 8 of the Companies Act 2016 ("the Act") by virtue of their shareholdings in Suasana Karisma Sdn. Bhd.

### DIRECTORS AND THEIR SHAREHOLDINGS

In accordance with the Register of Directors' Shareholdings, the Directors and their shareholdings as at 28 June 2024 are as follows:-

Name of Directors	Direct Interest	No of Shares		Indirect Interest	%#
		%#			
Dato' Haji Samsuri Bin Rahmat	-	-	-	-	-
Seah Heng Chin	-	-	-	-	-
Datuk Haji Jalaludin Bin Haji Ibrahim	-	-	-	-	-
Hew Kam Mooi	-	-	-	-	-
Shamshiah Binti Hashim @ Abu Bakar	-	-	32,510,089*	31.62	

# Excluding a total of 121,000 YLI Holdings Berhad ("YLI") shares bought-back by YLI and retained as treasury shares as at 28 June 2024.

\* 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 Twenty-Ninth Annual General Meeting (“AGM”) of **YLI Holdings Berhad** will be conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation and Voting facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd’s TIIH Online website at <https://tiih.online> on Thursday, 29 August 2024 at 11.00 a.m.

## AGENDA

- |  |                                   |
|--|-----------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2024 together with the Reports of the Directors and Auditors thereon. | <b>Please refer to<br/>Note A</b> |
|--|-----------------------------------|

## AS ORDINARY BUSINESS

- |   |                     |
|---|---------------------|
| 2. To re-elect Ms Hew Kam Mooi who retires in accordance with Clause 76(3) of the Company’s Constitution.   | <b>Resolution 1</b> |
| 3. To re-elect Puan Shamshiah Binti Hashim @ Abu Bakar who retires in accordance with Clause 78 of the Company’s Constitution.  | <b>Resolution 2</b> |
| 4. To re-appoint Baker Tilly Monteiro Heng PLT as Auditors and to authorise the Directors to determine their remuneration.  | <b>Resolution 3</b> |
| 5. To approve the payment of Directors’ fees for the financial year ended 31 March 2024 and Directors’ benefits from 29 August 2024 until the next AGM of the Company up to an aggregate amount of RM500,000. | <b>Resolution 4</b> |

## AS SPECIAL BUSINESS

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

6. **ORDINARY RESOLUTION I  
RENEWAL OF THE AUTHORITY TO ALLOT AND ISSUE SHARES OF THE COMPANY  
PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

“THAT pursuant to Sections 75 and 76 of the Companies Act (“CA 2016”), Main Market Listing Requirements of Bursa Securities Berhad and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Companies be and are hereby empowered to allot and issue shares in the capital of the Company, at any time, to such persons and upon such terms and conditions and for such purposes as the Directors, may, in their absolute discretion, deem fit including in pursuance of offers, agreements, rights or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements, rights or options in respect of the shares in the Company including those which would or might require shares in the Company to be issued after the expiration of the approval hereof provided that the aggregate number of shares to be issued pursuant to this approval does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad, and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company; the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or revoked or varied by resolution passed by the shareholders of the Company in a general meeting, subject always to the CA 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approvals of all relevant regulatory bodies being obtained (if required).”

**Resolution 5**

# NOTICE OF ANNUAL GENERAL MEETING

## 7. ORDINARY RESOLUTION II PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

“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”).

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 AGM 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 AGM 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.

# NOTICE OF ANNUAL GENERAL MEETING

## 7. ORDINARY RESOLUTION II (CONT'D) PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK (CONT'D)

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."

**Resolution 6**

8. 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

**CHEW SIEW CHENG**

(MAICSA 7019191) (SSM PC No. 202008001179)

**LAW MEE POO**

(MAICSA 7033423) (SSM PC No. 201908002275)

Company Secretaries

Penang

Date: 29 July 2024

# 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 The AGM will be conducted fully virtual through live streaming and online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("**Tricor**") in Malaysia via its TIIH Online website at <https://tiih.online>. Members are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively, "**Participate**") remotely at this AGM via Remote Participation and Voting ("**RPV**") facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.
- 1.2 The online meeting platform at TIIH Online website at <https://tiih.online> or <https://tiih.com.my> which is the main venue of the AGM, is registered with MYNIC Berhad under the Domain Registration No. D1A282781. This fulfills Section 327(2) of the Companies Act 2016 which requires the main venue of a company's general meeting to be in Malaysia and the chairperson to be present at that main venue as clarified in the Frequently Asked Questions on Virtual General Meetings dated 8 June 2021 issued by the Companies Commission of Malaysia.
- 1.3 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 21 August 2024. 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 via RPV.
- 1.4 As the AGM is a fully virtual AGM, 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.
- 1.5 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.
- 1.6 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.
- 1.7 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.
- 1.8 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.
- 1.9 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.
- 1.10 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 registered office of the Company situated at No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 60000 Kuala Lumpur
  - (ii) By electronic means  
The Proxy Form can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for the 29<sup>th</sup> AGM on the procedures for electronic lodgement of the Proxy Form.
- 1.11 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 No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 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.
- 1.12 Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- 1.13 Last date and time for lodging this proxy form is 11.00 a.m. on Tuesday, 27 August 2024.
- 1.14 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 No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 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 – Re-election of retiring Directors

The details and profiles of the retiring Directors, Ms Hew Kam Mooi and Puan Shamshiah Binti Hashim @ Abu Bakar who are standing for re-election at the AGM are set out in the Directors' profile on page 12 and 10 respectively of the Annual Report 2024.

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 2024 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 Ms Hew Kam Mooi and Puan Shamshiah Binti Hashim @ Abu Bakar who as the Directors of the Company.

### 2. Resolution 4 – 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 Resolution 4, if passed, will authorise the payment of Directors' fees for the financial year ended 31 March 2024 and Directors' benefits from 29 August 2024 until the next AGM of the Company up to an aggregate amount of RM500,000.

### 3. Resolution 5 – Authority to Issue Shares

Ordinary Resolution 5 is for the purpose of renewing the general mandate for issuance of shares by the Company pursuant to Sections 75 and 76 of the CA 2016.

The proposed resolution, if passed, will give authority to the Directors of the Company, from the date of this Annual General Meeting, to allot and issue shares or to make or grant offers, agreements, rights or options in respect of shares to such persons in their absolute discretion, including to make or grant offers, agreements, rights or options which would or might require shares in the Company to be issued after the expiration of the approval, without having to convene a general meeting, provided that the aggregate number of shares issued does not exceed 10% of the total number of the issued shares of the Company for the time being. 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.

The general mandate sought will enable the Directors of the Company to allot and issue shares, including but not limited to making placement of shares for the purposes of raising funding for investment(s), for working capital and for general corporate purposes as deemed necessary.

### 4. Resolution 6 – Proposed Renewal of Authority for Share Buy-Back

The proposed Ordinary Resolution 6, 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 AGM of the Company. For further information, please refer to the Statement to Shareholders dated 29 July 2024.

# 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 29 August 2024. A renewal of this authority is being sought at the Twenty-Ninth 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.



**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 Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Ninth Annual General Meeting of the Company to be conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation and Voting facilities which are available on Tricor Investor & Issuing House Services Sdn Bhd's TIIH Online website at <https://tiih.online> on Thursday, 29 August 2024 at 11.00 a.m. or any adjournment thereof, and to vote as indicated below:

Ordinary Business		For	Against
Re-election of Ms Hew Kam Mooi	Resolution 1		
Re-election of Puan Shamshiah Binti Hashim @ Abu Bakar	Resolution 2		
Re-appointment of Baker Tilly Monteiro Heng PLT as Auditors and to authorise the Directors to determine their remuneration	Resolution 3		
Approval of Directors' fees and benefits	Resolution 4		
Special Business			
Ordinary Resolution I – Authority to Issue Shares	Resolution 5		
Ordinary Resolution II – Proposed Renewal of Authority for Share Buy-Back	Resolution 6		

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
- (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

**NOTES:**

1. **Proxy**
- 1.1 The AGM will be conducted fully virtual through live streaming and online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") in Malaysia via its TIIH Online website at <https://tiih.online>. Members are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively, "**Participate**") remotely at this AGM via Remote Participation and Voting ("**RPV**") facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.
- 1.2 The online meeting platform at TIIH Online website at <https://tiih.online> or <https://tiih.com.my> which is the main venue of the AGM, is registered with MYNIC Berhad under the Domain Registration No. D1A282781. This fulfills Section 327(2) of the Companies Act 2016 which requires the main venue of a company's general meeting to be in Malaysia and the chairperson to be present at that main venue as clarified in the Frequently Asked Questions on Virtual General Meetings dated 8 June 2021 issued by the Companies Commission of Malaysia.
- 1.3 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 21 August 2024. 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 via RPV.
- 1.4 As the AGM is a fully virtual AGM, 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.
- 1.5 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.

- 1.6 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.
- 1.7 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.
- 1.8 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.
- 1.9 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.
- 1.10 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 registered office of the Company situated at No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 60000 Kuala Lumpur
  - (ii) By electronic means  
The Proxy Form can be electronically lodged via TIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for the 29th AGM on the procedures for electronic lodgement of the Proxy Form.
- 1.11 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 No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 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.
- 1.12 Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
- 1.13 Last date and time for lodging this proxy form is 11.00 a.m. on Tuesday, 27 August 2024.
- 1.14 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 No. 45 Lorong Rahim Kajai 13, Taman Tun Dr Ismail, 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.

Fold this flap for sealing

Affix Stamp

**YLI HOLDINGS BERHAD**  
Registration no. 199501038047 (367249-A)  
(Incorporated in Malaysia)

No. 45 Lorong Rahim Kajai 13,  
Taman Tun Dr Ismail,  
60000 Kuala Lumpur.

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First fold here

**YLI HOLDINGS BERHAD**

199501038047 (367249-A)

45, Lorong Rahim Kajai 13,  
Taman Tun Dr. Ismail,  
60000 Kuala Lumpur, Malaysia.  
Tel : (603) 77222296  
Fax: (603) 77222057

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