



MAGNI-TECH INDUSTRIES BERHAD

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

Annual Report 2024

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Corporate Information

Board of Directors

Executive Chairman	Tan Sri Dato' Seri Tan Kok Ping
Managing Director	Tan Poay Seng
Non-Independent Non-Executive Director	H'ng Cheok Seng
Independent Non-Executive Directors	Tan Poh Heng Fera Fizani Binti Ahmad Fizri

Company Secretaries

Lee Peng Loon (MACS 01258)
SSM PC No. 201908002340

P'ng Chiew Keem (MAICSA 7026443)
SSM PC No. 201908002334

Auditors

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

Registered Office

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

Share Registrar

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

Bankers

CIMB Bank Berhad
Malayan Banking Berhad
AmBank Islamic Berhad

Stock Exchange Listing

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

Date and Place of Incorporation

Incorporated in Malaysia on 12 March 1997

Principal Activities

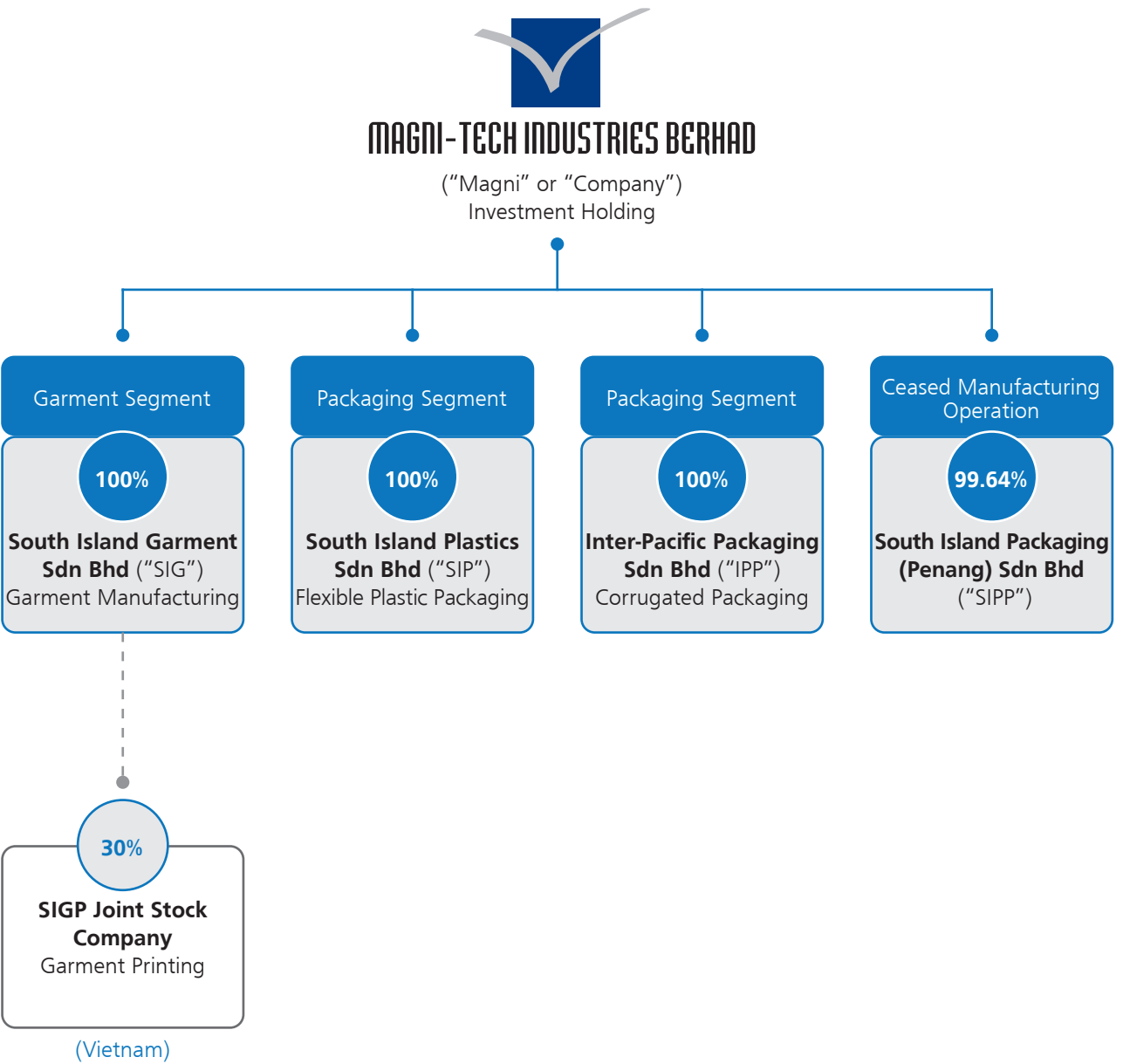
Magni Group is primarily involved in investment holding ;
manufacturing and sale of garments, a wide range of
corrugated and flexible plastic packaging products

Market Capitalization

RM959 million as at the end of the financial year ended
30 April 2024

Corporate Structure

Subsidiaries as at 15 August 2024



Financial Highlights

Financial Results (RM'000) (N5)	FYR 2020	FYR 2021	FYR 2022	FYR 2023	FYR 2024
Revenue	1,205,588	1,226,453	988,971	1,212,385	1,341,096
EBITDA	163,857	171,529	122,713	131,252	174,532
Profit Before Tax	157,321	165,314	117,010	125,504	168,623
Profit After Tax	121,807	127,186	91,692	95,371	128,410
Statement of Financial Position (RM'000)					
Issued and Paid-Up Share Capital	216,975	216,975	216,975	216,975	216,975
Weighted Average number of Shares ('000) (N1)	433,717	433,951	433,951	433,951	433,951
Shareholders' Equity	608,483	693,170	762,177	812,156	894,774
Total Assets	702,236	789,231	864,797	881,815	1,055,146
Cash and Cash Equivalents (N2)	276,077	340,943	401,435	425,237	538,692
Loans and Borrowings	Nil	Nil	Nil	Nil	Nil
Key Financial Indicators					
Net Assets Per Share (RM) (N3)	1.40	1.60	1.76	1.87	2.06
Return on average Shareholders' Equity (%)	21.4%	19.5%	12.6%	12.1%	15.1%
Basic Earnings Per Share (Sen) (N4)	28.1	29.3	21.2	22.0	29.6
Net Dividend Per Share (Sen) (N4)	9.43	11.10	6.50	9.00	11.8

Notes to the financial highlights:

(N1) Total no. of shares with voting rights as at the end of FYR 2024 was 433.451 million shares.

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

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

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

(N5) FYR = Financial year ended 30 April.

Corporate History

Date	Description	Issued and Paid-Up Share Capital	
		No. of Share	Amount (RM)
12 March 1997	Incorporation of the Company	2	2
17 February 2000	Completed acquisition of IPP, SIP & SIPP via issue of new shares at RM1.36 each	31,649,998	31,649,998
11 April 2000	Public issue at RM1.50 each	8,600,000	8,600,000
18 April 2000	Listed on the then 2 nd Board	40,250,000	40,250,000
	ESOS for the period to 22 January 2003	734,000	734,000
22 January 2003	Bonus issue on the basis of 1 for 2	20,492,000	20,492,000
8 April 2003	Transferred to the then Main Board	61,476,000	61,476,000
	ESOS for the period to 1 November 2006	99,000	99,000
1 November 2006	Diversification – acquisition of 20 million SIG shares for RM42 million via issue of new shares at an issue price of RM1.00 each	42,000,000	42,000,000
1 November 2006	Issued share capital after the above issue	103,575,000	103,575,000
	ESOS for the period to 15 July 2011	4,912,900	4,912,900
15 July 2011	Issued share capital	108,487,900	108,487,900
12 November 2015	Bonus issue on the basis of 1 for 2	54,243,942	54,243,942
	Issued share capital	162,731,842	162,731,842
15 October 2019	Share split on the basis of 1 into 2	162,731,842	-
15 October 2019	Bonus issue on the basis of 1 for 3	108,486,895	54,243,447
Enlarged Issued share capital as at 30 April 2020		433,950,579	216,975,289
Movement from 1 May 2020 to 15 August 2024		Nil	Nil
Enlarged Issued share capital as at 15 August 2024		433,950,579	216,975,289
Enlarged Issued shares with voting rights as at 15 August 2024		433,450,579	

Profile of Directors

Tan Sri Dato' Seri Tan Kok Ping

Executive Chairman
Appointed to the Board of Directors (Board) on 18-2-2000
Malaysian, Aged 77, Male
Bachelor Degree in Commerce, Nanyang University Singapore
Occupation : Company Director

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

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

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

He attended all the 5 Board Meetings held during FYR 2024.

Tan Poay Seng

Managing Director
Member of the Remuneration Committee
Appointed to the Board on 18-2-2000
Malaysian, Aged 57, Male
Diploma in Hotel Management, Switzerland
Occupation : Company Director

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

He attended all the 5 Board Meetings held during FYR 2024.

H'ng Cheok Seng

Non-Independent Non-Executive Director
Member of Audit and Risk Management Committee and Nomination Committee
Appointed to the Board on 18-2-2000
Malaysian, Aged 66, Male
Fellow Member, Association of Chartered Certified Accountants, UK
Occupation : Company Director

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

He attended all the 5 Board Meetings held during FYR 2024.

Profile of Directors

Tan Poh Heng

Independent Non-Executive Director

Chairman/Member of Audit and Risk Management Committee,
Nomination Committee and Remuneration Committee

Appointed to the Board on 20-11-2014

Malaysian, Aged 67, Male

Member of both the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants

Occupation : Company Director

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

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

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

He attended all the 5 Board Meetings held during FYR 2024.

Fera Fizani Binti Ahmad Fizri

Independent Non-Executive Director

Member of Audit and Risk Management Committee,
Nomination Committee and Remuneration Committee

Appointed to the Board on 10-8-2023

Malaysian, Aged 47, Female

Bachelor of Applied Science (Hons.), Universiti Sains Malaysia

and Masters in Environmental Management, Universiti Kebangsaan Malaysia

Occupation: Company Director

She has been serving as Manager/Stakeholder Liaison Officer, Corporate Affairs and Strategy Division of a local consulting firm in Cyberjaya that has been in operation for more than 20 years and focuses on technology.

She has been the focal point between the organisation and key stakeholders, consisting of both local and international bodies, from industry, government, and academia. Furthermore, her current and past work positions involve planning, assisting and developing various programs and initiatives related to sustainable development, science and technology for economic and societal well-being, science diplomacy and diplomacy for science.

She was appointed to the Board on 10 August 2023 and attended 4 Board meetings held in FYR 2024.

Family Relationship and Other Disclosure - Directors

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

Notes:

- (i) All Directors maintain a clean record with regard to convictions for offences.
- (ii) Directors' remunerations are disclosed in the Corporate Governance Overview Statement and Note 21 of the Financial Statements. The related party transactions are disclosed on Note 27 of the Financial Statements.

Profile of Key Senior Management

Lee Koong Chen @ Lee Kong Chew

Malaysian, Aged 83, Male
Managing Director of IPP, a wholly owned subsidiary of Magni
Mechanical Engineering Degree from National Taiwan University

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

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

Yap Yong Teck

Malaysian, Aged 57, Male
Managing Director of SIG and Director of SIP,
Both SIG and SIP are wholly owned subsidiaries of Magni
Chartered Accountant, Malaysian Institute of Accountants
Fellow Member, Chartered Institute of Management Accountants, UK

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

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

Lim Eng Chuan

Malaysian, Aged 56, Male
General Manager of SIG, a wholly owned subsidiary of Magni
Graduate of the Association of Chartered Certified Accountants (UK)

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

Family Relationship and Other Disclosure – Key Senior Management

None of the Key Senior Management has family relationship with any Director and/or major shareholder of Magni.

All the Key Senior Management maintain a clean record with regard to convictions for offences.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 27th Annual General Meeting (“AGM”) of the Company will be conducted fully virtual through live streaming and online participation and voting using Remote Participation and Voting (“RPV”) facility via the online meeting platform at <https://www.propollsolutions.com.my> provided by Propoll Solutions Sdn Bhd in Malaysia (Domain registration number D1A403203) on Wednesday, 02 October 2024 at 10.30 a.m. for the following purposes:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 30 April 2024 together with the Reports of the Directors and Auditors thereon. Please refer to Note 8
2. To re-elect Mr. Tan Poay Seng, a Director who retires by rotation in accordance with Article 126 of the Company’s Constitution and who, being eligible, offers himself for re-election. Resolution 1
3. To re-elect Mr. H’ng Cheok Seng, a Director who retires by rotation in accordance with Article 126 of the Company’s Constitution and who, being eligible, offers himself for re-election. Resolution 2
4. To approve the payment of Directors’ Fees of not exceeding RM145,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 April 2024. Resolution 3
5. To re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. Resolution 4

Special Business

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

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

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

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

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

Notice of Annual General Meeting

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

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

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

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

Notice of Annual General Meeting

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

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

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

By Order of the Board,

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

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

Penang
Date : 30 August 2024

NOTES ON APPOINTMENT OF PROXY

- (1) For the purpose of determining a member who shall be entitled to attend the 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 26 September 2024. Only a depositor whose name appears on the Record of Depositors as at 26 September 2024 shall be entitled to attend the AGM or to appoint proxies to attend and/or vote on his/her behalf.
- (2) A proxy may but need not be a member of the Company.
- (3) A member shall be entitled to appoint up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- (4) Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (5) Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.

Notice of Annual General Meeting

NOTES ON APPOINTMENT OF PROXY (cont'd)

- (6) In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- (7) For a proxy to be valid, the instrument appointing a proxy duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the proxy form shall not be treated as valid.

NOTES ON ORDINARY BUSINESS

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

The Audited Financial Statements for the financial year ended 30 April 2024 will be laid to shareholders at the forthcoming 27th AGM of the Company pursuant to Section 340(1)(a) of the Companies Act 2016. Hence, the Agenda 1 is not put forward for voting.

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

The Nomination Committee had assessed the performance and contribution of each of the retiring Directors seeking for re-election in accordance with the Directors' Fit & Proper Policy and was satisfied therewith. The Board had endorsed the Nomination Committee's recommendation to seek shareholders' approval for the re-election of the retiring Directors at the forthcoming 27th AGM of the Company. The retiring Directors had abstained from deliberations and decisions on their respective re-election at the Nomination Committee and Board meetings. The details and profiles of the Directors who are standing for re-election at the forthcoming 27th AGM are provided in the Company's Annual Report 2024.

(10) **Agenda 4 – Directors' Fees**

The Resolution 3, if passed, will enable the Company to pay Directors' fees to the Non-Executive Directors of the Company for the financial year ended 30 April 2024 in accordance with Section 230(1) of the Companies Act 2016.

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

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

NOTES ON SPECIAL BUSINESS

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

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

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

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

Notice of Annual General Meeting

NOTES ON SPECIAL BUSINESS (cont'd)

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

The Resolution 6, if passed, will enable the Directors of the Company to purchase the Company's shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM. Further information on the Proposed Share Buy-Back Renewal is set out in Share Buy-Back Statement dated 30 August 2024, a copy of which can be downloaded from the Company's website at <https://magni-tech.com.my>.

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

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

NOTES ON RPV FACILITY

- (15) Members are advised to refer to the Letter to Shareholders dated 30 August 2024 and follow the procedures set out therein to participate remotely via the RPV Facility.

Statement Accompanying Notice of Annual General Meeting **(pursuant to paragraph 8.27(2) of the main market listing requirements of bursa securities)**

- 1) No individuals are standing for election as Directors at the forthcoming 27th Annual General Meeting of the Company.
- 2) The profiles of the Directors who are standing for re-election as in Agenda 2 and 3 of the Notice of the 27th AGM of the Company are set out in the Directors' Profile section of this Annual Report.
- 3) The details of the Directors' interests in the securities of the Company as at 15 August 2024 are set out in the Substantial Shareholders and Directors' Shareholdings sections of this Annual Report.
- 4) The Resolution 5 tabled under Special Business as per the Notice of 27th Annual General Meeting of the Company dated 30 August 2024 is a renewal of general mandate granted by shareholders of the Company at the last Annual General Meeting held on 27 September 2023.

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

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

Management Discussion and Analysis

Quick Overview of Business Segments

Magni Group's business is divided into two segments, namely garment and packaging segments. The Group engages in the manufacturing and sale of garments, flexible plastic packaging, and corrugated cartons through three subsidiary companies, SIG, SIP and IPP respectively.

The garment segment operates both in Vietnam and Malaysia whilst flexible plastic packaging in Prai, Penang, and corrugated packaging in Selangor, Malaysia. Our garment and packaging businesses have proven track records stretching over 45 years and 30 years respectively.

Garment segment, with its revenue derived wholly from exports serves as the major contributor generating 93.9% and 95.7% of our Group revenue and operating profit (before unallocated corporate expenses) respectively for the financial year ended 30 April 2024 ("FYR 2024").

The packaging products are typically used by manufacturing sectors, such as the food, beverage, healthcare, rubber based, consumer household, and electronic sub-sectors which are mainly operating in free industrial zones and licensed manufacturing warehouses.

Kindly refer to the corporate structure, and Notes 6 and 26 of the financial statements for FYR 2024 in this Annual Report for the details of subsidiary companies and segment information respectively.

Geographical Markets

The top five markets for the Group's products have generated 91.4% of the Group total sales during FYR 2024: United States of America (29.5%), European Countries (22.9%), China (18.1%), other Asian Countries (14.2%), and Malaysia (6.7%).

For further details, please refer to Note 18.1 of the financial statements for FYR 2024 in this Annual Report.

Group's Overall and Segmental Performance

Despite the dynamic global economic environment and geopolitical tensions, Magni's Group revenue for FYR 2024 climbed to a new high of RM1.341 billion, a 10.6% surge as compared to RM1.212 billion in FYR 2023. Garment segment delivered an organic growth in revenue by 13.1% to RM1.259 billion from RM1.113 billion in FYR 2023 mainly due to higher sales orders received which was made possible by various ongoing strategies to drive sales and production during FYR 2024.

Likewise, profit before tax ("PBT") of the Group for FYR 2024 increased by 34.4% to RM168.623 million compared to RM125.504 million in FYR 2023.

Garment PBT for FYR 2024 increased by 35.8% to RM157.721 million as compared to RM116.100 million in FYR 2023 primarily reflecting revenue growth, improved gross profit ratio, higher interest income by RM1.665 million, higher dividend income received by RM0.965 million and higher forex gain by RM6.713 million. Gross profit ratio of garment segment improved from 14.4% in FYR 2023 to 15.8% mainly due to lower overhead costs ratio.

However, for the packaging segment, revenue decreased by 17.5% to RM81.976 million versus RM99.346 million in last FYR mainly due to lower sale orders received. Packaging PBT for FYR 2024 decreased by 30.2% mainly due to lower revenue and lower other income in spite of improved gross profit ratio.

Profit Attributable to Owners of the Company

Group's profit attributable to owners of the Company for FYR 2024 leapt 34.6% to RM128.410 million versus RM95.371 million in FYR 2023 giving rise to a higher earnings per share of 29.6 Sen versus 22.0 Sen in FYR 2023.

The net return on average shareholders' equity for FYR 2024 improved to 15.1% from 12.1% in FYR 2023 mainly in spite of larger equity fund base attributable to the growth in retained earnings.

Management Discussion and Analysis

Financial Position

(i) Total Assets

Total assets grew 19.6% from RM881.815 million at last year end to RM1.055 billion as at the end of FYR 2024.

(ii) Non-current Assets

Investment securities increased by 10.4% to RM20.115 million at the end of FYR 2024 from RM18.227 million at last year end mainly due to the fair value gain on equity investments amounting to RM1.888 million.

(iii) Net Assets

Net assets as at the end of FYR 2024 rose by RM82.618 million to RM894.774 million from RM812.156 million as at the end of FYR 2023 in line with higher profit for the financial year attributable to owners of the Company, aided by higher fair value gain on equity investments.

(iv) Cash and Liquidity

The Group saw both healthy current ratio of 6.4 and quick ratio of 4.3 as at the end of FYR 2024. The prudent management of our financial position gives rise to higher and sizeable cash reserves as at the end of FYR 2024 of RM538.692 million (FYR 2023: RM425.237 million) and zero gearing, the Group is in a strong financial position to meet both its short term and long-term obligations. This also enables the Group to capture emerging opportunities to help our business grow.

Cash Flow

(i) Operating Activities

Net cash generated from operating activities increased considerably by 170.4% to RM145.198 million in FYR 2024 as compared to RM53.703 million in FYR 2023 mainly due to higher operating profits and higher payables in spite of higher inventories.

(ii) Investing Activities

The net cash used in investing activities for FYR 2024 decreased to RM0.308 million versus RM26.770 million in FYR 2023 mainly due to lower net placement of bank deposits and lower capital expenditure during FYR 2024.

Capital Expenditure

Capital expenditures have been evaluated from a Lean perspective in order to maximise returns. During FYR 2024, the Group incurred a total capital expenditure of RM2.780 million which was financed out of internal funds. RM2.103 million was incurred for garment segment, RM0.114 million for flexible plastic packaging, and RM0.563 million for corrugated packaging. The capital expenditure for garment business during FYR 2024 was mainly for plant, machinery, computer equipment and other equipment for better operating efficiency.

Risks and Strategies to Mitigate Risks

(i) Customer Concentration Risk - Garment

Benefits derived from strategic partnership with a large customer include allowing an in depth understanding of customer needs and expectations, enabling resources dedicated to deliver beyond customer expectations in terms of innovation, quality, customer service and sustainability, fostering deeper strategic business relationships, unlocking business growth and competitive operating efficiency.

Management Discussion and Analysis

Risks and Strategies to Mitigate Risks (cont'd)

(i) Customer Concentration Risk - Garment (cont'd)

There are also ongoing efforts to pursue potential mergers and acquisitions of businesses with diversified brands in order to mitigate the risk of customer concentration.

Foreign Currency Exchange Risk - Garment

The risk of foreign exchange fluctuations is mitigated through natural hedges by paying for its imports with the USD revenue received as the garment revenue is denominated in USD while the raw materials for garments are considerably imported and manufacturing costs paid abroad. Forward foreign currency contracts are also used to manage the foreign exchange risk arising from the balance USD revenue proceeds (ie. net of payment for import and manufacturing costs).

General Risks

(i) Higher Labour Costs

Facing the ongoing challenges of labor shortages and increasing labor costs, we are intensifying our focus on enhancing employee productivity to maintain our competitive edge and strengthen our financial stability. This year, we have refined our operations planning and scheduling processes to ensure the efficient deployment of our workforce, better alignment of resources with demand, and the elimination of unnecessary redundancies. By consistently tracking and analyzing performance metrics, we can accurately identify individual strengths and weaknesses, allowing us to determine specific areas for improvement.

We remain steadfast in our dedication to talent investment, prioritizing skill enhancement and performance-driven compensation models. Additionally, we are vigorously pursuing and implementing automation technologies to lessen our dependence on labor-intensive operations. These advancements, along with our focus on digitalization, are set to elevate our business and process efficiencies, paving the way for sustained growth and future success.

(ii) Rising Operation Costs

Continuous cost rationalization and improved procurement processes will be made to improve profit margins. Lean culture and models which are driven by customer focus and oriented towards continuous improvement, have been integrated into our culture to support our transformation.

Moving Forward

(i) Garment and Packaging Focuses

We will continue to strengthen our manufacturing capabilities and efficiencies of our garment business through enhancing efficiency, cost competitiveness and end-to-end lead time, investment in modernisation, automation and digitalisation, value stream mapping to eliminate waste and streamline processes, strengthening lean production, talent development, enhancing product capability and innovation, production location diversification aligned with customer multi country origin strategy, and customer diversification to mitigate customer concentration risk.

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

Management Discussion and Analysis

Moving Forward (cont'd)

(ii) Talent Development

We are dedicated to nurturing the growth and development of our leaders and team members, who are the architects of our future. We take a holistic approach that includes Learning and Growth, Career Planning, and Succession Management. To support these initiatives, we allocate a sufficient annual budget to a wide range of talent development programs, delivered by both in-house trainers and external consultants. Each employee is encouraged to achieve training hour targets, ensuring continuous skill enhancement and professional growth.

In addition, we are committed to refining our product development processes and strengthening our talent pool through strategic collaborations with subject matter experts from our business partners. These collaborative efforts foster knowledge exchange and innovation, enhancing our team's expertise and positioning us for success in an ever-changing market environment.

(iii) Business Outlook

The global outlook remains uncertain and dynamic on the back of high inflation, moderate consumer spending, export restriction measures and elevated trade policy uncertainty, and increasing geopolitical tension.

However, the Group is cautiously optimistic over the business outlook for FYR 2025. We will continue to stay resilient and agile against upcoming challenges and risks to ensure sustainability in operations and business performance.

Dividends

On the back of the higher attributable profits for FYR 2024 and to reward the shareholders for their continued support, the Board has paid four dividends in respect of FYR 2024 totaling 11.8 Sen, up 2.8 Sen as compared to four interim dividends totaling 9 Sen per share paid in respect of FYR 2023. The latest 4th single tier interim dividend of 3.3 Sens per share for FYR 2024 was paid on 23 July 2024.

It is worth noting that the total cash returns to shareholders were RM51.147 million for FYR 2024 (FYR 2023: RM39.011 million), and RM207.313 million for the past five years since FYR 2020.

The dividends paid for FYR 2024 were well covered by both net profit and cashflow. Based on profit attributable to owners of the Company, the payout ratio was 39.8% (FYR 2023: 40.9%) while based on cash flow, the payout ratio was 36.1% of the free cashflow (ie. net cash generated from operating activities less capital expenditure and investment in an associate) (FYR 2023: 79.9%).

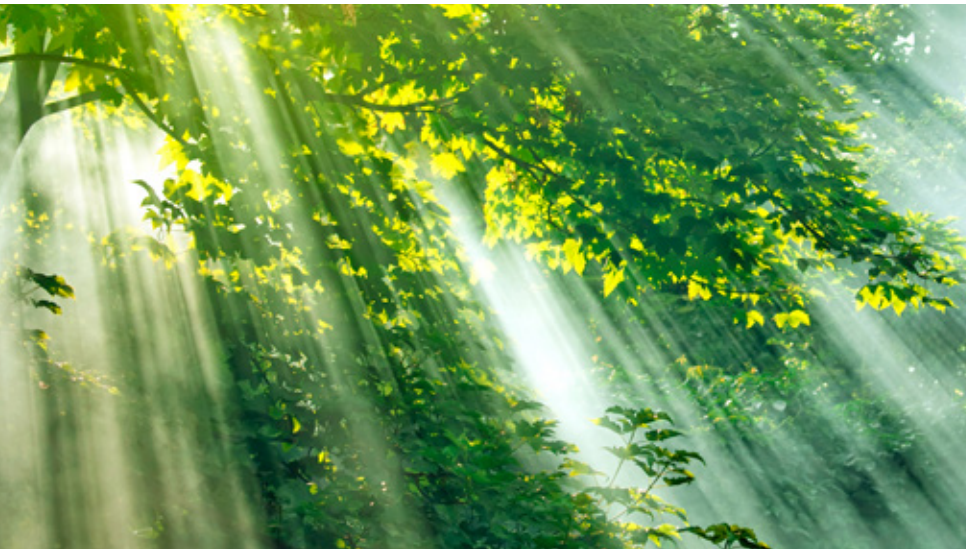
Although the Company has not adopted any dividend policy but it has been practicing a payout ratio ranging from 30.7% to 40.9% over the past five years.

Note of Appreciation

We also wish to express our sincere appreciation to all our shareholders, customers, suppliers, and the public at large for your continued support to the Group.

Last but not least, our profuse thanks to all the employees for their dedication and hard work. Your contributions are essential to the continuous success of the Group!

Sustainability Statement



Empowering Tomorrow, Today

Welcome to our Group's Sustainability Statement for FYR 2024, where we continue our journey towards creating value for stakeholders while embracing our responsibility towards the environment and society. As a leading supplier of garments, flexible plastic packaging, and corrugated packaging products, we are committed to leveraging digital transformation to drive sustainability across our operations.

Digital Transformation for a Sustainable Future

In FYR 2024, we embraced digital transformation as a cornerstone of our sustainability strategy. By harnessing the power of technology, we have streamlined processes, optimized resource utilization, and reduced our environmental footprint. Through initiatives such as smart manufacturing and data-driven decision-making, we are pioneering innovative solutions to enhance energy efficiency and minimize ecological impact.

Empowering Our People, Enriching Communities

At the heart of our sustainability efforts are our people and communities. In FYR 2024, we continued to prioritize the well-being of our employees, providing a secure working environment and fostering a culture of inclusivity and innovation. Through digital tools and platforms, we have enhanced employee engagement, enabling remote collaboration and learning opportunities. Additionally, we remain dedicated to strengthening connections with our local communities, supporting initiatives that promote education, health, and social welfare.

Delivering Excellence in Product Quality and Safety

Quality and safety remain paramount in our commitment to customers. In FYR 2024, we continued to enhance the quality and safety of our products, leveraging digital technologies for real-time monitoring and quality control. By embracing automation and digitization throughout the supply chain, we ensure product integrity while meeting the evolving needs of our customers.

Sustaining Value Creation Through Social and Governance Excellence

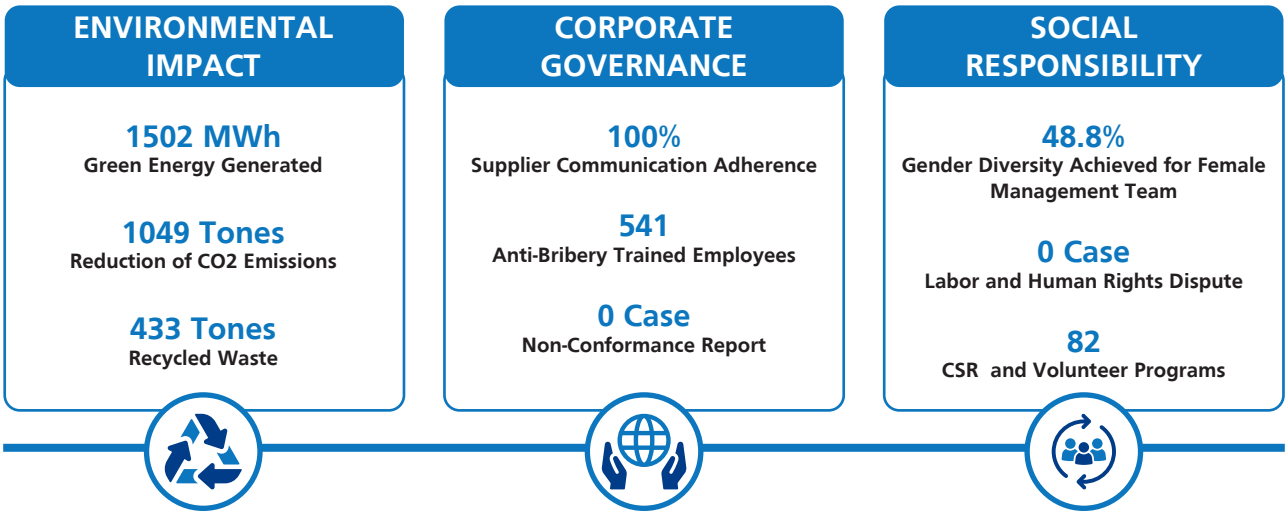
As stewards of sustainability, we recognize the importance of social and governance considerations in driving long-term value creation. In FYR 2024, we deepened our commitment to social responsibility, championing diversity, equity, and inclusion within our organization and beyond. Through robust governance practices and transparent reporting, we uphold accountability and trust, ensuring sustainable growth for all stakeholders.

Sustainability Statement

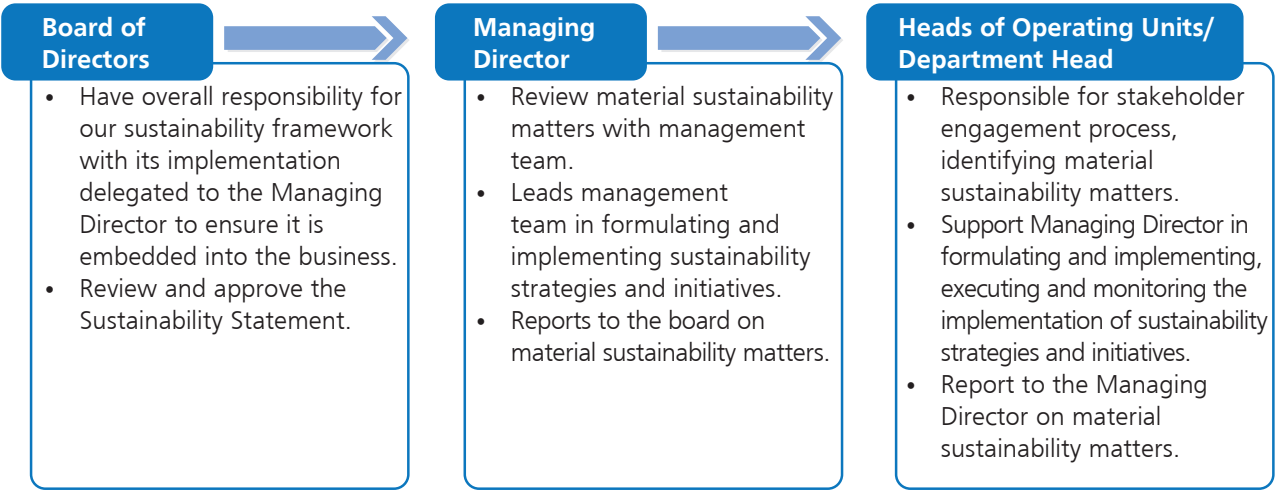
Charting the Course Ahead

As we celebrate the milestones of FYR 2024, we extend an enthusiastic invitation to all our shareholders and stakeholders to embark with us on an even more ambitious journey towards sustainability. Together, let's pioneer new frontiers of innovation, foster deeper collaborations, and inspire others through our unwavering commitment to environmental stewardship, social progress, and exemplary governance. Join us as we forge ahead, determined to leave a positive and enduring legacy for generations to come.

The figures below summarize the achievements:



Governance Structure



Scope of this Statement

This Statement will delve into the Group's comprehensive sustainability strategies and outcomes. This document will spotlight the environmental and social performance, innovative projects, and forward-thinking initiatives carried out at our headquarters and manufacturing facilities in Malaysia.

To ensure relevance and thoroughness, we have selected Statement content by evaluating critical issues within our operational sphere, their broader sustainability implications, and their importance to our primary business activities. Using data from FYR 2024, this Statement provides a detailed account of the Group's sustainability journey, marking our continued progress and future goals. Unless explicitly stated, all data represents the entire Group. Moving forward, we aim to expand the range of indicators for key sustainability issues.

Sustainability Statement

Group Structure and Locations

For a detailed description of our Group’s structure and operational sites, please refer to pages 3 and 15 of this Annual Report.

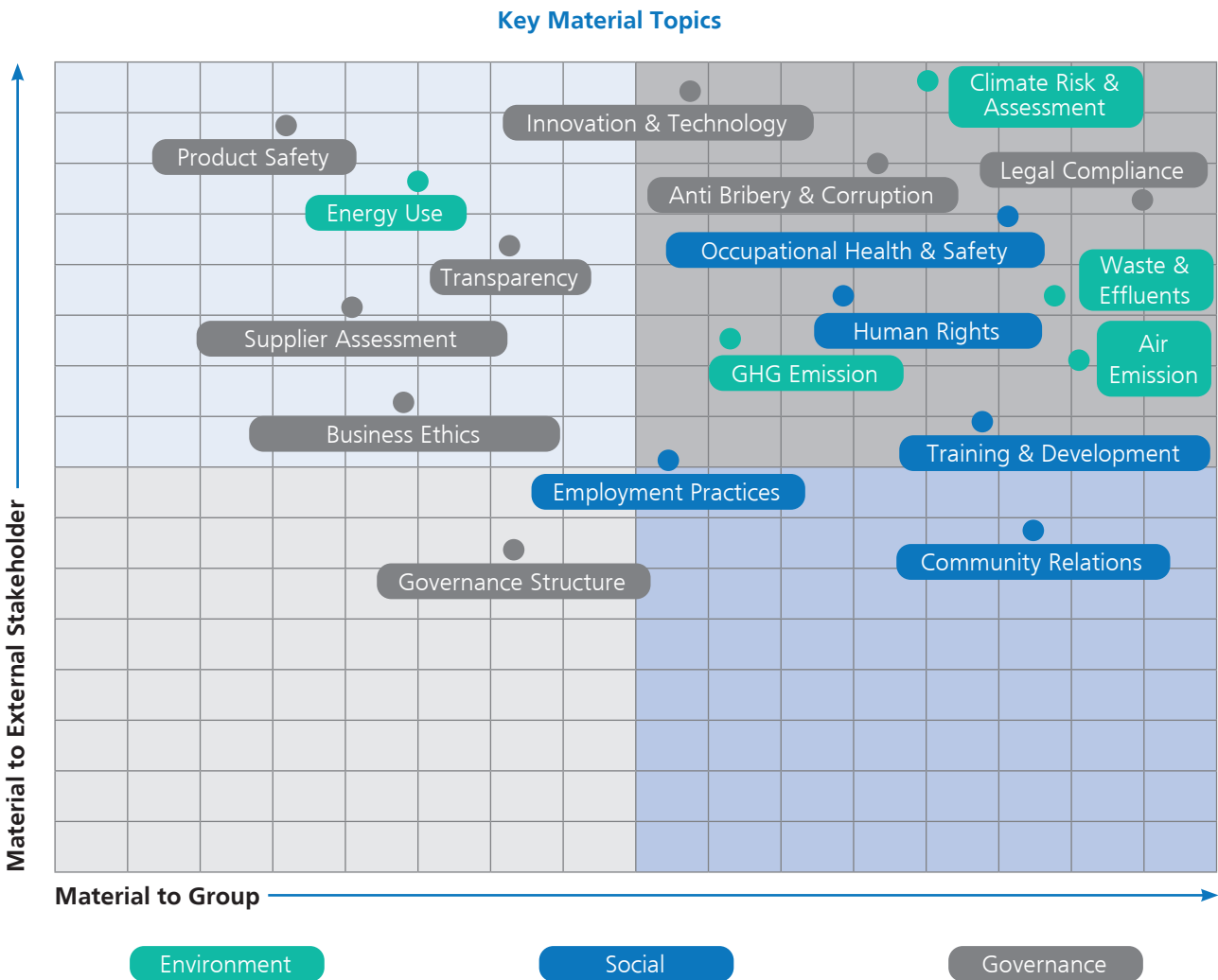
Reporting Boundaries

This Statement encompasses key sustainability metrics, particularly focusing on the energy consumption of our garment and flexible plastic packaging operations. We are dedicated to transparent ESG reporting across all our business activities, reflecting our commitment to responsible practices and stakeholder value.

Management Approach

To identify the most relevant topics for this Statement, the Group conducted an extensive materiality assessment process. This process involved three critical stages: a review of public information, feedback from stakeholders, and the development of a prioritized list of material topics. This assessment was conducted in accordance with GRI Standards guidelines.

In determining materiality, we prioritized two key criteria. First, we examined the economic, environmental, and social repercussions of each issue. Second, we considered the extent to which these issues affect stakeholders’ views and decision-making. This approach ensures that our Statement highlights the most vital concerns for the Group and its stakeholders.



Sustainability Statement

Key Material Topics in Sustainability

Our Group remains steadfast in its commitment to sustainable development principles, seamlessly embedding them into every facet of our operations. Sustainable development not only forms the bedrock of our success metrics but also serves as the cornerstone for creating value across all stakeholder engagements.

Pillars of Sustainable Development

We operate under three main pillars of sustainable development:



Stakeholder Collaboration

Collaboration with stakeholders is pivotal to our sustainable development ecosystem. We are dedicated to cultivating transparent relationships through proactive communication and leveraging innovative approaches, especially in the dynamic realm of social media engagement.

Engagement with Stakeholders

Central to our mission is creating value for stakeholders by deeply understanding their needs and expectations. We foster trust through meaningful interactions, ensuring that stakeholders' voices resonate throughout our operations. Our engagement methods include:

- Continuous dialogue and feedback mechanisms.
- Transparent reporting and accessibility to key corporate governance documents.

Key Corporate Documents

As part of our sustainability approach, we meticulously develop and update internal documents that govern our sustainable practices. These documents, including the following:

- Code of Ethics,
- Whistle-blower Channel,
- Sustainability Policy,
- Anti-Bribery and Corruption Policy, and
- Child Labour and Forced Labour Policy,

The documents are available on our website under the "Corporate Governance" section at Company Website.

Sustainability Statement

Contact Information

We value your feedback on the transparency, objectivity, and relevance of the information presented in our Statement. Your insights are crucial in enhancing our sustainability performance and non-financial reporting processes. Please feel free to reach out to our designated contact person listed under the "Contact" section on our Company Website at <https://magni-tech.com.my> with any inquiries or suggestions.

Business Code of Conduct and Ethics Management Approach

At Magni, we are dedicated to upholding the highest standards of business ethics, aligning with international best practices. Our commitment is underscored by robust policies such as the Anti-Bribery and Corruption Policy and Whistleblowing Policy, which ensure transparency, integrity, and accountability across all levels of our operations.

Anti-Bribery and Corruption Policy

Our Anti-Bribery and Corruption Policy applies universally to all employees, subsidiaries, and associated partners acting on behalf of Magni. We define corruption as the misuse of entrusted power for personal gain, and bribery as offering advantages to improperly influence outcomes. Upholding transparency, all transactions are meticulously recorded, regardless of value, in our records and accounts. We strictly prohibit any misuse of corporate assets, including unauthorized payments or political contributions.

The Group steadfastly prohibits the misuse of corporate resources, including:

- a) Any form of direct or indirect payments, gifts, contributions, or promises of value intended as bribes, kickbacks, or for personal favours.
- b) Payments such as commissions or fees that do not reasonably align with services rendered.
- c) Contributions to political campaigns beyond lawful limits.
- d) Personal use of Group assets by employees or their family members unrelated to business purposes.

Magni remains vigilant in adhering to national anti-corruption policies, ensuring full compliance and diligent enforcement among our personnel. Notably, in FYR 2024, we recorded zero incidents of bribery or corruption, affirming our zero-tolerance stance moving forward.

Whistleblowing Policy

At Magni, integrity and transparency are fundamental to our operations. Our Whistleblowing Policy provides a secure platform for employees and external stakeholders to report any misconduct, including fraud, conflict of interest, or misuse of company resources. This policy ensures confidentiality and protection for whistleblowers, allowing them to disclose concerns without fear of retaliation.

Employees are encouraged to first address any issues internally through open dialogue with their immediate supervisors. Should this step prove inadequate or if confidentiality is preferred, reports can be submitted anonymously through our dedicated whistleblowing channel. This secure email reporting system, administered at admin@magni-tech.com.my, ensures that all disclosures are handled promptly and with utmost confidentiality.

For further details on our Whistleblowing Policy and to access the reporting channel, please visit our website at <https://magni-tech.com.my>. We are committed to maintaining a culture of accountability and ethical conduct and encourage all stakeholders to utilize this platform to uphold our shared values.

Supplier Assessments

In our commitment to sustainability, Magni extends responsible business practices throughout our value chain, collaborating closely with our suppliers. Our unique business model involves our customers selecting our primary suppliers based on their specific needs and criteria. We trust that our customers rigorously evaluate our suppliers on factors including product quality, service excellence, competitive pricing, reliable delivery, and comprehensive support.

We are committed to ongoing collaboration with our suppliers to enhance sustainability integration throughout our operations. This collaborative effort includes continuous assessment and proactive communication to ensure alignment with our sustainability goals.

Sustainability Statement

Environment Material Topics



Management Approach

Following a thorough assessment for FYR 2024, our Group has reaffirmed that air quality, greenhouse gas (GHG) emissions, water management, and waste handling remain central environmental priorities.

We uphold stringent environmental standards across all operational jurisdictions, overseen by dedicated compliance and audit committees reporting directly to the Board. Our commitment to regulatory compliance ensures robust environmental governance.

Throughout FYR 2024, our operations maintained a flawless record of compliance with environmental regulations, with no incidents of non-compliance. Our ongoing pursuit of environmental excellence remains unwavering.

Managing Greenhouse Gas (GHG) Emissions

Acknowledging the urgency of climate change, mitigating GHG emissions stands as a primary imperative. Given the energy-intensive nature of our manufacturing processes, reducing GHG emissions is crucial in addressing climate-related risks.

To minimize our climate impact, our Group actively supports global initiatives aligned with the Paris Agreement and Malaysia's Nationally Determined Contribution.

GHG Emissions Reporting

Our GHG emissions reporting adheres to internationally recognized standards, including the 2006 Intergovernmental Panel Climate Council (IPCC) Guidelines for National Greenhouse Gas Inventories and the WRI/WBCSD GHG Protocol. We meticulously account for:

- Direct emissions (Scope 1) of all seven GHGs under the Kyoto Protocol.
- Indirect emissions (Scope 2) from purchased electricity.

GHG emissions are reported in metric tons of CO₂ equivalent (t/CO₂), calculated using IPCC 2006 global warming potentials.

Looking ahead, our Group remains unwavering in its commitment to environmental stewardship. By adhering to rigorous compliance measures and advancing our efforts to minimize environmental impact, we strive to contribute positively to global sustainability objectives.

Sustainability Statement

Environment Material Topics (cont'd)



Fuel Consumption and Energy Usage

The table below shows the GHG emissions resulting from the generation of purchased or acquired electricity and fuel used for transportation by SIG and SIP:

SIG	Annual Energy Consumption	Annual GHG Emissions (Tonne CO ₂)	No. of trees to be planted to absorb the CO ₂ emitted
Electricity	642,410 kWh	501.08	12,527
Diesel (for vehicles)	4,885 litres	13.35	334
Petrol	18,300 litres	42.51	1,063
Total		556.94	13,924

SIP	Annual Energy Consumption	Annual GHG Emissions (Tonne CO ₂)	No. of trees to be planted to absorb the CO ₂ emitted
Electricity	1,772,849 kWh	1,382.82	34,571
Diesel (for vehicles)	15,592 litres	42.61	1,065
Petrol	11,244 litres	26.12	653
Total		1,451.55	36,289

Electricity and Fuel Consumption

The combined annual energy consumption for both SIG and SIP in terms of electricity is significant, amounting to a total of 2,415,259 kWh. This high consumption level reflects the substantial demand for electrical energy within the group.

Regarding fuel consumption, the group collectively consumes 20,477 litres of diesel and 29,544 litres of petrol annually. These figures highlight the considerable usage of fossil fuels, primarily for vehicle operations, contributing to the group's overall energy consumption footprint.

Total GHG Emissions and Carbon Offset Potential

The total annual greenhouse gas (GHG) emissions for the group stand at 2,008.49 tonnes of CO₂. This total is derived from the combined emissions from electricity (1,883.90 tonnes CO₂), diesel (55.96 tonnes CO₂), and petrol (68.63 tonnes CO₂) consumption. The predominant contributor to these emissions is electricity usage, which underscores the importance of focusing on energy efficiency and sustainable practices in electrical consumption to reduce the overall carbon footprint. To offset these emissions, the group needs to plant a significant number of trees. Specifically, 50,213 trees are required to absorb the total CO₂ emissions.

Electricity Supply and Emission Calculations

The Group's electricity supply is sourced from the local grid, with carbon emissions calculations based on the LCOS SME Calculator provided by the Malaysian Green Technology Corporation (MGTC) available at MGTC LCOS SME Calculator.

Sustainability Statement

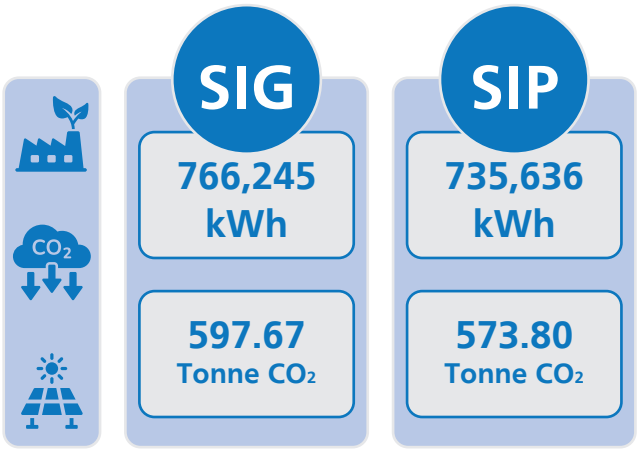
Environment Material Topics (cont'd)

Sustainability Initiatives: Rooftop Solar Photovoltaic Systems

In our ongoing commitment to sustainability, the Group has further enhanced our rooftop solar photovoltaic (PV) systems at SIG and SIP.

SIG has generated 766,245 kWh of clean energy in the past year, leading to a reduction of 597 tonnes of CO₂ emissions. This significant achievement has reinforced our commitment to net-zero carbon emissions from electricity consumption.

SIP has also increased its clean energy generation, producing 735,636 kWh annually. This initiative has resulted in a reduction of 573 tonnes of CO₂ emissions, further contributing to a greener environment.



By continuously integrating and optimizing renewable energy solutions, we are making substantial progress in reducing our environmental footprint and achieving our sustainability goals.

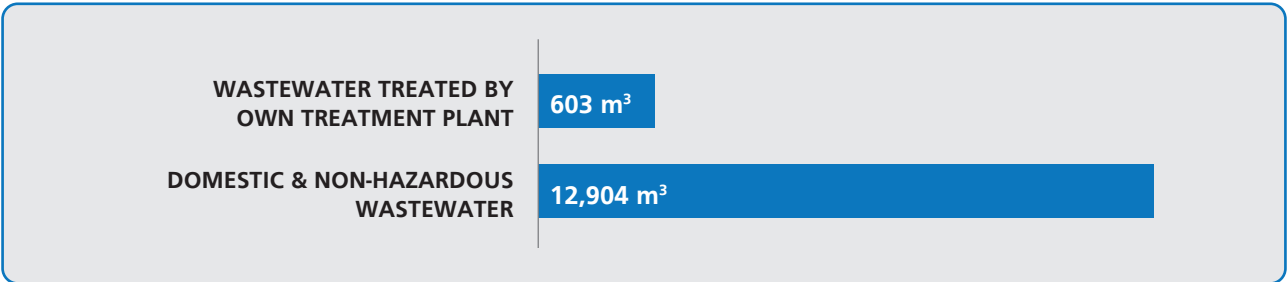
Wastewater and Effluent Management

As part of our garment manufacturing process, our Group is committed to responsible wastewater and effluent management. All industrial wastewater generated is treated through our industrial effluent treatment plant before being safely discharged into the environment. To ensure compliance and maintain high standards, we conduct weekly wastewater quality analyses, with results reported to the Department of Environment on a weekly basis.

Our wastewater management system also accounts for domestic wastewater, which includes rainwater due to the system’s open design. In compliance with regulatory requirements, we operate our own wastewater treatment plant capable of treating 603 m³ of wastewater.

In our continued effort to enhance sustainable water management practices, we have implemented a rainwater harvesting system at one of the SIG buildings. This initiative not only supports our sustainability goals but also reduces the demand on local water resources.

Our proactive approach to wastewater management underscores our dedication to environmental stewardship and sustainable operations, ensuring that our processes align with best practices and regulatory standards.



Sustainability Statement

Environment Material Topics (cont'd)

Waste Management

In our ongoing commitment to environmental stewardship, we are dedicated to reducing, reusing, and recycling waste across all operations. Our approach emphasizes the correct handling, labeling, storage, and disposal of waste in full compliance with current regulations. Licensed contractors are engaged to manage both scheduled and non-scheduled waste, ensuring adherence to regulatory standards. Our environmental team plays a crucial role in overseeing scheduled waste management, ensuring compliance with all relevant regulations and guidelines. We are proud to meet all legislative requirements, reflecting our dedication to responsible waste practices.

Non-Hazardous Waste

The manufacturing processes within our Group generate various types of non-hazardous waste, including fabric, paper, and plastic. Non-recycled waste is collected and disposed of weekly by local municipal councils. In FYR 2024, we generated 139 tonnes of domestic and non-hazardous solid waste. Our recycling efforts resulted in the recovery of 433 tonnes of waste, showcasing our commitment to sustainability.

Hazardous Solid Waste

Hazardous waste production is primarily associated with our textile manufacturing facility, SIG, particularly sludge from the Industrial Effluent Treatment System (IETS) process, identified as SW204.

This sludge, a by-product of wastewater treatment, is managed with utmost care. To ensure regulatory compliance, we partner exclusively with Department of Environment-approved contractors for the disposal of scheduled waste.

	SIG Total Waste Produced (kg)	SIP Total Waste Produced (kg)
Contaminated containers	235	12,668
Contaminated rags	1,276	12,667
Waste sludge from IETS	1,414	0
Clinical Wastes	7	0
Light tube/bulb	88	0
Electrical/E-wastes/Batteries	148	0
Expired or discarded paint & ink waste	859	51,306
Discarded /Off-specification chemicals	8	4,408

Hazardous waste is stored in secure, specially designated areas within our facilities. By arranging disposal through approved contractors, we maintain strict adherence to proper waste management protocols and uphold all regulatory standards.

This year’s Statement underscores our continuous improvement in waste management practices, reflecting our commitment to environmental protection and sustainable operations.

Sustainability Statement

Developing Our Employees



Management Approach

At our organization, our employees are the cornerstone of our success. In FYR 2024, we are amplifying our commitment to their growth and well-being through enhanced personnel management practices. Our strategy encompasses dynamic recruitment, effective retention, continuous training, and active employee engagement, ensuring our workforce remains motivated and equipped for excellence.

We champion equality and respect in our workplace through progressive internal social programs. Our Code of Conduct is unwavering in its stance against discrimination of any form, including gender, sexual orientation, race, religion, ethnicity, nationality, age, political affiliation, marital or pregnancy status, or disability. We enforce these policies rigorously, fostering an inclusive environment free from illegal labour practices and child labour.

In response to the evolving social landscape, we have identified key social sustainability priorities for FYR 2024, following a comprehensive materiality assessment:

- Progressive employment practices
- Enhanced occupational health and safety
- Career development opportunities
- Employee well being program

Recognizing the significant societal impact of our manufacturing canters, we are directing our efforts towards these hubs. We maintain strict legal compliance by adhering to local employment laws in all our operational regions. Our dedicated internal compliance team, and audit and risk management committee, with oversight from Management and direct reporting to the Board, ensure our unwavering adherence to these regulations.

In FYR 2024, we proudly reported zero instances of non-compliance with social matters. Building on this success, we are more determined than ever to uphold and exceed these standards in FYR 2025, demonstrating our firm commitment to social responsibility and the well-being of our employees.

Employment Practices

At the heart of our employment practices is a commitment to equal opportunity, grounded in merit and performance. We remain vigilant in preventing child and forced labour within our operations, maintaining the highest ethical standards.

Our compliance with the Malaysian Employment Act 1955 demonstrates our commitment to adhering to statutory minimum age requirements for workers. While we are a non-unionized company, we greatly value and respect employee feedback. Regular consultations with employees and various worker committees and representative groups ensure that their voices are heard and considered in our decision-making processes. We are also actively exploring the possibility of implementing collective bargaining agreements to further enhance our employment practices.

Under the visionary leadership of our Board, our commitment to human rights is unwavering. Our compliance teams play a critical role in upholding these standards, meticulously ensuring that they are embedded in every facet of our organization's operations.

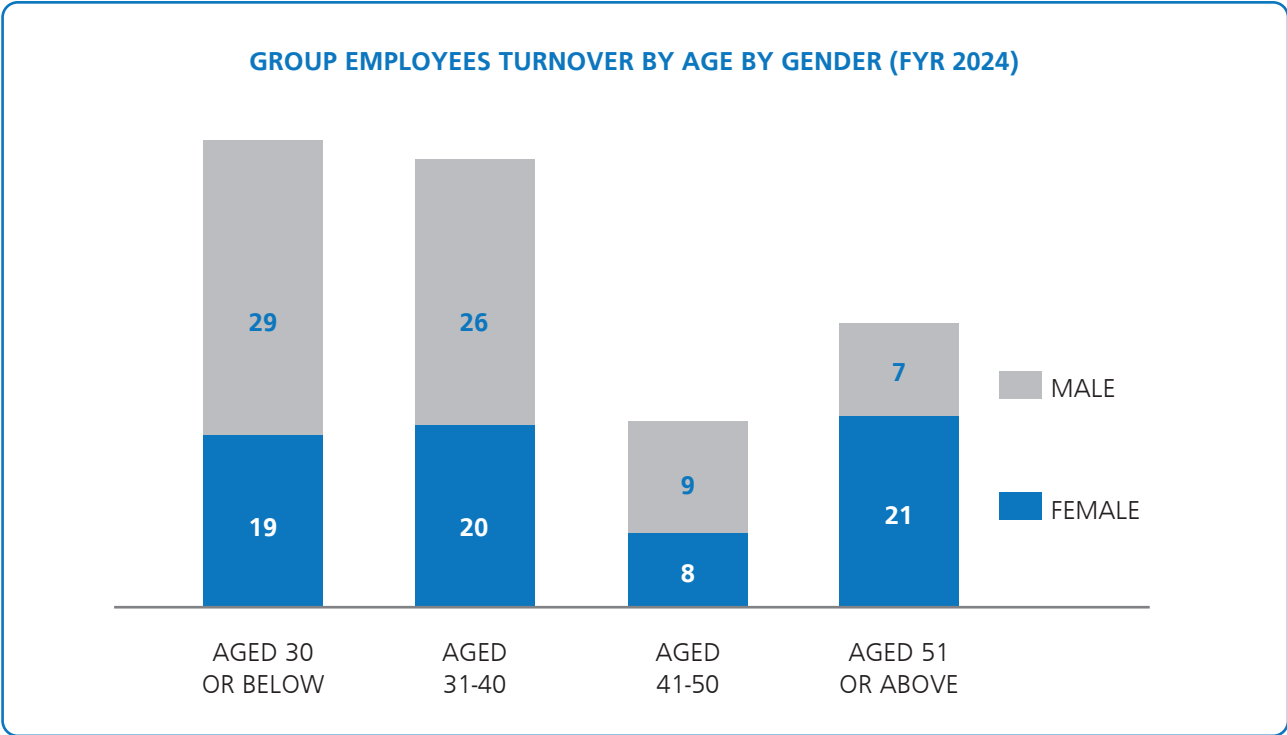
Understanding employee turnover is crucial for assessing our workplace environment and gauging employee satisfaction. By rigorously tracking turnover rates, we can pinpoint areas for improvement and proactively adapt our organizational culture and retention initiatives.

Sustainability Statement

Developing Our Employees (cont'd)

Employment Practices (cont'd)

The chart below presents the percentage of employees who left the company, categorized by gender and age during FYR 2024.



A significant observation is the high turnover rate among employees under 30, accounting for approximately 35% of total departures. This trend highlights the mobility of younger employees who often transition to different industries.

All Group employees hold full-time, permanent positions. Our approach to employee benefits is merit-based, ensuring fair recognition and rewards. We offer salary increments and performance reviews at Management’s discretion, aligning with individual achievements. To attract and retain top talent, we are focusing on direct recruitment and establishing collaborations with educational institutions and universities for talent acquisition.

We are committed to evolving our employment practices, reinforcing our reputation as a preferred employer. Through continuous improvement and innovation, we aim to set new benchmarks in employee satisfaction and retention.

Sustainability Statement

Occupational Health and Safety



Management Approach

At our organization, the health and safety of all stakeholders - employees, contractors, visitors, and the wider community are of paramount importance. We are dedicated to preventing accidents, incidents, occupational health issues, and infectious diseases through diligent health and safety management.

Our steadfast dedication to occupational health and safety is enshrined in our Integrated Management System (IMS) Policy. This policy is implemented through a proactive Health and Safety Committee, consisting of representatives from both employees and management. The committee adheres strictly to the Occupational Safety and Health Act 1994 (OSHA 1994) and is tasked with the following essential responsibilities:

- 1. Maintaining Safe and Healthy Work Environments:** We ensure that all our offices and manufacturing plants meet industry safety standards.
- 2. Legal Compliance:** Our operations consistently comply with all relevant occupational health and safety regulations.
- 3. Infectious Disease Prevention:** We run a comprehensive inoculation program to maintain a workplace free from infectious diseases.
- 4. Hazard Elimination:** We identify and mitigate workplace hazards to minimize health and safety risks.
- 5. Continuous Improvement:** Our health and safety management system is regularly updated and improved.
- 6. Awareness and Consultation:** We foster a culture of health and safety through regular consultation and awareness programs within the organization.

We are unwavering in our commitment to a Health and Safety Policy that not only ensures compliance with legal standards but also aims to prevent industrial accidents. Our policy includes robust emergency response procedures for potential emergencies, such as fires, chemical spills, and other life-threatening incidents.

We prioritize the maintenance and servicing of safety equipment, including fire alarm systems and extinguishers, across all facilities and offices. Regular maintenance schedules are in place for machinery, and operators receive thorough training in safety procedures to minimize accident risks.

The well-being and safety of our employees are our highest priorities. By continuously enhancing our health and safety practices and promoting a culture of safety, we are committed to further strengthening our health and safety system across all operations.

In FYR 2024, we will continue to build on these successes, striving to create an even safer and healthier workplace for all.

Sustainability Statement

Occupational Health and Safety (cont'd)

Employment Practices:

Our commitment to health and safety extends beyond regulatory compliance and workplace protocols; it is deeply embedded in our employment practices. We believe that a safe and healthy workforce is fundamental to achieving our organizational goals. Here are the key employment practices we have implemented to support this commitment:

- 1. Comprehensive Onboarding and Training:** Every new employee undergoes a thorough onboarding process that includes detailed health and safety training. This ensures that all team members are aware of potential risks and understand the protocols to mitigate them.
- 2. Regular Health Screenings:** We provide regular health screenings and wellness checks for all employees. These screenings help in early detection of potential health issues and ensure that our workforce remains healthy and fit for duty.
- 3. Ergonomic Assessments:** To prevent work-related musculoskeletal disorders, we conduct regular ergonomic assessments of all workstations. This includes providing ergonomic furniture and equipment and training employees on proper posture and techniques.
- 4. Flexible Work Arrangements:** To promote work-life balance and reduce stress, we offer flexible working hours. This flexibility helps employees manage their personal responsibilities while maintaining productivity.
- 5. Emergency Preparedness Training:** Regular drills and training sessions are conducted to prepare employees for various emergency situations, such as fires, chemical spills, and natural disasters. This ensures that everyone knows how to respond effectively in a crisis.
- 6. Open Communication Channels:** We maintain open lines of communication where employees can report safety concerns or suggest improvements without fear of reprisal. This feedback loop is essential for continuous improvement in our health and safety practices.
- 7. Health and Wellness Programs:** We offer a variety of wellness programs, including nutritional counselling, and chronic disease prevention awareness. These initiatives support overall employee health and contribute to a safer workplace.
- 8. Personal Protective Equipment (PPE):** We ensure that all employees have access to and are trained in the use of appropriate PPE. Regular audits are conducted to ensure compliance and the effectiveness of the PPE provided.

By integrating these employment practices into our health and safety strategy, we are fostering a culture where safety is a shared responsibility. Our goal is to ensure that every employee feels safe, supported, and empowered to contribute to a healthy workplace.

Sustainability Statement

Ethical and Inclusive Workplace Practices (cont'd)

Management Approach

Our commitment to ethical and inclusive workplace practices is embedded in our organizational culture and operational strategies. We prioritize creating an environment rooted in respect, equity, and integrity, addressing crucial areas such as human trafficking, forced labour, diversity and inclusion, training and development, and privacy and protection.

We have implemented stringent policies and monitoring systems to combat human trafficking and forced labour, ensuring compliance with international labour standards through regular audits and partnerships with third-party organizations. Our zero-tolerance policy is clearly communicated to all stakeholders, with training provided to recognize and report suspicious activities.

Diversity and inclusion are central to our corporate ethos. We promote a diverse and inclusive workplace through fair hiring practices, equal advancement opportunities, and a culture of respect and belonging. Our programs include targeted recruitment, mentorship, and diversity training to enhance creativity and collaboration.

Our dedication to continuous learning and development provides employees with access to various professional development resources. Additionally, we prioritize the privacy and protection of employee information through robust data protection policies and practices.

Through these comprehensive management approaches, we strive to create a workplace where every employee feels valued, respected, and empowered to contribute their best.

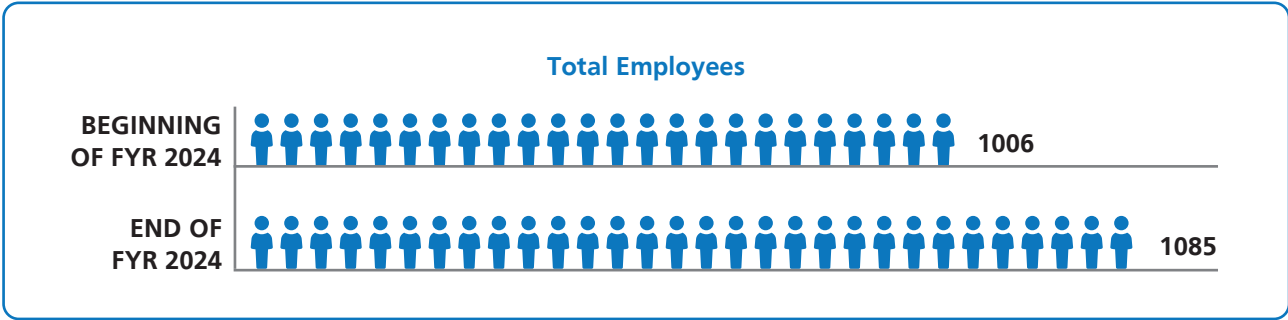
Employment Practices

Commitment to Human Rights

Our organization remains deeply committed to upholding human rights, enforcing stringent policies against human trafficking, forced labour, and all forms of human rights violations. We actively engage with our workforce to continuously enhance our employment practices, ensuring that they reflect our dedication to improving the welfare and rights of our employees.

The Board has set a clear direction for our human rights policies, guiding our internal compliance teams in maintaining these rigorous standards throughout the organization. Aligning our operations with our human rights values is a fundamental priority that informs our strategic decisions and daily operations.

In FYR 2024, we experienced growth in our workforce, expanding from 1006 to 1,085 employees, a 7.8% increase. This expansion highlights our dedication to growing our team and advancing our organizational goals. As we continue to grow, we remain steadfast in our commitment to fostering a safe, respectful, and equitable work environment for all employees.

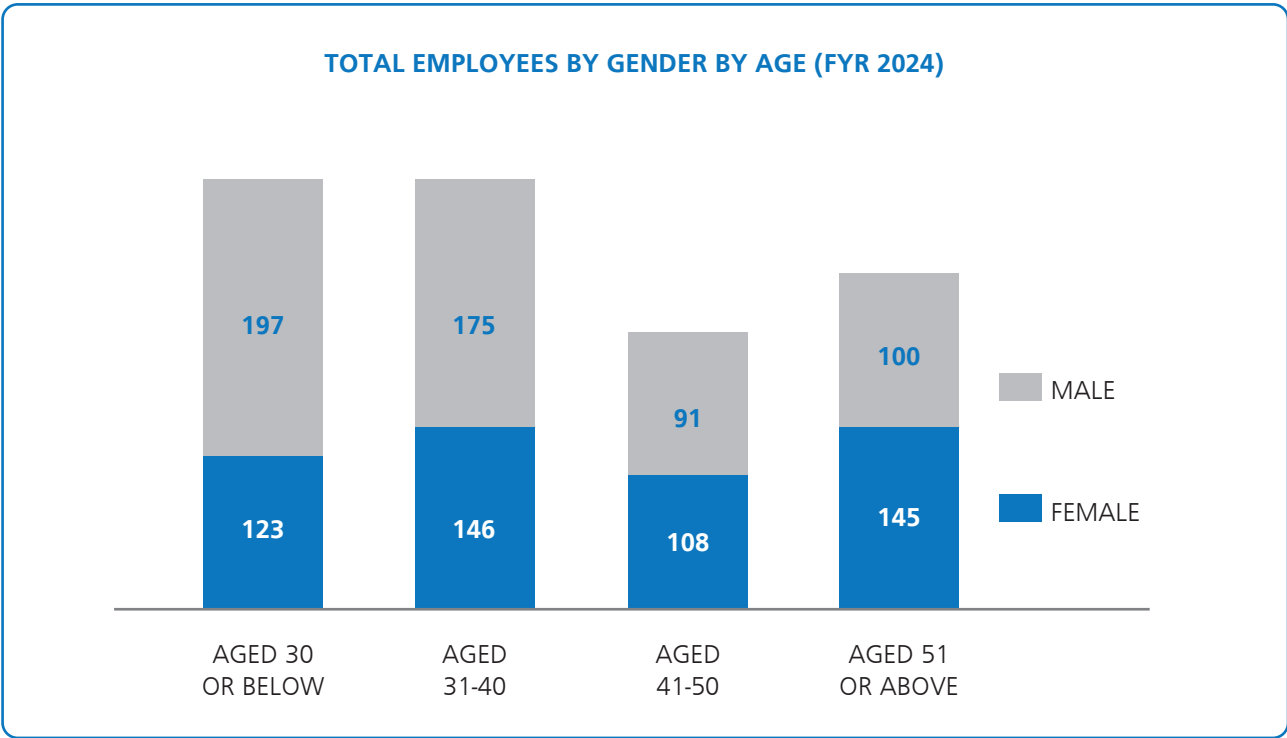


Sustainability Statement

Employment Practices (cont'd)

Diversity and Inclusion

Diversity and inclusion are core values embraced across all levels of our organization, fostering an inclusive and performance-driven culture. We are dedicated to promoting gender diversity and ensuring equal opportunities for career advancement. Our commitment to supporting female representation in management positions remains steadfast. Here is the current gender breakdown within our operating factories:



As of FYR 2024, 48% of our workforce comprises female employees, with 52% male employees. This gender balance reflects our ongoing commitment to diversity and underscores our dedication to creating a workplace where all individuals have the opportunity to thrive and succeed. We continue to implement initiatives that promote gender equality and inclusivity, striving to build a workforce that is representative and supportive of diverse perspectives.

Training and Development

Training and development are integral to our organizational strategy, focusing on two key areas: Health, Safety & Environment, and Security and Compliance. These programs are designed to equip our workforce with the necessary skills and knowledge to enhance productivity and achieve our strategic objectives.

Our HR department oversees comprehensive training initiatives, starting with a robust onboarding program that covers critical topics such as Health and Safety and our Code of Business Conduct and Ethics. This ensures that every new employee begins their journey well-informed and aligned with our stringent standards of safety and professionalism. Collaboration with external service providers continues to enrich our training efforts, allowing us to tailor sessions to specific departmental needs identified in close consultation with department heads and general managers. This collaborative approach ensures that our employees receive targeted training that directly contributes to their professional growth and our operational excellence.

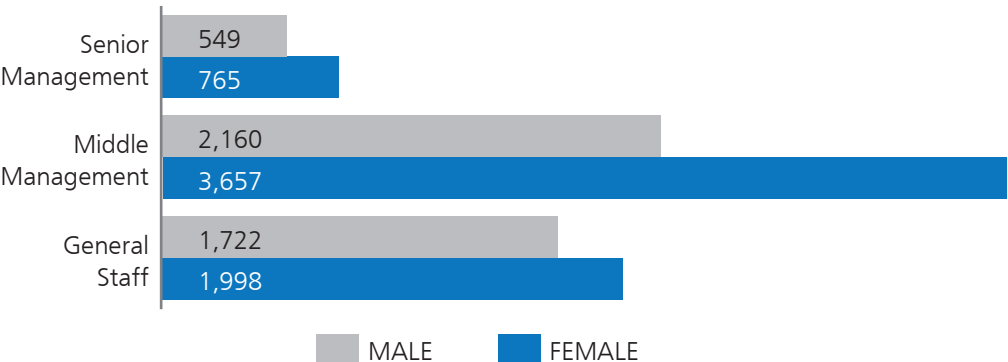
Sustainability Statement

Employment Practices (cont'd)

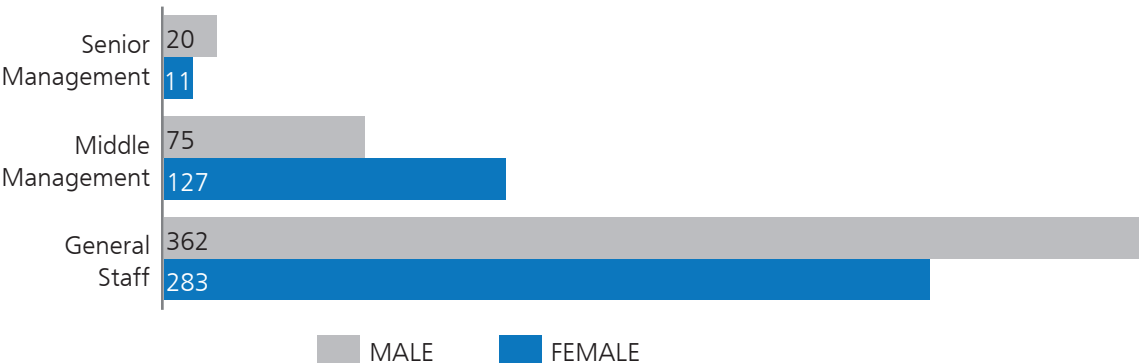


Training and Development (cont'd)

TOTAL TRAINING HOURS COMPLETED BY GENDER BY CATEGORY (FYR 2024)



TOTAL EMPLOYEES TRAINED BY GENDER AND EMPLOYMENT CATEGORY (FYR 2024)



Throughout the reporting period, we observed a balanced distribution of training across different employee categories. Notably, the middle management category received the highest number of training sessions, reflecting our commitment to developing future talents and empowered workforce. Within this category, there was significant participation from female employees, underscoring our efforts to promote gender inclusivity in training opportunities.

In FYR 2024, general staff accounted for 73.5% of our trained workforce, representing 3,720 hours of training. Among those trained, female employees received nearly 44% of the total training hours, highlighting our dedication to fostering gender diversity in learning and development initiatives.

Additionally, our annual performance reviews are a cornerstone of our employee development strategy, with a strong emphasis on middle and senior management. These reviews facilitate a comprehensive assessment of skills and competencies, enabling us to identify and address any skill gaps effectively. This proactive approach ensures that our management team remains agile and well-equipped to navigate the complexities of our evolving business landscape.

As we move forward, we remain committed to continuously enhancing our training programs to empower our workforce, foster professional growth, and drive organizational success.

Sustainability Statement

Employment Practices (cont'd)



Privacy and Protection

At our organization, safeguarding the security and privacy of our customers' data is a top priority. We've instituted a comprehensive Product Security Manufacturing Standard that sets forth rigorous procedures and standards. These guidelines ensure the confidentiality of customer intellectual property, proprietary information, and products throughout every phase of development and manufacturing, and throughout our entire business relationship. All Heads of Departments are responsible for ensuring the secure storage and protection of customer data, maintaining strict confidentiality, and upholding exemplary data security standards across all operations.

To maintain high levels of customer satisfaction, we conduct biannual surveys through our Merchandising Department. These surveys collect valuable feedback on various aspects, including the Manufacturing Index, which assesses quality, delivery, sustainability, and cost. This customer feedback is instrumental in our ongoing efforts to refine and enhance our products and services to consistently meet and exceed expectations.

Our internal Product Security Manufacturing Standard is central to our commitment to data security and privacy. This standard is thoroughly communicated to all employees during onboarding, emphasizing the importance of strict adherence. Additionally, we prioritize product quality protection by adhering to customer-defined quality assessment standards and utilizing an Assessment Chart to proactively identify and address potential quality risks.

In FYR 2024, we continue to focus on robust data protection measures and the continuous improvement of our security protocols. Our commitment to protecting customer data and maintaining the highest standards of privacy is unwavering, ensuring that trust and reliability remain cornerstones of our customer relationships.

Local Community Support



Management Approach

The group is dedicated to building and nurturing positive, sustainable relationships with local communities wherever we operate. We proudly uphold a tradition of supporting education and socio-economic initiatives. By adhering to top international sustainable development standards and actively participating in local projects, we aim to make a substantial impact on the communities we serve.

Our social contributions are entirely voluntary and strictly follow our Anti-Bribery and Anti-Corruption policies, as well as our social and gifts investment guidelines. In FYR 2024, we significantly increased our community engagement, contributing RM0.28 million to various relief efforts, thereby helping alleviate hardships faced by local residents.

We strongly encourage our employees to get involved in charitable and community activities. Partnering with reputable charitable organizations, we focus on sustainable initiatives to assist lower-income groups. Engaging our staff in these efforts not only promotes a culture of giving back but also instils a sustainable mindset within our workforce.

Our commitment to social responsibility is aimed at inspiring our employees to integrate sustainable practices into their daily lives. By actively contributing to the welfare of our communities, we strive to create a positive and lasting impact.

This Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 15 August 2024.

Corporate Governance Overview Statement

The Board believes in the importance of good corporate governance in delivering sustainable value for all our stakeholders. The Board remains committed to promoting sound corporate governance practices in order that our Group business is conducted in a transparent, ethical, and responsible manner, and in compliance with the relevant laws and regulations.

The Board is pleased to present this Statement, which sets out a summary of the Group's corporate governance practices during FYR 2024 which takes guidance from the three key principles of the Malaysian Code on Corporate Governance 2021 ("MCCG"), namely Board Leadership and Effectiveness, effective audit and risk management, and integrity in corporate reporting and meaningful relationship with stakeholders.

This Statement should also read in conjunction with the Corporate Governance Report 2024 of the Company which is available at our website, <https://magni-tech.com.my> and the website of Bursa Securities.

Principle A : Board Leadership and Effectiveness

I. Board Responsibilities

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

The responsibilities of the Board include :

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

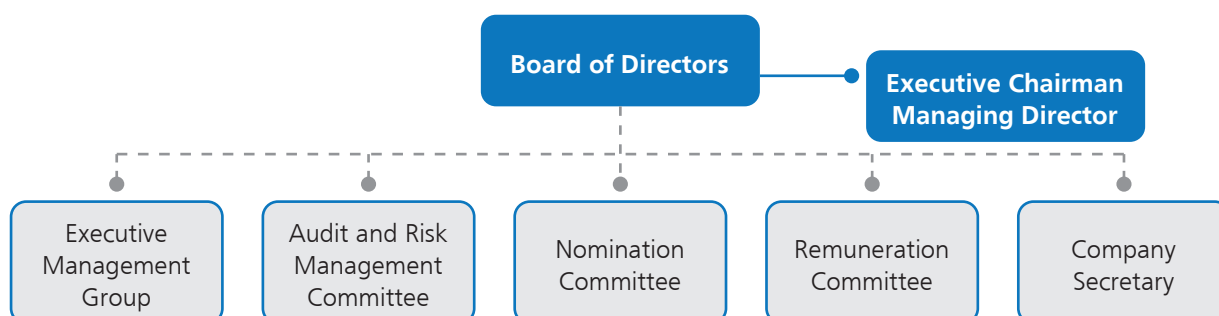
The Boards are supported by various Board Committees in the execution of its responsibilities, and the roles and responsibilities of the latter are outlined in their terms of reference.

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

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

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

The governance structure of the Board is as follows:



Corporate Governance Overview Statement

I. Board Responsibilities (cont'd)

Code of Conduct

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

The Board has adopted an Anti-Bribery and Anti-Corruption Policy ("ABACP") to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group.

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

Whistleblowing Channel

The Group has in place an avenue for disclosure of the relevant improper conduct as stated in the Sustainability Statement contained in this Annual Report.

Sustainability

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

Access to Information and Advice

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

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

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

Company Secretaries

The Board is supported by two competent Company Secretaries who are qualified to act as company secretary under Section 235 of the Companies Act 2016. The Company Secretaries are responsible for advising the Board, particularly with regard to governance matters, the Company's Constitution, Board policies and procedures, and applicable rules and regulations.

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

Board Charter

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

Corporate Governance Overview Statement

I. Board Responsibilities (cont'd)

Board Committees

The Board has delegated the specific responsibilities to 3 Board Committees, namely the Audit and Risk Management Committee ("ARMC"), Nomination Committee and Remuneration Committee, all of which have terms of reference to govern their responsibilities. The Board Committees will deliberate on and examine issues within their terms of reference and report to the Board.

Nomination Committee ("NC")

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

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

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

The composition of NC during FYR 2024 was:

- 1) Chairman - Tan Poh Heng (Independent Non-Executive Director)
- 2) Member - Fera Fizani Binti Ahmad Fizri – appointed on 10 August 2023
(Independent Non-Executive Director)
Mawan Noor Aini Binti Md. Ismail – resigned on 31 May 2023
(Independent Non-Executive Director)
H'ng Cheok Seng (Non-Independent Non-Executive Director)

The NC met twice during FYR 2024. All the members of the NC were present at the said meeting.

In June 2024, NC carried out the annual assessments internally via questionnaires as follows:

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

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

Corporate Governance Overview Statement

I. Board Responsibilities (cont'd)

Board Committees (cont'd)

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

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

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

No.	Name of Director	Type of retirement
1.	Tan Poay Seng	By Rotation as per Article 126 of the Company's Constitution
2.	H'ng Cheok Seng	By Rotation as per Article 126 of the Company's Constitution

During the same month, NC also conducted an assessment of the said two Directors. NC was satisfied with their various skill sets and competencies that would add value to the mix of skills and composition of the Board. Accordingly, the Board recommends the re-election of Tan Poay Seng and H'ng Cheok Seng as directors of the Company at the forthcoming 27th AGM of the Company.

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

Remuneration Committee ("RC")

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

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

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

The composition of RC during FYR 2024 was:

- 1) Chairman - Tan Poh Heng (Independent Non-Executive Director)
- 2) Member - Fera Fizani Binti Ahmad Fizri – appointed on 10 August 2023
(Independent Non-Executive Director)
Mawan Noor Aini Binti Md. Ismail – resigned on 31 May 2023
(Independent Non-Executive Director)
- 3) Member - Tan Poay Seng (Managing Director)

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

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

Corporate Governance Overview Statement

I. Board Responsibilities (cont'd)

Board Committees (cont'd)

Remuneration Committee ("RC") (cont'd)

The RC met once during FYR 2024. All the members of the RC were present at the said meeting.

The activities of RC during FYR 2024 include the review of the remunerations of the executive directors and key management personnel. NC was satisfied with the results of the review and the recommendations were endorsed by the Board.

II. Board Composition

The Board currently has 5 members, 2 of whom are Executive Directors, 2 of whom are Independent Non-Executive Directors whilst the remaining 1 is a Non-Independent Non-Executive Director.

The Board Diversity

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

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

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

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

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

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

Appointment and Re-election of Directors

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

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

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

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

Corporate Governance Overview Statement

II. Board Composition (cont'd)

Appointment and Re-election of Directors (cont'd)

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

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

Annual Assessment of Independent Directors

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

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

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

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

MCCG recommends that the tenure of an independent director should not exceed a cumulative term of nine years. Upon completion of the nine years, an independent director may continue to serve on the Board subject to his re-designation as a non-independent director if it is so determined that the expertise and experience of a non-independent director is still relevant to the Company.

Shareholders' Approval for Independent Director

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

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

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

Chairman and Managing Director to be held by different individuals

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

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

Corporate Governance Overview Statement

II. Board Composition (cont'd)

Statement on Corporate Governance

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

Foster Commitment

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

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

The Board meets at least 5 times a year. During FYR 2024, the Board held 5 meetings and the details of each Director's attendance are set out in the section on Profile of Directors in this Annual Report.

Directors' Training

All Directors have completed their Mandatory Accreditation Programme as required by the Main LR of Bursa Securities. The Board through the NC has assessed the training needs of each director and recommended the types of training programs that the Directors may attend in order to enhance their knowledge and contribution to the Board.

Details of the training programmes attended by the Directors during FYR 2024 are as follows:

No.	Name of Director	Seminar / Training Programmes attended
1.	Tan Sri Dato' Seri Tan Kok Ping	(a) Understanding Warrants: Introduction, Types, and Trends on 1 April 2024
2.	Tan Poay Seng	(a) Understanding Warrants: Introduction, Types, and Trends on 1 April 2024
3.	H'ng Cheok Seng	(a) Capital Gains Tax (CGT) on Foreign and Domestic Transactions on 21 February 2024 (b) Understanding Warrants: Introduction, Types, and Trends on 1 April 2024 (c) ESG Matters @ ACCA - Applying IFRS Sustainability Disclosures Standards (ISSB S1 & S2) on 8 April 2024
4.	Tan Poh Heng	(a) AOB Conversation with Audit Committees 27 November 2023 (b) ESG Advocates Circle 2023: Renewable Energy on 30 November 2023
5.	Fera Fizani Binti Ahmad Fizri	(a) Understanding Warrants: Introduction, Types, and Trends on 1 April 2024 (b) Mandatory Accreditation Programme on 24-26 October 2023

Corporate Governance Overview Statement

III. Remuneration

Company or Magni

At the Holding Company level, none of the executive directors have received fees or salary related benefits. The amount of directors' fee receivable by each of the Company's Non-Executive Directors for FYR 2024 is the same as those disclosed in the second table below.

Group (Company & Subsidiaries)

Executive Directors						
Name	Fees	Salaries	Bonuses / Incentives	Statutory Contributions	Other Benefits	Total
	RM000	RM000	RM000	RM000	RM000	RM000
TTKP	-	720	1,160	1	60	1,941
TPS	-	804	4,719	356	28	5,907
Total	-	1,524	5,879	357	88	7,848

Non-Executive Directors						
Name	Fees	Salaries	Bonuses / Incentives	Statutory Contributions	Other Benefits	Total
	RM000	RM000	RM000	RM000	RM000	RM000
HCS	48	-	-	-	-	48
TPH	48	-	-	-	-	48
FF	35	-	-	-	-	35
MN	8	-	-	-	-	8
Total	139	-	-	-	-	139

TTKP, TPS, HCS, TPH, FF and MN denote Tan Sri Dato' Seri Tan Kok Ping, Tan Poay Seng, H'ng Cheok Seng, Tan Poh Heng, Fera Fizani Binti Ahmad Fizri, and Mawan Noor Aini Binti Md. Ismail (resigned on 31 May 2023) respectively.

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

Principle B – Effective Audit and Risk Management

ARMC

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

Based on the assessment for FYR 2024, the Board was satisfied with the performance of ARMC. ARMC members had also attended various training programmes and seminars to enhance their knowledge and contributions to the Board.

The ARMC's Report is set out in this Annual Report.

Corporate Governance Overview Statement

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

Compliance with Applicable Financial Reporting Standards

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

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

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

Assessment of Suitability and Independence of External Auditors

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

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

Risk Framework

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

Internal Audit Function

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

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

Communication with Stakeholders

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

Company information, annual and quarterly financial results are published in the Company's website as public information.

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

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

Corporate Governance Overview Statement

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

Conduct of General Meetings

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

The Board conducted its 26th AGM held on 27 September 2023 on a fully virtual basis through live streaming and online remote voting via the online meeting platform provided by Propoll Solutions Sdn Bhd. The Notices of this AGM were served to the shareholders of the Company at least 28 days prior to the meeting. Such facilities allow shareholders to submit any questions in advance on matters pertaining to the resolutions proposed as well as those relating to the Group's operations in general, attend the meeting remotely, and pose questions to the Board and Management. All the directors together with executives participated in the 27th AGM.

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

Compliance Statement

Save as disclosed above and in Corporate Governance Report, the Board considers that the Company has complied with the MCCG throughout FYR 2024.

This Statement was made in accordance with a resolution of the Board of Directors dated 15 August 2024.

Statement on Risk Management and Internal Control

Introduction

This Statement outlines the nature and scope of risk management and internal control of the Group.

Responsibility

The Board affirms its overall responsibility for the Group's system of risk management and internal control, and for reviewing the adequacy and integrity of these systems in order to achieve its business objectives. However, in view of the inherent limitations in any system, such system of internal control can only provide reasonable and not absolute assurance against material misstatements, frauds or losses and unforeseen emerging risks.

ARMC is to assist the Board to oversee the management of all identified material risks including review of the adequacy and effectiveness of the Group's risk management and internal control system to ensure that appropriate measures are carried out by Management to obtain the level of assurance required by the Board. The Board has received assurance from the Managing Director and Heads of operating subsidiaries that the risk management and internal control system of the Group are operating adequately and effectively.

Risk Management

The Group's risk management framework is summarised below:

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

A summary of the activities undertaken by ARMC during FYR 2024 are set out in the ARMC's Report in this Annual Report.

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

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

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

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

Statement on Risk Management and Internal Control

The significant risks for FYR 2024 identified by operating subsidiaries and reviewed by ARMC and the Board included Customer Concentration Risk, Foreign Currency Exchange Risk and rising operating costs. Further details of these significant risks and the strategies to mitigate these risks are set out in the Management Discussion and Analysis in this Annual Report.

Statement on Risk Management and Internal Control

Internal Controls

The key processes of the internal control functions include the following:

- 1) Defined delegation of responsibilities to Board Committees, Managing Director and heads of operating subsidiaries, as set out in the Company organizational structure.
- 2) Budgets process is established, requiring all operating units to prepare budget and to be reviewed by the heads of the respective operating subsidiaries on an annual basis for the Management approval. Reports on results and variance analysis are reviewed by the Management on a monthly basis and by the Board at least on a quarterly basis.
- 3) Annual review of insurance coverage and physical safeguards on the Group's business operations, major assets and employees are in place to ensure that they are adequately covered against any mishap that could result in material loss.
- 4) Credit control and debt collection procedures are in place and there are ongoing credit review and account receivables aging analysis within each of the operating subsidiaries.
- 5) Performance of all employees are tracked through the annual performance appraisal processes. In house or outsourced training and development programmes which correspond to the learning needs of staff at all levels are conducted.
- 6) Quality improvement initiatives are in place within the respective operating subsidiaries, the functions of which include minimizing wastage, improving productivity and quality of the products and customers' service, and protecting the environment.
- 7) Our Group adheres to sustainability-related frameworks, guidelines, and standards both locally and internationally. The sustainability-related disclosures are in accordance with the Bursa Malaysia's Sustainability Reporting Guide, Global Reporting Initiative Sustainability Reporting Standards: Core Option ("GRI Standards").
- 8) Adoption and consistent application of appropriate accounting policies in the financial statements, and prudence judgements and reasonable estimates have been made in accordance with the applicable approved accounting standards in Malaysia to give a true and fair view of the Group's financial position and performance.
- 9) The annual audit plan, strategy and scope of work presented by the external auditors are reviewed and endorsed by ARMC.
- 10) The internal auditors of the Group draw up the annual audit plan and table it to the ARMC for approval. Ongoing internal audits are performed by them, as stated in the following part of this Statement.
- 11) Occupational Safety and Health policy is in place within the operating subsidiaries. The Occupational Safety and Health Committee continues to ensure a safe and healthy work environment is provided and maintained, enhance the awareness of safety, health and environment practices in the work place and monitor the compliance with the relevant regulations and best practices. Please refer to the various related activities as set out in the Sustainability Statement in this Annual Report.
- 12) Our garment subsidiary has been accredited to ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, and ISO 45001:2018 Occupational Health & Safety Management System at workplace. Our subsidiary which engages in flexible plastic packaging has been accredited to ISO 22000:2018 Food Safety Management System.

These subsidiaries undergo scheduled on-site audits by accredited ISO auditors to ensure compliance with the relevant industry standards and the results of which are reported to the Management.

- 13) Identified and emerging risk areas are assessed and where necessary, updates are made to the risks register as part of the continuous review process. Further details of the Group's risks strategy are disclosed in the forgoing Management Discussion and Analysis.
- 14) A whistleblowing process has been established to provide an avenue for whistleblowers to communicate their concerns on matters of integrity in a confidential manner.

Statement on Risk Management and Internal Control

Internal Audit Function

The Group has outsourced its internal audit work to a professional internal audit service provider firm, JWC Consulting Sdn. Bhd. to provide the Board with independent and objective reports on the adequacy and integrity of our system of internal control.

The Engagement Director is Ms. Joyce Wong Ai May, who has diverse professional experience in internal audit, external audit, risk management and corporate governance. She graduated from University of Tasmania with a Bachelor of Commerce, majoring in Accounting and Finance. She is an Accountant by profession and a member of the Malaysian Institute of Accountants and Certified Practising Accountants, Australia.

The internal auditors on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence.

The internal auditors report directly to the ARMC and have direct access to the Chairman of the ARMC on all the internal control and internal audit issues.

ARMC receives reports from the internal auditors on the results of the internal audit activities performed. ARMC discusses the internal audit reports to ensure recommendations from the reports are duly acted upon by the Management. The internal auditors also follow up on the implementation of the audit recommendations.

The internal auditors adopt a risk based auditing approach in planning the audit assignments taking into consideration industry specific requirements and the rotation cycle on the auditable areas. Significant findings, recommendations and management responses are brought to the attention of the Board.

Review of the Statement by External Auditors

This Statement has been reviewed by the external auditors in compliance with Paragraph 15.23 of Main LR of Bursa Securities and pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") issued by the Malaysian Institute of Accountants for inclusion in the Annual Report of the Group for FYR 2024.

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

Conclusion

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

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

This Statement was made in accordance with a resolution of the Board of Directors dated 15 August 2024.

Audit and Risk Management Committee's Report

The members of ARMC during FYR 2024 were as follows:

Chairman - Tan Poh Heng (Independent Non-Executive Director)

Member - Fera Fizani Binti Ahmad Fizri
(Independent Non-Executive Director – appointed on 10 August 2023)
H'ng Cheok Seng (Non-Independent Non-Executive Director)
Mawan Noor Aini Binti Md. Ismail
(Independent Non-Executive Director – resigned on 31 May 2023)

Membership

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

Number of ARMC Meetings held during FYR 2024

There were 5 meetings held during FYR 2024. All ARMC members were present at the said 5 meetings.

Terms of Reference of ARMC

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

Summary of Work of the ARMC held during FYR 2024

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

Financial Reporting

- 1) ARMC reviewed the unaudited quarterly results before presenting to the Board for approval and announcement to Bursa Securities.
- 2) Reviewed the draft audited financial statements for FYR 2024, before presenting to the Board for approval.
- 3) Reviewed the recurrent related party transactions entered into by the Group and the relevant procedures to ensure that recurrent related party transactions are undertaken on normal commercial terms and at arm's length.

Risk Management

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

External Audit

- 1) Reviewed with the external auditors, Grant Thornton Malaysia PLT ("Grant Thornton"), their audit plan, audit approach and reporting requirements and proposed fee for the external audit.

Assessed the suitability and independence of the external auditors taking into consideration the information contained in their annual transparency report and various key aspects of the audit service including, the quality of the audit staff, their resources, firm organization and audit team structures.

Assessed whether they have carried out the audit as per audit plan, and the interaction with the audit team on key audit findings including technical issues. The effect of non-audit services on their independence and objectivity of external audit was also considered. Please refer to the relevant fees as disclosed in Other Corporate Disclosure in this Annual Report.

Audit and Risk Management Committee's Report

Summary of Work of the ARMC held during FYR 2024 (cont'd)

External Audit (cont'd)

- 2) Of the five ARMC meetings held during the financial year, two sessions were held with the external auditors without the presence of the Executive Directors and other employees of the Group.
- 3) Recommended for the Board approval on Grant Thornton Malaysia PLT re-appointment as the Company's auditors and for the same to be put forward for shareholders' approval at the forthcoming AGM.

Internal Audit

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

ARMC also reviewed and assessed the financial literacy of its members for FYR 2024.

Internal Audit Function

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

Summary of Work of Internal Audit Function

During FYR 2024, the internal auditors carry out the internal audits as per the audit plan on key business process of the operating subsidiaries to assess the adequacy and effectiveness of their systems of internal control and compliance with the relevant policies and procedures.

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

The internal audit costs incurred during FYR 2024 was RM18,832.

Statement on Directors' Responsibility

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

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

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

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

Other Corporate Disclosure

Utilisation of Proceeds Raised from Corporate Proposals

Not applicable as there were no fund raising corporate proposals during FYR 2024.

Non-Audit Fees

The amount of non-audit fees incurred for services rendered to the Company and to the Group for the financial year ended 30 April 2024 by the Company's external auditors, Grant Thornton amounted to RM3,000 and RM3,000 respectively. There are also other fees in relation to services comprising tax compliance and advisory services incurred by the Company and the Group to a corporation affiliated to Grant Thornton amounted to RM4,000 and RM22,500 respectively.

Material Contracts or Contract Relating to Loans

During FYR 2024, other than those disclosed in Note 27 to the Financial Statements, there were no material contracts or contract relating to loans with the Company and its subsidiaries involving the interest of Directors and major shareholders.

Recurrent Related Party Transactions of a Revenue or Trading Nature

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

Conflict of Interest

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

Directors' Report

for the financial year ended 30 April 2024

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **30 April 2024**.

PRINCIPAL ACTIVITIES

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

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

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

RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	<u>128,409,695</u>	<u>50,526,369</u>
Attributable to:		
Owners of the Company	128,409,704	50,526,369
Non-controlling interests	<u>(9)</u>	<u>-</u>
	<u>128,409,695</u>	<u>50,526,369</u>

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 April 2024** have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

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

	RM
In respect of financial year ended 30 April 2024:	
- First single tier interim dividend of approximately 2.8 sen per share	12,136,615
- Second single tier interim dividend of approximately 2.2 sen per share	9,535,908
- Third single tier interim dividend of approximately 3.5 sen per share	15,170,767
In respect of financial year ended 30 April 2023:	
- Fourth single tier interim dividend of approximately 2.5 sen per share	<u>10,836,261</u>
	<u>47,679,551</u>

Directors' Report

for the financial year ended 30 April 2024

DIVIDENDS (cont'd)

On 11 July 2024, the Company has declared a fourth single tier interim dividend of approximately 3.3 sen per share amounting to RM14,303,864 in respect of the financial year ended 30 April 2024 and paid on 23 July 2024. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 April 2025.

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

RESERVES AND PROVISIONS

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

SHARE CAPITAL AND DEBENTURE

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

TREASURY SHARES

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

As at 30 April 2024, the Company held 500,000 treasury shares out of the total 433,950,579 issued ordinary shares. Further relevant details are disclosed in Note 13 to the financial statements.

DIRECTORS

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

Directors of the Company:

- * Tan Sri Dato' Seri Tan Kok Ping
- * Tan Poay Seng
- H'ng Cheok Seng
- Tan Poh Heng
- Fera Fizani Binti Ahmad Fizri (appointed on 10.8.2023)
- Mawan Noor Aini Binti Md. Ismail (resigned on 31.5.2023)

Directors of the Subsidiaries:

Lee Koong Chen @ Lee Kong Chew
Yap Yong Teck

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

Directors' Report

for the financial year ended 30 April 2024

DIRECTORS' INTERESTS IN SHARES

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

	-----	Number of ordinary shares	-----	
	Balance at 1.5.2023	Bought	Sold	Balance at 30.4.2024
The Company				
Direct Interest:				
Tan Sri Dato' Seri Tan Kok Ping	29,700,000	-	-	29,700,000
Tan Poay Seng	113,888,000	11,200,000	-	125,088,000
H'ng Cheok Seng	3,472,800	-	-	3,472,800
Fera Fizani Binti Ahmad Fizri	4,000	-	-	4,000
Indirect Interest:				
Interest of Children of the director				
* Tan Sri Dato' Seri Tan Kok Ping	15,750,300	2,050,000	-	17,800,300
Deemed Interest:				
** Tan Sri Dato' Seri Tan Kok Ping	57,300,000	500,000	-	57,800,000

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

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

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

Other than the above, none of the other directors holding office at the end of the financial year had any interests in shares of the Company and of its related corporations during the financial year.

DIRECTORS' REMUNERATION AND BENEFITS

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

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	138,839	-	138,839
Salaries, allowances, bonus and performance incentives	-	7,463,000	7,463,000
Defined contribution plan	-	354,210	354,210
Social security contribution and employment insurance scheme	-	3,060	3,060
Benefits-in-kind	-	28,000	28,000
	<u>138,839</u>	<u>7,848,270</u>	<u>7,987,109</u>

Directors' Report

for the financial year ended 30 April 2024

DIRECTORS' REMUNERATION AND BENEFITS (cont'd)

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

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and officers of the Group and of the Company are RM5,000,000 and RM7,813 respectively.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

Directors' Report

for the financial year ended 30 April 2024

OTHER STATUTORY INFORMATION (cont'd)

In the opinion of the directors:

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

EVENT AFTER THE REPORTING PERIOD

The details of the event after the reporting period are disclosed in Note 32 to the financial statements.

AUDITORS

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

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 30 April 2024 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	143,000	32,000
Assurance related and non-audit services	25,500	7,000
Total	168,500	39,000

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

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

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

Penang,

Date: 15 August 2024

.....
Tan Poay Seng

Directors’ Statement

In the opinion of the directors, the financial statements set out on pages 63 to 111 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **30 April 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 Board of Directors:

.....
Tan Sri Dato’ Seri Tan Kok Ping

.....
Tan Poay Seng

Date: 15 August 2024

Statutory Declaration

I, **Tan Poay Seng**, the director primarily responsible for the financial management of **Magni-Tech Industries Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 63 to 111 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Penang, this **15th**)
day of **August 2024**.)

.....
Tan Poay Seng

Before me,

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

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

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Magni-Tech Industries Berhad**, which comprise the statements of financial position as at **30 April 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 63 to 111.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **30 April 2024**, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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

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

Key Audit Matters (cont'd)

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
Revenue recognition (Note 18 to the financial statements) The Group's revenue is mainly derived from the manufacturing and sales of garments and packaging materials. We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised.	Our audit procedures in relation to the revenue recognition included: • Obtained an understanding of the Group's revenue recognition process and application and thereafter tested controls on the occurrence of revenue. • Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities. • Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers. • Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transactions taking place at either side of the reporting date as well as reviewed credit notes and sales returns issued after the reporting date. • Reviewed the sales ledger to identify any sales transactions that were entered using journals or non-sales invoices references and evaluated the nature of the transactions to determine whether they were <i>bona fide</i> transactions.
Existence and gross valuation of inventories (Note 9 to the financial statements) The Group holds significant inventories as at 30 April 2024 which comprise of mainly raw materials and work-in-progress from the manufacturing and sales of garments segment. The composition of these inventories are mainly fabric and accessories associated to manufacture the garments. These inventories are mainly located at the Group's sub-contractors' premises based in Vietnam. We focus on this area as the existence and gross valuation of the inventories is quantitatively material to the financial statements and the risk of the unit price and quantities being incorrectly inputted in deriving the value of inventory balance as at the end of reporting period is reasonably possible.	Our audit procedures in relation to the existence and gross valuation of inventories included: • Obtained an understanding of: - how the Group account for its inventories, particularly for inventories located at sub-contractors' premises and designated warehouse; - how the Group identifies and assesses inventories write-downs; and - how the Group makes the accounting estimates for inventories write-downs. • Reviewed the valuation of inventories in accordance with <i>MFRS 102 Inventories</i>. • Reviewed and tested the net realisable value of inventories on sampling basis. • Reviewed management's assessment on the allowance for slow moving/obsolete inventories. • Obtained external confirmations from the garment manufacturing sub-contractors to confirm the inventory balance at their location by job order code as at the end of the reporting period. • Attended the year end physical inventory counts. • Checked the raw materials in sub-contractors' warehouse right up to the job order assigned to the sub-contractors to ensure the effectiveness of the inventory management system.

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

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

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

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

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

- 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 Matter

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

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

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

Penang

Date: 15 August 2024

Statements of Financial Position

as at 30 April 2024

		GROUP		COMPANY	
			(Restated)		
	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	53,963,368	57,380,840	368,508	650,317
Investment properties	5	1,019,086	1,038,699	-	-
Investment in subsidiaries	6	-	-	78,124,389	78,124,389
Investment in an associate	7	622,190	-	-	-
Investment securities	8	20,115,206	18,227,194	-	-
		75,719,850	76,646,733	78,492,897	78,774,706
Current assets					
Inventories	9	316,332,800	262,339,984	-	-
Trade and other receivables	10	123,528,566	116,484,163	7,300,934	138,749,198
Current tax assets		872,745	1,107,378	-	-
Cash and cash equivalents	11	538,692,053	425,237,109	152,505,895	24,736,033
		979,426,164	805,168,634	159,806,829	163,485,231
TOTAL ASSETS		1,055,146,014	881,815,367	238,299,726	242,259,937
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	12	216,975,289	216,975,289	216,975,289	216,975,289
Treasury shares	13	(686,119)	(686,119)	(686,119)	(686,119)
Other reserves	14	2,295,257	407,245	15,824,999	15,824,999
Retained profits	15	676,189,342	595,459,189	5,597,191	2,750,373
		894,773,769	812,155,604	237,711,360	234,864,542
Non-controlling interests		25,920	25,929	-	-
Total equity		894,799,689	812,181,533	237,711,360	234,864,542
Non-current liability					
Deferred tax liabilities	16	7,645,868	6,850,368	-	-
Current liabilities					
Trade and other payables	17	144,461,090	57,816,097	62,366	7,372,395
Current tax liabilities		8,239,367	4,967,369	526,000	23,000
		152,700,457	62,783,466	588,366	7,395,395
Total liabilities		160,346,325	69,633,834	588,366	7,395,395
TOTAL EQUITY AND LIABILITIES		1,055,146,014	881,815,367	238,299,726	242,259,937

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

Statements of Comprehensive Income

for the financial year ended 30 April 2024

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue					
- sales of garments and packaging materials		1,341,095,834	1,212,384,910	-	-
- management fee		-	-	516,000	516,000
- dividend income		-	-	47,400,000	39,318,016
Total revenue	18	1,341,095,834	1,212,384,910	47,916,000	39,834,016
Cost of sales		(1,128,045,270)	(1,039,420,945)	-	-
Gross profit		213,050,564	172,963,965	47,916,000	39,834,016
Other income	19	10,533,941	7,517,170	-	-
Administrative expenses		(59,168,233)	(55,490,106)	(1,095,366)	(1,088,726)
Selling and distribution expenses		(12,969,547)	(11,971,729)	-	-
Allowance for expected credit losses ("ECL") on trade receivables					
- addition		(16,920)	-	-	-
- reversal		-	35,758	-	-
Share of results of an associate		(87,010)	-	-	-
Operating profit		151,342,795	113,055,058	46,820,634	38,745,290
Finance income	20	17,280,146	12,449,034	5,016,115	600,322
Profit before tax	21	168,622,941	125,504,092	51,836,749	39,345,612
Taxation	22	(40,213,246)	(30,132,933)	(1,310,380)	(263,000)
Profit for the financial year		128,409,695	95,371,159	50,526,369	39,082,612

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

Statements of Comprehensive Income

for the financial year ended 30 April 2024

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Other comprehensive income, net of tax:					
Items that will not be reclassified subsequently to profit or loss:					
Net changes in fair value gain/ (loss) on investment securities designated at fair value through other comprehensive income ("FVOCI")		1,888,012	(6,382,037)	-	-
Total comprehensive income for the financial year		130,297,707	88,989,122	50,526,369	39,082,612
Profit attributable to:					
Owners of the Company		128,409,704	95,371,192	50,526,369	39,082,612
Non-controlling interests		(9)	(33)	-	-
		128,409,695	95,371,159	50,526,369	39,082,612
Total comprehensive income attributable to:					
Owners of the Company		130,297,716	88,989,155	50,526,369	39,082,612
Non-controlling interests		(9)	(33)	-	-
		130,297,707	88,989,122	50,526,369	39,082,612
Earnings per share attributable to owners of the Company (sen)					
- Basic/Diluted	23	30	22		

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

Consolidated Statement of Changes In Equity

for the financial year ended 30 April 2024

Attributable to owners of the Company									
NOTE	Share Capital RM	Non-distributable Treasury Shares RM	Other Reserves RM	Distributable Retained Profits RM	Total RM	Non-controlling Interests RM	Total Equity RM		
2024									
Balance at beginning	216,975,289	(686,119)	407,245	595,459,189	812,155,604	25,929	812,181,533		
Total comprehensive income for the financial year	-	-	1,888,012	128,409,704	130,297,716	(9)	130,297,707		
Transaction with owners of the Company:									
Dividends	-	-	-	(47,679,551)	(47,679,551)	-	(47,679,551)		
Balance at end	216,975,289	(686,119)	2,295,257	676,189,342	894,773,769	25,920	894,799,689		
2023									
Balance at beginning	216,975,289	(686,119)	6,789,282	539,098,535	762,176,987	25,962	762,202,949		
Total comprehensive income for the financial year	-	-	(6,382,037)	95,371,192	88,989,155	(33)	88,989,122		
Transaction with owners of the Company:									
Dividends	-	-	-	(39,010,538)	(39,010,538)	-	(39,010,538)		
Balance at end	216,975,289	(686,119)	407,245	595,459,189	812,155,604	25,929	812,181,533		

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

Statement of Changes In Equity

for the financial year ended 30 April 2024

		----- Non-distributable -----			Distributable	
	NOTE	Share Capital RM	Treasury Shares RM	Other Reserves RM	Retained Profits RM	Total Equity RM
2024						
Balance at beginning		216,975,289	(686,119)	15,824,999	2,750,373	234,864,542
Total comprehensive income for the financial year		-	-	-	50,526,369	50,526,369
Transaction with owners of the Company:						
Dividends	24	-	-	-	(47,679,551)	(47,679,551)
Balance at end		216,975,289	(686,119)	15,824,999	5,597,191	237,711,360
2023						
Balance at beginning		216,975,289	(686,119)	15,824,999	2,678,299	234,792,468
Total comprehensive income for the financial year		-	-	-	39,082,612	39,082,612
Transaction with owners of the Company:						
Dividends	24	-	-	-	(39,010,538)	(39,010,538)
Balance at end		216,975,289	(686,119)	15,824,999	2,750,373	234,864,542

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

Statements of Cash Flows

for the financial year ended 30 April 2024

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	168,622,941	125,504,092	51,836,749	39,345,612
Adjustments for:				
Allowance for ECL on trade receivables				
- addition	16,920	-	-	-
- reversal	-	(35,758)	-	-
Depreciation of:				
- property, plant and equipment	5,889,080	5,728,525	281,809	281,905
- investment properties	19,613	19,613	-	-
Dividend income	(2,070,713)	(1,153,471)	(47,400,000)	(39,318,016)
Interest income	(17,280,146)	(12,449,034)	(5,016,115)	(600,322)
Loss/(Gain) on disposal of property, plant and equipment	93,917	(203,543)	-	-
Property, plant and equipment written off	139,580	24,843	-	-
Share of results of an associate	87,010	-	-	-
Unrealised loss/(gain) on foreign exchange	557,623	(521,503)	-	-
Operating profit/(loss) before working capital changes	156,075,825	116,913,764	(297,557)	(290,821)
Changes in:				
Inventories	(53,992,816)	4,694,608	-	-
Receivables	(4,606,983)	(5,859,579)	(1,599,801)	(943)
Payables	83,633,030	(33,528,025)	11,130	(8,847)
Cash generated from/(used in) operations	181,109,056	82,220,768	(1,886,228)	(300,611)
Income tax paid	(36,735,998)	(28,517,801)	(807,380)	(240,000)
Income tax refunded	824,883	-	-	-
Net cash from/(used in) operating activities	145,197,941	53,702,967	(2,693,608)	(540,611)

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

Statements of Cash Flows

for the financial year ended 30 April 2024

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	17,280,146	12,449,034	5,016,115	600,322
Dividend received from subsidiaries	2,070,713	1,153,471	47,400,000	39,318,016
Investment in an associate	(709,200)	-	-	-
Placement of fixed deposits with licensed banks, net	(18,275,000)	(35,770,000)	(65,025,000)	(40,000)
Proceeds from disposal of property, plant and equipment	74,878	264,971	-	-
Purchase of property, plant and equipment	(2,779,983)	(4,867,370)	-	-
Withdrawal of short-term money market deposits	2,030,000	-	-	-
Net cash (used in)/from investing activities	(308,446)	(26,769,894)	(12,608,885)	39,878,338
CASH FLOWS FROM FINANCING ACTIVITY				
Dividends paid	(47,679,551)	(39,010,538)	(47,679,551)	(39,010,538)
Net changes in subsidiaries' balances	-	-	125,726,906	(379,328)
Net cash (used in)/from financing activities	(47,679,551)	(39,010,538)	78,047,355	(39,389,866)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	97,209,944	(12,077,465)	62,744,862	(52,139)
Effects of foreign exchange rates changes	-	109,760	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING	74,857,109	86,824,814	556,033	608,172
CASH AND CASH EQUIVALENTS AT END	172,067,053	74,857,109	63,300,895	556,033
Cash and cash equivalents are represented by:				
Fixed deposits with licensed banks	362,010,678	372,575,431	90,241,752	24,616,752
Short-term money market deposits	57,757,000	45,591,900	-	-
Cash in hand and at banks	118,924,375	7,069,778	62,264,143	119,281
	538,692,053	425,237,109	152,505,895	24,736,033
Less: Fixed deposits with maturity more than three months	(358,155,000)	(339,880,000)	(89,205,000)	(24,180,000)
Short-term money market deposits with maturity more than three months	(8,470,000)	(10,500,000)	-	-
	172,067,053	74,857,109	63,300,895	556,033

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

Notes To The Financial Statements

30 April 2024

1. CORPORATE INFORMATION

General

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

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

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 15 August 2024.

Principal activities

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

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

2.3 Functional and Presentation Currency

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

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

2.4 Adoption of New Standard/Amendments to MFRSs

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

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112 Income Taxes: International Tax Reform - Pillar Two Model Rules

Notes To The Financial Statements

30 April 2024

2. BASIS OF PREPARATION (cont'd)

2.4 Adoption of New Standard/Amendments to MFRSs (cont'd)

Initial application of the above new standard/amendments to MFRSs did not have any material impact to the financial statements upon adoption, except for Amendments to *MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies*. The amendments change the requirements in *MFRS 101* with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant' with 'material'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in *MFRS 101* are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standards Board ("MASB") has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in MFRS Practice Statement 2.

The amendments have had an impact on the Group's and the Company's disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group's financial statements.

2.5 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the MASB but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2024

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

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

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

Effective for annual period beginning on or after 1 January 2025

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

Effective for annual period beginning on or after 1 January 2026

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

Effective for annual period beginning on or after 1 January 2027

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 19 Subsidiaries without Public Accountability: Disclosures

Effective date yet to be confirmed

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

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

Notes To The Financial Statements

30 April 2024

2. BASIS OF PREPARATION (cont'd)

2.5 Standards Issued But Not Yet Effective (cont'd)

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

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

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

3.1 Judgements made in applying accounting policies

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

3.2 Key sources of estimation uncertainty

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

(i) Inventories

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

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

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

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

Notes To The Financial Statements

30 April 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(ii) Provision for expected credit losses ("ECL") of receivables (cont'd)

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

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

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

(iii) Fair value of investment securities

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

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

Notes To The Financial Statements

30 April 2024

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

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

Notes To The Financial Statements

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

GROUP

	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery, electrical and piping installations RM	Office furniture, fittings, equipment, solar PV system and renovation RM	Motor vehicles RM	Total RM
2023							
At cost							
Balance at beginning	4,664,133	5,925,265	24,603,035	77,380,863	24,374,533	8,634,613	145,582,442
Additions	-	-	245,398	2,884,947	828,918	908,107	4,867,370
Disposals	-	-	-	(179,550)	(53,678)	(1,039,645)	(1,272,873)
Written off	-	-	-	(1,703,683)	(192,927)	-	(1,896,610)
Balance at end	4,664,133	5,925,265	24,848,433	78,382,577	24,956,846	8,503,075	147,280,329
Accumulated depreciation							
Balance at beginning	-	1,819,972	11,152,056	50,606,784	16,894,015	6,781,349	87,254,176
Current charge	-	109,322	496,098	2,698,127	1,643,760	781,218	5,728,525
Disposals	-	-	-	(120,616)	(51,189)	(1,039,640)	(1,211,445)
Written off	-	-	-	(1,686,701)	(185,066)	-	(1,871,767)
Balance at end	-	1,929,294	11,648,154	51,497,594	18,301,520	6,522,927	89,899,489
Carrying amount	4,664,133	3,995,971	13,200,279	26,884,983	6,655,326	1,980,148	57,380,840

Notes To The Financial Statements

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

COMPANY

	Office equipment and renovation	
	2024 RM	2023 RM
At cost		
Balance at beginning/end	1,501,176	1,501,176
Accumulated depreciation		
Balance at beginning	850,859	568,954
Current charge	281,809	281,905
Balance at end	1,132,668	850,859
Carrying amount	368,508	650,317

- (i) Included in property, plant and equipment of the Group and of the Company are fully depreciated assets which are still in use, the cost of which amounted to **RM54,269,304** (2023: RM53,580,012) and **RM92,610** (2023: RM92,115) respectively.
- (ii) The carrying amount of property, plant and equipment of the Group which are pledged to licensed banks as securities for banking facilities granted to the certain subsidiaries are as follows:

	GROUP	
	2024 RM	2023 RM
Freehold land	140,000	140,000
Leasehold land	1,807,143	1,889,286
Buildings	3,976,348	4,147,801
	5,923,491	6,177,087

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

Material accounting policy information

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

Notes To The Financial Statements

30 April 2024

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

Material accounting policy information (cont'd)

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

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

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

5. INVESTMENT PROPERTIES

	GROUP	
	2024 RM	2023 RM
At cost		
Balance at beginning/end	1,341,879	1,341,879
Accumulated depreciation		
Balance at beginning	303,180	283,567
Current charge	19,613	19,613
Balance at end	322,793	303,180
Carrying amount	1,019,086	1,038,699

The investment properties consist of the following:

	GROUP	
	2024 RM	2023 RM
Freehold land	400,000	400,000
Leasehold land	73,883	75,449
Buildings	545,203	563,250
	1,019,086	1,038,699

Notes To The Financial Statements
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5. INVESTMENT PROPERTIES (cont'd)

- (i) Included in investment properties of the Group are fully depreciated assets which are still in use, the cost of which amounted to **RM270,000** (2023: RM270,000).
- (ii) The followings are recognised in profit or loss in respect of investment properties:

	GROUP	
	2024 RM	2023 RM
Rental income from rental generating properties	235,300	232,800
Direct operating expenses arising from rental generating properties	42,361	38,380

(iii) Group as lessor

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

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

	GROUP	
	2024 RM	2023 RM
Within one year	224,300	150,300
More than one year and less than five years	119,000	29,000
	343,300	179,300

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

Material accounting policy information

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

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

Leasehold land	Amortised over lease period of 83 years 2% - 4%
Buildings	

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

Notes To The Financial Statements

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6. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2024 RM	2023 RM
Unquoted shares, at cost	78,124,389	78,124,389

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

Name of Entities	Effective Equity Interest		Principal Activities
	2024 %	2023 %	
South Island Garment Sdn. Bhd. ("SIG")	100	100	Manufacturing and sales of garments.
Inter-Pacific Packaging Sdn. Bhd. ("IPP")	100	100	Manufacturing and sale of corrugated fibre board cartons and boxes.
* South Island Packaging (Penang) Sdn. Bhd.	99.64	99.64	Dormant.
* South Island Plastics Sdn. Bhd.	100	100	Manufacturing and sale of plastic packaging materials.

* Not audited by Grant Thornton Malaysia PLT.

Material accounting policy information

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

7. INVESTMENT IN AN ASSOCIATE

	GROUP	
	2024 RM	2023 RM
Unquoted shares, at cost	709,200	-
Share of post-acquisition reserves	(87,010)	-
	622,190	-

Notes To The Financial Statements

30 April 2024

7. INVESTMENT IN AN ASSOCIATE (cont'd)

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

Name of Entity	Effective Equity Interest		Principal Activity
	2024 %	2023 %	
# SIGP Joint Stock Company ("SIGP")	30	-	Garment Printing.

Not audited by Grant Thornton Malaysia PLT.

Acquisition of an associate

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

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

GROUP

	2024 RM
As at 30 April 2024	
Non-current assets	4,438,091
Current assets	1,734,526
Current liabilities	(4,384,054)
Net assets	1,788,563
Year ended 30 April	
Results	
Revenue	4,327,897
Net loss for the financial year, representing total comprehensive loss for the financial year	(290,033)
Reconciliation of net assets to carrying amount	
Group's share of net assets, representing carrying amounts in the statements of financial position	536,569
Group's share of results	
Year ended 30 April	
Group's share of loss	(87,010)

Contingent liabilities and capital commitments

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

Material accounting policy information

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

Notes To The Financial Statements

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8. INVESTMENT SECURITIES

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial assets at Fair Value Through Other Comprehensive Income ("FVOCI")				
Unquoted shares outside Malaysia	20,115,206	18,227,194	-	-
Unquoted shares in Malaysia	-	-	-	-
	20,115,206	18,227,194	-	-

The currency profile of investment securities is as follows:

	GROUP	
	2024 RM	2023 RM
Vietnamese Dong ("VND")	20,115,206	18,227,194

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

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

	GROUP	
	2024 RM	2023 RM
Balance at beginning	18,227,194	24,609,231
Fair value gain/(loss)	1,888,012	(6,382,037)
Balance at end	20,115,206	18,227,194

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

Material accounting policy information

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

Notes To The Financial Statements

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9. INVENTORIES

	GROUP	
	2024 RM	2023 RM
At cost		
Raw materials	7,426,706	7,161,376
Work-in-progress	285,742,140	246,076,490
Finished goods	960,033	1,144,953
Consumables, tools and spare parts	445,908	430,266
Goods-in-transit	21,758,013	7,526,899
	316,332,800	262,339,984
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	1,128,045,270	1,039,420,945

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

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

10. TRADE AND OTHER RECEIVABLES

	NOTE	GROUP		COMPANY	
		2024 RM	(Restated) 2023 RM	2024 RM	2023 RM
Trade receivables					
Third parties	10.1	106,266,957	104,181,017	-	-
Less: Allowance for ECL	10.2	(16,920)	-	-	-
		106,250,037	104,181,017	-	-
Other receivables					
Sundry receivables	10.3	6,790,615	6,367,380	1,600,000	-
Amount due from subsidiaries		-	-	5,681,762	138,729,827
Refundable deposits		235,406	567,050	11,398	11,398
Non-refundable deposits		337,918	-	-	-
Prepayments		9,914,590	5,368,716	7,774	7,973
		17,278,529	12,303,146	7,300,934	138,749,198
		123,528,566	116,484,163	7,300,934	138,749,198

Notes To The Financial Statements

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10. TRADE AND OTHER RECEIVABLES (cont'd)

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

	GROUP		COMPANY	
	2024 RM	(Restated) 2023 RM	2024 RM	2023 RM
RM	28,281,036	65,604,497	7,300,934	138,749,198
United States Dollar ("USD")	95,247,530	50,879,666	-	-
	123,528,566	116,484,163	7,300,934	138,749,198

10.1 Trade receivables

The normal credit terms granted to trade receivables range from **15 to 120 days** (2023: 15 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

10.2 The movement of allowance for ECL on trade receivables

	GROUP	
	2024 RM	2023 RM
Balance at beginning	-	35,758
Current year	16,920	-
Reversal	-	(35,758)
Balance at end	16,920	-

10.3 Amount due from subsidiaries

	COMPANY	
	2024 RM	2023 RM
Interest bearing at 5.34% (2023: Nil) per annum	5,681,762	-
Non-interest bearing	-	138,729,827
	5,681,762	138,729,827

The amount due from subsidiaries is unsecured and classified based on the expected timing of realisation.

Notes To The Financial Statements

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11. CASH AND CASH EQUIVALENTS

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Unencumbered:					
Fixed deposits with licensed banks	11.1	362,010,678	372,575,431	90,241,752	24,616,752
Short-term money market deposits	11.2	57,757,000	45,591,900	-	-
Cash in hand and at banks		118,924,375	7,069,778	62,264,143	119,281
		538,692,053	425,237,109	152,505,895	24,736,033

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
RM	498,405,090	417,069,274	152,505,895	24,736,033
USD	40,046,587	7,831,606	-	-
VND	222,329	315,346	-	-
Others	18,047	20,883	-	-
	538,692,053	425,237,109	152,505,895	24,736,033

11.1 Fixed deposits with licensed banks

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Effective interest rates per annum (%)	2.40 to 7.46	2.10 to 4.25	2.40 to 4.40	2.10 to 4.25
Maturities (months)	1 to 12	1 to 12	1 to 12	1 to 12

Notes To The Financial Statements

30 April 2024

11. CASH AND CASH EQUIVALENTS (cont'd)

11.2 Short-term money market deposits

GROUP

The effective interest rates per annum and maturities of the short-term money market deposits of the Group as at the end of the reporting period range from **1.60% to 5.25%** (2023: 1.40% to 4.75%) per annum and **2 days to 12 months** (2023: 4 days to 12 months) respectively.

12. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2024	2023	2024 RM	2023 RM
Issued and fully paid with no par value	433,950,579	433,950,579	216,975,289	216,975,289

13. TREASURY SHARES

As at the end of the reporting period, the Company held a total of **500,000** (2023: 500,000) ordinary shares as treasury shares out of its total issued and paid up share capital. The number of outstanding ordinary shares in issue after deducting the treasury shares as at the end of the reporting period was **433,450,579** (2023: 433,450,579) ordinary shares.

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

14. OTHER RESERVES

	NOTE	GROUP		COMPANY	
		2024 RM	2023 RM	2024 RM	2023 RM
Fair value adjustment reserve	14.1	2,295,257	407,245	-	-
Capital reserve	14.2	-	-	15,824,999	15,824,999
		2,295,257	407,245	15,824,999	15,824,999

14.1 Fair value adjustment reserve

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

14.2 Capital reserve

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

Notes To The Financial Statements

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15. RETAINED PROFITS

COMPANY

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

16. DEFERRED TAX LIABILITIES

	GROUP	
	2024	2023
	RM	RM
Balance at beginning	6,850,368	5,730,368
Recognised in profit or loss	202,900	1,160,000
	7,053,268	6,890,368
Under/(Over) provision in prior year	592,600	(40,000)
Balance at end	7,645,868	6,850,368

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

	GROUP	
	2024	2023
	RM	RM
Property, plant and equipment	7,788,699	7,618,368
Unabsorbed capital allowances	-	(757,000)
Others	(142,831)	(11,000)
	7,645,868	6,850,368

Notes To The Financial Statements

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17. TRADE AND OTHER PAYABLES

	NOTE	GROUP		COMPANY	
		2024 RM	(Restated) 2023 RM	2024 RM	2023 RM
Trade payables					
Third parties	17.1	135,768,879	51,196,980	-	-
Other payables					
Sundry payables		2,992,603	1,822,324	23,366	18,236
Amount due to a subsidiary	17.2	-	-	-	7,321,159
Accruals		5,505,566	4,643,720	39,000	33,000
Sales and service tax ("SST") payable		194,042	153,073	-	-
		8,692,211	6,619,117	62,366	7,372,395
		144,461,090	57,816,097	62,366	7,372,395

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

	GROUP		COMPANY	
	2024 RM	(Restated) 2023 RM	2024 RM	2023 RM
RM	13,499,291	13,490,421	62,366	7,372,395
USD	130,916,615	44,209,408	-	-
Singapore Dollar ("SGD")	20,064	116,268	-	-
Others	25,120	-	-	-
	144,461,090	57,816,097	62,366	7,372,395

17.1 Trade payables

The trade payables are non-interest bearing and are normally settled within **7 to 90 days** (2023: 15 to 90 days) credit terms.

17.2 Amount due to a subsidiary

The amount due to a subsidiary is unsecured, non-interest bearing and repayable on demand.

Notes To The Financial Statements

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18. REVENUE

18.1 Disaggregation revenue information

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Type of goods or services				
Sales of garments	1,259,120,293	1,113,038,468	-	-
Sales of packaging materials	81,975,541	99,346,442	-	-
Management fee	-	-	516,000	516,000
Revenue from contracts with customers	1,341,095,834	1,212,384,910	516,000	516,000
Gross dividend income from subsidiaries, representing other revenue	-	-	47,400,000	39,318,016
Total revenue	1,341,095,834	1,212,384,910	47,916,000	39,834,016

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Geographical markets				
United States of America	394,986,647	330,239,367	-	-
European countries	306,861,179	317,511,819	-	-
China	243,108,890	202,015,661	-	-
Other Asian countries	190,272,720	154,664,286	-	-
Malaysia	90,319,075	105,713,060	516,000	516,000
Australia	24,761,438	21,664,129	-	-
South America	20,683,548	13,366,826	-	-
Canada	20,577,792	18,007,221	-	-
Mexico	15,483,577	11,508,225	-	-
Africa	5,578,652	3,061,361	-	-
Panama	2,792,380	1,632,436	-	-
Others	25,669,936	33,000,519	-	-
Total revenue from contracts with customers	1,341,095,834	1,212,384,910	516,000	516,000

Notes To The Financial Statements

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18. REVENUE (cont'd)

18.2 Contract balance

	GROUP	
	2024 RM	2023 RM
Trade receivables (Note 10)	106,250,037	104,181,017

18.3 Performance obligations

The performance obligations of the revenues are as follows:

(i) **Sale of garments**

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

(ii) **Sale of packaging materials**

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

(iii) **Management fee**

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

19. OTHER INCOME

	GROUP	
	2024 RM	2023 RM
Dividend income from:		
- Short-term investments with a financial institution	-	47,457
- Unquoted shares outside Malaysia	2,070,713	1,106,014
Gain on disposal of property, plant and equipment	-	203,543
Insurance claim	906,587	5,337,981
Miscellaneous	21,195	9,915
Realised gain on foreign exchange	7,300,146	56,957
Rental income	235,300	233,800
Unrealised gain on foreign exchange	-	521,503
	10,533,941	7,517,170

Notes To The Financial Statements

30 April 2024

20. FINANCE INCOME

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income from:				
- amount due from subsidiaries	-	-	1,513,325	-
- licensed banks	17,280,146	12,449,034	3,502,790	600,322
	17,280,146	12,449,034	5,016,115	600,322

21. PROFIT BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
After charging:				
Fees for statutory audit:				
- Grant Thornton Malaysia PLT ("GTM PLT")	143,000	100,000	32,000	26,000
- Other auditors	25,000	30,000	-	-
Fees for assurance related and non-audit services:				
- GTM PLT	3,000	3,000	3,000	3,000
- Affiliate of GTM PLT	22,500	26,000	4,000	4,000
Depreciation of:				
- property, plant and equipment	5,889,080	5,728,525	281,809	281,905
- investment properties	19,613	19,613	-	-
Directors' fee				
- Non-executive directors				
- Present directors	130,839	144,000	130,839	144,000
- Past director	8,000	-	8,000	-
# Expenses relating to lease of low-value assets	90,845	81,121	-	-
# Expenses relating to short-term leases	3,865,774	3,011,770	148,116	148,116
Loss on disposal of property, plant and equipment	93,917	-	-	-
Property, plant and equipment written off	139,580	24,843	-	-
* Staff costs	67,265,729	59,840,099	244,469	237,207
Unrealised loss on foreign exchange	557,623	-	-	-

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

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21. PROFIT BEFORE TAX (cont'd)

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
* Staff costs				
- Salaries, wages, allowances, overtime, bonus and performance incentives	60,318,532	53,033,385	215,150	208,950
- Defined contribution plan ("EPF")	4,498,656	4,356,315	25,896	25,152
- Social security contribution ("SOCSSO") and employment insurance scheme ("EIS")	511,561	435,527	2,318	2,161
- Other benefits	1,936,980	2,014,872	1,105	944
	67,265,729	59,840,099	244,469	237,207

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

	GROUP	
	2024 RM	2023 RM
Executive directors of the Company:		
- Salaries, allowances, bonus and performance incentives	7,463,000	7,133,000
- EPF	354,210	354,210
- SOCSSO and EIS	3,060	2,816
	7,820,270	7,490,026
- Benefits-in-kind	28,000	28,000
	7,848,270	7,518,026
Executive directors of subsidiaries:		
- Salaries, allowances and bonus	498,000	495,030
- EPF	4,680	4,680
- SOCSSO and EIS	1,433	1,346
	504,113	501,056
- Benefits-in-kind	13,500	13,500
	517,613	514,556
Total executive directors' remuneration	8,365,883	8,032,582

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22. TAXATION

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysian income tax:				
Based on results for the financial year				
- Current tax	(40,081,794)	(29,944,582)	(1,310,000)	(263,000)
- Deferred tax relating to the origination and reversal of temporary differences	(202,900)	(1,160,000)	-	-
	(40,284,694)	(31,104,582)	(1,310,000)	(263,000)
Over/(Under) provision in prior year				
- Current tax	664,048	931,649	(380)	-
- Deferred tax	(592,600)	40,000	-	-
	71,448	971,649	(380)	-
	(40,213,246)	(30,132,933)	(1,310,380)	(263,000)

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before tax	168,622,941	125,504,092	51,836,749	39,345,612
Less: Share of results of an associate	(87,010)	-	-	-
	168,535,931	125,504,092	51,836,749	39,345,612
Income tax at Malaysian statutory tax rate of 24%	(40,448,623)	(30,120,982)	(12,440,820)	(9,442,947)
Income not subject to tax	496,971	337,795	11,376,000	9,436,324
Expenses not deductible for tax purposes	(333,042)	(1,321,395)	(245,180)	(256,377)
	(40,284,694)	(31,104,582)	(1,310,000)	(263,000)
Over/(Under) provision in prior year	71,448	971,649	(380)	-
	(40,213,246)	(30,132,933)	(1,310,380)	(263,000)

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23. EARNINGS PER SHARE

(a) Basic earnings per share

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

	GROUP	
	2024	2023
Profit attributable to owners of the Company (RM)	128,409,704	95,371,192
Weighted average number of ordinary shares (excluding treasury shares)	433,450,579	433,450,579
Basic earnings per share (sen)	30	22

(b) Diluted earnings per share

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

24. DIVIDENDS

	COMPANY	
	2024 RM	2023 RM
In respect of financial year ended 30 April 2024:		
- First single tier interim dividend of approximately 2.8 sen per share	12,136,615	-
- Second single tier interim dividend of approximately 2.2 sen per share	9,535,908	-
- Third single tier interim dividend of approximately 3.5 sen per share	15,170,767	-
In respect of financial year ended 30 April 2023:		
- First single tier interim dividend of approximately 2.2 sen per share	-	9,535,907
- Second single tier interim dividend of approximately 2.3 sen per share	-	9,969,358
- Third single tier interim dividend of approximately 2 sen per share	-	8,669,012
- Fourth single tier interim dividend of approximately 2.5 sen per share	10,836,261	-
In respect of financial year ended 30 April 2022:		
- Third single tier interim dividend of approximately 2.5 sen per share	-	10,836,261
	47,679,551	39,010,538

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24. DIVIDENDS (cont'd)

On 11 July 2024, the Company has declared a fourth single tier interim dividend of approximately 3.3 sen per share amounting to RM14,303,864 in respect of the financial year ended 30 April 2024 and paid on 23 July 2024. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 April 2025.

25. COMMITMENTS

	GROUP	
	2024	2023
	RM	RM
Contracted but not provided for		
- Factory building	11,830,000	-
- Motor vehicles	406,187	175,915
- Other assets	173,556	128,731
	12,409,743	304,646

26. SEGMENT INFORMATION

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

Business segments

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

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

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

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

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

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

Segment assets exclude tax assets and unallocated assets.

Segment liabilities exclude tax liabilities and unallocated liabilities.

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26. SEGMENT INFORMATION (cont'd)

By business segments

	Manufacturing and sales of packaging materials	Manufacturing and sales of garments	Others	Elimination	NOTE	Total
	RM	RM	RM	RM		RM
2024						
Revenue						
External revenue	81,975,541	1,259,120,293	-			1,341,095,834
Inter-segment	-	-	47,916,000	(47,916,000)	A	-
Total revenue	81,975,541	1,259,120,293	47,916,000			1,341,095,834
Results						
Segment results	6,233,597	145,784,540	46,811,668	(47,400,000)		151,429,805
Finance income						17,280,146
Share of results of an associate						(87,010)
Profit before tax						168,622,941
Taxation						(40,213,246)
Profit for the financial year						128,409,695
Assets						
Segment assets	86,630,004	805,668,162	161,975,103			1,054,273,269
Current tax assets						872,745
Total assets						1,055,146,014

Notes To The Financial Statements

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26. SEGMENT INFORMATION (cont'd)

By business segments (cont'd)

	Manufacturing and sales of packaging materials	Manufacturing and sales of garments	Others	Elimination	NOTE	Total
	RM	RM	RM	RM		RM
Liabilities						
Segment liabilities	7,349,812	137,044,912	66,366			144,461,090
Deferred tax liabilities						7,645,868
Current tax liabilities						8,239,367
Total liabilities						160,346,325
Other segment information						
Additions to non-current assets			-		B	3,489,183
Depreciation	677,521	2,811,662				
- property, plant and equipment	2,057,970	3,549,301	281,809			5,889,080
- investment properties	19,613	-	-			19,613
Non-cash expenses other than depreciation	87,599	720,441	-		C	808,040

Notes To The Financial Statements

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26. SEGMENT INFORMATION (cont'd)

By business segments (cont'd)

2023	Manufacturing and sales of packaging materials RM	Manufacturing and sales of garments RM	Others RM	Elimination RM	NOTE	Total RM
Revenue						
External revenue	99,346,442	1,113,038,468	-			1,212,384,910
Inter-segment	-	-	39,834,016	(39,834,016)	A	-
Total revenue	<u>99,346,442</u>	<u>1,113,038,468</u>	<u>39,834,016</u>			<u>1,212,384,910</u>
Results						
Segment results	8,853,981	104,782,929	38,736,164	(39,318,016)		113,055,058
Finance income						<u>12,449,034</u>
Profit before tax						<u>125,504,092</u>
Taxation						<u>(30,132,933)</u>
Profit for the financial year						<u>95,371,159</u>
Assets						
Segment assets	95,292,888	759,846,569	25,568,532			880,707,989
Current tax assets						<u>1,107,378</u>
Total assets						<u>881,815,367</u>

Notes To The Financial Statements

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26. SEGMENT INFORMATION (cont'd)

By business segments (cont'd)

	Manufacturing and sales of packaging materials RM	Manufacturing and sales of garments RM	Others RM	Elimination RM	NOTE	Total RM
Liabilities						
Segment liabilities	10,351,770	47,409,012	55,315			57,816,097
Deferred tax liabilities						6,850,368
Current tax liabilities						4,967,369
Total liabilities						<u>69,633,834</u>
Other segment information						
Additions to non-current assets	697,897	4,169,473	-		B	4,867,370
Depreciation						
- property, plant and equipment	2,123,517	3,323,103	281,905			5,728,525
- investment properties	19,613	-	-			19,613
Non-cash income other than depreciation	(212,081)	(523,880)	-		C	(735,961)

Notes To The Financial Statements

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26. SEGMENT INFORMATION (cont'd)

Notes to segmental information:

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

	2024 RM	2023 RM
Allowance for ECL on trade receivables:		
- addition	16,920	-
- reversal	-	(35,758)
Loss/(Gain) on disposal of property, plant and equipment	93,917	(203,543)
Property, plant and equipment written off	139,580	24,843
Unrealised loss/(gain) on foreign exchange	557,623	(521,503)
	808,040	(735,961)

By geographical segments

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

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

	Non-current assets	
	2024 RM	2023 RM
Malaysia	48,131,338	50,760,988
Vietnam	27,588,512	25,885,745
	75,719,850	76,646,733

Information about major customers

Total revenue from 1 (2023: 1) major customer which individually contributed to 10% or more of the Group's revenue amounted to **RM1,210,443,884** (2023: RM1,067,421,420), arising from the manufacturing and sales of garments segment.

Notes To The Financial Statements

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27. RELATED PARTY DISCLOSURES

(a) Identity of related parties

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

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

(b) Related party transactions

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Rental of premises paid and payable to KP Holdings Sdn. Bhd.	136,800	136,800	136,800	136,800
Dividend income received from subsidiaries	-	-	47,400,000	39,318,016
Interest income received from subsidiaries	-	-	1,513,325	-
Management fees received from subsidiaries	-	-	516,000	516,000

(c) Compensation of key management personnel

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

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27. RELATED PARTY DISCLOSURES (cont'd)

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

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

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fee	138,839	144,000	138,839	144,000
Salaries, allowances and bonus	10,102,040	9,681,770	-	-
EPF	572,615	573,719	-	-
SOCSSO and EIS	7,553	7,264	-	-
Benefits-in-kind	48,000	48,000	-	-
	10,869,047	10,454,753	138,839	144,000
Analysed as:				
- Directors	8,504,722	8,176,582	138,839	144,000
- Other key management personnel	2,364,325	2,278,171	-	-
	10,869,047	10,454,753	138,839	144,000

28. FINANCIAL INSTRUMENTS

28.1 Categories of financial instruments

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

	Carrying amount RM	AC RM	FVOCI RM
GROUP			
2024			
Financial assets			
Investment securities	20,115,206	-	20,115,206
Trade and other receivables, excluding non-refundable deposits and prepayments	113,276,058	113,276,058	-
Cash and cash equivalents	538,692,053	538,692,053	-
	672,083,317	651,968,111	20,115,206

Notes To The Financial Statements

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28. FINANCIAL INSTRUMENTS (cont'd)

28.1 Categories of financial instruments (cont'd)

	Carrying amount RM	AC RM	FVOCI RM
GROUP			
2024			
Financial liability			
Trade and other payables, excluding SST payable	144,267,048	144,267,048	-
2023			
Financial assets			
Investment securities	18,227,194	-	18,227,194
Trade and other receivables, excluding non-refundable deposits and prepayments	111,115,447	111,115,447	-
Cash and cash equivalents	425,237,109	425,237,109	-
	554,579,750	536,352,556	18,227,194
Financial liability			
Trade and other payables, excluding SST payable	57,663,024	57,663,024	-
COMPANY			
2024			
Financial assets			
Other receivables, excluding prepayments	7,293,160	7,293,160	-
Cash and cash equivalents	152,505,895	152,505,895	-
	159,799,055	159,799,055	-
Financial liability			
Other payables	62,366	62,366	-
2023			
Financial assets			
Other receivables, excluding prepayments	138,741,225	138,741,225	-
Cash and cash equivalents	24,736,033	24,736,033	-
	163,477,258	163,477,258	-
Financial liability			
Other payables	7,372,395	7,372,395	-

Notes To The Financial Statements

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28. FINANCIAL INSTRUMENTS (cont'd)

28.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

28.3 Credit risk

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

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

28.3.1 Trade receivables

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

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

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

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

Notes To The Financial Statements

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28. FINANCIAL INSTRUMENTS (cont'd)

28.3 Credit risk (cont'd)

28.3.1 Trade receivables (cont'd)

	Gross RM	Allowance for ECL RM	Net RM
2023			
Not past due	87,768,988	-	87,768,988
1 to 30 days past due	8,997,064	-	8,997,064
31 to 60 days past due	5,599,675	-	5,599,675
More than 60 days past due	1,815,290	-	1,815,290
	16,412,029	-	16,412,029
	104,181,017	-	104,181,017

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

The Group has trade receivables amounting to **RM13,514,666** (2023: RM16,412,029) that are past due at the end of the reporting period but management is of the view that these past due amounts will be collected in due course and no impairment is necessary.

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

Credit risk concentration profile

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

	2024		2023	
	RM	% of total	RM	% of total
By industry sectors:				
Manufacturing and sales of:				
- packaging materials	18,897,095	17.8	22,666,449	21.8
- garments	87,352,942	82.2	81,514,568	78.2
	106,250,037	100.0	104,181,017	100.0

Notes To The Financial Statements

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28. FINANCIAL INSTRUMENTS (cont'd)

28.3 Credit risk (cont'd)

28.3.1 Trade receivables (cont'd)

Credit risk concentration profile (cont'd)

As at the end of the reporting period, the Group has significant concentration of credit risk in the form of outstanding balance due from **1 customer** (2023: 1 customer) representing **78%** (2023: 75%) of the total trade receivables. However, the risk is mitigated by the fact that these customers are long-established customers of the Group and the Group has been as an approved vendor of the said customers for more than 10 years.

Maximum exposure to credit risk

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

	Gross RM	Allowance for ECL RM	Net RM
Credit risk rating			
GROUP			
2024			
Low risk	106,250,037	-	106,250,037
Individually impaired	16,920	(16,920)	-
	106,266,957	(16,920)	106,250,037
2023			
Low risk	104,181,017	-	104,181,017

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

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

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28. FINANCIAL INSTRUMENTS (cont'd)

28.3 Credit risk (cont'd)

28.3.2 Intercompany balances

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

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

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

28.4 Liquidity risk

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

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

28.5 Interest rate risk

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

The interest rate profile of the Group's and the Company's interest-bearing financial instruments based on their carrying amount as at the end of the reporting period are as follows:

	GROUP		COMPANY	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed rate instrument				
Financial assets	419,767,678	418,167,331	90,241,752	24,616,752
Floating rate instrument				
Financial assets	-	-	5,681,762	-

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at FVTPL, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

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28. FINANCIAL INSTRUMENTS (cont'd)

28.5 Interest rate risk (cont'd)

Sensitivity analysis for variable rate instruments

An increase of 25 basis point at the end of the reporting period would have an insignificant impact to the Company's profit before tax and equity. These changes are considered to be reasonably possible based on observation of current market conditions. This analysis assumes that all other variables remain constant.

28.6 Foreign currency risk

The objectives of the Group's foreign exchange policies are to allow the Group to manage exposures that arise from trading activities effectively within a framework of controls that does not expose the Group to unnecessary foreign exchange risks.

The Group is exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the functional currency of the Group entities. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily USD and VND.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates against RM, with all other variables held constant, of the Group's profit before tax and equity. A 10% strengthening of the RM against the following foreign currencies at the end of the reporting period would have decreased/(increased) profit before tax and decreased/(increased) equity by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period.

	GROUP			
	2024		2023	
	Equity RM	Profit before tax RM	Equity RM	Profit before tax RM
USD	(268,367)	(353,114)	776,728	1,022,010
VND	2,028,418	22,233	1,846,686	31,535
Others	(2,063)	(2,714)	(7,250)	(9,539)
	1,757,988	(333,595)	2,616,164	1,044,006

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29. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and of the Company's financial assets (other than investment securities) and financial liabilities as at the end of the reporting period approximate their fair values due to their short term nature.

29.1 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
GROUP					
2024					
Financial asset					
Investment securities	-	-	20,115,206	20,115,206	20,115,206
2023					
Financial asset					
Investment securities	-	-	18,227,194	18,227,194	18,227,194

Level 3 fair value

The fair value of the unquoted shares which does not have an active trading market is determined based on the relative valuation methodology, primarily adopting the price-to-earnings multiples ("PER") and price-to-book multiples ("PBR") of comparable public companies (peers) based on similar industry and size. The trading multiples are then discounted for lack of marketability and control.

The following table shows the valuation technique used in the determination of fair value of unquoted shares within Level 3, as well as the significant unobservable inputs used in the valuation model.

The weighted average unobservable inputs applied for both years are as follow:

	GROUP	
	2024	2023
PER (times)	8.89 - 12.60	4.49 - 4.82
PBR (times)	0.86 - 1.24	0.62 - 0.67
Lack of marketability (%)	30	25 - 30
Lack of control (%)	20	20

Notes To The Financial Statements

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29. FAIR VALUE MEASUREMENT (cont'd)

29.1 Financial assets that are measured at fair value on a recurring basis (cont'd)

Level 3 fair value (cont'd)

The following table demonstrates the sensitivity to a reasonably possible change in the unobservable inputs, with all other variables held constant, of the other reserves of investment securities of the Group.

	GROUP	
	2024	2023
	RM	RM
A 10% increase in the trading multiples	2,010,831	2,135,181
A 10% increase in the discount for lack of marketability and control	(1,342,948)	(2,869,238)
A 10% decrease in the trading multiples	(2,010,831)	(2,135,181)
A 10% decrease in the discount for lack of marketability and control	1,342,948	2,869,238

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, 2 and 3 during the financial year.

29.2 Non-financial assets that are measured at fair value

The following table shows the Levels within the hierarchy of non-financial assets for which fair value is disclosed as at the end of the reporting period:

	Level 1	Level 2	Level 3	Total	Carrying amount
	RM	RM	RM	RM	RM
GROUP					
2024					
Investment properties	-	-	4,001,504	4,001,504	1,019,086

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29. FAIR VALUE MEASUREMENT (cont'd)

29.2 Non-financial assets that are measured at fair value (cont'd)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
2023					
Investment properties	-	-	3,928,000	3,928,000	1,038,699

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair value of investment properties was based on a valuation report provided by an independent qualified valuer. Valuation was based on current prices in an active market for certain properties and where appropriate, the investment method reflecting receipt of contractual rentals, expected future market rentals, current market yields, void periods maintenance requirements and approximate capitalisation rates are used.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between level 1, 2 and 3 during the financial year.

30. CAPITAL MANAGEMENT

The primary objective of the capital management policy of the Group and of the Company is to maintain a strong capital base to support its business and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to its shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

There were no external capital requirements imposed on the Group and the Company as at the end of the reporting period.

Notes To The Financial Statements

30 April 2024

31. COMPARATIVE FIGURES

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

The effects of the above reclassifications to the financial statements of the Group are as follows:

	As previously stated RM	Reclassifications RM	As restated RM
As at 30 April 2023			
Statements of financial position			
GROUP			
Trade and other receivables	151,400,825	(34,916,662)	116,484,163
Trade and other payables	<u>92,732,759</u>	<u>34,916,662</u>	<u>57,816,097</u>

32. EVENT AFTER THE REPORTING PERIOD

On 8 July 2024, a wholly-owned subsidiary of the Company, SIG acquired 2,450,000 ordinary shares in Viet Tien Garment Corporation ("VTEC"), a Vietnamese company listed on Unlisted Public Company Market ("UPCoM") in Vietnam, for a total cash consideration of RM18,153,569.

With this strategic investment, SIG's equity interest in VTEC has increased from 8.99% to 14.55%.

List of Properties owned by the Group

Company	Location	Land Area/ Built-up Area	Existing Use	Tenure	Approx. Age of Building (Years)	Net Book Value @ 30-4-2024 RM000
IPP	Lot 897, 984 & 985, Batu 13, Jalan Kelang 47100 Puchong Selangor Darul Ehsan. (^1)	27,797 sq.m./ 15,362 sq.m.	Factory and Office Premises	Freehold	34	6,770
SIP	H.S.(D) No. 40 Plot No. 21 Mk. 1 SPT (*), 983 Kawasan MIEL Prai, PIP. (~) (^2)	1,995 sq.m./ 1,528 sq.m.	Rented Out as Factory	99 years Leasehold expiring on 28-9-2071	41	128
	H.S.(D) No. 4694 P.T. No. 3406 Mk. 1 SPT (*), Plot 541 Lorong Perusahaan Baru 2, PIP. (~) (^3)	7,050 sq.m./ 4,464 sq.m.	Factory and Office Premises	60 years Leasehold expiring on 23-7-2051	34	1,117
	Lot 187 Mk. 1, SPT (*), No. GM 59, 2930 Lorong Perusahaan Baru 6, 13600 Prai, Penang. (^4)	3,979 sq.m./ 1,674 sq.m.	Factory and Warehouse	Freehold	28	2,017
	20 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^5)	186 sq.m./ 279 sq.m	Office Premises	Freehold	24	207
	22 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^6)	186 sq.m./ 279 sq.m	Office Premises	Freehold	24	929
	24 Jalan Tambur 33/19, Shah Alam Technology Park, Section 33, 40400 Shah Alam, Selangor. (^6)	186 sq.m./ 279 sq.m	Rented out as store	Freehold	23	891

List of Properties owned by the Group

Company	Location	Land Area/ Built-up Area	Existing Use	Tenure	Approx. Age of Building (Years)	Net Book Value @ 30-4-2024 RM000
SIG	Lot Nos. PT 1577 and PT 2677, Mk. 1, SPT(*), No. 2468, Solok Perusahaan 2, Prai Industrial Estate, 13600 Perai, Penang. (^7)	17,621 sq.m./ 12,1948 sq.m.	Factory, Warehouse and Office Premises	60 years Leasehold expiring on 1-10-2046 & 16-10-2048 respectively	36	8,047
	Lot Nos. 2736 to 2737, Mk. 6, SPT(*), Nos. 12 and 14, Jalan Nagasari 1, Taman Nagasari, 13600 Perai, Penang. (^8)	208 sq.m./ 277 sq.m.	Worker quarters	Freehold	34	224
	Lot Nos. PT 4586, Mk. 1, SPT(*), Solok Perusahaan 2, Prai Industrial Estate, 13600 Perai, Penang. (^9)	4,444 sq m	Land	99 years Leasehold expiring on 5-8-2113	-	1,949

(^1) Purchased on 16 September 1989

(^2) Purchased on 27 May 1988

(^3) Purchased on 30 June 1990

(^4) Purchased on 18 April 2002

(^5) Purchased on 14 May 2002

(^6) Purchased on 5 February 2016

(^7) Purchased in 1987 & 1989 respectively and revalued in 2005

(^8) Purchased in 1990 and revalued in 2005

(^9) Purchased on 6 August 2014

(*) Seberang Perai Tengah

(~) Prai Industrial Park, 13600 Prai, Penang

Thirty Largest Securities Account Holders

as at 15 August 2024

Shareholders		No. of Shares	% Shareholding
1.	Tan Poay Seng	127,138,800	29.33
2.	KP Holdings Sdn Bhd	58,650,000	13.53
3.	Tan Kok Ping (Tan Sri Dato' Seri)	30,423,000	7.02
4.	Siyasi Sdn Bhd	28,836,026	6.65
5.	Lee Yuit Eow	13,857,000	3.20
6.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund	9,500,133	2.19
7.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management For Tan Poay Teik	8,402,000	1.94
8.	Amanahraya Trustees Berhad Public Islamic Opportunities Funds	5,709,433	1.32
9.	Citigroup Nominees (Asing) Sdn Bhd CBNY For Norges Bank (FI 17)	4,690,800	1.08
10.	Tan Ai Ling	4,400,000	1.02
11.	Tan Ee Ling	4,000,000	0.92
12.	H'ng Cheok Seng	3,472,800	0.80
13.	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad for Prulink Strategic Fund	2,974,000	0.69
14.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	2,563,800	0.59
15.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Islamic)	2,488,100	0.57
16.	JcbNext Berhad	2,343,600	0.54
17.	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (Eastspring)	2,217,000	0.51
18.	Cartaban Nominees (Asing) Sdn Bhd SSBT Fund F9LJ For Fidelity Global Intrinsic Value Investment Trust	2,130,900	0.49
19.	Amanahraya Trustees Berhad PB Smallcap Growth Fund	1,994,566	0.46
20.	South Island Holdings Sdn. Bhd.	1,880,693	0.43
21.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investments Islamic Small-Cap Fund	1,613,600	0.37
22.	T C Holdings Sdn. Bhd.	1,611,833	0.37
23.	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sdn Bhd (2)	1,492,700	0.35
24.	Chang Chuen Hwa	1,333,333	0.31
25.	South Island Development Co Sdn Bhd	1,319,733	0.31
26.	Citigroup Nominees (Asing) Sdn Bhd CBNY For Emerging Market Core Equity Portfolio DFA Investment Dimensions Group Inc	1,267,865	0.29
27.	Ooi Pey Wong	1,200,000	0.28
28.	Tan Kok Aun	1,070,016	0.25
29.	Lee Gaik Sim	1,050,500	0.24
30.	Amanahraya Trustees Berhad Public Emerging Opportunities Fund	1,041,433	0.24
Total		330,673,664	76.29

Substantial Shareholders

as at 15 August 2024

Substantial Shareholders as at 15 August 2024 excluding Bare Trustee

	Direct		Deemed	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Tan Sri Dato' Seri Tan Kok Ping	30,423,000	7.02	⁽¹⁾ 58,650,000	13.53
KP Holdings Sdn Bhd ("KPH")	58,650,000	13.53	-	-
Tan Poay Seng	127,138,800	29.33	-	-
Siyasi Sdn Bhd	28,836,026	6.65	-	-

Notes:

⁽¹⁾ Deemed interested by virtue of Section 8 of the Companies Act 2016 held through KPH.

Directors' Shareholdings as at 15 August 2024

Name	Direct		Indirect (>)(<)	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Tan Sri Dato' Seri Tan Kok Ping	30,423,000	7.02	[^] 58,650,000	13.53
			> 17,800,300	4.11
Tan Poay Seng	127,138,800	29.33	-	-
H'ng Cheok Seng	3,472,800	0.80	-	-
Tan Poh Heng	-	-	-	-
Fera Fizani Binti Ahmad Fizri	4,000	# -	-	-

Notes:

[^] Deemed interested by virtue of his interest in KPH pursuant to Section 8 of the Companies Act 2016.

> Shares held by children notified pursuant to Section 59(11)(c) of the Companies Act 2016.

Negligible.

Key Senior Management's Shareholdings

as at 15 August 2024

Name	No. of Shares		Indirect (>)(<)	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Lee Koong Chen @ Lee Kong Chew	473,133	0.11	-	-
Yap Yong Teck	-	-	-	-
Lim Eng Chuan	1,280,000	0.30	< 144,333	0.03

Notes:

< Shares held by spouse notified pursuant to Section 59(11)(c) of the Companies Act 2016.

Negligible

Analysis of Shareholdings

as at 15 August 2024

No. of Shares with Voting Rights : 433,450,579 (Excluding 500,000 treasury shares)

Class of Share : Ordinary shares fully paid

Voting Rights : On a poll – one vote for every ordinary share held

Size of Shareholdings	No. of Shareholders	No. of Shares	% Shareholding
Less than 100	433	18,565	*
100 – 1,000	1,623	1,032,441	0.24
1,001 – 10,000	4,016	17,878,653	4.13
10,001 – 100,000	1,282	37,388,466	8.63
100,001 – 21,672,528	190	132,084,628	30.47
21,672,528 – and above	4	245,047,826	56.53
Total	7,548	433,450,579	100.00

Note:

* Negligible

PROXY FORM

Number of Shares Held	CDS ACCOUNT NO.												

* I /We..... (*NRIC/Passport/Company No.)
 (Full Name in Block Letters)
 of (Address)
 being a * member / members of the abovenamed Company, hereby appoint:

Full Name in Block Letters	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

*and/or

Full Name in Block Letters	NRIC / Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

or failing him, the Chairman of the Meeting as * my / our proxy to vote for * me / us on * my / our behalf at the 27th Annual General Meeting ("AGM") of the Company to be conducted fully virtual through live streaming and online participation and voting using Remote Participation and Voting ("RPV") facility via the online meeting platform at <https://www.propollsolutions.com.my> provided by Propoll Solutions Sdn Bhd in Malaysia (Domain registration number D1A403203) on Wednesday, 02 October 2024 at 10.30 a.m. and at any adjournment thereof.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To re-elect Mr. Tan Poay Seng as a Director of the Company.		
2.	To re-elect Mr. H'ng Cheek Seng as a Director of the Company.		
3.	To approve the payment of Directors' Fees to Non-Executive Directors.		
4.	To re-appoint Messrs. Grant Thornton Malaysia PLT as auditors of the Company.		
5.	To authorise the Directors to allot and issue new shares in the Company.		
6.	To approve the renewal of share buy-back authority.		
7.	To retain Mr. Tan Poh Heng as an Independent Director of the Company.		

Please indicate with an "x" in the appropriate spaces provided above on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy may vote as he thinks fit.

Signed this day of 2024.

.....
 Signature of Member(s)/Common Seal

Notes:

- For the purpose of determining a member who shall be entitled to attend the 27th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 26 September 2024. Only a depositor whose name appears on the Record of Depositors as at 26 September 2024 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her behalf.
- A proxy may but need not be a member of the Company.
- A member shall be entitled to appoint of up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.
- In the case of a corporate member, the Proxy Form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
- For a proxy to be valid, this form duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL, Jalan Sultan Ahmad Shah, 10050 Penang not less than 48 hours before the time appointed for holding the meeting or at any adjournment thereof or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default this form shall not be treated as valid.

* Strike out whichever is not desired

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To,

THE COMPANY SECRETARY
MAGNI-TECH INDUSTRIES BERHAD
Registration No. 199701007089 (422585-V)
51-21-A MENARA BHL
JALAN SULTAN AHMAD SHAH
10050 PENANG

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