

# ***SUPERLON***®

**SUPERLON HOLDINGS BERHAD**

REGISTRATION NO. : 200601020659 (740412-X)



# **SUPERLON** INSULATION TUBES

**SUPERLON** is Malaysia's leading manufacturer of high quality thermal insulation materials used mainly in the Heating, Ventilation, Air-conditioning and Refrigeration (HVAC&R) system of residential, commercial and industrial buildings. The company's thermal insulation products are used as vapour barrier for the prevention of condensation or frost formation on cooling systems, chilled water and refrigeration lines as well as heat loss reduction for hot water plumbing, heating and dual temperature piping.

## **VISION** STATEMENT



To contribute to the overall reduction of global energy consumption through the manufacturing of quality products, particularly in the area of thermal insulators.

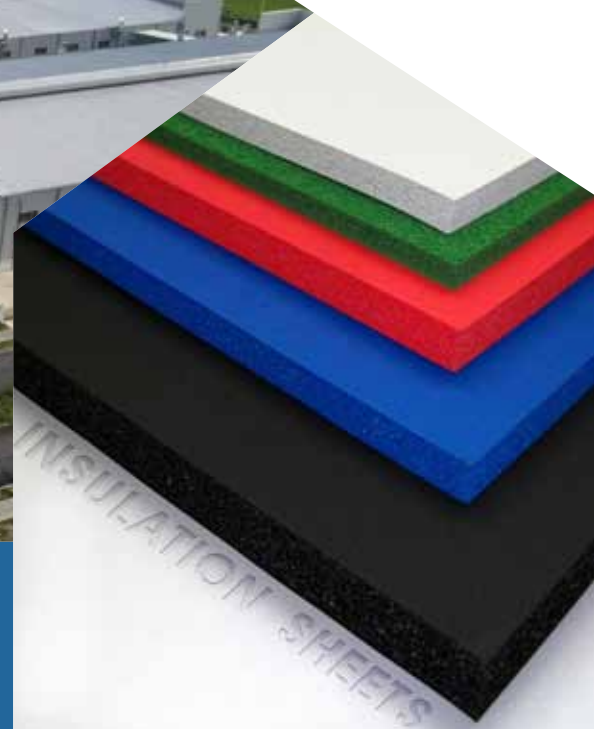
## **MISSION** STATEMENT



To be recognised globally as a reliable manufacturer of quality thermal insulators.

To build a global brand name within the thermal insulation industry.

To continuously be innovative in the application of elastomeric acrylonitrile butadiene rubber across other industries.



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## Definitions:

Except where the context otherwise requires, the following definitions shall apply throughout this Annual Report:

ARMC

Audit & Risk Management Committee

Act

The Companies Act 2016

AGM

Annual General Meeting

Board

Board of Directors of Superlon

Bursa Securities

Bursa Malaysia Securities Berhad

FYE

Financial year ended/ ending 30 April

HVAC&R

Heating, ventilation, air-conditioning and refrigeration

LR

Main Market Listing Requirements of Bursa Securities

Superlon or Company

Superlon Holdings Berhad

Superlon Group or Group

Superlon and its subsidiaries

# 18<sup>th</sup> ANNUAL GENERAL MEETING

## TIME

10.00 a.m.

## DATE

25 September 2024,  
Wednesday

## VENUE

Botanic Room,  
Botanic Resort Club,  
No.1, Jalan Ambang Botanic,  
Bandar Botanic, 41200 Klang,  
Selangor Darul Ehsan



This Annual Report can be downloaded from  
**[www.superlon.com.my](http://www.superlon.com.my)**



# CHAIRMAN'S STATEMENT

## DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Superlon, it is my pleasure to present the Annual Report of the Superlon Group and of the Company for the FYE 30 April 2024 ("FYE 2024").

### ECONOMIC AND BUSINESS OVERVIEW

Despite the high inflation and interest rate environment, we witnessed sustained global demand and growth. In addition, the elevated logistics costs that weighed down global trade previously have gradually moderated during the year. These factors, coupled with a buoyant domestic economy, have contributed to the resurgence in demand for our products. Nonetheless, the continuing geopolitical tension in the Middle East, adds to the uncertainty emanating from the war in Europe, creating headwinds on the operating environment and pose logistic challenges for global trade.

Superlon remains committed to deliver value to our stakeholders. Building upon our robust foundation, we are steadfast in harnessing our core strengths to drive sustainable enhancements in Superlon's operational and financial performance.

### FINANCE PERFORMANCE

Our revenue increased from RM108.4 million in FYE 2023 to RM118.2 million in FYE 2024 with higher revenue contribution from our manufacturing divisions. The higher revenue is mainly attributed to stronger demand in both the export and local markets as well as favourable foreign exchange environment.

On the back of higher revenue, our profit before tax surged from RM4.2 million in FYE 2023 to RM13.9 million in FYE 2024 mainly due to lower raw material costs as well as selling and distribution expenses during the financial year.

### DIVIDENDS

For the FYE 2024, the Company had in September 2023, January 2024 and April 2024 paid interim single-tier dividends amounting to 2.75 sen (2023: 0.8 sen), which represents a payout ratio of approximately 36.4% of FYE 2024's profit attributable to the shareholders of the Company. The Board adopted a dividend policy to pay out at least 30% of its audited consolidated profit after taxation attributable to shareholders for each financial year, after excluding non-operating income that is capital in nature. This represents our commitment to our shareholders to participate in the profits of Superlon.

### PROSPECTS AND OUTLOOK

Bank Negara Malaysia reported that the global economy is expected to be sustained in the second half of 2024. This is supported by positive labour market conditions and moderating inflation. The monetary policy easing by the advanced economies will further support growth in the short-to-medium term. China's growth is expected to expand albeit at a slower pace, as fiscal support will be offset by weak property market and consumer sentiments. Global trade growth is expected to recover further, as global technology upcycle gains momentum. The growth outlook remains subject to downside risks mainly from escalation of geopolitical tensions, higher-than-expected inflation, and a sharp tightening in financial market conditions. However, upside risk to global growth can arise from stronger-than-expected domestic demand, particularly in advanced economies. Going forward, growth of the Malaysian economy in the second half of 2024 is expected to be driven mainly by firm expansions in investment activity and resilient household spending, with larger support from exports recovery.

Accordingly, Superlon sees exciting growth opportunities to expand our existing markets and develop new ones. The Group will continue to invest in its capacity and leverage on its strong financial position to navigate the evolving business landscape. We remain focused on the integration of sustainability initiatives into our businesses and operations. We are well positioned to benefit from the rebound in the global economy and create sustainable value for all our stakeholders.

### APPRECIATION

The Board herein expresses its heartfelt gratitude to its dedicated management and staff for their untiring commitment towards attaining the continuing success, resilience and growth of the Group. A sincere note of appreciation to our valued customers, business associates, government authorities, bankers, suppliers and shareholders for their unwavering trust and support.

In addition, I take pleasure in thanking my fellow Board members for their dedication in discharging their duties in leading and guiding the Group.

The Board looks forward to scaling new heights with the continued support from all stakeholders.

### CHUN KWONG PONG

Non-Independent Non-Executive Chairman



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Non-Independent Non-Executive Chairman**

**CHUN KWONG PONG**

**Managing Director and Chief Executive Officer**

**LIU LEE, HSIU-LIN**

(ALSO KNOWN AS JESSICA HSIU-LIN LIU)

**Executive Directors**

**LIU HAN-CHAO**

**LIU JEREMY**

**ONGI CHENG SAN**

**Independent Non-Executive Directors**

**LIN, PO-CHIH**

**LIM WAI LOONG**

**LEE MEI HSIANG**

## AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Lee Mei Hsiang

Members

Lim Wai Loong

Lin, Po-Chih

## NOMINATION COMMITTEE

Chairman

Lin, Po-Chih

Members

Chun Kwong Pong

Lee Mei Hsiang

## REMUNERATION COMMITTEE

Chairman

Chun Kwong Pong

Members

Lim Wai Loong

Lee Mei Hsiang

## COMPANY SECRETARY

Ng Mei Wan

(MIA 28862)

(SSM PC No. 201908000801)

## REGISTERED OFFICE

3-2, 3<sup>rd</sup> Mile Square

No. 151 Jalan Kelang Lama

Batu 3½, 58100 Kuala Lumpur

Tel : 603-7987 5300

Fax : 603-7987 5200

Email : [fancos.general@fancos.com.my](mailto:fancos.general@fancos.com.my)

## PRINCIPAL PLACE OF BUSINESS

Lot 2567, Jalan Sungai Jati

41200 Klang

Selangor Darul Ehsan

Tel : 603-3382 1688

Fax : 603-3381 5788

Website : [www.superlon.com.my](http://www.superlon.com.my)

## AUDITORS

Crowe Malaysia PLT

201906000005

(LLP0018817-LCA) & AF 1018

Chartered Accountants

Muar Office, 8 Jalan Pesta 1/1

Taman Tun Dr. Ismail 1

Jalan Bakri, 84000 Muar, Johor

Tel : 606-952 4328

Fax : 606-952 7328

## SOLICITORS

Christina Chia Law Chambers

## SHARE REGISTRARS

Tricor Investor & Issuing House  
Services Sdn Bhd

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8 Jalan Kerinchi

59200 Kuala Lumpur

Tel : 603-2783 9299

Fax : 603-2783 9222

Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

## PRINCIPAL BANKERS

CIMB Bank Berhad

Hong Leong Bank Berhad

Malayan Banking Berhad

Public Bank Berhad

UOB Asset Management Berhad

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia

Securities Berhad

Stock Name : SUPERLN

Stock Code : 7235

## INVESTOR RELATIONS

Shareholders, investors and members of the public are invited to access the Company's website at [www.superlon.com.my](http://www.superlon.com.my) or Bursa's website for announcements made at [www.bursamalaysia.com](http://www.bursamalaysia.com) for information on the Group's operations and latest developments. For further details, please contact the following via [corporate@superlon.com.my](mailto:corporate@superlon.com.my) :-

**Mr Liu Han-Chao**  
Executive Director

**Mr Lin, Po-Chih**  
Independent Non-Executive Director

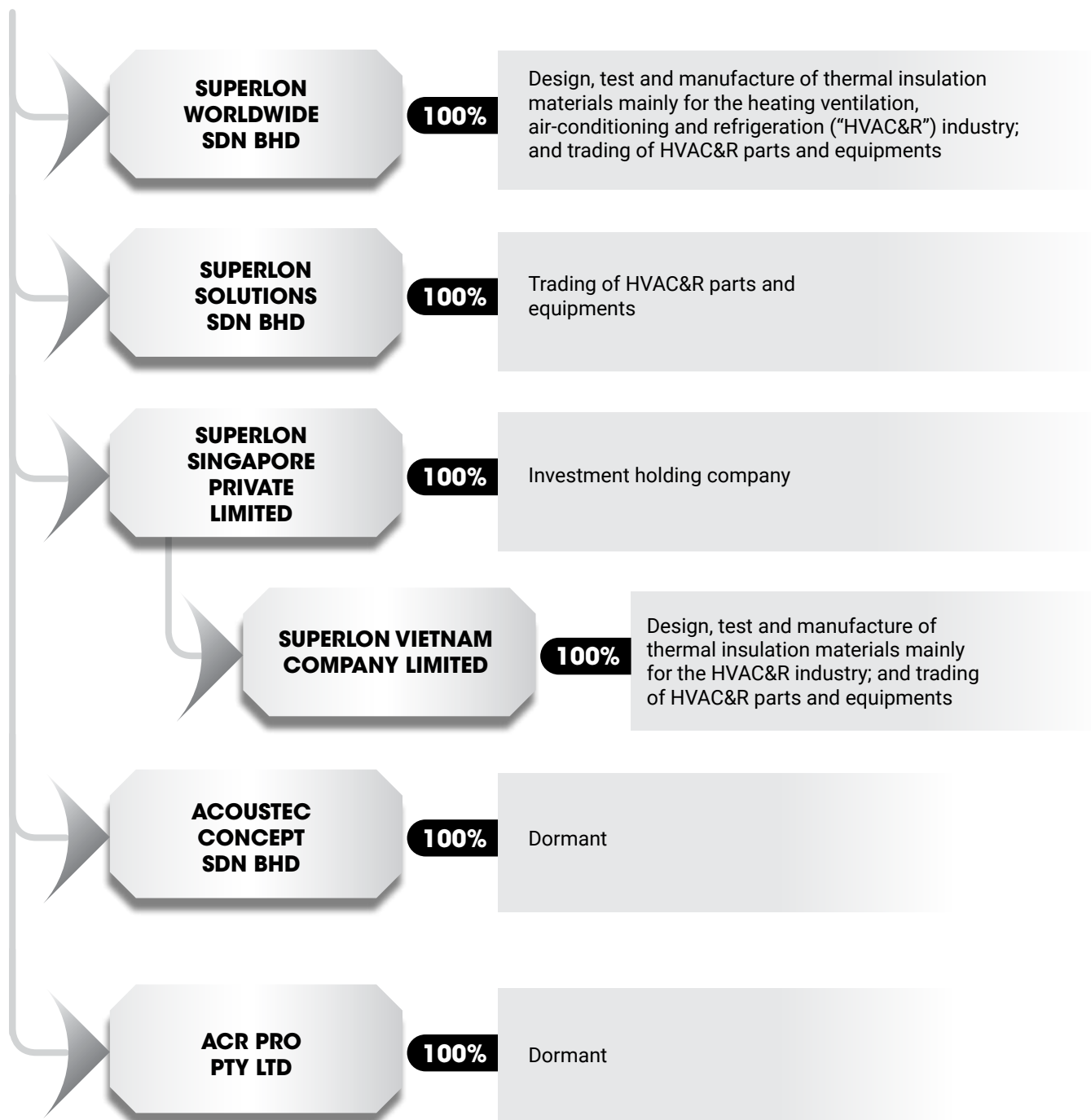
## GROUP STRUCTURE

# ***SUPERLON***<sup>®</sup>

### **SUPERLON HOLDINGS BERHAD**

Registration No.: 200601020659 (740412-X)

Investment holding and provision of management services



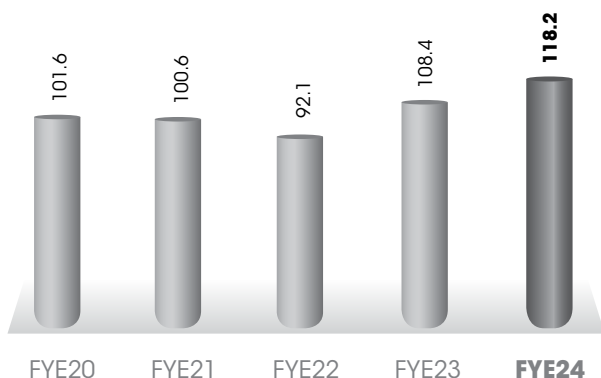
Note:

Superlon Worldwide (India) Private Limited was struck off on 13 November 2023.

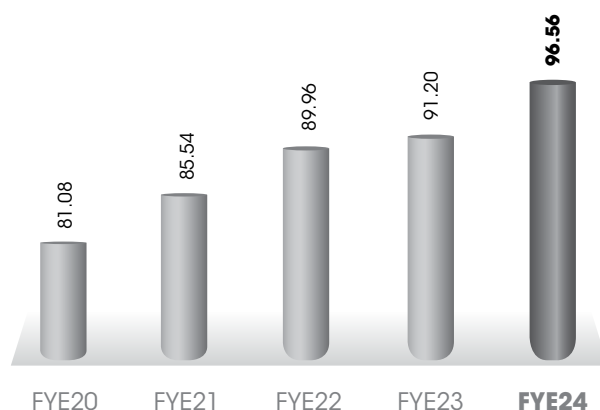
# FINANCIAL HIGHLIGHTS

FOR THE FINANCIAL YEARS ENDED 30 APRIL 2020 TO 2024

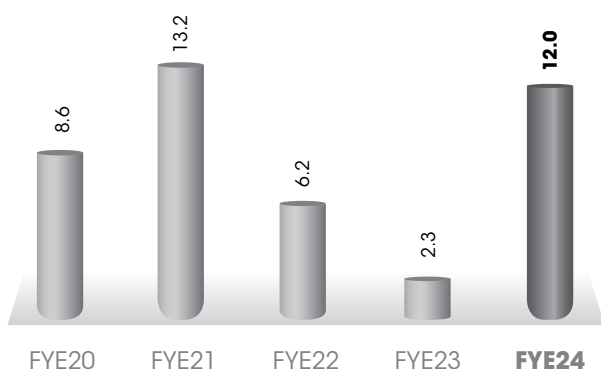
**REVENUE**  
RM'Million



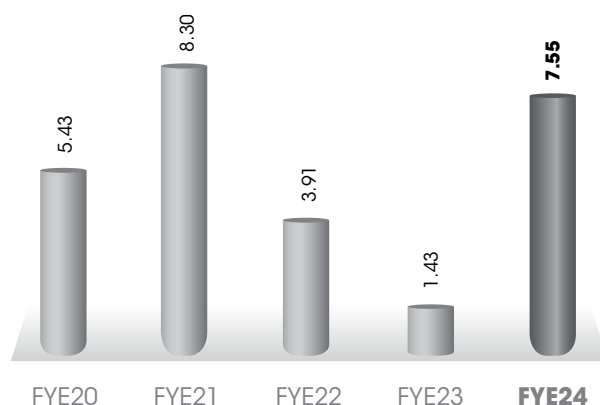
**NET ASSETS PER SHARE**  
SEN



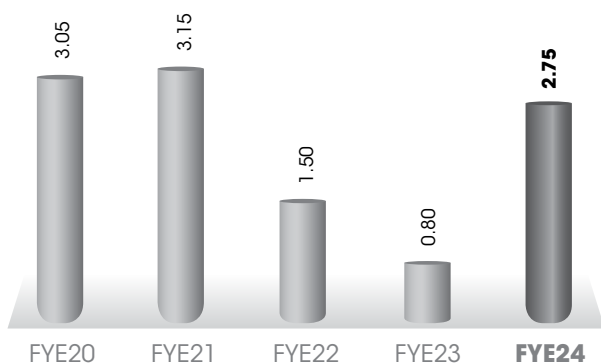
**PROFIT ATTRIBUTABLE  
TO OWNERS OF THE COMPANY**  
RM'Million



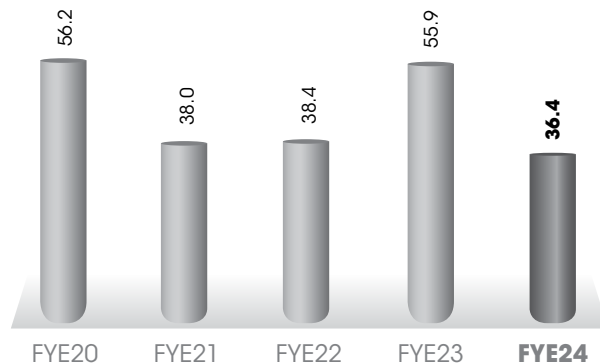
**EARNINGS PER SHARE**  
SEN



**DIVIDEND PER SHARE**  
SEN



**DIVIDEND PAYOUT RATIO**  
PERCENTAGE (%)



# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. OBJECTIVES AND STRATEGIES FOR KEY BUSINESSES AND OPERATIONS

### 1.1. Overview of Principal Activities



Superlon is a manufacturer of thermal insulation products with operations located in Selangor, Malaysia as well as Binh Duong and Hung Yen, Vietnam. Generally, we provide our products to domestic markets and export to several countries across Africa, Asia, Europe, Americas and Oceania.

Our primary business segments are as follows:

#### i) *Insulation materials*

We have a proven track record of over thirty-one (31) years of manufacturing nitrile butadiene rubber ("NBR") foam insulation products. Our NBR foam products are used mainly to insulate heating, ventilation, air-conditioning and refrigeration ("HVAC&R") systems, reduce vibration, sound and corrosion. The NBR foam technology can be applied to manufacture sports mats, grips and sound insulation products.

#### ii) *Trading of parts and equipments*

We trade HVAC&R parts and equipment that complement our insulation products.

### 1.2. Focus and Strategies



Superlon's products are marketed worldwide, supported by a diverse customer base across seventy (70) countries. In line with our mission, we are steadfast in our commitment to explore new international markets while enhancing Superlon's position as a dominant domestic player in pursuit of an augmented market share.



## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

**1. OBJECTIVES AND STRATEGIES FOR KEY BUSINESSES AND OPERATIONS (CONT'D)****1.2. Focus and Strategies (Cont'd)**

Our business priorities will continue to center on the following:-

- (a) research and development to further enhance our production process and product quality;
- (b) grow our global footprint and enhance our visibility as well as distribution network; and
- (c) provide our customers with faster response, better support and superior services to enhance the customer experience.

We believe that these core areas will enable us to drive demand for our products.

**1.3. International Recognition**

Our research and development initiatives equip us with the ability to meet the stringent standards established by international organisations and the countries in which our products are sold. The consistency and reliability of our products are globally recognised. To demonstrate our management systems and product quality, Superlon has obtained many international certifications including:-

- ISO 9001:2015 – International Quality Management System Standard
- ISO 14001: 2015 – Environmental Management System Standard
- FM Approvals Class : 4924
- TÜV SÜD PSB
- Sirim QAS International
- Green building product certificates
- Certificate of product conformity with 2023 Al Sa'fat Dubai Green Building Evaluation System
- UL 2818 - 2022 Gold Standard for chemical emissions for building materials, finishes and furnishings
- UL 94 Standard for tests for flammability of plastic materials for parts in devices and appliances
- Certificate of Approval from Jabatan Bomba and Penyelamat Malaysia

**2. GROUP FINANCIAL PERFORMANCE**

Guided by our Board and on the back of collective dedication of management and employees, our Group witnessed steady growth across various performance indicators. A summary of financial performance of our Group in FYE 2024 in comparison to the previous FYE is as follows:-

Group	FYE 2023 RM'000	FYE 2024 RM'000	Variance %
<b>Financial Results</b>			
Revenue	108,448	118,174	9.0
Gross profit	21,820	32,351	48.3
Other income	1,254	2,528	101.6
Profit before tax	4,200	13,880	230.5
Profit for the year	2,276	11,989	426.8
<b>Financial Position</b>			
Property, plant and equipment	88,930	93,854	5.5
Short-term investment, deposits, cash and bank balances	53,258	56,973	7.0
Loans and borrowings	27,600	27,402	(0.7)
Equity attributable to shareholders	144,756	153,144	5.8
<b>Financial Ratios</b>			
Gross profit margin (%)	20	27	7 pp
Net profit margin (%)	2	10	8 pp
Gearing ratio (times) <sup>1</sup>	–	–	–
Net assets per share (sen) <sup>2</sup>	91.20	96.56	5.36 sen
Basic earnings per share (sen) <sup>2</sup>	1.43	7.55	6.12 sen

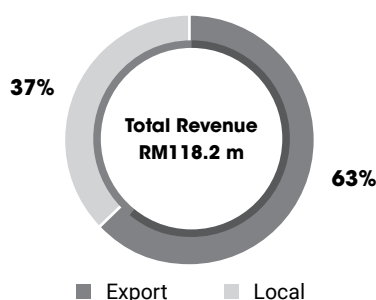
Notes:-

1 Being total group loans and borrowings (net of short-term investment, deposits, cash and bank balances)/ total group equity

2 Based on the weighted average number of ordinary shares of our Company

pp percentage point

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

**2. GROUP FINANCIAL PERFORMANCE (CONT'D)****2.1. Revenue**

Revenue	FYE 2023 RM'000	FYE 2024 RM'000	YoY %
Export	65,803	74,068	12.6%
Local	42,645	44,106	3.4%
<b>Total</b>	<b>108,448</b>	<b>118,174</b>	<b>9.0%</b>

Our group achieved a higher total revenue of RM118.2 million (FYE 2023: RM108.4 million) for FYE 2024. In FYE 2024, export sales contributed RM74.1 million (FYE 2023: RM65.8 million) representing 63% of our group revenue whilst the remaining RM44.1 million (FYE 2023: RM42.6 million) representing 37% of our group revenue was derived from local sales. Our group revenue rose by 9.0% compared to the previous year mainly attributed to the growing demand for thermal insulation products and favourable foreign exchange rate movement.

Our local revenue grew at 3.4% to approximately RM44.1 million in FYE 2024 (FYE 2023: RM42.6 million), mainly contributed by higher sales in our local insulation division. Local insulation sales improved by 14.2% to RM17.8 million (FYE 2023: RM15.6 million) whilst our trading division registered a slight decrease in sales by 2.8% to RM26.3 million (FYE 2023: RM27.0 million) in FYE 2024.

Contribution of Local Revenue	FYE 2023 RM'000	FYE 2024 RM'000	YoY %
Insulation	15,622	17,836	14.2%
Trading & others	27,023	26,270	(2.8%)
<b>Total</b>	<b>42,645</b>	<b>44,106</b>	<b>3.4%</b>

In line with our mission to be a globally recognised brand, we strive continuously to expand our geographical coverage and diversify our global customer base while taking into consideration the market size, growth prospects, intensity of competition and required certification.

**2.2. Profits**

The FYE 2024, Superlon registered a commendable recovery of its profits. Our group profit before tax ("Pre-tax Profit") surged to approximately RM13.9 million (FYE 2023: RM4.2 million). The Pre-tax Profit expanded by 230.0% on account of the following key factors:

- higher topline registered for FYE2024 as discussed above;
- the Group's gross profit margin improved to 27.4% (FYE 2023: 20.1%) mainly due to lower raw material cost, favourable foreign exchange rate movement, relatively more sales to higher margin markets and production efficiency contributed by factories in Vietnam;
- higher other income reported at RM2.5 million (FYE 2023: RM1.3 million) mainly comprises interest income; and
- the selling and distribution expenses dropped by 13.4% to RM7.1 million (FYE 2023: RM8.2 million) as logistic costs moderated from the previous year.

In tandem with the tax incentive enjoyed by our Vietnam operations, reinvestment allowance claim for capital expenditure and the reversal of over-provisioned tax expenses from the previous financial year, our bottom line improved considerably by 426.8%. As such, our basic earnings per share rose in tandem with our profit after tax.

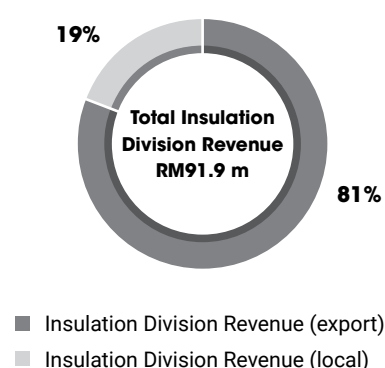
## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

**3. REVIEW OF OPERATING ACTIVITIES****3.1. Insulation materials division ("Insulation Division")**

Our Insulation Division is principally involved in the manufacture and sale of NBR foam insulation materials for use by the HVAC&R industry.

Our Insulation Division constituted 77.8%, (FYE 2023: 74.8%) of the Group's total revenue. During the year, our topline trended upwards to RM91.9 million (FYE 2023: RM81.1 million), representing an increase of 13.3%. The increase in our top line was attributable to both higher local sales of RM17.8 million (FYE 2023: RM15.6 million) and higher export sales of RM74.1 million (FYE 2023: RM65.5 million) representing an increase of 14.2% and 13.1% respectively. The surge in both export and local sales was mainly attributable to the positive market sentiment and favourable foreign exchange environment.

Insulation Division Revenue	FYE 2023 RM'000	FYE 2024 RM'000	YoY %
Export	65,454	74,057	13.1%
Local	15,622	17,836	14.2%
<b>Total</b>	<b>81,076</b>	<b>91,893</b>	<b>13.3%</b>
% of Total Insulation Division Revenue to Total Revenue	74.8%	77.8%	3.0 pp



Insulation Division export and local revenue accounted for approximately 81% and 19% respectively of the total Insulation Division revenue. Meanwhile, the Insulation Division registered a gross profit of RM30.9 million for FYE 2024 (FYE 2023: RM20.4 million). Gross profit margin increased to 33.6% (FYE 2023: 25.2%) for the Insulation Division mainly due to lower raw material cost, favourable foreign exchange rate movement, relatively more sales to higher margin markets and production efficiency contributed by factories in Vietnam.

**3.2. Trading of parts and equipment ("Trading Division")**

The Trading Division primarily sells parts and equipment for the HVAC&R market and is a key revenue contributor to the long-term growth of Superlon Group.

Revenue derived from Trading Division was reported at RM26.3 million in FYE 2024 (FYE 2023: RM27.4 million), contributing 22.2% (FYE 2023: 25.3%) to the Group's total revenue. Trading revenue decreased marginally mainly as a result of lower pricing of copper pipes in the local market during the first three quarters of FYE 2024. Nonetheless, sale performance of trading segments recovered in the fourth quarter of FYE 2024. Overall, the gross profit for the Trading Division stood at RM1.4 million (FYE 2023: RM1.4 million) in FYE 2024.

**4. FINANCIAL POSITION****4.1. Inventories**

Our inventories increased to RM25.8 million (FYE 2023: RM22.9 million) in line with the increase in our sales volume.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

**4. FINANCIAL POSITION (CONT'D)****4.2. Short-term investment, deposits, cash and bank balances**

Short-term investment, deposits, cash and bank balances of our Group as at 30 April 2024 amounted to RM57.0 million (FYE 2023: RM53.3 million), representing a 7.0% increase as compared to last financial year largely contributed by net cash inflow from operations. Our Group continued to generate a positive operational cash flow during the year whilst being prudent in maintaining sufficient cash balances for working capital requirements, funding committed credit facilities and dividend payout.

**4.3. Loans and borrowings**

During FYE 2024, loans and borrowings of our Group decreased marginally by RM0.2 million to RM27.4 million (FYE 2023: RM27.6 million) with lower term loans (due to repayment of term loan) and higher trade facilities (in line with higher revenue base). Our financial position is strong as our Group remains in a net cash position of RM29.6 million (FYE 2023: RM25.7 million).

**4.4. Dividends**

Our steadfast dedication to upholding shareholder interests is reflected in Superlon's dividend policy which targets a payout ratio of at least 30% of its audited consolidated profit after taxation attributable to shareholders for each financial year, after excluding non-operating income that is capital in nature. It is our Board's intention to allow shareholders to participate in the profits of Superlon whilst retaining sufficient reserves for future growth.

Dividend in respect of FYE 2024	
First Interim dividend paid in Sept 2023	: 0.75 sen
Second interim dividend paid in Jan 2024	: 0.75 sen
Third Interim dividend paid in April 2024	: 1.25 sen
<b>Total</b>	<b>: 2.75 sen</b>

The total single-tier dividend declared and paid for FYE 2024 amounted to 2.75 sen (FYE 2023 : 0.80 sen) per ordinary share, representing a total dividend payout ratio of approximately 36.4% (FYE 2023: 55.9%) of our Group's net profit.

**5. OUTLOOK AND PROSPECTS****5.1. Global and Malaysian Economy**

Global growth is projected to be 3.2% in 2024 and 3.3% in 2025. However, varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies as cyclical factors wane and activity becomes better aligned with its potential.

In addition, global inflation will continue to decline. In advanced economies, the revised forecast is for the pace of disinflation to slow in 2024 and 2025. That is because inflation in prices for services is now expected to be more persistent and commodity prices higher. However, the gradual cooling of labour markets, together with an expected decline in energy prices, should bring headline inflation back to target by the end of 2025. Inflation is expected to remain higher in emerging markets and developing economies (and to drop more slowly) than in advanced economies. However, partly thanks to falling energy prices, inflation is already close to pre-pandemic levels for the median emerging market and developing economy.

(Source: World Economic Outlook, July 2024, International Monetary Fund)



## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

**5. OUTLOOK AND PROSPECTS (CONT'D)****5.1. Global and Malaysian Economy (Cont'd)**

Despite escalating uncertainties in the global landscape, Malaysia's economy remains resilient. The gross domestic product is forecast between 4% and 5% in 2024. The Government acknowledged the World Bank's forecast that Malaysia's growth will be 4.3% in 2024, which is slightly higher than its initial estimate. This is in line with Malaysia's 2024 growth projection, which will be achieved through robust domestic demand, effectively offsetting the challenges posed by the moderate global growth, supported by the implementation of measures in the new National Energy Transition Roadmap ("NETR"), New Industrial Master Plan 2030 ("NIMP 2030"), and the Mid-Term Review of the Twelfth Malaysia Plan.

The manufacturing sector is forecast to expand by 4.2% in 2024 driven by better performance in both export- and domestic-oriented industries. The export-oriented industries are expected to benefit from the recovery of external demand with electrical & electronics segment projected to surge, primarily driven by memory products. Similarly, domestic-oriented industries are anticipated to grow steadily backed by higher output in transport- and construction-related segments, in tandem with better consumer spending and business activities. In addition, the implementation of initiatives under the Chemical Industry Roadmap 2030, NETR and NIMP 2030 will further strengthen the sector's growth.

(Source: Economic Outlook 2024, Ministry of Finance)

**5.2. Asia remains as the key focus of our market strategy**

Developing Asia's growth momentum continued during 2023, driven by domestic demand. Strong consumption and investment which accelerated during the second half of 2023 supported economic activity. Growth in developing Asia will remain healthy at 4.9% in 2024 and 2025, faster growth will be driven by domestic demand and some improvement in semiconductor and services exports, including tourism.

Developing Asia's inflation is projected to fall from 3.3% in 2023 to 3.2% in 2024 and 3.0% in 2025. In most subregions, the decline will come from lower global inflationary pressures and more stable fuel prices. While most central bank hiking cycles are complete and some have started to ease, policy rates remain high. As a result, real interest rates have increased due to the drop in forecast inflation.

(Source: Asia Development Outlook, April 2024, Asian Development Bank)

Vietnam's economy is expected to grow 6.0% in 2024 and 6.2% in 2025. A relatively broad-based growth restoration in export-led manufacturing, services, and stable agriculture would make the gradual recovery possible. Positive inflows of foreign direct investment and remittances, a sustained trade surplus, continued fiscal support, and a substantial public investment program would also stimulate growth. For the first quarter of 2024, the economic growth accelerated to 5.7% from 3.4% in first quarter of 2023. However, downside risks from global geopolitical uncertainties and exposed domestic structural fragilities could impede growth.

(Source: Asia Development Outlook, July 2024, Asian Development Bank)

**5.3. Moving forward**

We are optimistic on the performance of our Group and continue to leverage on the growth of Asia's economies amid the effects of global economic uncertainties. Our Group remains mindful of the downside risks as the global business environment remains cautious in light of exchange rates fluctuation, economic headwinds as well as geopolitical conflict in Europe and the Middle East.

The FYE 2024 was a significant year of progress for us with the commissioning of our factory in Hung Yen. Moving forward, we are committed to cautious navigating in the evolving business landscape and focusing on enhancing long-term competitiveness through capital investments, research and development as well as sustainability measures. This initiative aims to increase the utilisation of production capacity, broaden our geographical coverage and elevate the quality and applications of our insulation products. Furthermore, our Group will continue to strengthen our position in the market and actively unveil opportunities for growth and innovation to maintain earnings momentum. We are confident that our strategic initiatives and steadfast commitment to sustainable operations will continue to drive growth and create value for our stakeholders.

## PROFILE OF DIRECTORS

### CHUN KWONG PONG

Non-Independent  
Non-Executive Chairman

**Nationality:**

Malaysian

**Age/Gender:**

52/Male

**Date of Appointment:**

24 October 2007

**Chun Kwong Pong**, male, a Malaysian aged 52, was appointed to the Board on 24 October 2007 and was re-designated as Non-Independent Non-Executive Chairman on 12 July 2019.

He graduated from Monash University, Australia with a Bachelor of Business (Accounting) and is a Chartered Accountant registered with the Malaysian Institute of Accountants and a Certified Practising Accountant with CPA Australia. He is currently a Director of cfSolutions Sdn Bhd, a corporate finance advisory company licensed under the Capital Market and Services Act, 2007.

He was formerly with a property development company listed on the Main Market of Bursa Malaysia Securities Berhad from 2000 to 2005 and last held the position of General Manager, Corporate Planning. From 1997 to 2000, he worked with the Corporate Finance Department in an investment bank where he handled flotations, restructurings, fund raising as well as mergers and acquisitions. Prior to that, he was with Ernst & Young where he has audited companies from a spectrum of industries.

Chun Kwong Pong does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

### LIU LEE, HSIU-LIN (ALSO KNOWN AS JESSICA HSIU-LIN LIU)

Managing Director and  
Chief Executive Officer

**Nationality:**

Taiwanese & Australian

**Age/Gender:**

67/Female

**Date of Appointment:**

31 January 2007

**Liu Lee, Hsiu-Lin**, female, a Taiwanese & Australian aged 67, was appointed to the Board on 31 January 2007. She graduated from Ming Chuan Commercial and Management College, a local college in Taiwan with a Secretarial Science and Management degree qualification in 1978.

In 1983, she co-founded TransAsia Rubber Industrial Co Ltd, a Taiwanese company principally involved in the manufacturing of rubber thermal insulation products and she was a Director and shareholder of the company from 1983 to 1997. In 1992, she founded Villa Mutiara Sdn Bhd manufacturing rubber insulation and the company's name was subsequently changed to Superlon Worldwide Sdn Bhd.

Liu Lee, Hsiu-Lin has more than 41 years working experience in the rubber thermal insulation industry and has to date accumulated in-depth knowledge in management skills and the business of the thermal insulation industry.

She does not hold any directorships in any other public companies.

Apart from her sons Liu Han-Chao and Liu Jeremy, who are also the Executive Directors and major shareholders of the Company, she does not have any family relationship with any of the Directors and/or major shareholders of the Company. She is a major shareholder of the Company. She has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. She has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

## PROFILE OF DIRECTORS (CONT'D)

**LIU HAN-CHAO**

Executive Director

**Nationality:**

Australian

**Age/Gender:**

42/Male

**Date of Appointment:**

6 November 2007

**Liu Han-Chao**, male, an Australian aged 42, was appointed to the Board on 6 November 2007. He graduated with a Diploma in Business major in Marketing and a Bachelor of Business degree with double major in Management and Marketing from Queensland University of Technology, Australia in 2005. He joined the Superlon group in November 2005 as Sales and Marketing Manager of Superlon Worldwide Sdn Bhd. He was subsequently appointed to the position of Senior Manager in January 2007.

Currently, Liu Han-Chao is the head of the Marketing Department where he is responsible for formulating marketing and business strategies for new markets, implementing marketing and business strategies and developing marketing programmes to measure and forecast market demand within the Superlon Group.

Liu Han-Chao does not hold any directorship in any other public companies.

Apart from his mother, Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu) and his brother, Liu Jeremy, who are Directors and major shareholders of the Company, he does not have any other family relationship with any of the Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

**LIU JEREMY**

Executive Director

**Nationality:**

Australian

**Age/Gender:**

38/Male

**Date of Appointment:**

15 December 2017

**Liu Jeremy**, male, an Australian aged 38, was appointed to the Board on 15 December 2017. He graduated with a Bachelor of Business degree and a Master degree in Business from Queensland University of Technology, Australia in 2009.

After graduating in 2009, Liu Jeremy worked in the Group since February 2010 as Assistant Research and Development Manager. He was promoted to Production Development and Technical Manager to oversee the production development and technical areas in 2014. Since January 2015, he was appointed as the Division Director and now oversees the production development and technical matters, factory management as well as product research and development.

Liu Jeremy does not hold any directorship in any other public companies.

Apart from his mother, Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu) and his brother, Liu Han-Chao who are Directors and major shareholders of the company, he does not have any other family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

## PROFILE OF DIRECTORS (CONT'D)

**ONGI  
CHENG SAN**

Executive Director

**Nationality:**

Malaysian

**Age/Gender:**

53/Male

**Date of Appointment:**

25 March 2010

**Ongi Cheng San**, male, a Malaysian aged 53, was appointed to the Board on 25 March 2010. He is a member of the Association of Chartered Certified Accountants, UK and a Chartered Accountant registered with the Malaysian Institute of Accountants.

Ongi Cheng San has over 31 years of working experience in finance and accounting. He was appointed as Accountant in Superlon Worldwide Sdn Bhd in 2003 and prior to his appointment as Executive Director, he was the Chief Accountant who is responsible for corporate, finance, accounting, secretarial, taxation and audit matters of the Group.

Prior to joining the Group, he has been working for listed and unlisted companies involved in automotive parts, securities trading and construction.

Ongi Cheng San does not hold any other directorship in any public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

**LIM WAI LOONG**

Independent Non-Executive Director

**Nationality:**

Malaysian

**Age/Gender:**

48/Male

**Date of Appointment:**

15 December 2017

**Lim Wai Loong**, male, a Malaysian aged 48, was appointed to the Board on 15 December 2017. Lim Wai Loong graduated from Tunku Abdul Rahman University College, Malaysia in 2000 with an Advanced Diploma in Mechanical and Manufacturing Engineering. Subsequently, he graduated from University of Warwick, United Kingdom in 2002 with a MSc Degree in Manufacturing Systems Engineering. He is a Certified Financial Planner registered with the Malaysian Financial Planning Council and a certified Human Resource Development Corporation trainer.

He is the founder and CEO (Executive Director) of P10 Holdings Sdn Bhd, a fintech and insurance technology company which focuses on providing financial planning and wealth management solutions for financial services and businesses in the ASEAN region. He worked as Account Manager at Lotus Engineering Malaysia from 2002 to 2006 and subsequently joined Frost & Sullivan Management Consultancy as Key Account Manager from 2006 to 2008, where he was responsible for international business, strategic planning and negotiation.

Lim Wai Loong does not hold any directorships in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.



## PROFILE OF DIRECTORS (CONT'D)

**LIN, PO-CHIH**

Independent Non-Executive Director

**Nationality:**

Taiwanese

**Age/Gender:**

46/Male

**Date of Appointment:**

15 December 2017

**Lin, Po-Chih**, male, a Taiwanese aged 46, was appointed to the Board on 15 December 2017. Lin, Po-Chih graduated with a degree in Mass Communication and a Master degree in Mass Communication from University of Central Missouri, United States in 2003. Currently, he is a director of Chao Fu Marketing Sdn Bhd since 2010.

He joined a listed property development company from 2003 to 2008 where he worked in the Corporate Affairs department. Subsequently, he joined a manufacturing company in 2008 where he was responsible for various business functions including accounting, finance, production, sales and information technology until 2017. During his stay, he also handled the mergers and acquisition undertaken by the company.

Lin, Po-Chih does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

**LEE MEI HSIANG**

Independent Non-Executive Director

**Nationality:**

Malaysian

**Age/Gender:**

52/Female

**Date of Appointment:**

20 July 2023

**Lee Mei Hsiang**, female, a Malaysian aged 52, was appointed to the Board on 20 July 2023. She is a Chartered Accountant registered with the Malaysian Institute of Accountants and a Certified Practising Accountant with CPA Australia. She graduated with a Bachelor of Business (Accounting) degree from Royal Melbourne Institute of Technology, Australia in 1996 and a Master of Business Administration in Marketing degree from Charles Sturt University, Australia in 2004.

Lee Mei Hsiang has more than 25 years of business experience including accounting and finance. She is currently a director and the Finance Manager of a property management company where she supervises the finance department and is responsible for the preparation of financial reports, financial forecasts, and budgeting as well as the review and implementation of internal control policies.

Prior to joining the property management company in 1999, she was with one of the Big 4 Accounting Firms where she practised in the areas of audit and accounting from 1996 to 1999.

Lee Mei Hsiang does not hold any directorship in any other public companies.

She does not have any family relationship with any of the other Directors and/or major shareholders of the Company. She has no material conflict of interest with the Group other than that which has been disclosed to the Board of Directors. She has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalty by the relevant regulatory bodies during the financial year. The interests of directors in the Company are disclosed in Directors' Shareholdings on page 121 of this Annual Report.

# PROFILE OF SELECTED KEY MANAGEMENT

Madam Liu Lee, Hsiu-Lin, Mr Liu Han-Chao, Mr Liu Jeremy and Mr Ongi Cheng San are also the key senior management of the Superlon Group. In addition, the profile of other key senior management during the FYE 2024 are as follows:-

**TEO SOON JOO**

General Manager

**Nationality:**  
Malaysian

**Age/Gender:**  
52/Male

**Teo Soon Joo**, male, a Malaysian aged 52, is the General Manager for Superlon Worldwide Sdn Bhd. He graduated with a Bachelor of Chemical Engineering degree from National Cheng Kung University in 1995.

Teo Soon Joo has over 28 years’ experience in production planning, development and management, particularly in industrial manufacturing industry. He was formerly with a number of manufacturing companies where he handled factory and production matters. He joined the Superlon Group in 2020 as General Manager to oversee the production process and development, factory management as well as office administration of Malaysia operations.

Teo Soon Joo does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalties by the relevant regulatory bodies during the financial year. He does not have any interest in the shares of the Company and its related corporations.

**SHEN CHAO TE**

General Manager

**Nationality:**  
Taiwanese

**Age/Gender:**  
40/Male

**Shen Chao Te**, male, a Taiwanese aged 40, is the General Manager for Superlon Vietnam Company Limited. He graduated with a Bachelor of Mechanical and Automation Engineering degree from Kaoyuan University in 2007 and a Master degree in Materials Science and Engineering from Mingdao University in 2009.

Shen Chao Te worked in an industrial machinery manufacturing company in Taiwan for two years until 2012 as Process Integration Engineer. Before joining Superlon Group, he was a Sales and Process Manager of a company in China for one year as well as a Quality Assurance Manager of a company in Vietnam for three years. He joined the Superlon Group in 2016 as General Manager to plan and oversee the production process and development as well as factory management of Vietnam operation.

Shen Chao Te does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalties by the relevant regulatory bodies during the financial year. He does not have any interest in the shares of the Company and its related corporations.

## PROFILE OF SELECTED KEY MANAGEMENT (CONT'D)

**FU SHIH-KANG**

Production Manager

**Nationality:**

Taiwanese

**Age/Gender:**

44/Male

**Fu Shih-Kang**, male, Taiwanese aged 44, is Production Manager for Superlon Worldwide Sdn Bhd. He holds a Bachelor's degree from Yuanpei University of Medical Technology.

Fu Shih-Kang worked in a chemical manufacturing company in Taiwan for three years until 2010 as Chemical Engineer & Formulation Manager. He joined the Superlon Group as Assistant Research & Development ("R&D") Manager. He was promoted to R&D Manager to oversee the production development and product research and development. In January 2015, he was appointed as Production Manager. He now oversees the factory management, production as well as product research and development.

Fu Shih-Kang does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalties by the relevant regulatory bodies during the financial year. He does not have any interest in the shares of the Company and its related corporations.

**SOON CHONG SEIN**

Maintenance Manager

**Nationality:**

Malaysian

**Age/Gender:**

50/Male

**Soon Chong Sein**, male, a Malaysian aged 50, is Maintenance Manager for Superlon Worldwide Sdn Bhd.

Soon Chong Sein has been working for Superlon Group as Production Supervisor since 1993 and has more than 29 years' experience in the production process of Superlon Group. He was promoted to Assistant Production Manager in 2000 and subsequent to Production Manager in 2008. In 2017, he was re-designated as Maintenance Manager to oversee the operation and maintenance of the machinery and other factory equipment for the Group.

Soon Chong Sein does not hold any directorship in any other public companies.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company. He has no material conflict of interest with the Group other than which has been disclosed to the Board of Directors. He has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalties by the relevant regulatory bodies during the financial year. He does not have any interest in the shares of the Company and its related corporations.

**KEE LAI TIN**

Purchasing Manager

**Nationality:**

Malaysian

**Age/Gender:**

46/Female

**Kee Lai Tin**, female, a Malaysian aged 46, is Purchasing Manager for Superlon Worldwide Sdn Bhd. She has obtained a Diploma in Hotel, Catering & Tourism Management from London College of Management in 1999.

Kee Lai Tin has worked in various companies involved in consumer product industries prior to joining Superlon Group as Purchasing Executive in 2008. She was promoted to Purchasing Manager in 2015. She now oversees the procurement of the materials, packaging, machinery and other factory equipment for the Group.

Kee Lai Tin does not hold directorship in any other public companies.

She does not have any family relationship with any of the other Directors and/or major shareholders of the Company. She has no material conflict of interest with the Group other than which has been disclosed to the Board of Directors. She has not been convicted of any offences within the past 5 years and has not been imposed any publicly sanctions or penalties by the relevant regulatory bodies during the financial year. She does not have any interest in the shares of the Company and its related corporations.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTRODUCTION

The Board has a pivotal role in leading the management of the Company and fostering good corporate governance practices within the organisation. This statement articulates the application of the corporate governance practices by the Company under the leadership and guidance of the Board during the FYE 2024. The Audit and Risk Management Committee monitors the Company's compliance with the Malaysian Code on Corporate Governance ("MCCG").

This overview is presented in compliance with Paragraph 15.25(1) of the LR with guidance drawn from Practice Note 9 of the LR and MCCG and is a summary of the CG Report 2024 which is available on Superlon's website.

This statement encompasses three key Corporate Governance Principles as set out in the MCCG, which are:

- (a) Board Leadership and Effectiveness
- (b) Effective Audit and Risk Management; and
- (c) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### 1. BOARD RESPONSIBILITIES

The Board sets the strategic direction of the Group, establishes the mission and visions for the management and diligently monitors its performance so as to protect and enhance shareholders' value. The Board is responsible for the overall strategic planning, risk management, system of internal controls, succession planning, investor relations programme, sustainability strategies as well as the corporate governance within the Group. The Board is committed to practising good corporate governance to steer the Superlon Group towards enhancing business value and long-term value for its stakeholders as the underlying principle in discharging its responsibilities.

There is a clear distinction of roles and responsibilities between the Chairman and the Managing Director. The Chairman is non-executive and is primarily responsible for Board effectiveness and conduct whilst the Managing Director cum CEO is responsible for the day-to-day business affairs overseeing the operating units, organisational effectiveness and implementation of Board policies and decisions. The Board delegates some of its authorities and discretion to the Board Committees, Managing Director cum CEO, Executive Directors and management.

An agenda with the relevant information to be deliberated on is given to every Director at least five (5) business days prior to Board meetings. Minutes for every Board meeting are circulated to all Directors for their perusal prior to confirmation and adoption at the following Board meeting. All Directors have unrestricted access to the information of the Group as well as advice of the company secretary, external auditors and internal auditors whether as a full board or in their individual capacity, in the furtherance of their duties. All Independent Directors have access to the Managing Director cum CEO and Executive Directors should there be any clarification or explanations sought on any aspects of the Group's operations or management matters.

The Board acknowledges the significance of regular training and professional development for its Directors to serve effectively and keep abreast with economic and business developments. During the financial year, the Board evaluated and assessed the training needs of the Board and the Directors attended various relevant training programmes, seminars, trades shows organised by the relevant regulatory bodies and professional bodies. This initiative aimed to enhance their knowledge on the pertinent changes in law, regulations and the business environment, as follows:-

Name of Directors	Course title/Organiser
Chun Kwong Pong	<ul style="list-style-type: none"> <li>ESG Value Based Investing</li> <li>Arrival of International Sustainability Standards Board (ISSB) Standards</li> <li>What amounts to Conflict of Interest by Directors</li> </ul>
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	<ul style="list-style-type: none"> <li>International Air-Conditioning, Heating, Refrigerating Exposition (AHR Expo) Chicago 2024</li> <li>Sports and Fitness Taiwan (TAISPO) 2024</li> <li>Big 5 Construct South Africa</li> </ul>



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****1. BOARD RESPONSIBILITIES (CONT'D)**

Name of Directors	Course title/Organiser
Liu Han-Chao	<ul style="list-style-type: none"> <li>International Air-Conditioning, Heating, Refrigerating Exposition (AHR Expo) Chicago 2024</li> <li>Sports and Fitness Taiwan (TAISPO) 2024</li> <li>Big 5 Construct South Africa</li> </ul>
Liu Jeremy	<ul style="list-style-type: none"> <li>Malaysian Engineering and Air-Conditioning, Refrigeration &amp; Ventilation Expo Exhibition and Conference 2023 (ENGINEER and MARVEX 2023)</li> </ul>
Ongi Cheng San	<ul style="list-style-type: none"> <li>Managing Budgetary Control</li> <li>Costing for Non-Costing Manager</li> <li>Valuation for Intangible Asset</li> <li>Valuation for Business Combination</li> <li>What Amounts to a Conflict of Interest by Directors</li> </ul>
Lim Wai Loong	<ul style="list-style-type: none"> <li>Anti-Money Laundering &amp; Counter Financial Terrorism 2023</li> <li>Anti-Bribery &amp; Corruption 2023</li> <li>Data Privacy &amp; Information Security Awareness 2023</li> <li>Foreign Account Tax Compliance Act &amp; Common Reporting Standard Training 2023</li> </ul>
Lin, Po-Chih	<ul style="list-style-type: none"> <li>Malaysia International Water Convention 2023</li> </ul>
Lee Mei Hsiang	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme for Directors of Public Listed Companies</li> </ul>

In addition, the Company Secretary updates the Board on changes in the Listing Requirements and/or other regulatory requirements which are relevant to the Company, including sustainability requirements and provides advice on compliance and corporate disclosure matters.

Board meetings are scheduled quarterly with additional meetings to be convened as and when required. During the financial year ending 30 April 2024, the Board met a total of five (5) times. The attendance of the Directors who held office during the financial year is set out below:-

Name of Directors	Attendance at meetings
Chun Kwong Pong	5/5
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	5/5
Liu Han-Chao	5/5
Liu Jeremy	5/5
Ongi Cheng San	5/5
Lim Wai Loong	5/5
Lin, Po-Chih	4/5
Lee Mei Hsiang	4/4

The Board Charter sets out the governance structure, authority and terms of reference of the Board and its committees and the management. It specifies matters on which the Board reserves full decision-making powers on. The Board Charter is published on the corporate website and review is done from time to time as and when required to ensure compliance and relevance to the prevailing laws, regulation and best practices.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****1. BOARD RESPONSIBILITIES (CONT'D)**

To assist the Board in fulfilling its roles, the board has established three (3) committees, namely Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, to support and assist in discharging its fiduciary duties and responsibilities. The respective functions and authority of the board committees have been defined by the Board in the terms of reference of each committee. The committees report and make recommendations on matters delegated to them for deliberation. The ultimate responsibility for the final decisions on all matters lies with the Board. As and when necessary, the Board conducts a review of the delegation of responsibilities for the Company to adapt dynamically to the changing circumstances. The Committee meetings are held prior to the Board meetings to facilitate discussion of matters tabled for the Committees. The recommendations of the Committees are then presented during the Board meeting.

The Board is supported by a Company Secretary who is qualified to act as company secretary under the Act. The Company Secretary attends and ensures that all Board and Committee meetings are properly convened, that the Board and Committee functions effectively and in accordance with their relevant terms of reference and that accurate and proper records of the proceedings and resolutions passed are taken and maintained in the statutory registers of the Company. The Board relies on the Company Secretary for advice on its roles and responsibilities, corporate disclosures, governance matters, compliance on and updates on new regulations issued by the regulatory authorities, particularly on compliance with the Act, the LR, the MCCG and other relevant laws and regulations.

The Code of Conduct is set by the Company to provide employees of Superlon Group with guidance on the standards of behaviour expected of them in performing their duties of employment and in their dealings with fellow employees, clients, suppliers and member of the community. The Company had formulated the Anti-Bribery and Corruption ("ABC") Policy as testimony of its commitment to conduct business in an honest and ethical manner. The ABC Policy applies to all employees and any potential/existing business associates engaged in activities with the Group. The Company has an Integrity Team to attend to the anti-bribery and corruption compliance matters, in furtherance of the corporate liability provision of the Malaysian Anti-Corruption Commission Act. A guidance on feedback channel is detailed in the Company's Code of Conduct and Whistleblowing Policy and Procedures. The feedback channel is intended to be used for employees to raise serious and sensitive concerns, including those relating to financial reporting, unethical or illegal conduct.

Superlon acknowledges the importance of sustainability relating to economic, environment and social including their risks and opportunities to/for our Group. The Company has implemented a sustainability framework and established a Sustainability Policy which is managed by a Sustainability Team comprising the management. The Sustainability Team supervises key sustainability initiatives and reports to the Executive Directors who then report to the Board.

The Board oversees the sustainability-related strategies of the Group and take into consideration the material sustainability issues during decision-making. The Board of Directors together with the management takes responsibility of the governance of sustainability and for reviewing the robustness of the business strategies from time to time in withstanding material sustainability risks while pursuing the opportunities.

The Sustainability Team reviews the goals and targets and monitors the progress as well as report to the Executive Directors on their findings. They also promote the integration of sustainability considerations into the Group's risk management framework and manage the overall sustainability strategies and efforts. The General Manager is designated to oversee the implementation of the Sustainability Policy. He leads and guides the Sustainability Team in carrying out their roles and responsibilities.

The performance evaluation of the Board includes sustainability matters as part of the points of consideration. Whilst the sustainability policy has been implemented and various strategies are in place, the Company has yet to add these into the key performance indicators for the senior management in order to provide more time to adapt to the expectations of the Company on sustainability matters and to perform accordingly.

Further information pertaining to the sustainability efforts of the Group can be found in the Sustainability Statement of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****2. BOARD COMPOSITION**

Currently, three (3) out of eight (8) directors representing approximately 38% on our Board are Independent Directors whilst four (4) out of eight (8) directors representing 50% on the Board are Non-Executive Directors. The Board views that there is an effective check and balance in the Board composition such that no one individual or a small group of individuals can dominate the Board's decision-making process. Material audit, risk management, remuneration and nomination matters are tabled for the approval of pertinent Board Committees comprising all or majority of Independent Directors, which act as the first tier to consider those matters prior to making recommendation for Board's approval. In addition, all the Committees are chaired by Non-Executive Directors with the composition of the Audit and Risk Management Committee comprising all Independent Non-Executive Directors.

Currently, none of the Independent Directors have served the Board beyond nine (9) years. For the time being, the Board does not limit the tenure of the Independent Directors. In the event any Independent Directors are proposed by the Board to be retained after nine (9) years, the Board shall seek the shareholders' approval with justification to be provided. The Nomination Committee had assessed the independence of all Independent Non-Executive Directors during FYE 2024. The Nomination Committee and the Board are of the view that the Independent Directors have been discharging their responsibilities independently of management and major shareholders.

All new Director(s) duly appointed by the Board are subsequently recommended for re-election at the next AGM. All Directors retire from office at least once every three (3) years but are eligible for re-election. If an Independent Director of the Board ceases to be a member of the Board with the result that less than 1/3 of the Board are Independent Directors, the Nomination Committee shall within three (3) months appoint such number of new Independent Directors as may be required to make up the shortfall. All new Directors attend the mandatory accreditation programme by Bursa Securities to familiarise themselves with the additional requirements for a listed company. The Board has in place a fit and proper policy to govern the appointment of Directors and the re-election of Directors which takes into consideration factors including character and integrity, experience and competence, the time and commitment by the Directors as well as conflict of interest position, if any.

The Company has a moderate-sized Board and the duties of the committees are distributed within the non-executive directors. The Chairman of the Board is also the Chairman of Remuneration Committee. As a balance to ensure objectivity and more effective Board discussions, when the Remuneration Committee has matters to report to the Board, the chairing of the Board will be handed to another Director while the Board receives and assesses the reports from the Remuneration Committee.

In view that Superlon consists of a lean management team and the principal activities are in a specialised industry, no pre-fixed criteria for recruitment is viewed necessary to be established. This creates flexibility for the Nomination Committee to seek different candidates who would have the skill matrix to support the long-term strategic direction and needs of the Company. The Nomination Committee evaluates the qualification and experience of the candidates vis-a-vis the Company's requirements as well as the fit and proper policy and where appropriate, recommends to the Board for appointment. Due consideration is given to the Board mix, the experience, expertise and personal qualities of the candidates as well as the gender diversity policy. The Company practices equal employment opportunity, where there is no discrimination when it comes to employing suitable candidates to join the company. Apart from the existing network, the Board also uses independent sources in nominating candidates for directorships. The Directors who are newly appointed as well as Directors due for re-election are proposed to the shareholders for their approval. The information on the Directors is disclosed in the Annual Report for shareholders to make an informed decision in their appointment or re-appointment.

Part of the objectives and responsibilities of the Nomination Committee is to formulate the nomination, selection and succession policies for the members of the Board, Board Committees, Chairman of the Board and key management as may be required from time to time, taking into consideration the Gender Diversity Policy encouraged by Bursa Securities. The current Board consists of two (2) females, who are the Company's Managing Director and one (1) of our Independent Directors, which amounts to 25% female representation. In addition, more than 50% female participation is in the office workforce with more than 40% of managerial roles being undertaken by females. The Nomination Committee will advocate the Company's policy in identifying and recruiting qualified candidates including women candidates via equal opportunities to serve on its Board and key management in the event of recruitment. The Nomination Committee comprises exclusively of Non-Executive Directors, a majority of whom is independent and is chaired by an Independent Director.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

## 2. BOARD COMPOSITION (CONT'D)

The Nomination Committee takes the lead for the nomination of a new candidate for appointment, reviews and recommendations. The Nomination Committee evaluates the nominations by the members of the Board, management and various other sources. The Committee also makes recommendations to the Board on new candidates for appointment and re-election to the Board. The Board has in the past found suitable candidates for Executive Directorships from within the company. The Company shall opt to utilise the independent sources to identify suitably qualified candidates when its existing internal network is exhausted.

The Nomination Committee has reviewed the performance of the Board based on performance evaluations conducted by the Board collectively during the financial year. Various areas assessed including board structure, board operations, management relationship, board roles and responsibilities, board committees and corporate governance, and sustainability. The Nomination Committee is of the view that the Board and Board Committees have discharged their responsibilities effectively. The Nomination Committee has also assessed and recommended the retiring Directors eligible for re-election, reviewed the continuing independence of Independent Directors and the continuing education programmes was undertaken.

**Remuneration**

The remuneration of the Executive Directors is recommended to the Board by the Remuneration Committee so as to attract, retain, motivate and incentivise Directors of the necessary calibre needed to lead the Superlon Group successfully.

For Executive Directors, the component parts of the remuneration are structured so as to incentivise the individual according to the performance of the Group. The Remuneration Committee is to recommend to the Board the framework and remuneration package for each Executive Director. The Remuneration Committee considers, amidst others, the Executive Directors' roles and responsibilities, skill and experience, corporate and individual performance for recommendation of remuneration.

In the case of Non-Executive Directors, the level of remuneration is based on, inter-alia, their experience, qualifications and contribution, the extent of duties and responsibility and the time commitment. The determination of remuneration packages of Non-Executive Directors, including the Non-Executive Chairman, is decided by the Board as a whole.

The Director's fees and allowances are subject to the prior approval of shareholders at the AGM. The breakdown of the remuneration of each individual Director of the Company for the financial year under review is provided below:-

	Superlon		Superlon Group			
	Directors' salaries, bonuses and allowances RM	Directors' fees RM	Directors' salaries, bonuses and allowances RM	Employee Provident Fund RM	Directors' fees RM	Benefits in kind RM
<b>Executive Director</b>						
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	5,000	–	893,938	152,033	–	25,000
Liu Han-Chao	3,750	–	660,368	107,897	–	21,250
Liu Jeremy	3,750	–	645,487	105,064	–	9,000
Ongi Cheng San	3,750	–	521,887	81,590	–	9,000
<b>Non-Executive Director</b>						
Chun Kwong Pong	5,000	54,000	5,000	–	54,000	–
Lim Wai Loong	3,750	42,000	3,750	–	42,000	–
Lin, Po-Chih	3,000	42,000	3,000	–	42,000	–
Lee Mei Hsiang (Appointed w.e.f 20 July 2023)	3,000	32,742	3,000	–	32,742	–
Chee Chung Yen (Resigned w.e.f 20 July 2023)	–	9,258	–	–	9,258	–



## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)****2. BOARD COMPOSITION (CONT'D)**

The aggregate remuneration of the top five (5) senior management of the Group is not disclosed taking into consideration the highly competitive industry in which the Group is operating and challenges faced in talent management and retention. For purposes of shareholders' analysis, the total salaries in the Group analysed by category is disclosed in the Annual Audited Accounts. The disclosure of the employees' salaries of the Group allows stakeholders to make an appreciable link between the remuneration and the performance of the Group. The Board believes that the disclosure contained in the Annual Audited Accounts would be sufficient to provide pertinent insights to shareholders on whether they are being remunerated responsibly.

**PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT****1. AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")**

The Chairman of the Board and the Chairman of the ARMC are different individuals and both are non-executive. The Chairman of the ARMC is an Independent Director. The ARMC assists the Board in its responsibility to oversee and scrutinise the financial reporting and the effectiveness of the internal controls of the Group. ARMC members have from time to time attended various relevant training programmes, seminars and trades shows organised by relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in law, regulations and the business environment.

The ARMC has a policy which requires a former key audit partner to observe a cooling-off period of at least three (3) years before he can be considered for appointment as a member of the ARMC. To date, no former key audit partner has been appointed as a member of the ARMC.

The audit fees paid by the Group for the FYE 2024 are detailed in Note 26 in the Financial Statements. No non-audit fees were paid to the external auditors by the Group in respect of the FYE 2024 save for the fees of RM5,000 for the review of the Statement on Risk Management and Internal Control contained in the Annual Report 2023. The ARMC is satisfied that the provision of these services did not compromise the external auditors' independence and objectivity. The External Auditors have also confirmed that, inter-alia, they have maintained their independence throughout the audit of Superlon, 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 Accountant's International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and they have fulfilled their ethical responsibilities in accordance with the By-Laws and the IESBA Code.

The ARMC has unrestricted access to any information pertaining to the Company and has direct communication channels with the external and internal auditors, when applicable and to the senior management of the Group.

The ARMC comprises of all Independent Non-Executive Directors. All members of the Committee possess a wide range of necessary skills to discharge its duties and are financially literate to carry out their duties. The Chairman of the ARMC, Ms Lee Mei Hsiang is a member of the Malaysian Institute of Accountants.

The ARMC also has direct oversight of the audit of the Group and annually assesses the suitability, objectivity and independence of the external auditors and internal auditors.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### 2. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board is committed to maintaining an effective risk management and a sound internal controls system to safeguard the assets of Superlon Group and shareholders' interests as stipulated by the Malaysian Code of Corporate Governance and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

The Board regards risk management as an integral part of the business operations and has approved the framework adopted by the Group to manage its risks. The Group implements an on-going processes to identify, evaluate, monitor and manage significant risks that may affect the Group in achieving its business objectives throughout the financial year under review. These processes are periodically reviewed by the Internal Auditors who report to the Audit and Risk Management Committee on areas requiring improvement where necessary.

The Board recognises that the system is designed to mitigate and does not eliminate the risk of failure in achieving the Group's business objectives. Therefore, the internal controls can only provide reasonable and not absolute assurance against the occurrence of any material loss or failure. The Group regularly assesses and takes appropriate measures to strengthen the internal control environment and processes through an optimal balance between control costs and benefits for the Group's major operations.

The Group has outsourced its internal audit function to an external independent consulting firm which report to the ARMC and assist the Board of Directors in monitoring and managing risks and internal controls. The engagement team consist of one or more professional internal auditors. The internal audit personnel are free from any relationships or conflicts of interest, which could potentially impair their objectivity and independence. The Internal Audit practices adopted by the internal auditors conform with the International Standards for the Professional Practice of Internal Auditing.

The Board had received assurance from the Managing Director and the Finance Director that, to the best of their knowledge, the Group's risk management and internal control system is operating adequately and effectively in line with the Group's objectives, in all material aspects. The risk management overview is covered by the ARMC which comprises of Independent Directors.

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### 1. COMMUNICATION WITH STAKEHOLDERS

The Board acknowledges the importance of an effective, transparent and regular communication with its stakeholders. As a public listed company, the Company has put in place procedures to abide by the corporate disclosure requirements of material information as set out by Bursa Securities. The Board members are kept informed of material matters which require public disclosures and they approve the announcement of material matters prior to public disclosure. The Board is mindful that material information is to be announced timely and that confidential information should be handled sensitively to avoid leakages leading to improper use of such information. In such circumstance, the Company will also closely monitor the market activity of its securities during a period where information is withheld. Where it is believed that such information has inevitably been leaked, immediate announcement will be made.

Superlon's website consists of the relevant corporation information including the board charter, terms of reference of the Board committees, key policies of the Company, annual report, etc. Shareholders and investors are also kept informed of all major developments within the Group by way of announcements via the BURSA LINK. The Company also engages with fund managers, financial analysts, shareholders and the media from time to time.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

**PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)****2. CONDUCT OF GENERAL MEETINGS**

The notice for the upcoming AGM of the Group in 2024 was distributed to the shareholders together with the Annual Report, giving at least twenty-eight (28) days' notice prior to the AGM. An Administrative Guide is issued to convey the conduct and procedures of the AGM to the shareholders. All the Directors (except for Mr Lin, Po-Chih) were present at the last AGM to engage directly with and be accountable to the shareholders for their stewardship of the Company. The Directors, all other committee members, and external auditors were in attendance to respond to the shareholders' queries. The AGM (and any other general meetings) also serves as a forum for the Board to engage with the shareholders personally to obtain their views and feedback. In addition, the Company presented an overview of the performance of the Group and the Directors answered queries by the Minority Shareholder Watch Group and the shareholders.

Superlon will hold its forthcoming AGM in Selangor where the location is accessible. Shareholders who are unable to attend the AGM in person can authorise another person online via TIIH Online website as their proxy/proxies to cast votes on his/her behalf as per his/her instructions.

**ADDITIONAL COMPLIANCE INFORMATION**Disclosure of related party transactions

The Group has taken all necessary steps to ensure that transactions which were deemed to be related party transactions were appropriately disclosed in accordance with the LR and good corporate governance.

Utilisation of proceeds

No fundraising was made from the equity market in the financial year under review.

Variation in results

No profit forecast was made for the financial year under review.

Profit guarantee

No profit guarantee was given for the financial year.

Material contracts and Related Party Transactions of a Revenue or Trading Nature ("RPT")

Save as disclosed in Note 34 of the financial statements for the financial year under review, there were no material contracts or RPT involving the interest of the Directors and/or major shareholders of the Company.

# AUDIT & RISK MANAGEMENT COMMITTEE STATEMENT

## 1. OBJECTIVE

The Audit & Risk Management Committee ("ARMC") assists the Board of Directors in fulfilling its fiduciary responsibilities relating to the accounting, risk management and internal controls and reporting practices of the Superlon Group. The ARMC oversees the upholding of appropriate standards of responsibility, integrity and accountability to the stakeholders of the Company.

The scope and responsibilities of the ARMC is outlined in its Terms of Reference as set out in the Company's website: [www.superlon.com.my](http://www.superlon.com.my).

## 2. COMPOSITION

The composition of the ARMC complies with the Main Market Listing Requirements and adheres to the principles outlined in the Malaysian Code of Corporate Governance.

The Board appointed the ARMC members from amongst its Directors and the ARMC consists of not fewer than three (3) Directors. All ARMC members are Non-Executive and Independent Directors. The ARMC members are:-

Name	Directorship	Designation in ARMC
Lee Mei Hsiang	Independent	Chairman
Lim Wai Loong	Independent	Member
Lin, Po-Chih	Independent	Member

The Chairman of the ARMC, Ms Lee Mei Hsiang, is a graduate of Royal Melbourne Institute of Technology, Australia with a Bachelor of Business (Accounting) degree as well as Charles Sturt University, Australia with a Master of Business Administration in Marketing degree. She is also a Chartered Accountant registered with the Malaysian Institute of Accountants and a Certified Practising Accountant with CPA Australia. Accordingly, Superlon fulfills the requirement under paragraph 15.09(1)(c)(i) of the Main Market Listing Requirement. Mr Lim Wai Loong, a member of the ARMC is a Certified Financial Planner. Mr Lin, Po-Chih also has experience in the field of accounting and finance.

The Chairman of the ARMC is not the Chairman of the Board. The Company has in place a policy to require a former key audit partner to observe a cooling-off period of at least three years, before being appointed as a member of the ARMC. Since the incorporation of the Company, none of the members of the Board are former key audit partners. The ARMC has in place policies and procedures to assess the suitability, objectivity and independence of the external auditor.

All ARMC members are financially literate and are able to review, assess and appraise matters under the purview of the ARMC including the financial reporting process.

## AUDIT &amp; RISK MANAGEMENT COMMITTEE STATEMENT (CONT'D)

**3. MEETINGS AND MINUTES**

The ARMC meets at least five (5) times a year without the presence of the Executive Directors and management, except when their attendance is requested by the ARMC. Additional meetings can be convened at any time at the request of any committee member, the Company's Managing Director, the external auditors or the internal auditors.

The ARMC maintains direct communication channels with the external auditors and holds meetings with them at least twice a year and whenever necessary, without the presence of the Executive Directors and employees of the Company.

For the financial year under review, the ARMC convened meetings with the External Auditors in June 2023, August 2023 and March 2024. Matters discussed included the audit review matters in relation to their annual audit as well as auditor's independence. The Internal Auditors attended the ARMC meeting quarterly in June 2023, September 2023, December 2023 and March 2024 to present their reports highlighting any weaknesses and deficiencies in internal controls.

The company secretary prepares and keeps the minutes of each meeting and distributes the minutes to all members of the Board after the tabling for confirmation at the next meeting. During the FYE 2024, five (5) ARMC meetings were convened. The record of attendance of ARMC members during their membership is as follows:

Name	Attendance (Attended/ Held)	% Of Attendance
Lee Mei Hsiang (Chairman) (Appointed w.e.f 20 July 2023)	4/4*	100%
Lim Wai Loong	5/5	100%
Lin, Po-Chih	4/5	80%

\* indicates the number of meetings held during the time the Director held office

**4. SUMMARY OF ACTIVITIES OF THE ARMC DURING THE FINANCIAL YEAR**

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

- Discussed the Internal Audit Reports tabled by the Internal Auditors and recommended the same to the Board for approval;
- Reviewed the Group's unaudited consolidated quarterly results for recommendation to the Board for approval;
- Reviewed and discussed the Audit Review Memorandum for the FYE 2023 for recommendation to the Board for approval;
- Reviewed the Audited Financial Statements of the Company for the FYE 2023 and recommended the same for the Board's approval;
- Reviewed and recommended amendments to the Risk Management Framework for the Board's approval;
- Reviewed the Anti-Bribery and Corruption Framework and recommended the same for the Board's approval;
- Reviewed and recommended the Audit and Risk Management Committee Report, Statement on Risk Management and Internal Control and the Corporate Governance Overview Statement for inclusion into the Annual Report 2023 for the Board's approval;
- Reviewed the Corporate Governance Report and recommended the same to the Board for approval;

## AUDIT & RISK MANAGEMENT COMMITTEE STATEMENT (CONT'D)

### 4. SUMMARY OF ACTIVITIES OF THE ARMC DURING THE FINANCIAL YEAR (CONT'D)

During the FYE 2024, the main activities undertaken by the ARMC were as follows (Cont'd):-

- Reviewed and recommended the proposed renewal of share buy-back authority for the Board's approval;
- Reviewed and recommended the Statement in relation to the Renewal of Share Buyback Authority for the Board's approval;
- Reviewed the related party transactions for FYE 2023;
- Reviewed and assessed the suitability, objectivity, independence and performance of the External Auditors;
- Reviewed and assessed the suitability, objectivity, independence and performance of the Internal Auditors;
- Discussed and recommended the Audit Planning Memorandum for the FYE 2024 for the Board's notation;
- Reviewed the Terms of Reference for the ARMC for the Board's approval; and
- Reviewed and noted there was no conflict of interest that arose or may arise within the Directors and key senior management during FYE 2024.

### 5. INTERNAL AUDIT FUNCTION

The internal audit function is outsourced to an external consultant firm which report to the ARMC and assist the Board of Directors in monitoring and managing risks and internal controls. The principal role of the internal audit includes:-

- Assisting the Board in the review of the adequacy, integrity and effectiveness of the system of internal controls of the Group to enable the Board to prepare the Statement on Risk Management and Internal Control in the Annual Report;
- Performing risk assessment of the Group to identify and evaluate the principal risk factors and ensure the implementation of appropriate internal control processes and procedures to mitigate these risks;
- Allocating adequate audit resources, in accordance with the internal audit plan, to carry out internal audits on key operations of the Group to provide the Board with effective and efficient audit coverage; and
- Providing independent and objective reports on the state of internal controls of the various operating units within the Group to the ARMC so that remedial actions and continuous improvements can be taken in relation to any weaknesses noted in the systems and controls of the respective operating units.

The key audit areas for FYE 2024 were the accounts receivable, credit control and collection, risk assessment management framework and sustainability report, procurement process and fixed asset management. The total fees charged by the external consultant firms for the internal audit services amounted to RM31,000 in FYE 2024.



# STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

## 1. BOARD'S RESPONSIBILITY

The Board is dedicated to upholding an effective risk management and a robust internal controls system to safeguard the assets of Superlon Group and shareholders' interests. This commitment aligns with the Malaysian Code of Corporate Governance and is guided by the Statement on Risk Management and Internal Control : Guidelines for Directors of Listed Issuers.

The Group has implemented a system of internal controls and risk management which the Board reviews for its effectiveness, adequacy and integrity. This includes:-

- Identifying, evaluating and monitoring principal risks of the Group;
- Adoption of appropriate risk management strategies, policies and levels of risks tolerance into a framework to provide reasonable assurance; and
- Reviewing the adequacy and integrity of the Company's internal controls on the financial, operational and compliance systems which are in place to manage risks.

The Board acknowledges that the system is designed to mitigate and does not eliminate the risk on failure in achieving the Group's business objectives. Therefore, the internal controls can only provide reasonable and not absolute assurance against the occurrence of any material loss or failure.

The Group regularly assesses and implements measures to strengthen the internal control environment and processes, striking a balance between controlling costs and maximising benefits for the Group's major operations. Audit matters tabled by the Internal Auditors and mitigation action taken by the Management are deliberated on during the ARMC meetings and presented to the Board.

## 2. RISK MANAGEMENT FRAMEWORK

The Board recognises risk management as an integral part of the business operations and has approved the framework adopted by the Group to manage its risks. During the financial year under review, the Group implements on-going processes to identify, evaluate, monitor and manage significant risks that may affect the Group in achieving its business objectives. These processes are periodically reviewed by the Internal Auditors who report to the ARMC on areas requiring necessary improvement.

The risk assessment framework encompasses the following:-

- The nature of risks identified by the Group;
- The assessment of risks and the extent regarded as tolerable for the Group;
- The likelihood of the risks concerned materialising; and
- The Group's ability to reduce the incidence of risks that may materialise and their impact on the business.

Risk identification



Risk evaluation



Impact assessment



Risk management

As part of the risk management initiatives, the Head of each business unit is tasked with risk identification and assessment. Any new significant risks identified and the corresponding mitigation plans and internal controls are developed during periodic management meetings. These are subsequently presented to the Executive Directors, ARMC and/or the Board during scheduled meetings. The Group's key risk profile is updated periodically wherein risks identified are prioritised in terms of the possibility of occurrence and the potential impact on the Group's operation should the risks materialise. This approach ensures that our risk management framework remains relevant and effective based on the prevailing business environment.

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

**3. INTERNAL AUDIT**

Superlon outsources its internal audit functions to an independent professional services firm to review the effectiveness and adequacy of the internal controls system and to address any weaknesses identified. The Internal Audit teams independently review the procedures and control processes implemented by the management within the key business segments of the Group. Any key areas of concern identified during the reviews together with the recommendations for improvements to strengthen the internal controls are directly reported to the ARMC together with management responses. The Management is then to implement the rectification action plans with due follow-up audits by the Internal Auditors and updates to the ARMC.

The ARMC reviews the Internal Audit programme annually in consultation with the Internal Auditors and assesses the reports of the Internal Audit process quarterly. Periodically, the ARMC will conduct an assessment on the adequacy of scope, functions, competency and resources of the Internal Auditors as well as whether the recommendations of the Internal Audit function have been integrated into the Group's processes.

The Board and Management, in consultation with the External and Internal Auditors via their reports, noted that there were no material or significant losses arising as a result of weaknesses in internal controls during the financial year under review. The Board is also pleased to report that there were no significant internal control deficiencies for areas that have been reviewed by the Internal Auditors. Certain practical recommendations of the Internal Auditors have been taken as remedial action to improve and enhance the existing internal controls.

**4. OTHER KEY ELEMENTS OF INTERNAL CONTROL**

Other key elements of the system of internal control of the Group are as follows:-

- The Group has an appropriate organisational structure that enables adequate monitoring of the activities and ensures an effective flow of information across the Group with clearly defined lines of responsibility and authority levels;
- Key processes of the Group are governed by written policies and procedures;
- The manufacturing activities of the Group's main subsidiaries in Malaysia and Vietnam are accredited with ISO 9001: 2015 – International Quality Management System Standard and such quality management system provides the Group with improved control of key processes and a foundation for improving quality and customer satisfaction;
- The main subsidiaries in Malaysia and Vietnam comply with ISO 14001: 2015 – Environmental Management System Standard reflecting the Group's emphasis on reducing pollution, improving environmental performance and supporting due care of the environment;
- The Managing Director and Executive Directors actively participate in the day-to-day running of the operations of the Group. This enables material issues to be effectively resolved on a timely basis;
- The management monitors the performance of the Group through key performance indicators and prepares quarterly management reports;
- The risk management framework and internal control processes are embedded in the Group's management system and is every employee's responsibility;
- The ARMC meets at least once every quarter and reviews the adequacy, integrity and effectiveness of the system of internal control of the Group. The ARMC receives and reviews quarterly financial results and internal auditors' report before they are tabled for Board approval;
- The Board reviews the information of the Group's financial status and performance on, at a minimum, a quarterly basis;
- The Company reviews the insurance coverage on major assets periodically to ensure adequate coverage is in place against any mishap that could result in material loss;
- The Company continues to maintain its cyber security and has implemented preventive measures and controls, including firewalls, to increase its local network and internet security; and
- The Company adopted the Anti-Bribery and Corruption Policy, Whistle-blowing Policy and Conflict of Interest Policy that outlines the guiding principles on its commitment to conduct business in an honest and ethical manner and embed a culture of transparency and accountability into its day-to-day business operations.

## STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

**5. CONCLUSION**

The Board is of the view that the existing system of risk management and internal control is satisfactory and sufficient to provide reasonable assurance for the Group to meet its objectives. During the financial year, there were no material internal control failures that could have resulted in material losses or contingencies requiring disclosure in the Annual Report. The Board has also received assurance from the Managing Director and the Finance Director that, to the best of their knowledge, the Group's risk management and internal control system is operating adequately and effectively in line with the Group's objectives, in all material aspects. The Group is committed to continually focusing on measures to protect and enhance shareholders' value as well as to ensure business sustainability.

The External Auditors have reviewed this statement pursuant to paragraph 15.23 of the LR and have reported that nothing has come to their attention that causes them to believe that the contents of this Statement intended to be included in the annual report are not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is this Statement factually inaccurate.

# SUSTAINABILITY STATEMENT

Our Group integrates the management of economic, environmental and social (“EES”) impacts into our operations. We are dedicated to attaining sustainability targets and goals while pursuing sustainable growth.

## REPORTING FRAMEWORK

This Sustainability Statement follows the Sustainability Reporting Guide and Toolkits issued by Bursa Securities. It summarises our Group’s key sustainability efforts underpinned by robust sustainability governance and aims to create long-term value for our stakeholders.

## REPORTING PERIOD AND SCOPE

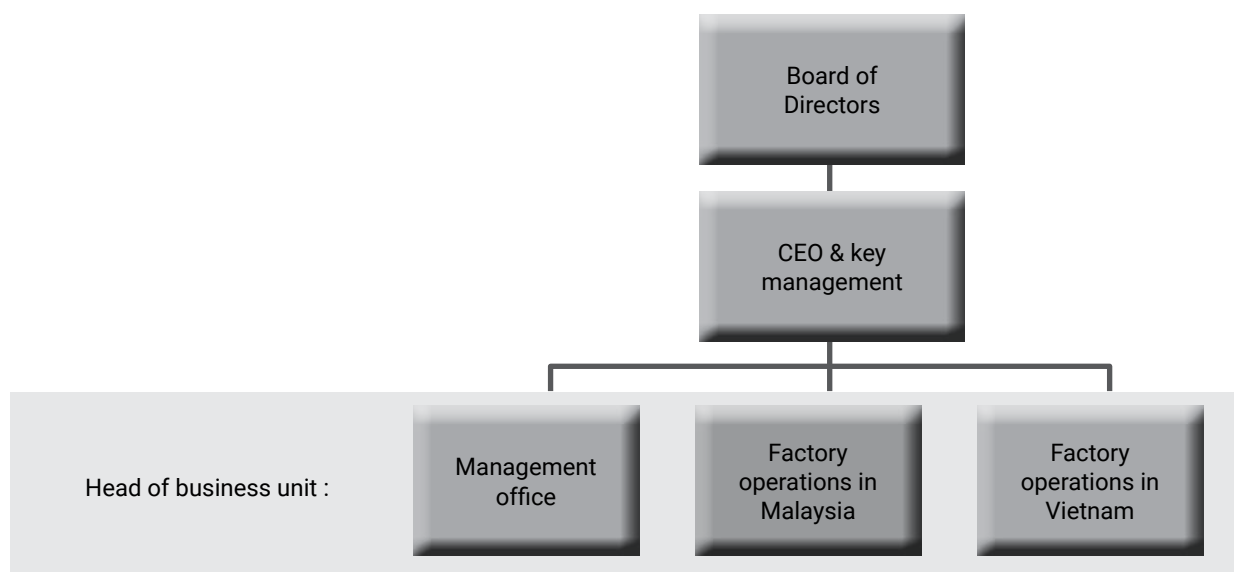
This statement articulates the governance structure, key stakeholders and EES areas of focus of our nitrile butadiene rubber (“NBR”) insulation manufacturing division over the period from 1 May 2023 to 30 April 2024 (“FYE 2024”). In this Sustainability Statement, we have restated certain prior year data to enhance the reporting of sustainability matters across our operations.

## STATEMENT OF ASSURANCE

Matrix Corporate Consultancy Sdn Bhd, whom we have outsourced the internal audit function to, has reviewed and verified our Group’s progress towards the targets set for sustainable development goals and the 11 sustainability matters prescribed in the Practice Note 9 of the Main Market Listing Requirements together with related indicators for past 3 financial years.

### 1. GOVERNANCE STRUCTURE

The long-term objectives of our Group encompass sustainability considerations as we foster a sound sustainability governance led by our Board and commit to adopting an adequate enterprise risk management and internal control framework for sustainability risks identification, assessment and management. Our Board, supported by the key management, and each business unit head oversees the sustainability-related strategies of our Group and takes into consideration the sustainability issues during decision making. The stewardship and the sustainability governance are set out as follows:-



## SUSTAINABILITY STATEMENT (CONT'D)

## 1. GOVERNANCE STRUCTURE (CONT'D)


Board of directors	CEO & key management	Business units head
<ul style="list-style-type: none"> <li>Aligning our Group's business objectives to sustainability issues</li> <li>Reviewing the robustness of the existing business strategies from time-to-time in withstanding material sustainability risks while pursuing the opportunities</li> <li>Communicating sustainability-incorporated business strategy to the stakeholders</li> <li>Reviewing the accuracy and completeness of the sustainability disclosures as required by laws and/or rules</li> </ul>	<ul style="list-style-type: none"> <li>Advising and recommending the sustainability-related strategies to the Board of Directors</li> <li>Implementing sustainability strategies approved by the Board of Directors</li> <li>Assessing the cost versus benefit of implementing sustainability strategies</li> <li>Reporting the material sustainability matters identified from time-to-time to the Board of Directors</li> <li>Monitoring the progress of initiatives towards achieving sustainability targets and goals</li> <li>Overseeing the overall management of stakeholder engagement</li> </ul>	<ul style="list-style-type: none"> <li>Overseeing and conveying sustainability matters within each business unit</li> <li>Ensure key sustainability matters which are inherent in each business unit are identified, monitored and analysed for assessment</li> <li>Discussing sustainability issues with the management team during meetings</li> </ul>

## 2. ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS ("SDG")

We established our sustainability goals and targets based on the SDG set by the United Nations, aiming to transform the world better. These SDGs address a wide range of social and environmental issues, inequalities and innovations. At Superlon, we support these global ambitions where it is most relevant to our business and where we envisage to have more effective impact. By aligning our initiatives to achieve these universal targets, we aim to create and sustain positive changes in EES sustainability for all our stakeholders while ensuring environmental well-being.

**Selected Sustainability Goals and Targets**



We revisited the list of selected 2-year SDG goals and targets during FYE 2024. The updated list with additional goals and targets that pinpoint women empowerment, employees' satisfaction and zero tolerance for corruption are set out below:

SDGs	Key Sustainability Matters	Our Goals/ Target for FYE 2024 and FYE 2025	FYE 2023	FYE 2024
 <p>Target 5.5: We ensure women's effective participation and equal opportunities for leadership at all levels of decision-making in Superlon</p>	Gender equality	To maintain at least 30% of managerial role held by women*	<b>42%</b> of managerial role is undertaken by women	<b>40%</b> of managerial role is undertaken by women

## SUSTAINABILITY STATEMENT (CONT'D)

## 2. ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS ("SDG") (CONT'D)

Selected Sustainability Goals and Targets (Cont'd)



SDGs	Key Sustainability Matters	Our Goals/ Target for FYE 2024 and FYE 2025	FYE 2023	FYE 2024
 <p>Target 9.5: We provide comprehensive services to our clients by exploring new technologies and solutions through innovation to add value</p>	Customer's expectations	To achieve responsiveness to customer needs with a target score of 4.5 out of 5	<b>4.7</b> out of 5	<b>4.5</b> out of 5
 <p>Target 8.6: We are committed to ensuring the well-being of our employees by providing professional development and training</p> <p>Target 8.7: We are committed to eliminate the labour practices of using child and forced labour. We also comply with the minimum wage set by our government</p> <p>Target 8.8: We protect labour rights and promote safe and secure working environment for all workers</p>	Employee interests	To maintain zero child and forced labour	<b>Zero</b> child and forced labour	<b>Zero</b> child and forced labour
	Workplace safety	To create more interactive training methods such as video to increase the effectiveness and retention of education material – cumulative videos created	<b>21</b> cumulative education videos created	<b>30</b> cumulative education videos created
		To maintain at least 72 hours per annum of workplace safety and ESG training	<b>221</b> hours of workplace safety training	<b>73</b> hours of workplace safety training
		To maintain zero incidents of work-related injuries	<b>Zero</b> incident of work-related injuries	<b>Zero</b> incident of work-related injuries
		To maintain zero work-related fatalities	<b>Zero</b> work-related fatalities	<b>Zero</b> work-related fatalities
		To ensure zero chemical spillage / leakage by inspection	<b>Zero</b> leakage	<b>Zero</b> leakage
		To comply by all times minimum wage set by government	<b>Complied</b> with minimum wage set by government	<b>Complied</b> with minimum wage set by government
		To achieve target employees' satisfaction score set at 72%*	Not available	<b>70%</b> employees' satisfaction score



## SUSTAINABILITY STATEMENT (CONT'D)

## 2. ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS ("SDG") (CONT'D)

Selected Sustainability Goals and Targets (Cont'd)

SDGs	Key Sustainability Matters	Our Goals/ Target for FYE 2024 and FYE 2025	FYE 2023	FYE 2024
 <p>Targets 12.4: We have been working towards monitoring and management of noise and gas emissions as well as wastewater discharged</p> <p>Targets 12.5 and 12.6: We have adopted sustainability practices such as monitoring our water and electricity consumption and integrated sustainability information into this year's reporting as a yardstick for future enhancements</p>	Customer's expectations  Resources management	To maintain noise limits within the permissible standards required by Department of Environment ("DOE") in Malaysia and Ministry of Natural Resources and Environmental ("MNRE") in Vietnam	<b>Met</b>	<b>Met</b>
		To maintain the air emission within the permissible standards required by DOE and MNRE	<b>Met</b>	<b>Met</b>
		To maintain the wastewater discharged within the permissible standards required by DOE and MNRE	<b>Met</b>	<b>Met</b>
 <p>Target 16.5: We have in place an Anti-bribery and Corruption Policy as well as a Whistleblowing Policy and Procedure to address potential misconduct in the workplace facilitating a conducive work environment</p>		Anti-bribery and Corruption Policy in place	<b>Met</b>	<b>Met</b>
		Whistleblowing Policy and Procedure in place	<b>Met</b>	<b>Met</b>
		To maintain zero incident of corruption*	<b>Met</b>	<b>Met</b>

Note:

\* New 2 year goal/target set in FYE 2024

## 3. IDENTIFYING AND PRIORITISING MATERIAL SUSTAINABILITY MATTERS

Our Group strives to manage key material sustainability risks identified through effective sustainability management within the NBR insulation manufacturing division. Sustainability risks are considered material if they significantly impact EES matters or influence our stakeholders' assessment and decisions. The process of identifying and prioritising these material sustainability matters entails the following:-

- (a) Stakeholder prioritisation
- (b) Materiality assessment of sustainability matters

## SUSTAINABILITY STATEMENT (CONT'D)

## 3. IDENTIFYING AND PRIORITISING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 3.1. Stakeholder prioritisation and key stakeholder engagement

Our Group has established collaborative platforms with stakeholders to evaluate their ability to exercise influence over together with their financial and non-financial dependence on our Group. Meaningful engagements with stakeholders enhance our understanding of the Group's EES exposures and guide our sustainability strategy formulation of our Group, thereby creating value that resonates with the stakeholders by effectively addressing their sustainability concerns with appropriate solutions. Apart from that, the Whistleblowing Policy and Procedures which is available on Superlon's website provides a formal avenue for stakeholders to report in good faith, any genuine concerns, malpractices or criminal offences against any employee and Director within our Group without suffering any act of reprisal.

The key stakeholder groups that have above-average influence over and/or dependence on our Group and the engagement approaches taken by our Group in identifying sustainability concerns of respective key stakeholder group are as follows:-

Stakeholder group	Engagement channels	Sustainability concerns
Employees	<ul style="list-style-type: none"> <li>Satisfaction survey</li> <li>Dialogue &amp; engagement</li> <li>Appraisal</li> <li>Intranet, departmental meetings &amp; notices</li> </ul>	<ul style="list-style-type: none"> <li>Workplace safety</li> <li>Career progression</li> <li>Equal opportunity and gender diversity</li> <li>Employee benefits</li> <li>Training</li> </ul>
Investors	<ul style="list-style-type: none"> <li>AGM/EGM</li> <li>Investors' briefing</li> <li>Announcements</li> <li>Press releases</li> <li>Feedback on investor relations</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability of business</li> <li>Investor relationship</li> <li>Outlook and prospects</li> <li>Return on investment</li> </ul>
Customers	<ul style="list-style-type: none"> <li>After-sales service</li> <li>Support centre</li> <li>Events, dialogue sessions, roadshows and engagement sessions</li> <li>Feedback to management</li> <li>Satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>Product quality</li> <li>Customers' satisfaction</li> <li>Price competitiveness</li> </ul>
Local Community/ Society	<ul style="list-style-type: none"> <li>Recruitment drives in local community</li> <li>Philanthropic activities</li> </ul>	<ul style="list-style-type: none"> <li>Impact of the operations have on local surroundings</li> <li>Contribute to livelihood of local community</li> </ul>
Supplier/Contractor	<ul style="list-style-type: none"> <li>Supplier review and assessments</li> <li>Request for proposals</li> <li>Evaluations</li> <li>Relationship management</li> </ul>	<ul style="list-style-type: none"> <li>Licensed suppliers</li> <li>Price competitiveness</li> <li>Sustainability efforts of suppliers</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>Compliance with listing requirements</li> <li>Compliance with industry standards</li> <li>Formal meetings</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining licences issued by regulator and certification of our products</li> </ul>
Governments	<ul style="list-style-type: none"> <li>Formal meetings</li> <li>Seminar &amp; forums</li> <li>Collaboration programme</li> <li>Discussions on government initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Supporting government efforts on environmental conservation and protection</li> <li>Laws and regulations</li> <li>Code of conduct, anti-bribery and corruption policy, whistleblowing policy and procedures, conflict of interests policy</li> </ul>

## SUSTAINABILITY STATEMENT (CONT'D)

## 3. IDENTIFYING AND PRIORITISING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 3.2. Materiality assessment of sustainability matters

Superlon periodically reviews the list of material sustainability matters and creates a prioritisation map. This process considers the significance of our Group's EES impact as well as the influence of each material sustainability matter on stakeholder assessments and decisions:-



## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS

## 4.1. Responsible sourcing

**Suppliers**

**Complied**  
with DOE and MNRE require-  
ments in chemical sourcing

**Zero**  
non-compliance of suppliers  
with green practices

Our Group considers a range of criteria including quality, timeliness of supply as well as sustainability aspects of suppliers during our procurement process. We recognise that our corporate value is created based on a sustainable and socially responsible supply chain. By aligning our goals to responsible procurement practices, we aim to achieve a long-term competitive advantage.

Key material sustainability matters	Sustainability efforts and/or achievements
Product quality	Our research and development team is responsible for the production, planning and control of the raw materials at the manufacturing facilities. To ensure the raw materials consistently meet with our quality requirements, formalised procedures are implemented for new suppliers screening with periodic assessments of on-going suppliers.
Credibility of suppliers	Our Group sources chemicals from suppliers which are approved by the DOE and MNRE as a measure to prioritise the safety and quality of our products. To ensure compliance with government requirements as well as our sustainable policies, we periodically inspect relevant licences and/or certifications of our suppliers. This includes ensuring that new suppliers are aware of and abide by Superlon's Anti-bribery and Corruption Policy and other operational policies, amongst others, ISO 14001 : 2015 Environmental Management System Standard.
Assurance of the quality of raw materials supplied	We have implemented a supplier rating system to monitor various aspects including the products, services and environmental compliance of the suppliers. Additionally, we conduct root-cause analysis to track and rectify the issues associated with relevant suppliers. During FYE 2024, we did not observe any issue associated with the non-compliance of suppliers with green practices.

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.2. Customers' expectation

**Customers**

**ALL** customer complaints satisfactorily resolved

Resolved customer complaints within **2 working days**

Our Group exports to various countries making competitive pricing vital to meet customers' expectations. Factors such as raw material pricing and geopolitical matters influence our product pricing. Additionally, integrating EES considerations such as customers' health and safety needs as well as minimising the environmental footprint of our products could enhance our branding and attract the interest of customers seeking to purchase our green products.

Key material sustainability matters	Sustainability efforts and/or achievements
Customers' satisfaction	<p><u>Competitive practice</u> In the face of global competition and the increasing interest of customers on price competitiveness, our Group continuously seeks improvement in pricing strategies through customers' feedback while maintaining a healthy profit margin. We believe that a competitive environment will shape us into a market leader with growing market share and customer loyalty within the NBR manufacturing industry.</p> <p><u>Resolving grievance of customers</u> Customer satisfaction is central to our Group's operating philosophy. We provide various communication channels, both verbal or written, to gather customers' feedback on the products and services offered by any company within our Group. Customers' complaints are tracked, analysed, actively followed up and documented to drive our improvement in customer satisfaction and to constantly monitor the remedial actions implemented.</p> <p><u>Transparency of product information</u> We provide comprehensive product information, including specifications, characteristics and application, with pictures of products, on the company website and product brochures for public awareness and for existing and prospective clients to make informed purchasing decisions. Material safety data sheets detailing the information of product description and composition, way of handling and storing the products and other necessary considerations and installation manuals are provided to customers upon the purchase of products.</p> <p>Product seminars are regularly conducted to educate the consumers about product knowledge and provide guidance on the proper installation and the safe usage of the products by taking into consideration the substances that can potentially cause environmental or social impact. Our Group takes the initiative to educate the social and environmental benefits of the products during the seminars to address the sustainability concerns of the consumers and drive their interest in buying green.</p>

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)













## 4.3. Compliance

**Governments/  
Regulators**

**Complied**  
with the environmental  
standards of DOE and MNRE

**Maintain**  
licences and certification of  
products

Our Group implements policies and procedures to ensure compliance with regulations and combat corruption, fostering good corporate governance practices. Our thermal insulation products are eco-friendly and benefit households by extending the lifespan of the air-conditioning systems, thereby contributing to environmental conservation and protection.

Key material sustainability matters	Sustainability efforts and/or achievements												
Maintaining licences issued by regulators and certification of our products	<p>Our Group has obtained the necessary licences to ensure the continuity of business operations. In addition to being licensed by the local authorities to operate, we have received numerous international certifications that enhance our market coverage capability, including:-</p> <p>(a) ISO 9001:2015 – International Quality Management System Standard; (b) ISO 14001:2015 – Environmental Management System Standard; (c) FM Approvals Class : 4924; (d) TÜV SÜD PSB; (e) Sirim QAS International; (f) Certificate of Approval from Jabatan Bomba and Penyelamat Malaysia; (g) Certificate of product conformity with 2023 Al Sa’fat Dubai Green Building Evaluation System; (h) UL 2818 - 2022 Gold standard for chemical emissions for building materials, finishes and furnishings; (i) UL 94 Standard for tests for flammability of plastic materials for parts in devices and appliances; (j) Green building product certificates; and (k) Other certifications.</p>												
Supporting government efforts on environmental conservation and protection	<p><b>Monitoring of noise and gas emission</b></p> <p>The Environmental Quality Act and Law on Environmental Protection are complied with via promoting an environmentally sound and sustainable development as advocated by the governments of Malaysia and Vietnam respectively. Annual internal assessments are conducted to detail the likely impacts of its operation to the environment. Recognizing the potential impact of the noise and hazardous gas emitted by our factories to the surrounding due to daily manufacture of rubber thermal insulation, we have implemented monitoring procedures and control mechanisms to mitigate these emissions.</p> <table><tr><th colspan="2">Noise level regulated by DOE</th><th colspan="2">Noise level regulated by MNRE</th></tr><tr><td> Day</td><td>&lt;75 dBA</td><td> Factory</td><td>&lt;85 dBA</td></tr><tr><td> Night</td><td>&lt;75 dBA</td><td> Office</td><td>&lt;65 dBA</td></tr></table> <p>Our Group engages accredited laboratories annually to measure the noise level within our factories. We are pleased to report that the noise level of each factory examined during FYE 2024 are compliant with the limits of DOE and MNRE. In addition, the noise impacts from the factories are not considered significant in the surrounding areas particularly at residential settlements due to their distant locations. Our Group will continue to monitor noise levels to facilitate compliance and mitigate any negative impact on the surrounding community.</p>	Noise level regulated by DOE		Noise level regulated by MNRE		 Day	<75 dBA	 Factory	<85 dBA	 Night	<75 dBA	 Office	<65 dBA
Noise level regulated by DOE		Noise level regulated by MNRE											
 Day	<75 dBA	 Factory	<85 dBA										
 Night	<75 dBA	 Office	<65 dBA										

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.3. Compliance (Cont'd)

Key material sustainability matters	Sustainability efforts and/or achievements
Supporting government efforts on environmental conservation and protection (Cont'd)	<p><u>Gas emissions from manufacturing facilities in Malaysia</u></p> <div> <div>Dark Smoke: Within limit</div> <div>Sulphur dioxide : SO<sub>2</sub>: &lt; 100 mg/m<sup>3</sup></div> <div>Particulate emitted : &lt; 50 mg/m<sup>3</sup></div> </div> <p><u>Gas emissions from manufacturing facilities in Vietnam</u></p> <div> <div>Dust: &lt; 200 mg/Nm<sup>3</sup></div> <div>Hydrogen sulfide: &lt; 7.5 mg/Nm<sup>3</sup></div> <div>Methanethiol: &lt; 15 mg/Nm<sup>3</sup></div> </div> <p>Our Group is committed to environmental protection through the installation of the filter and exhaust system at each factory to filter and remove solid particles before discharging the smoke that arose from production to the external atmosphere. Regular maintenance is scheduled to ensure that the combustion systems are able to function effectively and consistently, to minimise the odd chances of occurring accidental leakages and fugitive emission.</p> <p>We engage accredited laboratories annually to report on air emission of each factory in operation. The smoke, particulate matter and gaseous substances emitted from every factory in operation during FYE 2024 were within the limits set out in the Environmental Quality (Clean Air) Regulations 2014 and Law on Environmental Protection. Superlon's high priority on managing its air pollution impacts over the years has been demonstrated by the gas substances observed from air discharged, which were vastly lower than the standard set by DOE and MNRE, demonstrating the effectiveness of combustion practice.</p> <p>As with wastewater, our Group is very stringent on its processes when it comes to discharging any by-products into the environment.</p> <p><u>Reduction and treatment of waste</u></p> <p>Aimed at reducing the environmental footprint of products, our Group has been implementing a truck racking system allowing for materials to be delivered without packaging locally. On top of waste minimalisation, we are proud to report that the adoption of the truck racking system had improved the savings in our costs for local sales by 3.90% in FYE 2024. Besides that, disposal of non-hazardous waste comprising domestic waste and recyclable waste is handled by licensed disposers while hazardous waste regulated under the Environmental Quality (Scheduled Wastes) Regulations 2005 and Law on Environmental Protection is disposed off using contractors licensed by DOE and MNRE. E-waste is disposed off for recycling via accredited vendors.</p>



## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.4. Corporate social responsibility









### Local community/ society

**60%**  
local hires

**78%**  
office staff retention rate

Our Group takes cognisance of the importance of the social pillar. We strive to uplift and strengthen our local community by prioritising local suppliers, fostering career opportunities within the community as well as actively participating in philanthropy and volunteering activities. We believe that Superlon could bring goodwill to internal and surrounding stakeholders by contributing and supporting community needs.

Key material sustainability matters	Sustainability efforts and/or achievements
Impact of the operations have on local surroundings	<p><u>Hire locals in the neighbourhood and talent retention</u></p> <div>  <p><b>60%</b> of the total hires are local</p> </div> <div>  <p><b>78%</b> of workforce are factory workers</p> </div> <div>  <p><b>73%</b> of the local staff live within 10km radius from Superlon</p> </div> <div>  <p><b>59%</b> overall retention rate</p> </div> <div>  <p><b>53%</b> factory workers retention rate</p> </div> <div>  <p><b>78%</b> office staff retention rate</p> </div> <p>Our Group actively promotes the employment of the local workforce whenever feasible, demonstrating our commitment to developing local labour skills. This approach not only creates job opportunities within the local community but also offers cost advantages via the reduction of recruitment expenses and lower employee turnover rates. We believe these initiatives enhance the attractiveness of our Group as an employer.</p> <p><u>Being supportive of local suppliers</u> Our Group prefers to partner with qualified and licensed local suppliers located near our operations. This strategy aims to support the growth of local businesses, lower transportation costs and reduce environmental impact. Our operations in Malaysia and Vietnam aim to source materials from suppliers within the same locality whilst balancing dependency on any single supplier. Currently, approximately 50% of the local purchases are from various suppliers within the locality.</p> <p><u>Community investment</u> As part of our community investment, monetary contributions were made during FYE 2024 to various charitable organisations including Persatuan Perayaan Por Tor, Police Administrative and Civilian Staff Union (PACSU), Berita Kesatuan Pekerja Bomba dan Penyelamat. Additionally, we offer practical training opportunities to undergraduates from local universities, nurturing them to gain valuable hands-on experience in the industry.</p>

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.5. Employee interest

**Employees**

**Zero**  
labour or human rights issue

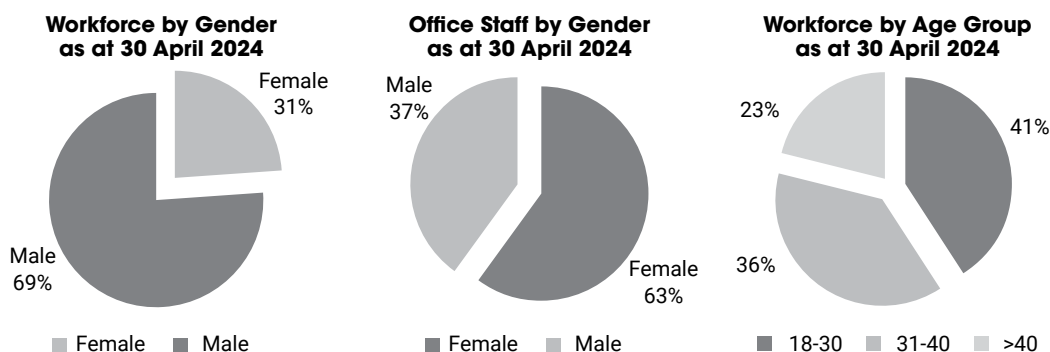
**100%**  
employees received trainings

Our Group operates in a labour-intensive manufacturing industry and prioritises investing in the safety, health and development of our employees. We ensure the well-being of our workforce by maintaining a safe, fair and equitable working environment and we uphold labour rights for all employees in accordance with relevant employment laws. We have implemented occupational health and safety procedures as well as conducting internal and external training programmes for the employees to look after their well-being.

## 4.5.1. Employee benefits and rights

Workforce diversity

We value our employees and promote diversity at all levels within our Group. We do not discriminate on race, gender or age in our hiring practices, prioritising on competency and reliability of all potential candidates.



While our Group values diverse opinions and perspectives contributed by women and individuals from different age groups, we recognise that women are typically less inclined to pursue employment as factory workers due to the nature of the work involved. Consequently, male and younger workers constitute a larger portion of the workforce. Nonetheless, we are able to maintain the gender balance in our office hire with a majority of our office workforce represented by women. Our Group remains dedicated to hiring

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.5. Employee interest (Cont'd)

## 4.5.1. Employee benefits and rights (Cont'd)

**Well-being**

Recognising the importance of employee health to a resilient workforce, we strive to positively support the well-being of employees which include the following:-

<b>MEDICAL CARE</b>
<ul style="list-style-type: none"> <li>• An employee is entitled to the disbursement of the medical expenses in respect of the sick leave taken</li> <li>• An employee is entitled to the disbursement of the specialist treatment within limits</li> </ul>
<b>INSURANCE</b>
<ul style="list-style-type: none"> <li>• Our employees are covered by various schemes including the government social security protection scheme, our Group's hospitalisation and surgical insurance policy and/or the foreign worker compensation and hospitalisation scheme</li> <li>• Personal accident insurance coverage is provided to eligible employees</li> </ul>
<b>AWARDS AND INCENTIVES</b>
<ul style="list-style-type: none"> <li>• Annual evaluation is conducted to review the performance of the employees. Bonus, salary increment and promotion are determined based on key performance indicators and the consensus between the respective head of department and the Managing Director</li> <li>• Eligible employees who perform overtime as and when requested by our Group are compensated by overtime wages</li> <li>• Award and incentive are given to the three best foreign worker hostel selected yearly with improvement / good in upkeeping the hostel condition</li> <li>• Award and incentive are given to employee with the best attendance throughout the month</li> <li>• Long service awards and incentives are given to employees who have worked with the company for ten years and rewarded every five years afterward</li> <li>• Our Company is proposing an employee share scheme as part of our remuneration package to incentivise and retain our employees</li> </ul>

**Employee safeguarding**

Our Group adheres to labour laws and strictly applies the codes of practice related to employment practices. We ensure fair treatment in the workplace guided by our employment handbook and contracts outlining the terms of employment and compensation. During the on-boarding session, all new employees will receive a briefing on employee rights. Furthermore, our employee handbook provides clear guidance and grievance procedures on various matters.

## 4.5.2. Workplace safety

**Prohibition of child and forced labour**

Our Group complies with the legal requirements on the minimum employment age as defined by the labour law and ensures that all employees are above eighteen years old. We have zero tolerance for forced or compulsory labour. We only place the factory workers in jobs where they possess the necessary capabilities. Moreover, we comply with the minimum wage set by the government. To enhance our operational performance, we utilise the employee face recognition attendance software, track overtime hours and observe the rest days.

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.5. Employee interest (Cont'd)

## 4.5.2. Workplace safety (Cont'd)

Training**Key Trainings**

On-the-job trainings are provided to equip the factory workers with adequate capabilities and skills in carrying out their responsibilities. Subsequent trainings are provided to workers every 6 months to reinforce their knowledge and skills. Scheduled shift rotation are implemented as part of the production process to allow sufficient rest for all workers and minimise the risk of injuries. In addition, Superlon targets to upskill employees on ESG issues by providing training or courses to foster their awareness towards the latest ESG development in the coming financial years.

**Safe working environment**

Safety issues will always be prioritised in the agenda of the staff meetings and the key performance indicator in employees' performance evaluation. Training and meetings pertaining to safety and health are conducted regularly. Other safety trainings including emergency drills are also conducted for employees to increase vigilance.

As a measure to limit accidents, employees wear mandatory safety gear such as safety goggles, gloves, boots and face masks when entering the factory area. Supervisors at the factory closely monitor the work practices performed by the employees to ensure strict adherence to safety procedures. Additionally, random medical surveillance is performed on selected employees exposed to the raw materials on an annual basis.

Our safety procedures have been enhanced with the standard operating procedures ("SOPs") recommended by the government during Covid-19 pandemic. Employees are reminded to comply with the SOPs and maintain hygiene during endemic. The COVID-19 pandemic saw the introduction of new risk and our Group will improvise the standard precautions as and when required in the face of any potential spread of infectious diseases.

Accordingly, we stay alert and continue to apply the key measures, including but not limited to:-

- Pre-planning or timely planning by senior management for unexpected situations e.g. closure of factory, staff inability to report for work;
- Awareness training provided to all employees on SOPs and preventive measures;
- Personal protective equipment such as face masks and alcohol-based sanitisers are made available to employees if required; and
- Regular sanitisation of common touchpoints, locations and public areas.

## SUSTAINABILITY STATEMENT (CONT'D)

## 4. MANAGING MATERIAL SUSTAINABILITY MATTERS (CONT'D)

## 4.6 Investors' interest

We foster strong relationships with shareholders and investors through regular and effective communication, assigning dedicated key contacts to address their issues and concerns promptly. Our investor relations section which is on the Company's website provides relevant corporate information including the board charter, annual reports, and announcements made to Bursa Securities, ensuring investors are well-informed about significant developments within our Group.

Our Group's senior management is committed to engaging with analysts periodically to convey the past performance, strategy and future plans of our Group. During the AGM, any queries posed by the minority shareholder watch group are made transparent in the presence of the shareholders and addressed.

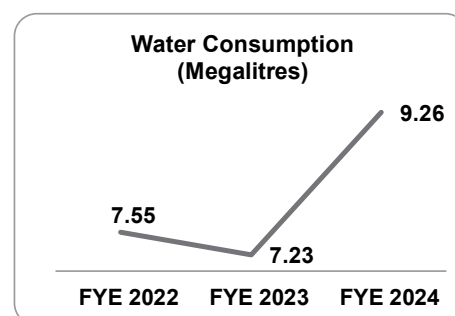
## 4.7. Other sustainability efforts

Our Group is aware of the impact of our thermal insulation manufacturing activities on the environment and strives to diligently monitor our water and electricity consumption:

**Water consumption**

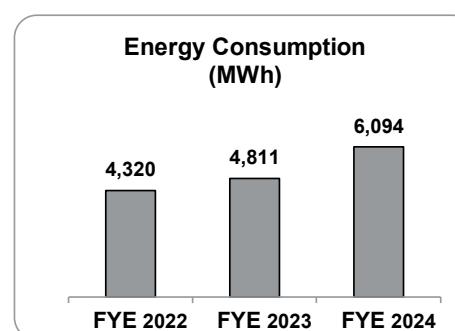
In FYE 2024, water consumption increased to 9.26 megalitres ("ML") (FYE 2023: 7.23 ML) mainly due to operation of a new production line leading to higher water consumption, installation of additional sprinkler systems in compliance with new fire certification requirement and increase of manpower during the financial year.

We are environmentally mindful and have been constantly looking for water recycling opportunities to minimise water consumption for factory operations and raise water saving awareness among employees.

**Energy consumption**

Our Group recorded approximately 6,094 Megawatts hour ("MWh") (FYE 2023: 4811 MWh) of electricity consumed by Superlon in FYE 2024. The higher electricity consumed is mainly due to more production shifts carried out and increase in machineries used in the production.

As a measure to conserve electricity usage, Superlon continuously identifies opportunities such as increased usage of green energy and progressive implementation of smart LED lighting systems to improve our energy efficiency, taking into consideration both the long-term financial and non-financial implications.



## SUSTAINABILITY STATEMENT (CONT'D)

## 5. Performance data table

Indicator	Measurement Unit	FYE 2022 <sup>(4)</sup>	FYE 2023 <sup>(4)</sup>	FYE 2024 <sup>(4)</sup>
Bursa (Anti-corruption)				
<b>Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category</b>				
Directors	Percentage	100%	100%	100%
Office staffs	Percentage	100%	100%	100%
Factory workers	Percentage	0% <sup>(1)</sup>	0% <sup>(1)</sup>	100%
<b>Bursa C1(b) Percentage of operations assessed for corruption-related risks</b>	Percentage	100%	100%	100%
<b>Bursa C1(c) Confirmed incidents of corruption and action taken</b>	Number	0	0	0
Bursa (Community/Society)				
<b>Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer</b>	RM	5,699	900	1,200
<b>Bursa C2(b) Total number of beneficiaries of the investment in communities</b>	Number	-(2)	-(2)	16
Bursa (Diversity)				
<b>Bursa C3(a) Percentage of employees by gender and age group, for each employee category</b>				
Age Group by Employee Category				
Directors Under 30	Percentage	0%	0%	0%
Directors Between 30-40	Percentage	25%	25%	13%
Directors Above 40	Percentage	75%	75%	88%
Office staffs Under 30	Percentage	33%	33%	37%
Office staffs Between 30-40	Percentage	43%	35%	31%
Office staffs Above 40	Percentage	24%	33%	33%
Factory workers Under 30	Percentage	55%	44%	44%
Factory workers Between 30-40	Percentage	31%	38%	38%
Factory workers Above 40	Percentage	15%	18%	18%
Gender Group by Employee Category				
Directors Male	Percentage	75%	75%	75%
Directors Female	Percentage	25%	25%	25%
Office staffs Male	Percentage	37%	37%	37%
Office staffs Female	Percentage	63%	63%	63%
Factory workers Male	Percentage	87%	86%	76%
Factory workers Female	Percentage	13%	14%	24%



## SUSTAINABILITY STATEMENT (CONT'D)

## 5. Performance data table (Cont'd)

Indicator	Measurement Unit	FYE 2022 <sup>(4)</sup>	FYE 2023 <sup>(4)</sup>	FYE 2024 <sup>(4)</sup>
<b>Bursa C3(b) Percentage of directors by gender and age group</b>				
Male	Percentage	75%	75%	75%
Female	Percentage	25%	25%	25%
Under 30	Percentage	0%	0%	0%
Between 30-40	Percentage	25%	25%	13%
Above 40	Percentage	75%	75%	88%
Bursa (Energy management)				
<b>Bursa C4(a) Total energy consumption</b>	Megawatt	4,320	4,811	6,094
Bursa (Health and safety)				
<b>Bursa C5(a) Number of work-related fatalities</b>	Number	0	0	0
<b>Bursa C5(b) Lost time incident rate ("LTIR")</b>	Rate	0	0	0
<b>Bursa C5(c) Number of employees trained on health and safety standards</b>	Number	340	295	382
Bursa (Labour practices and standards)				
<b>Bursa C6(a) Total hours of training by employee category</b>				
Directors	Hours	53	119	122
Office staffs	Hours	419	1,463	1,508
Factory workers	Hours	3,496	2,729	2,313
<b>Bursa C6(b) Percentage of employees that are contractors or temporary staff</b>	Percentage	0%	0%	0%
<b>Bursa C6(c) Total number of employee turnover by employee category</b>				
Directors	Number	0	0	1
Office staffs	Number	17	12	11
Factory workers	Number	76	62	96
<b>Bursa C6(d) Number of substantiated complaints concerning human rights violations</b>	Number	0	0	0
Bursa (Supply chain management)				
<b>Bursa C7(a) Proportion of spending on local suppliers</b>	Percentage	75%	66%	50%
Bursa (Data privacy and security)				
<b>Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</b>	Number	0	0	0

## SUSTAINABILITY STATEMENT (CONT'D)

## 5. Performance data table (Cont'd)

Indicator	Measurement Unit	FYE 2022 <sup>(4)</sup>	FYE 2023 <sup>(4)</sup>	FYE 2024 <sup>(4)</sup>
Bursa (Water)				
<b>Bursa C9(a) Total volume of water used</b>	Megalitres	7.55	7.23	9.26
Bursa (Waste management)				
<b>Bursa C10(a) Total waste generated</b>	Metric tonnes	1,322	1,908	2,178
<b>Bursa C10(a)(i) Total waste diverted from disposal</b>	Metric tonnes	143	271	435
<b>Bursa C10(a)(ii) Total waste directed to disposal</b>	Metric tonnes	1,179	1,637	1,743
Bursa (Emissions management)				
<b>Bursa C11(a) Scope 1 emissions in tonnes of CO2e</b>	Metric tonnes	-(3)	-(3)	-(3)
<b>Bursa C11(b) Scope 2 emissions in tonnes of CO2e</b>	Metric tonnes	-(3)	-(3)	-(3)
<b>Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)</b>	Metric tonnes	-(3)	-(3)	-(3)

Notes:

- (1) Superlon started to provide anti-corruption training for factory workers in FYE2024  
 (2) The total number of beneficiaries could not be reliably estimated  
 (3) Superlon is in the midst of setting up the emissions management framework  
 (4) Reviewed and verified by the internal auditors

# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The directors hereby submit 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 Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

## RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	11,989,472	5,064,077

## DIVIDENDS

Dividends paid or declared by the Company since 30 April 2023 are as follows:-

A first interim dividend of approximately 0.75 sen per ordinary share on 158,716,842 ordinary shares amounting to RM 1,190,376 in respect of the financial year ended 30 April 2024 was declared on 30 June 2023 and subsequently paid on 15 September 2023. The payment was made to shareholders whose names appeared in the Company's Record of Depositors on 21 August 2023.

A second interim dividend of approximately 0.75 sen per ordinary share on 158,716,842 ordinary shares amounting to RM 1,190,376 in respect of the financial year ended 30 April 2024 was declared on 14 December 2023 and subsequently paid on 26 January 2024. The payment was made to shareholders whose names appeared in the Company's Record of Depositors on 8 January 2024.

A third interim dividend of approximately 1.25 sen per ordinary share on 158,653,842 ordinary shares amounting to RM 1,983,173 in respect of the financial year ended 30 April 2024 was declared on 4 April 2024 and subsequently paid on 26 April 2024. The payment was made to shareholders whose names appeared in the Company's Record of Depositors on 16 April 2024.

The directors do not recommend the payment of any final dividends for the financial year ended 30 April 2024.

On 28 June 2024, the Company declared an interim dividend approximately 0.75 sen per ordinary share on 158,593,842 ordinary shares amounting to RM 1,189,454 in respect of the financial year ending 30 April 2025 and payable on 26 August 2024 to shareholders whose names appeared in the Company's Record of Depositors on 29 July 2024. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriate if retained profits in the financial year ending 30 April 2025.

## RESERVES AND PROVISIONS

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

## DIRECTORS' REPORT (CONT'D)

**ISSUES OF SHARES AND DEBENTURES**

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

**TREASURY SHARES**

During the financial year, the Company purchased 123,000 of its issued ordinary shares from the open market at an average price of RM 0.93 per share. The total consideration paid for the purchase was RM 113,954 including transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

As at 30 April 2024, the Company held as treasury shares a total of 1,406,158 of its 160,000,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM 541,698. The details on the treasury shares are disclosed in Note 17 to the financial statements.

**OPTIONS GRANTED OVER UNISSUED SHARES**

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

**BAD AND DOUBTFUL DEBTS**

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

**CURRENT ASSETS**

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

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

**VALUATION METHODS**

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

## DIRECTORS' REPORT (CONT'D)

### CONTINGENT AND OTHER LIABILITIES

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

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

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

### CHANGE OF CIRCUMSTANCES

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

### ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than the impairment losses on trade receivables as disclosed in Notes 11 and 25 to the financial statements.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu)  
Liu Han-Chao  
Liu Jeremy  
Ongi Cheng San  
Chun Kwong Pong  
Lin, Po-Chih  
Lim Wai Loong  
Lee Mei Hsiang

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Liu Pau-Line  
Lim E @ Lim Hoon Nam  
Koo Thien Yui

## DIRECTORS' REPORT (CONT'D)

**DIRECTORS' INTERESTS**

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares, options over unissued shares or debentures of the Company and its related corporations during the financial year are as follows:-

**The Company**

		Number of Ordinary Shares			
		At 01.05.2023	Bought	Sold	At 30.04.2024
Liu Lee, Hsiu-Lin	- Direct	35,860,548	—	—	35,860,548
(Also known as Jessica Hsiu-Lin Liu)	- Indirect <sup>(1)</sup>	14,280,000	—	—	14,280,000
Liu Han-Chao	- Direct	7,140,000	—	—	7,140,000
	- Indirect <sup>(2)</sup>	35,860,548	—	—	35,860,548
Liu Jeremy	- Direct	7,140,000	—	—	7,140,000
	- Indirect <sup>(2)</sup>	35,860,548	—	—	35,860,548
Ongi Cheng San	- Direct	60,204	72,000	—	132,204
Lin, Po-Chih	- Direct	4,415,400	449,700	—	4,865,100
Chun Kwong Pong	- Direct	—	1,000,000	—	1,000,000

**Notes :-**

- (1) Deemed interest by virtue of her sons, Liu Han-Chao's and Liu Jeremy's direct interest in the Company.
- (2) Deemed interest by virtue of their mother, Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu)'s direct interest in the Company.

By virtue of their shareholdings in the Company, Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu), Liu Han-Chao and Liu Jeremy are deemed to have interests in the shares in all of its subsidiaries during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

**DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 34 to the financial statements.

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



## DIRECTORS' REPORT (CONT'D)

**DIRECTORS' REMUNERATION**

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
<b>Directors</b>		
<b><u>Directors of the Company</u></b>		
<b><i>Executive directors:-</i></b>		
Short-term employee benefits	2,721,680	16,250
Defined contribution benefits (EPF)	446,584	–
	3,168,264	16,250
<b><i>Non-executive directors:-</i></b>		
Short-term employee benefits:		
- fees	180,000	180,000
- other benefits	14,750	14,750
	194,750	194,750
Total directors' remuneration	3,363,014	211,000

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM 64,250 and RM NIL respectively.

**INDEMNITY AND INSURANCE COST**

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Group and of the Company.

**SUBSIDIARIES**

The details of the subsidiaries name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

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

**SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD**

The significant event occurring after the reporting period is disclosed in Note 38 to the financial statements.

## DIRECTORS' REPORT (CONT'D)

**AUDITORS**

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees		
- auditors of the Company	92,500	40,000
- other auditors	53,915	–
Non-audit fees	5,000	5,000
	151,415	45,000

Signed in accordance with a resolution of the directors dated 16 August 2024.

**Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu)**

**Liu Han-Chao**

## STATEMENT BY DIRECTORS

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

We, Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu) and Liu Han-Chao, being two of the directors of Superlon Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 60 to 119 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 April 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 16 August 2024.

**Liu Lee, Hsiu-Lin (Also known as Jessica Hsiu-Lin Liu)**

**Liu Han-Chao**

## STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Ongi Cheng San, MIA membership number : 30665, being the director primarily responsible for the financial management of Superlon Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 60 to 119 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by  
the abovementioned Ongi Cheng San,  
at Kuala Lumpur in the Federal Territory  
on this 16 August 2024.

**Ongi Cheng San**

Before me

**GUNASUNDARY A/P SUPPAIAH**  
W923  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUPERLON HOLDINGS BERHAD

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Superlon Holdings Berhad, which comprise the statements of financial position as at 30 April 2024 of the Group and of the Company, and the statements of profit or loss and other 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 60 to 119.

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

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

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

### Key Audit Matters

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

We have determined the matters described below to be the key audit matter to be communicated in our report.

Carrying value of inventories Refer to Note 10 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group held inventories with carrying amount of RM 25,777,440 as at 30 April 2024.</p> <p>The carrying value of inventories is stated at the lower of cost and net realisable value.</p> <p>We have considered carrying value of inventories as a key area of our audit as management periodically reviews the inventories for potential write-downs by considering their aging profile, estimation of market price fluctuations and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Compared the net realisable value to the cost of inventories at the end of the reporting period to assess the reasonableness of inventories write-down.</li> <li>• Performed test on the inventory ageing report to ensure inventories were grouped into the appropriate age bracket.</li> <li>• Reviewed the consistency of inventory write-down by checking such write-down against the corresponding age profile of inventories according to the group policy.</li> </ul>

## INDEPENDENT AUDITORS' REPORT (CONT'D)

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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 (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 requirement of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

**OTHER MATTERS**

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

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

**Goh Siow Yen**  
03557/03/2025 J  
Chartered Accountant

Muar, Johor Darul Takzim

Date : 16 August 2024

# STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investments in subsidiaries	5	–	–	70,336,610	64,160,616
Property, plant and equipment	6	93,853,820	88,930,421	–	–
Intangible assets	7	1,000,000	1,333,868	–	–
Right-of-use assets	8	5,803,003	6,782,042	–	–
Other investment	9	46,667	46,667	–	–
Deferred tax assets	21	29,314	24,224	–	–
		100,732,804	97,117,222	70,336,610	64,160,616
<b>CURRENT ASSETS</b>					
Inventories	10	25,777,440	22,918,508	–	–
Trade receivables	11	15,083,188	13,700,036	–	–
Other receivables, deposits and prepayments	12	3,439,520	3,455,977	1,000	1,000
Amount owing by subsidiaries	13	–	–	131,994	9,047,236
Current tax assets		760,708	1,071,858	26,620	29,877
Fixed deposits with licensed banks	14	40,393,151	42,830,727	2,700,000	500,000
Short-term investment	15	5,771,856	–	–	–
Cash and bank balances		10,808,360	10,427,064	1,228,236	109,731
		102,034,223	94,404,170	4,087,850	9,687,844
<b>TOTAL ASSETS</b>		<b>202,767,027</b>	<b>191,521,392</b>	<b>74,424,460</b>	<b>73,848,460</b>

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



## STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>EQUITY AND LIABILITIES</b>					
Equity Attributable to Owners of the Company					
Share capital	16	41,433,182	41,433,182	41,433,182	41,433,182
Treasury shares	17	(541,698)	(427,744)	(541,698)	(427,744)
Reserves	18	112,252,658	103,750,497	33,318,626	32,618,474
<b>TOTAL EQUITY</b>		<b>153,144,142</b>	<b>144,755,935</b>	<b>74,210,110</b>	<b>73,623,912</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	19	3,269,524	4,019,571	–	–
Loans and borrowings	20	21,208,005	23,398,037	–	–
Deferred tax liabilities	21	6,508,689	6,286,720	–	–
		<b>30,986,218</b>	<b>33,704,328</b>	<b>–</b>	<b>–</b>
<b>CURRENT LIABILITIES</b>					
Trade payables	22	5,131,255	4,434,031	–	–
Other payables and accruals	23	6,403,382	3,543,549	214,350	224,548
Lease liabilities	19	862,785	844,301	–	–
Loans and borrowings	20	6,193,928	4,201,886	–	–
Current tax liabilities		45,317	37,362	–	–
		<b>18,636,667</b>	<b>13,061,129</b>	<b>214,350</b>	<b>224,548</b>
<b>TOTAL LIABILITIES</b>		<b>49,622,885</b>	<b>46,765,457</b>	<b>214,350</b>	<b>224,548</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>202,767,027</b>	<b>191,521,392</b>	<b>74,424,460</b>	<b>73,848,460</b>

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	24	118,174,270	108,448,164	3,850,000	11,000,000
COST OF SALES		(85,823,698)	(86,628,412)	–	–
GROSS PROFIT		32,350,572	21,819,752	3,850,000	11,000,000
OTHER INCOME		2,527,723	1,254,367	2,160,994	666,419
SELLING AND DISTRIBUTION EXPENSES		(7,102,656)	(8,243,144)	–	–
ADMINISTRATIVE EXPENSES		(10,825,870)	(8,686,125)	(727,647)	(687,617)
OTHER EXPENSES		(1,642,184)	(437,274)	(206,650)	–
FINANCE COSTS		(1,647,322)	(1,069,252)	–	–
REVERSAL OF IMPAIRMENT/ (NET IMPAIRMENT LOSS) ON FINANCIAL ASSETS	25	219,299	(438,763)	–	–
PROFIT BEFORE TAXATION	26	13,879,562	4,199,561	5,076,697	10,978,802
INCOME TAX EXPENSE	28	(1,890,090)	(1,923,727)	(12,620)	(4,164)
PROFIT AFTER TAXATION FOR THE FINANCIAL YEAR		11,989,472	2,275,834	5,064,077	10,974,638
OTHER COMPREHENSIVE INCOME	29				
<u>Items that Will Not be Reclassified</u> <u>Subsequently to Profit or Loss</u>					
Revaluation of property, plant and equipment		(489,366)	669,685	–	–
<u>Items that Will be Reclassified</u> <u>Subsequently to Profit or Loss</u>					
Foreign currency translation differences		1,365,980	291,912	–	–
TOTAL OTHER COMPREHENSIVE INCOME		876,614	961,597	–	–
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		12,866,086	3,237,431	5,064,077	10,974,638

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

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

	Note	The Group 2024 RM	2023 RM	The Company 2024 RM	2023 RM
<b>PROFIT AFTER TAXATION</b>					
<b>ATTRIBUTABLE TO:-</b>					
OWNERS OF THE COMPANY		11,989,472	2,275,834	5,064,077	10,974,638
<b>TOTAL COMPREHENSIVE INCOME</b>					
<b>FOR THE FINANCIAL YEAR</b>					
<b>ATTRIBUTABLE TO:-</b>					
OWNERS OF THE COMPANY		12,866,086	3,237,431	5,064,077	10,974,638
<b>EARNINGS PER ORDINARY</b>					
<b>SHARE (SEN)</b>					
- Basic	30	7.55	1.43		
- Diluted		N.A	N.A		

Note:

N.A - Not applicable. There are no dilutive potential equity instruments that would effect to the basic earnings per share.

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

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

The Group	Note	Non-distributable				Distributable		Total equity RM
		Share capital RM	Treasury shares RM	Revaluation reserve RM	Foreign exchange translation reserve RM	Retained profits RM		
Balance at 1 May 2023		41,433,182	(427,744)	26,122,077	1,889,736	75,738,684		144,755,935
Profit after taxation for the financial year		-	-	-	-	11,989,472		11,989,472
Purchase of treasury shares		-	(113,954)	-	-	-		(113,954)
Other comprehensive income for the financial year:-								
- Foreign currency translation differences for foreign operations		-	-	-	1,365,980	-		1,365,980
- Revaluation of property, plant and equipment		-	-	(489,366)	-	-		(489,366)
<b>Total comprehensive income for the financial year</b>		-	(113,954)	(489,366)	1,365,980	11,989,472		12,752,132
Distributions to owners of the Company:-	31							
- Dividends to owners of the Company		-	-	-	-	(4,363,925)		(4,363,925)
<b>Total transactions with owners</b>		-	-	-	-	(4,363,925)		(4,363,925)
Amortisation of revaluation reserve		-	-	(160,423)	-	160,423		-
Balance at 30 April 2024		41,433,182	(541,698)	25,472,288	3,255,716	83,524,654		153,144,142

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

## STATEMENTS OF CHANGES IN EQUITY (CONT'D)

The Group	Note	Non-distributable				Distributable	
		Share capital RM	Treasury shares RM	Revaluation reserve RM	Foreign exchange translation reserve RM	Retained profits RM	Total equity RM
Balance at 1 May 2022		41,433,182	(424,497)	25,593,608	1,597,824	74,591,408	142,791,525
Profit after taxation for the financial year		-	-	-	-	2,275,834	2,275,834
Purchase of treasury shares		-	(3,247)	-	-	-	(3,247)
Other comprehensive income for the financial year:-							
- Foreign currency translation differences for foreign operations		-	-	-	291,912	-	291,912
- Revaluation of property, plant and equipment		-	-	669,685	-	-	669,685
<b>Total comprehensive income for the financial year</b>		-	(3,247)	669,685	291,912	2,275,834	3,234,184
Distributions to owners of the Company:-	31						
- Dividends to owners of the Company		-	-	-	-	(1,269,774)	(1,269,774)
<b>Total transactions with owners</b>		-	-	-	-	(1,269,774)	(1,269,774)
Amortisation of revaluation reserve		-	-	(141,216)	-	141,216	-
Balance at 30 April 2023		41,433,182	(427,744)	26,122,077	1,889,736	75,738,684	144,755,935

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

## STATEMENTS OF CHANGES IN EQUITY (CONT'D)

**The Company**

			<b>Non- distributable</b>	<b>Distributable</b>	
	<b>Note</b>	<b>Share capital RM</b>	<b>Treasury shares RM</b>	<b>Retained profits RM</b>	<b>Total equity RM</b>
Balance at 1 May 2022		41,433,182	(424,497)	22,913,610	63,922,295
Profit after taxation and total comprehensive income for the financial year		–	–	10,974,638	10,974,638
Distributions to owners of the Company:-					
- Purchase of treasury shares		–	(3,247)	–	(3,247)
- Dividends to owners of the Company	31	–	–	(1,269,774)	(1,269,774)
<b>Total transaction with owners</b>		–	(3,247)	(1,269,774)	(1,273,021)
Balance at 30 April 2023 / 1 May 2023		41,433,182	(427,744)	32,618,474	73,623,912
Profit after taxation and total comprehensive income for the financial year		–	–	5,064,077	5,064,077
Distributions to owners of the Company:-					
- Purchase of treasury shares		–	(113,954)	–	(113,954)
- Dividends to owners of the Company	31	–	–	(4,363,925)	(4,363,925)
<b>Total transaction with owners</b>		–	(113,954)	(4,363,925)	(4,477,879)
Balance at 30 April 2024		41,433,182	(541,698)	33,318,626	74,210,110

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

Note	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM/(FOR)</b>				
<b>OPERATING ACTIVITIES</b>				
Profit before taxation	13,879,562	4,199,561	5,076,697	10,978,802
Adjustments for:-				
Depreciation of property, plant and equipment	5,511,793	4,737,069	-	-
Depreciation of right-of-use assets	1,144,176	573,536	-	-
Dividend income	-	-	(3,850,000)	(11,000,000)
Gain on derecognition of right-of-use assets	(144)	(52)	-	-
Gain on disposal of property, plant and equipment	(362,195)	(947)	-	-
Impairment loss on trade receivables	322,918	616,762	-	-
Impairment loss on product development expenditure	333,868	-	-	-
Loss on deregistered of subsidiary	-	-	206,650	-
Reversal of impairment loss on trade receivables	(542,217)	(177,999)	-	-
Property, plant and equipment written off	28,802	43,842	-	-
Reversal of inventories previously written down	(35,295)	(227,896)	-	-
Inventories written down	196,310	350,329	-	-
Unrealised loss/(gain) on foreign exchange	1,171,146	(139,703)	(1,853,281)	(648,575)
Interest expense	1,396,747	973,732	-	-
Interest expense on lease liabilities	250,574	95,520	-	-
Interest income	(1,481,645)	(655,440)	(55,663)	(17,844)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	21,814,400	10,388,314	(475,597)	(687,617)
Inventories	(3,019,947)	9,904,649	-	-
Trade and other receivables, deposits and prepayments	(1,181,541)	774,414	-	-
Trade and other payables and accruals	1,914,367	(65,949)	(10,198)	320
<b>CASH GENERATED FROM/(FOR) OPERATIONS</b>	19,527,279	21,001,428	(485,795)	(687,297)
Interest received	1,481,645	655,440	55,663	17,844
Tax refund	-	2,287	-	-
Tax paid	(1,346,525)	(429,538)	(9,363)	(2,800)
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>	19,662,399	21,229,617	(439,495)	(672,253)
<b>FORWARD</b>	19,662,399	21,229,617	(439,495)	(672,253)

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



## STATEMENTS OF CASH FLOWS (CONT'D)

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>FORWARD</b>		19,662,399	21,229,617	(439,495)	(672,253)
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>					
Dividend received		–	–	3,850,000	11,000,000
Investment in subsidiary		–	–	(4,418,000)	(30)
(Increase)/Decrease of fixed deposits with maturity period more than three months		(8,992,524)	(24,915,000)	(2,400,000)	(300,000)
Proceeds from disposal of property, plant and equipment		522,050	1,030	–	–
Purchase of property, plant and equipment	32(a)	(9,956,603)	(4,157,911)	–	–
Net advance to subsidiaries		–	–	8,808,898	(8,840,893)
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		(18,427,077)	(29,071,881)	5,840,898	1,859,077
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>					
Dividend paid	31	(4,363,925)	(1,269,774)	(4,363,925)	(1,269,774)
Drawdown of multi currency trade loans	32(b)	14,139,895	7,956,467	–	–
Drawdown of bill payables	32(b)	–	1,844,920	–	–
Drawdown of term loans	32(b)	–	19,634,000	–	–
Interest paid	32(b)	(1,647,321)	(1,069,252)	–	–
Purchase of treasury shares		(113,954)	(3,247)	(113,954)	(3,247)
Repayment of lease liabilities	32(b)	(910,742)	(451,626)	–	–
Repayment of multi currency trade loans	32(b)	(11,230,906)	(14,158,664)	–	–
Repayment of term loans	32(b)	(2,794,963)	(1,542,412)	–	–
Repayment of hire purchases payables	32(b)	(273,666)	(288,715)	–	–
Repayment of bill payables	32(b)	(868,150)	(976,770)	–	–
<b>NET CASH (FOR)/FROM FINANCING ACTIVITIES</b>		(8,063,732)	9,674,927	(4,477,879)	(1,273,021)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(6,828,410)	1,832,663	923,524	(86,197)
<b>EFFECT OF FOREIGN EXCHANGE TRANSLATION</b>		1,551,462	(135,441)	(5,019)	275
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		26,677,164	24,979,942	309,731	395,653
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	32(d)	21,400,216	26,677,164	1,228,236	309,731

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : 3-2, 3<sup>rd</sup> Mile Square  
No. 151, Jalan Kelang Lama  
Batu 3 ½  
58100 Kuala Lumpur

Principal place of business : Lot 2567, Jalan Sungai Jati  
41200 Klang  
Selangor Darul Ehsan

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 16 August 2024.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

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

Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**3. BASIS OF PREPARATION (CONT'D)**

- 3.1 During the current financial year, the Group and the Company has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any) (Cont'd):-

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company except as follows:-

*Amendments to MFRS 101: Disclosure of Accounting Policies*

The Amendments to MFRS 101 'Disclosure of Accounting Policies' did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures. The Group and the Company have made updates to the accounting policies presented in Note 4 to the financial statements in line with the amendments.

- 3.2 The Group and the Company has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

*MFRS 18 Presentation and Disclosure in Financial Statements*

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION****4.1 Critical accounting estimates and judgements***Key sources of estimation uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

**(a) Depreciation of property, plant and equipment**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

**(b) Amortisation of product development expenditure**

The estimate for the residual value, useful lives and related amortisation charges for the product development expenditure are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its product development expenditures will be insignificant. As a result, residual values are not being taken into consideration for the computation of the amortisation amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised. The carrying amount of product development expenditure measured at revaluation as at the reporting date is disclosed in Note 7 to the financial statements.

**(c) Property, plant and equipment under revaluation**

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size and market trends. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amount of property, plant and equipment measured at revaluation as at the reporting date is disclosed in Note 6 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.1 Critical accounting estimates and judgements (Cont'd)**

*Key sources of estimation uncertainty (Cont'd)*

**(d) Impairment of trademark**

Trademark is tested for impairment annually and at other times when such indicators exist. This requires management to estimate the expected future cash flows of the cash-generating unit to which trademark is allocated and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margin, growth rates estimated and discount rate used. If the expectations is different from the estimation, such differences will impact the carrying value of trademark. The carrying amount of trademark as at the reporting date is disclosed in Note 7 to the financial statements.

**(e) Impairment of property, plant and equipment**

The Group determines whether an items of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

**(f) Write-down of inventories**

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

**(g) Impairment of trade receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 11 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.1 Critical accounting estimates and judgements (Cont'd)***Key sources of estimation uncertainty (Cont'd)***(h) Deferred tax assets**

Deferred tax assets are recognised for all deductible temporary differences or unused tax losses to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences or unused tax losses could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 21 to the financial statements.

*Critical judgements made in applying accounting policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements.

**4.2 Financial instruments****(a) Financial assets**Financial assets through profit or loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial assets at amortised cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

Financial assets through other comprehensive income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.2 Financial instruments (Cont'd)****(b) Financial liabilities**Financial liabilities through profit or loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial liabilities at amortised cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

**(c) Equity**Ordinary shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

**(d) Financial guarantee contracts**

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

**4.3 Investment in subsidiaries**

Investments in subsidiaries including the fair value adjustments on inter-company loans at inception date, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.4 Property, plant and equipment**

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment other than freehold land and buildings, are stated at cost less accumulated depreciation and any impairment losses.

Freehold land and buildings are stated at revalued amounts based on periodic valuations, at least once in every 5 years and shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value, less subsequent depreciation for building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Factory buildings and staff quarters	2.0% - 20.0%
Plant, machinery, tools and equipment	6.7% - 10.0%
Motor vehicles	10.0% - 16.0%
Office equipment, renovation, furniture and fittings	10.0% - 20.0%

Capital work-in-progress are not depreciated until such time when the asset is available for use.

**4.5 Trademark**

Expenditure incurred on the acquisition of trademark is capitalised as non-current asset. The useful lives of trademark is estimated to be indefinite because based on the current market share of the trademark, management believes there is no foreseeable limit to the period over which the trademark is expected to generate net cash flows to the Group. Trademark is stated at cost less any impairment losses. The carrying amount of trademark is reviewed annually and adjusted for impairment where it is considered necessary.

**4.6 Research and development expenditure**

Research costs are recognised as an expense when it is incurred.

Capitalised development costs are initially measured at cost. Subsequent to the initial recognition, the development costs are stated at cost less accumulated amortisation and any accumulated impairment losses.

Capitalised development costs are amortised from the point at which the asset is available for use using the straight-line method over a period 5 years. Prior to that, the capitalised development costs are tested for impairment annually and whenever there is an indication that they may be impaired.

**4.7 Right-of-use assets and lease liabilities****(a) Short-term leases and leases of low-value assets**

The Group apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)****4.7 Right-of-use assets and lease liabilities (Cont'd)****(b) Right-of-use assets**

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

**(c) Lease liabilities**

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

**4.8 Inventories**

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

**5. INVESTMENTS IN SUBSIDIARIES**

	<b>The Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Unquoted shares, at cost</b>		
At 1 May	43,583,745	43,583,715
Additions	–	30
Deregistered *	(184,306)	–
At 30 April	43,399,439	43,583,745
<b>Less : Accumulated impairment loss</b>		
At 1 May / At 30 April	(2,302,929)	(2,302,929)
	41,096,510	41,280,816
<b>Contribution to a subsidiary</b>		
At 1 May	22,879,800	22,315,500
Additions	4,418,000	–
Foreign exchange	1,942,300	564,300
At 30 April	29,240,100	22,879,800
	70,336,610	64,160,616

\* On 13 November 2023, a subsidiary of the Company, Superlon Worldwide (India) Private Limited had been deregistered.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**5. INVESTMENTS IN SUBSIDIARIES (CONT'D)**

Contribution to a subsidiary represent advances of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts, in substance, form part of the Company's net investment in the subsidiary. The contributions are stated at cost less accumulated impairment losses, if any.

The details of subsidiaries are as follows:-

<u>Name of subsidiaries</u>	<u>Principal activities</u>	<u>Principal place of business/ country of incorporation</u>	<u>Percentage of issued share capital held by parent</u>	
			<u>2024</u>	<u>2023</u>
<u>Subsidiaries of the Company</u>				
Superlon Worldwide Sdn. Bhd. ("SWSB")	Design, test and manufacture of thermal insulation materials mainly for the heating, ventilation, air-conditioning and refrigeration ("HVAC&R") industry; and trading of HVAC&R parts and equipments.	Malaysia	100%	100%
Superlon Solutions Sdn. Bhd. ("SSOL")	Trading of HVAC&R parts and equipments.	Malaysia	100%	100%
Acoustec Concept Sdn. Bhd. ("ACT")	Dormant.	Malaysia	100%	100%
Superlon Singapore Private Limited ("SSGP") ^	Investment holding company.	Singapore	100%	100%
ACR Pro Pty Ltd ("ACR")#	Dormant.	Australia	100%	100%
<u>Subsidiary of SSGP</u>				
Superlon Vietnam Company Limited ("SVN") ^	Design, test and manufacture of thermal insulation materials mainly for the heating, ventilation, air-conditioning and refrigeration ("HVAC&R") industry; and trading of HVAC&R parts and equipments.	Vietnam	100%	100%

Note:

^ These subsidiaries were audited by other firms of chartered accountants.

# Not required to be audited under the laws of the country of incorporation.

On 21 April 2023, the Company acquired 10 ACR shares, representing 100% of total issued share capital of ACR for total cash consideration of AUD 10.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 6. PROPERTY, PLANT AND EQUIPMENT

The Group  
2024

At cost / valuation	Freehold land RM	Factory buildings and staff quarters RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Office equipment, renovation, furniture and fittings RM	Capital work- in-progress RM	Total RM
At 1 May 2023	33,690,000	33,176,922	49,558,268	3,565,832	5,048,148	3,145,118	128,184,288
Additions	-	-	9,268,768	983,375	979,644	55,803	11,287,590
Disposal	-	-	(18,150)	(1,228,935)	(122)	-	(1,247,207)
Reclassification	-	-	3,223,656	-	-	(3,223,656)	-
Revaluation deficits	-	(489,366)	-	-	-	-	(489,366)
Transfer *	-	(149,874)	-	-	-	-	(149,874)
Write-off	-	-	(78,700)	-	(5,655)	-	(84,355)
Foreign currency translation differences	-	(49,672)	(222,613)	(3,616)	(50,245)	78,538	(247,608)
At 30 April 2024	33,690,000	32,488,010	61,731,229	3,316,656	5,971,770	55,803	137,253,468
<b>Less: Accumulated depreciation</b>							
At 1 May 2023	-	2,629,560	31,720,882	2,391,808	2,511,617	-	39,253,867
Charge for the financial year	-	803,551	3,825,563	433,356	449,323	-	5,511,793
Disposal	-	-	(18,009)	(1,069,297)	(46)	-	(1,087,352)
Transfer *	-	(149,874)	-	-	-	-	(149,874)
Write-off	-	-	(51,020)	-	(4,533)	-	(55,553)
Foreign currency translation differences	-	-	(59,624)	(1,025)	(12,584)	-	(73,233)
At 30 April 2024	-	3,283,237	35,417,792	1,754,842	2,943,777	-	43,399,648
<b>Carrying amount</b>							
At 30 April 2024	33,690,000	29,204,773	26,313,437	1,561,814	3,027,993	55,803	93,853,820
<b>Carrying amount</b>							
- At cost	-	-	26,313,437	1,561,814	3,027,993	55,803	30,959,047
- At valuation	33,690,000	29,204,773	-	-	-	-	62,894,773
At 30 April 2024	33,690,000	29,204,773	26,313,437	1,561,814	3,027,993	55,803	93,853,820

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

The Group 2023	Freehold land RM	Factory buildings and staff quarters RM	Plant, machinery, tools and equipment RM	Motor vehicles RM	Office equipment, renovation, furniture and fittings RM	Capital work- in-progress RM	Total RM
<b>At cost / valuation</b>							
At 1 May 2022	33,690,000	34,999,924	48,749,468	3,483,871	3,021,417	-	123,944,680
Additions	-	-	809,498	85,000	104,936	3,092,760	4,092,194
Disposal	-	-	-	(3,610)	(122)	-	(3,732)
Reclassification	-	(1,932,450)	-	-	1,932,450	-	-
Revaluation surplus	-	669,685	-	-	-	-	669,685
Transfer *	-	(570,178)	-	-	-	-	(570,178)
Write-off	-	-	(41,739)	-	(33,947)	-	(75,686)
Foreign currency translation differences	-	9,941	41,041	571	23,414	52,358	127,325
At 30 April 2023	33,690,000	33,176,922	49,558,268	3,565,832	5,048,148	3,145,118	128,184,288
<b>Less : Accumulated depreciation</b>							
At 1 May 2022	-	2,596,054	28,426,578	1,964,884	2,117,071	-	35,104,587
Charge for the financial year	-	829,931	3,292,545	430,220	184,373	-	4,737,069
Disposal	-	-	-	(3,609)	(40)	-	(3,649)
Reclassification	-	(222,966)	-	-	222,966	-	-
Transfer *	-	(570,178)	-	-	-	-	(570,178)
Write-off	-	-	(15,680)	-	(16,164)	-	(31,844)
Foreign currency translation differences	-	(3,281)	17,439	313	3,411	-	17,882
At 30 April 2023	-	2,629,560	31,720,882	2,391,808	2,511,617	-	39,253,867
<b>Carrying amount</b>							
At 30 April 2023	33,690,000	30,547,362	17,837,386	1,174,024	2,536,531	3,145,118	88,930,421
<b>Carrying amount</b>							
- At cost	-	-	17,837,386	1,174,024	2,536,531	3,145,118	24,693,059
- At valuation	33,690,000	30,547,362	-	-	-	-	64,237,362
At 30 April 2023	33,690,000	30,547,362	17,837,386	1,174,024	2,536,531	3,145,118	88,930,421

\* This transfer relates to the accumulated depreciation as at the revaluation date that was eliminated against the gross carrying amount of the revalued asset.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

- (a) The following property, plant and equipment are charged against banking facilities (Note 20):-

	<b>The Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
<b>Carrying amount</b>		
Freehold land	33,690,000	33,690,000
Factory buildings	24,805,936	25,459,613
Motor vehicles	1,232,290	935,596
	<b>59,728,226</b>	<b>60,085,209</b>

- (b) On 11 June 2024, certain factory building of the Group was revalued based on independent professional valuation. The deficits arising from the revaluations have been debited to other comprehensive income as disclosed in Note 29 to the financial statements and accumulated in equity under the revaluation reserve.
- (c) On 30 April 2023, certain factory building of the Group was revalued based on independent professional valuation. The surpluses arising from the revaluations, net of deferred taxation, have been credited to other comprehensive income as disclosed in Note 29 to the financial statements and accumulated in equity under the revaluation reserve.
- (d) The details of the Group's freehold land and factory buildings carried at fair value are analysed as follows:-

<b>The Group</b>	<b>Level 1 RM</b>	<b>Level 2 RM</b>	<b>Level 3 RM</b>	<b>Total RM</b>
<b>2024</b>				
Freehold land	–	33,690,000	–	33,690,000
Factory buildings	–	29,204,773	–	29,204,773
	–	<b>62,894,773</b>	–	<b>62,894,773</b>
<b>2023</b>				
Freehold land	–	33,690,000	–	33,690,000
Factory buildings	–	30,547,362	–	30,547,362
	–	<b>64,237,362</b>	–	<b>64,237,362</b>

The level 2 fair values have been determined based on the market comparison approach that reflects recent transaction prices for similar properties and cost approach as a check to ascertain the value of the properties. The most significant input into this valuation approach is price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

There were no transfers between level 1, level 2 and level 3 during the financial year.

The fair value measurements of the freehold land and factory buildings are based on the highest and best use which does not differ from their actual use.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

- (e) If the freehold land and factory buildings were measured using the cost model, the carrying amount would be as follows:-

	2024 RM	The Group 2023 RM
<b>Carrying amount</b>		
Freehold land	12,614,180	12,614,180
Factory buildings	22,296,051	22,938,697
	34,910,231	35,552,877

- (f) There is no property, plant and equipment in the Company throughout the current and previous financial years.

**7. INTANGIBLE ASSETS**

	2024 RM	The Group 2023 RM
Trademark (Note a)	1,000,000	1,000,000
Product development expenditure (Note b)	–	333,868
	1,000,000	1,333,868
 (a) Trademark <b>Cost</b> At 1 May / At 30 April	 1,000,000	 1,000,000
 (b) Product development expenditure <b>Cost</b> At 1 May / At 30 April	 2,179,925	 2,179,925
 <b>Less : Accumulated amortisation</b> At 1 May / At 30 April	 1,846,057	 1,846,057
 <b>Less : Accumulated impairment losses</b> At 1 May	 –	 –
Additions	333,868	–
At 30 April	333,868	–
 <b>Carrying amount</b>	 –	 333,868



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**7. INTANGIBLE ASSETS (CONT'D)****Trademark**

The trademark "Superlon" is registered in Malaysia and acquired for a cash consideration of RM 1 million in August 2000 and considered by management to have indefinite useful lives based on the fact that they are established international brands with global potential.

Trademark with indefinite useful lives is not amortised but is reviewed for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the cash-generating unit ("CGU") based on value-in-use. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGU based on the following assumptions:-

- Cash flows are projected based on the management's five-year business plan.
- Discount rates used for cash flows discounting purpose are the management's estimate of cost of capital plus a reasonable risk premium at the date of assessment of the CGU. The discount rate applied for cash flow projections is 9.7% (2023: 12.8%).
- Growth rate for the CGU is determined based on the management's estimate of the industry trends and past performances of the CGU.
- Profit margins are projected based on the industry trends and historical profit margin achieved.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGU to materially exceed their recoverable amounts.

**Product development expenditure**

The Group has a continuous program of product development initiatives to obtain various code listing for its insulation materials, and to develop special new products for overseas market according to specific requirements of each respective country or region. The code listings, once obtained, will increase selling opportunities for its insulation materials by making it easier for designers, architects and specifies of heating, ventilation, air-conditioning and refrigeration systems to incorporate these products in their plans. Deferred product development expenditure are amortised over a five (5) years period which commensurate with the availability of the sales of the developed products.

The Group's policy for product development expenditure requires the periodic review of the carrying values to determine if there has been impairment in value-based expected future cash flows. If it is determined that the carrying value exceeds the recoverable amount, the carrying value of the asset is written down to the recoverable amount. During the current financial year, the Group has recognised an impairment loss of RM333,868 into profit or loss as disclosed in Note 26 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**8. RIGHT-OF-USE ASSETS**

The Group 2024	At 1 May 2023 RM	Additions/ Modifications RM	Derecognition RM	Depreciation charges RM	Foreign currency translation differences RM	At 30 April 2024 RM
<b>Carrying amount</b>						
Leasehold land	1,987,113	-	-	(58,506)	(19,402)	1,909,205
Buildings	4,794,929	217,291	(6,332)	(1,085,670)	(26,420)	3,893,798
	6,782,042	217,291	(6,332)	(1,144,176)	(45,822)	5,803,003
The Group 2023	At 1 May 2022 RM	Additions/ Modifications RM	Derecognition RM	Depreciation charges RM	Foreign currency translation differences RM	At 30 April 2023 RM
<b>Carrying amount</b>						
Leasehold land	2,033,948	-	-	(56,991)	10,156	1,987,113
Buildings	263,433	5,002,117	(1,701)	(516,545)	47,625	4,794,929
	2,297,381	5,002,117	(1,701)	(573,536)	57,781	6,782,042

The Group leases certain leasehold land and buildings of which the leasing activities are summarised below:-

- (i) Leasehold land      The Group has entered into one non-cancellable operating lease agreements for the use of land. The lease is for a period of 40.5 years with no renewal or purchase option included in the agreements. The lease does not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the plot of land leased, unless obtained written consent from lessor.
- (ii) Buildings      The Group has leased a number of hostels and factory that run between 1 year to 6 years, with an option to renew the lease after that date.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**9. OTHER INVESTMENT**

	2024 RM	The Group 2023 RM
Golf club membership	46,667	46,667

**10. INVENTORIES**

	2024 RM	The Group 2023 RM
Raw materials	13,849,161	14,638,942
Work-in-progress	3,097,256	1,365,106
Finished goods	5,215,931	3,745,679
Trading stock	3,615,092	3,168,781
	25,777,440	22,918,508
<b>Recognised in profit or loss:-</b>		
Inventories recognised as cost of sales	85,823,698	86,628,412
Inventories written down	196,310	350,329
Reversal of inventories previously written down	(35,295)	(227,896)

**11. TRADE RECEIVABLES**

	2024 RM	The Group 2023 RM
Trade receivables	17,151,673	15,987,820
Less: Allowance for impairment losses	(2,068,485)	(2,287,784)
	15,083,188	13,700,036
<b>Allowance for impairment losses:-</b>		
At 1 May	2,287,784	1,849,021
Additions (Note 25)	322,918	538,112
Reversal (Note 25)	(542,217)	(99,349)
At 30 April	2,068,485	2,287,784

The Group's normal trade terms are cash against documents to 90 days credit (2023: cash against documents to 90 days credit) from the date of invoices.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deposits to suppliers	1,414,943	890,936	–	–
Deposits	344,814	741,343	1,000	1,000
Goods and services tax recoverable	851,240	1,195,568	–	–
Prepayments	758,328	515,740	–	–
	3,369,325	3,343,587	1,000	1,000
Sundry receivables	183,229	225,424	–	–
Less: Allowance for impairment losses	(113,034)	(113,034)	–	–
	70,195	112,390	–	–
	3,439,520	3,455,977	1,000	1,000
<b>Allowance for impairment losses:-</b>				
At 1 May / At 30 April	113,034	113,034	–	–

**13. AMOUNT OWING BY SUBSIDIARIES**

	The Company	
	2024 RM	2023 RM
<b>Current</b>		
Non-trade balances	131,994	9,047,236

The non-trade balances represent unsecured, interest-free, advances and payments made on behalf. The amounts owing are repayable on demand.

**14. FIXED DEPOSITS WITH LICENSED BANKS**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed deposits with licensed banks	40,393,151	42,830,727	2,700,000	500,000

- (a) The effective interest rates for all fixed deposits with licensed banks of the Group and of the Company at the end of reporting period are 2.8% - 4.3% (2023: 2.8% - 4.9%) per annum and 3.9% (2023: 3.6% - 4.0%) per annum respectively.
- (b) The maturity periods for fixed deposits with licensed banks of the Group and of the Company as at the end of reporting period are 30 to 365 days (2023: 30 to 365 days) and 184 to 185 days (2023: 94 to 185 days) respectively.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**15. SHORT-TERM INVESTMENT**

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Money market fund, at fair value	5,771,856	–

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions which are redeemable within one (1) day notice at known amounts of cash and are subject to an insignificant risk of changes in value.

**16. SHARE CAPITAL**

	<b>The Group / The Company</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Number of shares</b>	<b>RM</b>	<b>Number of shares</b>	<b>RM</b>
<b>Issued and fully paid-up:-</b>				
Ordinary shares				
At 1 May / At 30 April	160,000,000	41,433,182	160,000,000	41,433,182

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

**17. TREASURY SHARES**

	<b>The Group / The Company</b>			
	<b>2024</b>		<b>2023</b>	
	<b>Number of shares</b>	<b>RM</b>	<b>Number of shares</b>	<b>RM</b>
At 1 May	1,283,158	427,744	1,278,158	424,497
Addition	123,000	113,954	5,000	3,247
At 30 April	1,406,158	541,698	1,283,158	427,744

During the financial year, the Company purchased 123,000 (2023: 5,000) of its issued ordinary shares from the open market at an average price of RM 0.93 (2023: RM 0.65) per share. The total consideration paid for the purchase was RM 113,954 (2023: RM 3,247) including transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**18. RESERVES**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Non-distributable</b>				
Revaluation reserve	25,472,288	26,122,077	–	–
Foreign exchange translation reserve	3,255,716	1,889,736	–	–
	28,728,004	28,011,813	–	–
<b>Distributable</b>				
Retained profits	83,524,654	75,738,684	33,318,626	32,618,474
	112,252,658	103,750,497	33,318,626	32,618,474

**(a) Revaluation reserve**

The revaluation reserve represents the increase in the fair value of freehold land and factory buildings of the Group (net of deferred tax, where applicable) held as property, plant and equipment.

**(b) Foreign exchange translation reserve**

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries.

**19. LEASE LIABILITIES**

	The Group	
	2024 RM	2023 RM
At 1 May	4,863,872	266,823
Additions / Modifications	217,291	5,002,117
Derecognition	(6,476)	(1,753)
Interest expense recognised in profit or loss (Note 26)	250,574	95,520
Repayment of principal	(910,742)	(451,626)
Repayment of interest expense	(250,574)	(95,520)
Foreign currency translation differences	(31,636)	48,311
At 30 April	4,132,309	4,863,872
Analysed by:-		
Current liabilities	862,785	844,301
Non-current liabilities	3,269,524	4,019,571
	4,132,309	4,863,872

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**20. LOANS AND BORROWINGS**

	2024 RM	The Group 2023 RM
<b>Current</b>		
Secured - Multi currency trade loans	3,555,589	579,800
- Bill payables	-	868,150
- Hire purchases payables	466,418	225,903
- Term loans	2,171,921	2,528,033
	6,193,928	4,201,886
<b>Non-current</b>		
Secured - Hire purchases payables	720,460	471,641
- Term loans	20,487,545	22,926,396
	21,208,005	23,398,037
	27,401,933	27,599,923
<b>Total borrowings</b>		
Secured - Multi currency trade loans	3,555,589	579,800
- Bill payables	-	868,150
- Hire purchases payables	1,186,878	697,544
- Term loans	22,659,466	25,454,429
	27,401,933	27,599,923

Bank borrowings

(a) The bank borrowings are secured by the following:-

- (i) A registered first party charge over the Group's freehold land and factory buildings (Note 6); and
- (ii) Corporate guarantee by the Company; and
- (iii) Joint and several guarantees provided by certain directors of the Company.

(b) The interest rates (per annum) and profile of bank borrowings are summarised below:-

	2024 %	2023 %	The Group 2024 RM	2023 RM
Fixed rate borrowings	4.0 - 11.4	4.0 - 11.4	4,742,467	2,145,494
Floating rate borrowings	4.5 - 5.5	4.3 - 5.5	22,659,466	25,454,429

(c) The hire purchases payables of the Group amounting to RM 160,070 (2023: RM 279,474) is guaranteed by one of the directors of the Company.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**21. DEFERRED TAX (ASSETS)/LIABILITIES**

	<b>The Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
At 1 May	6,262,496	6,872,518
Recognised in profit or loss (Note 28)	223,810	(608,962)
Foreign exchange translation differences	(6,931)	(1,060)
At 30 April	6,479,375	6,262,496
Presented after appropriate offsetting as follows:-		
Deferred tax (assets)	(29,314)	(24,224)
Deferred tax liabilities	6,508,689	6,286,720
At 30 April	6,479,375	6,262,496

The component and movement of deferred tax assets and liabilities of the Group during the financial year are as follows:-

**(i) Deferred tax (assets)**

	<b>Unused tax losses RM</b>	<b>Other temporary differences RM</b>	<b>Total RM</b>
At 1 May 2022	(292)	(116,259)	(116,551)
Recognised in profit or loss	284	92,035	92,319
Foreign exchange translation differences	8	–	8
At 30 April 2023 / 1 May 2023	–	(24,224)	(24,224)
Recognised in profit or loss	–	(5,090)	(5,090)
At 30 April 2024	–	(29,314)	(29,314)

**(ii) Deferred tax liabilities**

	<b>Excess of capital allowances over depreciation RM</b>	<b>Other temporary differences RM</b>	<b>Right-of- use assets RM</b>	<b>Total RM</b>
At 1 May 2022	6,924,056	35,701	29,312	6,989,069
Recognised in profit or loss	(446,212)	(267,720)	12,652	(701,280)
Foreign exchange translation differences	(1,069)	–	–	(1,069)
At 30 April 2023 / 1 May 2023	6,476,775	(232,019)	41,964	6,286,720
Recognised in profit or loss	(20,590)	242,320	7,170	228,900
Foreign exchange translation differences	(1,267)	(5,664)	–	(6,931)
At 30 April 2024	6,454,918	4,637	49,134	6,508,689

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**22. TRADE PAYABLES**

The normal trade terms granted to the Group are cash against documents to 60 days credit (2023: cash against documents to 60 days credit) from the date of invoices.

**23. OTHER PAYABLES AND ACCRUALS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Deposits from customers	1,499,459	506,188	–	–
Accruals	3,639,809	2,318,991	170,742	180,000
Sales tax payable	246,913	230,126	–	–
Withholding tax	482	2,378	–	–
Sundry payables	1,016,719	485,866	43,608	44,548
	<b>6,403,382</b>	<b>3,543,549</b>	<b>214,350</b>	<b>224,548</b>

(a) Sundry payables are non-interest bearing and are repayable on demand.

(b) Included in sundry payables of the Group is an amount of RM 640,958 (2023: RM 72,971) payable for purchase of property, plant and equipment.

**24. REVENUE**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Revenue from contracts with customers</b>				
<u>Recognised at a point in time</u>				
Sales of thermal insulation materials products, parts and equipments	118,174,270	108,448,164	–	–
<b>Revenue from other sources</b>				
Dividend income	–	–	3,850,000	11,000,000
	<b>118,174,270</b>	<b>108,448,164</b>	<b>3,850,000</b>	<b>11,000,000</b>

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**24. REVENUE (CONT'D)**

- (a) The other information on the disaggregation of revenue is disclosed in Note 35 to the financial statements.
- (b) The information about the performance obligations in contracts with customers is summarised below:-

Revenue from sale of thermal insulation materials products, parts and equipment are recognised at a point in time when goods have been delivered and accepted by customers.

Revenue is measured based on the price specified in the contract, net of trade discount and the estimated volume discounts based on aggregate sales over a 12-months period. Accumulated experience with the customer's purchasing pattern is used to estimate and provide for the discounts, using the expected value method. The estimated volume discounts considered is constrained to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Group does not provide warranties, returns, refunds, or other similar obligations to its customers.

No element of significant financing is deemed present as the sales are made with credit terms not exceeding 12-months which are consistent with prevailing market practice.

- (c) The information of the revenue from other sources is summarised below:-

Dividend Income

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

**25. (REVERSAL OF IMPAIRMENT) / NET IMPAIRMENT LOSS ON FINANCIAL ASSETS**

	The Group	
	2024 RM	2023 RM
Impairment losses		
- Trade receivables (Note 11)	322,918	538,112
Reversal of impairment losses		
- Trade receivables (Note 11)	(542,217)	(99,349)
	(219,299)	438,763

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**26. PROFIT BEFORE TAXATION**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Profit before taxation is arrived at after charging:-</b>				
Auditors' remuneration:-				
- audit fees				
- auditors of the Company	92,500	89,000	40,000	36,500
- other auditors	53,915	36,260	-	-
- non-audit fees	5,000	5,000	5,000	5,000
Depreciation of property, plant and equipment	5,511,793	4,737,069	-	-
Depreciation of right-of-use assets	1,144,176	573,536	-	-
Impairment loss on product development expenditure	333,868	-	-	-
Interest on:-				
- bill payables	4,304	7,390	-	-
- hire purchases payables	50,878	53,633	-	-
- lease liabilities	250,574	95,520	-	-
- multi currency trade loans	141,449	97,621	-	-
- term loans	1,200,116	815,088	-	-
Inventory written down	196,310	350,329	-	-
Loss on foreign exchange:-				
- realised	-	352,180	-	-
- unrealised	1,171,146	-	-	-
Loss on deregistered of subsidiary	-	-	184,306	-
Property, plant and equipment written off	28,802	43,842	-	-
Short-term leases:-				
- factory equipment	22,754	14,900	-	-
- office equipment	8,981	8,880	-	-
- hostel	8,396	-	-	-
<b>And crediting:-</b>				
Gain on disposal of property, plant and equipment	(362,195)	(947)	-	-
Gain on foreign exchange:-				
- realised	(134,029)	-	(252,050)	-
- unrealised	-	(139,703)	(1,853,281)	(648,575)
Gain on derecognition of right-of-use assets	(144)	(52)	-	-
Interest income on financial assets measured at amortised cost	(1,481,645)	(655,440)	(55,663)	(17,844)
Dividend income from short-term investment	(228,326)	-	-	-
Rental income	(7,380)	-	-	-
Reversal of inventories previously written down	(35,295)	(227,896)	-	-

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**27. STAFF COSTS**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Executive directors' remuneration (excluding benefits-in-kind) (Note 33)</b>	3,168,264	2,049,946	16,250	14,750
<b>Other staff costs</b>				
Short-term employee benefits	11,835,768	9,312,558	–	–
Defined contribution plan (EPF)	377,866	341,421	–	–
Other staff related expenses	1,171,312	781,644	–	–
	13,384,946	10,435,623	–	–
<b>Total staff costs</b>	<b>16,553,210</b>	<b>12,485,569</b>	<b>16,250</b>	<b>14,750</b>

**28. INCOME TAX EXPENSE**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Current tax:-</b>				
- current tax expense	1,651,634	2,562,799	12,620	4,163
- under/(over)provision in prior year	14,646	(30,110)	–	1
	1,666,280	2,532,689	12,620	4,164
<b>Deferred tax (Note 21):-</b>				
- (reversal)/origination of temporary differences	516,476	(589,288)	–	–
- overprovision in prior year	(292,666)	(19,674)	–	–
	223,810	(608,962)	–	–
	1,890,090	1,923,727	12,620	4,164

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**28. INCOME TAX EXPENSE (CONT'D)**

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before taxation	13,879,562	4,199,561	5,076,697	10,978,802
Tax at statutory income tax rate of 24%	3,331,094	1,007,895	1,218,407	2,634,912
Tax effect of different tax rate in other countries	(105,836)	39,568	–	–
Tax effect of non-deductible expenses	737,446	984,820	244,857	9,251
Tax effect of non-taxable income	(441,677)	(90,168)	(1,450,644)	(2,640,000)
Tax saving arising from double deduction expenses	(211,870)	(135,813)	–	–
Utilisation of tax incentive	(1,284,845)	–	–	–
Utilisation of previously unrecognised tax losses	(122,882)	–	–	–
Deferred tax asset not recognised during the financial year	266,680	98,554	–	–
Reversal of tax incentive	–	68,655	–	–
(Over)/underprovision in prior year:-				
- Current tax expense	14,646	(30,110)	–	1
- Deferred tax expense	(292,666)	(19,674)	–	–
	1,890,090	1,923,727	12,620	4,164

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

**29. OTHER COMPREHENSIVE INCOME**

	The Group	
	2024 RM	2023 RM
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Revaluation of property, plant and equipment (Note 6)	(489,366)	669,685
	(489,366)	669,685
<b>Items that will be reclassified subsequently to profit or loss</b>		
Foreign currency translation differences:-		
- changes during the financial year	1,365,980	291,912
	876,614	961,597

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**30. EARNINGS PER SHARE****(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year deducting treasury shares.

	<b>The Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
Profit after taxation attributable to owners of the Company	11,989,472	2,275,834
	<b>Units</b>	<b>Units</b>
Weighted average number of ordinary shares in issue	158,702,952	158,720,897
Basic earnings per ordinary share (sen)	7.55	1.43

**(b) Diluted earnings per share**

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

**31. DIVIDENDS**

	<b>The Group / The Company</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
A first interim dividend approximately of 0.75 (2023: 0.80) sen per ordinary share on 158,716,842 (2023: 158,721,842) ordinary shares in respect of current financial year	1,190,376	1,269,774
A second interim dividend approximately of 0.75 (2023: Nil) sen per ordinary share on 158,716,842 (2023: Nil) ordinary shares in respect of current financial year	1,190,376	–
A third interm dividend approximately of 1.25 (2023: Nil) sen per ordinary share on 158,653,842 (2023: Nil) ordinary shares in respect of current financial year	1,983,173	–
	<b>4,363,925</b>	<b>1,269,774</b>

On 28 June 2024, the Company declared an interim dividend approximately 0.75 sen per ordinary share on 158,593,842 ordinary shares amounting to RM 1,189,454 in respect of the financial year ending 30 April 2025 and payable on 26 August 2024 to shareholders whose names appeared in the Company's Record of Depositors on 29 July 2024. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriate if retained profits in the financial year ending 30 April 2025.



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**32. CASH FLOW INFORMATION**

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Property, plant and equipment</b>		
Cost of property, plant and equipment purchased (Note 6)	11,287,590	4,092,194
Less: Amount finance through hire purchase (Note 32 (b))	(763,000)	–
Less: Unpaid balance included in sundry payables (Note 23 (b))	(640,958)	(72,971)
Add: Cash paid in respect of acquisition in previous financial year	72,971	138,688
Cash disbursed for purchase of property, plant and equipment	9,956,603	4,157,911
	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
<b>Right-of-use assets</b>		
Cost of right-of-use assets acquired (Note 8)	217,291	5,002,117
Less: Additions/modifications of lease liabilities (Note 32 (b))	(217,291)	(5,002,117)
Cash disbursed for addition of right-of-use assets	–	–

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**32. CASH FLOW INFORMATION (CONT'D)**

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group 2024	Term loans RM	Multi currency trade loans RM	Bill payables RM	Hire purchases payables RM	Lease liabilities RM	Total RM
At 1 May	25,454,429	579,800	868,150	697,544	4,863,872	32,463,795
Changes in financing cash flows						
Proceeds from drawdown	-	14,139,895	-	763,000	-	14,902,895
Repayment of borrowing principal	(2,794,963)	(11,230,906)	(868,150)	(273,666)	(910,742)	(16,078,427)
Repayment of borrowing interests	(1,200,116)	(141,449)	(4,304)	(50,878)	(250,574)	(1,647,321)
	(3,995,079)	2,767,540	(872,454)	438,456	(1,161,316)	(2,822,853)
Non-cash changes						
Additions/modifications of lease liabilities	-	-	-	-	217,291	217,291
Derecognition of lease liabilities	-	-	-	-	(6,476)	(6,476)
Foreign exchange adjustment	-	66,800	-	-	(31,636)	35,164
Finance charges recognised in profit or loss	1,200,116	141,449	4,304	50,878	250,574	1,647,321
	1,200,116	208,249	4,304	50,878	429,753	1,893,300
At 30 April	22,659,466	3,555,589	-	1,186,878	4,132,309	31,534,242

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 32. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group 2023	Term loans RM	Multi currency trade loans RM	Bill payables RM	Hire purchases payables RM	Lease liabilities RM	Total RM
At 1 May	7,362,841	7,028,453	-	986,259	266,823	15,644,376
Changes in financing cash flows						
Proceeds from drawdown	19,634,000	7,956,467	1,844,920	-	-	29,435,387
Repayment of borrowing principal	(1,542,412)	(14,158,664)	(976,770)	(288,715)	(451,626)	(17,418,187)
Repayment of borrowing interests	(815,088)	(97,621)	(7,390)	(53,633)	(95,520)	(1,069,252)
	17,276,500	(6,299,818)	860,760	(342,348)	(547,146)	10,947,948
Non-cash changes						
Additions/modifications of lease liabilities	-	-	-	-	5,002,117	5,002,117
Derecognition of lease liabilities	-	-	-	-	(1,753)	(1,753)
Foreign exchange adjustment	-	(246,456)	-	-	48,311	(198,145)
Finance charges recognised in profit or loss	815,088	97,621	7,390	53,633	95,520	1,069,252
	815,088	(148,835)	7,390	53,633	5,144,195	5,871,471
At 30 April	25,454,429	579,800	868,150	697,544	4,863,872	32,463,795

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**32. CASH FLOW INFORMATION (CONT'D)**

(c) The total cash outflows for leases as a lessee are as follows:-

	<b>The Group</b>	
	<b>2024 RM</b>	<b>2023 RM</b>
Payment of short-term leases	40,131	23,780
Interest paid on lease liabilities	250,574	95,520
Payment of lease liabilities	910,742	451,626
	<b>1,201,447</b>	<b>570,926</b>

(d) The cash and cash equivalents comprise the following:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2024 RM</b>	<b>2023 RM</b>	<b>2024 RM</b>	<b>2023 RM</b>
Deposits with licensed banks (Note 14)	40,393,151	42,830,727	2,700,000	500,000
Short-term investment (Note 15)	5,771,856	—	—	—
Cash and bank balances	10,808,360	10,427,064	1,228,236	109,731
	<b>56,973,367</b>	<b>53,257,791</b>	<b>3,928,236</b>	<b>609,731</b>
Less: Fixed deposits with maturity period more than 3 months	(35,573,151)	(26,580,627)	(2,700,000)	(300,000)
	<b>21,400,216</b>	<b>26,677,164</b>	<b>1,228,236</b>	<b>309,731</b>

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
(a) <b>Directors</b>				
<b><u>Directors of the Company</u></b>				
<b><i>Executive directors:-</i></b>				
Short-term employee benefits	2,721,680	1,742,065	16,250	14,750
Defined contribution benefits (EPF)	446,584	307,881	–	–
	3,168,264	2,049,946	16,250	14,750
<b><i>Non-executive directors:-</i></b>				
Short-term employee benefits:-				
- fees	180,000	180,000	180,000	180,000
- other benefits	14,750	16,250	14,750	16,250
	194,750	196,250	194,750	196,250
<b><u>Directors of Subsidiaries</u></b>				
<b><i>Non-executive directors:-</i></b>				
Short-term employee benefits:-				
- fees	36,621	35,875	–	–
Total directors' remuneration	3,399,635	2,282,071	211,000	211,000
<b>Estimated monetary value of benefits-in-kind</b>				
Executive directors of the Company	64,250	64,250	–	–
			<b>The Group</b>	<b>2023</b>
			<b>2024</b>	<b>RM</b>
(b) <b>Other key management personnel</b>				
Short-term employee benefits			1,462,940	1,251,030
Defined contribution benefits (EPF)			147,059	117,035
Total compensation for other key management personnel			1,609,999	1,368,065
<b>Estimated monetary value of benefits-in-kind</b>				
Other key management personnel of the Company			18,800	13,000

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**34. RELATED PARTY DISCLOSURES****(a) Subsidiaries**

The subsidiaries as disclosed in Note 13 to the financial statements.

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

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Subsidiaries</b>				
- Advances to subsidiaries	—	—	127,101	9,024,893
- Dividend income	—	—	(3,850,000)	(11,000,000)
- Settlement of advance by subsidiary	—	—	(4,602,000)	(100,000)
<b>Director</b>				
- Repayment of lease liability	40,418	40,197	—	—
- Interest on lease liability	1,582	1,803	—	—
<b>Transaction with a company in which a director has direct or indirect substantial financial interests</b>				
- Professional fees	236,800	217,000	236,800	217,000

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

**35. OPERATING SEGMENTS**

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to access their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group comprises the following main business segments as follows:-

<b>Business segments</b>	<b>Business activities</b>
Insulation materials	Design, test and manufacture of thermal insulation materials mainly for the heating, ventilation, air-conditioning and refrigeration ("HVAC&R") industry.
HVAC&R parts and equipments	Trading of HVAC&R parts and equipments.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 35. OPERATING SEGMENTS (CONT'D)

## (a) Business segments

2024	Insulation materials RM	HVAC&R parts and equipments RM	Investment holdings RM	Eliminations RM	Consolidated RM
<b>Revenue</b>					
- Investment income	-	-	3,850,000	(3,850,000)	-
- External sales	109,599,067	26,281,504	-	(17,706,301)	118,174,270
<b>Total revenue</b>	109,599,067	26,281,504	3,850,000	(21,556,301)	118,174,270
Cost of sales	(78,960,815)	(24,860,546)	-	17,997,663	(85,823,698)
<b>Gross profit</b>	30,638,252	1,420,958	3,850,000	(3,558,638)	32,350,572
Other income					2,527,723
Unallocated corporate expenses					(19,351,411)
<b>Profit from operation</b>					15,526,884
Finance costs					(1,647,322)
<b>Profit before taxation</b>					13,879,562
Income tax expense					(1,890,090)
<b>Profit after taxation</b>					11,989,472

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**35. OPERATING SEGMENTS (CONT'D)****(a) Business segments (Cont'd)**

2023	Insulation materials RM	HVAC&R parts and equipments RM	Investment holdings RM	Eliminations RM	Consolidated RM
<b>Revenue</b>					
- Investment income	-	-	11,000,000	(11,000,000)	-
- External sales	97,603,583	27,372,079	-	(16,527,498)	108,448,164
<b>Total revenue</b>	97,603,583	27,372,079	11,000,000	(27,527,498)	108,448,164
Cost of sales	(76,855,119)	(26,001,731)	-	16,228,438	(86,628,412)
<b>Gross profit</b>	20,748,464	1,370,348	11,000,000	(11,299,060)	21,819,752
Other income					1,254,367
Unallocated corporate expenses					(17,805,306)
<b>Profit from operation</b>					5,268,813
Finance costs					(1,069,252)
<b>Profit before taxation</b>					4,199,561
Income tax expense					(1,923,727)
<b>Profit after taxation</b>					2,275,834



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**35. OPERATING SEGMENTS (CONT'D)****(b) Geographical information**

Revenue is analysed based on the country in which the customer is located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	Revenue At a point in time		Non-current assets	
	2024 RM	2023 RM	2024 RM	2023 RM
Africa, America and Europe	14,554,462	9,374,349	–	–
Asia (excluding Malaysia) and Oceania	59,514,073	56,428,460	21,252,442	23,127,216
Malaysia	44,105,735	42,645,355	79,404,381	73,919,115
	118,174,270	108,448,164	100,656,823	97,046,331

**(c) Major customer**

There is no single customer that contributed 10% or more to the Group's revenue.

Segment assets and segment liabilities were not disclosed as they were not regularly provided to the chief operating decision maker for their day-to-day operation decision making.

**36. CAPITAL COMMITMENTS**

	The Group	
	2024 RM	2023 RM
Purchase of property, plant and equipment	–	713,540

**37. FINANCIAL INSTRUMENTS**

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

**37.1 Financial risk management policies**

The policies in respect of the major areas of treasury activity are as follows:-

**(a) Market risk****(i) Foreign currency risk**

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Singapore Dollar ("SGD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(a) Market risk (Cont'd)****(i) Foreign currency risk (Cont'd)**

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

**Foreign currency exposure**

<b>The Group 2024</b>	<b>USD RM</b>	<b>SGD RM</b>	<b>Others RM</b>	<b>RM RM</b>	<b>Total RM</b>
<b>Financial assets</b>					
Trade receivables	6,236,246	8,914	2,114,897	6,723,131	15,083,188
Other receivables	–	–	8,648	61,547	70,195
Fixed deposits with licensed banks	–	–	2,820,000	37,573,151	40,393,151
Cash and bank balances	3,291,152	9,148	1,291,247	6,216,813	10,808,360
	9,527,398	18,062	6,234,792	50,574,642	66,354,894
<b>Financial liabilities</b>					
Trade payables	(1,003,801)	–	(282,671)	(3,844,783)	(5,131,255)
Other payables and accruals	(756,664)	(23,044)	(1,609,167)	(2,267,653)	(4,656,528)
Loans and borrowings	(3,555,589)	–	–	(23,846,344)	(27,401,933)
	(5,316,054)	(23,044)	(1,891,838)	(29,958,780)	(37,189,716)
Net financial assets/(liabilities)	4,211,344	(4,982)	4,342,954	20,615,862	29,165,178
Less: Net financial assets denominated in the respective entities functional currencies	(102,143)	–	(4,337,846)	(20,615,862)	(25,055,851)
Currency exposure	4,109,201	(4,982)	5,108	–	4,109,327

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 37. FINANCIAL INSTRUMENTS (CONT'D)

## 37.1 Financial risk management policies (Cont'd)

## (a) Market risk (Cont'd)

## (i) Foreign currency risk (Cont'd)

## Foreign currency exposure (Cont'd)

The Group 2023	USD RM	SGD RM	Others RM	RM RM	Total RM
<b>Financial assets</b>					
Trade receivables	7,461,391	42,105	1,586,204	4,610,336	13,700,036
Other receivables	–	–	14,061	98,329	112,390
Fixed deposits with licensed banks	9,745,100	–	3,420,000	29,665,627	42,830,727
Cash and bank balances	3,446,529	524,285	1,868,164	4,588,086	10,427,064
	20,653,020	566,390	6,888,429	38,962,378	67,070,217
<b>Financial liabilities</b>					
Trade payables	(1,128,318)	–	(389,250)	(2,916,463)	(4,434,031)
Other payables and accruals	(167,175)	(33,444)	(1,337,515)	(1,266,723)	(2,804,857)
Loans and borrowings	(579,800)	–	–	(27,020,123)	(27,599,923)
	(1,875,293)	(33,444)	(1,726,765)	(31,203,309)	(34,838,811)
Net financial assets	18,777,727	532,946	5,161,664	7,759,069	32,231,406
Less: Net financial assets denominated in the respective entities functional currencies	(7,485,943)	–	(5,089,705)	(7,759,069)	(20,334,717)
Currency exposure	11,291,784	532,946	71,959	–	11,896,689

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(a) Market risk (Cont'd)****(i) Foreign currency risk (Cont'd)*****Foreign currency exposure (Cont'd)***

<b>The Company 2024</b>	<b>USD RM</b>	<b>RM RM</b>	<b>Total RM</b>
<b>Financial assets</b>			
Cash and bank balances	11,824	1,216,412	1,228,236
	11,824	1,216,412	1,228,236
Net financial assets	11,824	1,216,412	1,228,236
Less: Net financial assets denominated in the Company's functional currency	–	(1,216,412)	(1,216,412)
Currency exposure	11,824	–	11,824
<b>The Company 2023</b>	<b>USD RM</b>	<b>RM RM</b>	<b>Total RM</b>
<b>Financial assets</b>			
Cash and bank balances	11,162	98,569	109,731
	11,162	98,569	109,731
Net financial assets	11,162	98,569	109,731
Less: Net financial assets denominated in the Company's functional currency	–	(98,569)	(98,569)
Currency exposure	11,162	–	11,162

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(a) Market risk (Cont'd)****(i) Foreign currency risk (Cont'd)***Foreign currency risk sensitivity analysis*

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

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Effects on profit after taxation</b>				
USD				
- strengthened by 5%	156,150	429,088	449	424
- weakened by 5%	(156,150)	(429,088)	(449)	(424)
SGD				
- strengthened by 5%	(189)	20,252	—	—
- weakened by 5%	189	(20,252)	—	—
Others				
- strengthened by 5%	194	2,734	—	—
- weakened by 5%	(194)	(2,734)	—	—

There is no impact on the Group's equity.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 20 to the financial statements.

*Interest rate risk sensitivity analysis*

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

**(iii) Equity price risk**

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(b) Credit risk**

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantees given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

**(i) Credit risk concentration profile**

The Group does not have any significant credit risk related to any individual customer or counterparty.

In addition, the Group determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting period is as follows:-

	<b>The Group</b>			
	<b>2024</b>		<b>2023</b>	
	<b>RM</b>	<b>% of total</b>	<b>RM</b>	<b>% of total</b>
<b>By country:-</b>				
Africa, America and Europe	1,773,661	11.8	1,965,825	14.3
Asia (excluding Malaysia)				
and Oceania	6,908,008	45.8	7,123,876	52.0
Malaysia	6,401,519	42.4	4,610,335	33.7
	15,083,188	100.0	13,700,036	100.0

**(ii) Maximum exposure to credit risk**

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(b) Credit risk (Cont'd)****(iii) Assessment of impairment losses**

The Group have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluate whether any of financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 to 120 days (2023: 90 to 120 days) past due unless the Group have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

Trade receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 24 months (2023: 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(b) Credit risk (Cont'd)****(iii) Assessment of impairment losses (Cont'd)**Trade receivables (Cont'd)*Allowance for impairment losses*

The reconciliations of allowance for impairment losses are as follows:-

<b>The Group</b>	<b>Non-credit Impaired RM</b>	<b>Credit Impaired RM</b>	<b>Total RM</b>
<u>Trade receivables</u>			
At 1 May 2022	87,723	1,761,298	1,849,021
Additions (Note 25)	505,964	32,147	538,111
Reversal (Note 25)	(87,723)	(11,625)	(99,348)
At 30 April 2023 / 1 May 2023	505,964	1,781,820	2,287,784
Additions (Note 25)	322,918	–	322,918
Reversal (Note 25)	(505,963)	(36,254)	(542,217)
At 30 April 2024	322,919	1,745,566	2,068,485

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

<b>The Group 2024</b>	<b>Gross amount RM</b>	<b>Lifetime individual impairment RM</b>	<b>Carrying amount RM</b>
Current (not past due)	8,907,334	–	8,907,334
1 to 30 days past due	4,754,008	–	4,754,008
31 to 60 days past due	1,533,732	(322,919)	1,210,813
61 to 90 days past due	207,860	–	207,860
	15,402,934	(322,919)	15,080,015
Credit impaired:-			
More than 120 days past due	1,748,739	(1,745,566)	3,173
	17,151,673	(2,068,485)	15,083,188



## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(b) Credit risk (Cont'd)****(iii) Assessment of impairment losses (Cont'd)**Trade receivables (Cont'd)*Allowance for impairment losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables are as follows (Cont'd):-

<b>The Group 2023</b>	<b>Gross amount RM</b>	<b>Lifetime individual impairment RM</b>	<b>Carrying amount RM</b>
Current (not past due)	6,532,573	–	6,532,573
1 to 30 days past due	5,158,174	(84,499)	5,073,675
31 to 60 days past due	1,939,544	(177,693)	1,761,851
61 to 90 days past due	404,602	(238,477)	166,125
91 to 120 days past due	5,295	(5,295)	–
	14,040,188	(505,964)	13,534,224
Credit impaired:-			
More than 120 days past due	1,947,632	(1,781,820)	165,812
	15,987,820	(2,287,784)	13,700,036

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Other receivables and amount owing by subsidiaries

The Group applies the 3-stage general approach to measuring expected credit losses for other receivables and amount owing by subsidiaries. The Group considers other receivables and amount owing by subsidiaries have low credit risks. The Group assumes that there is a significant increase in credit risk when other receivable's and amount owing by subsidiaries' financial position deteriorates significantly.

The Group measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the other receivables and amount owing by subsidiaries.

For other receivables and amount owing by subsidiaries that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the other receivables and amount owing by subsidiaries do not have sufficient highly liquid resources when the amount owing by other receivables and subsidiaries are demanded, the Group will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the other receivables and amount owing by subsidiaries.

*Allowance for impairment losses*

At the end of the reporting period, there was no indication that the balances are not recoverable.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(b) Credit risk (Cont'd)****(iii) Assessment of impairment losses (Cont'd)**Fixed deposits with licensed banks, cash and bank balances

The Group and the Company consider the licensed banks low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance are immaterial and hence, it is not provided for.

Financial guarantee contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 37. FINANCIAL INSTRUMENTS (CONT'D)

## 37.1 Financial risk management policies (Cont'd)

## (c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

*Maturity analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group 2024	Contractual annual interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1-5 years RM	Over 5 years RM
<b>Non-derivative financial liabilities</b>						
Trade payables	-	5,131,255	5,131,255	5,131,255	-	-
Other payables and accruals	-	4,656,528	4,656,528	4,656,528	-	-
Lease liabilities	2.7 - 5.5	4,132,309	4,959,171	1,034,964	3,924,207	-
Loans and borrowings:-						
- Multi currency trade loans	6.6	3,555,589	3,555,589	3,555,589	-	-
- Hire purchases payables	4.0 - 11.4	1,186,878	1,337,169	506,906	522,355	307,908
- Term loans	4.5 - 5.5	22,659,466	28,058,599	3,199,886	12,342,664	12,516,049
		41,322,025	47,698,311	18,085,128	16,789,226	12,823,957
<hr/>						
The Group 2023	Contractual annual interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1-5 years RM	Over 5 years RM
<b>Non-derivative financial liabilities</b>						
Trade payables	-	4,434,031	4,434,031	4,434,031	-	-
Other payables and accruals	-	2,804,857	2,804,857	2,804,857	-	-
Lease liabilities	3.3 - 4.7	4,863,872	5,663,676	1,087,074	4,576,602	-
Loans and borrowings:-						
- Multi currency trade loans	6.3	579,800	579,800	579,800	-	-
- Bill payables	4.6	868,150	868,150	868,150	-	-
- Hire purchases payables	4.0 - 11.4	697,544	734,289	253,188	481,101	-
- Term loans	4.3 - 5.5	25,454,429	31,713,777	3,638,538	12,857,071	15,218,168
		39,702,683	46,798,580	13,665,638	17,914,774	15,218,168

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.1 Financial risk management policies (Cont'd)****(c) Liquidity risk (Cont'd)***Maturity analysis (Cont'd)*

<b>The Company 2024</b>	<b>Contractual annual interest rate %</b>	<b>Carrying amount RM</b>	<b>Contractual undiscounted cash flows RM</b>	<b>Within 1 year RM</b>	<b>1-5 years RM</b>	<b>Over 5 years RM</b>
Other payables and accruals	–	214,350	214,350	214,350	–	–
Financial guarantee contract in relation to corporate guarantee to certain subsidiaries *	–	–	31,614,188	6,755,475	12,342,664	12,516,049
		214,350	31,828,538	6,969,825	12,342,664	12,516,049
<b>The Company 2023</b>	<b>Contractual annual interest rate %</b>	<b>Carrying amount RM</b>	<b>Contractual undiscounted cash flows RM</b>	<b>Within 1 year RM</b>	<b>1-5 years RM</b>	<b>Over 5 years RM</b>
Other payables and accruals	–	224,548	224,548	224,548	–	–
Financial guarantee contract in relation to corporate guarantee to certain subsidiaries *	–	–	33,161,727	5,086,488	12,857,071	15,218,168
		224,548	33,386,275	5,311,036	12,857,071	15,218,168

\* The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition was not material.

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.2 Capital risk management**

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group and of the Company is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholder value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company monitor and maintain a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

There was no change in the approach to capital management during the financial year.

**37.3 Classification of financial instruments**

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>Financial assets</b>				
<u>Designated at fair value through profit or loss</u>				
Other investment	46,667	46,667	–	–
Short-term investment	5,771,856	–	–	–
	5,818,523	46,667	–	–
<u>Amortised cost</u>				
Trade receivables	15,083,188	13,700,036	–	–
Other receivables	70,195	112,390	–	–
Amount owing by subsidiaries	–	–	131,994	9,047,236
Fixed deposits with licensed banks	40,393,151	42,830,727	2,700,000	500,000
Cash and bank balances	10,808,360	10,427,064	1,228,236	109,731
	66,354,894	67,070,217	4,060,230	9,656,967
<b>Financial liabilities</b>				
<u>Amortised cost</u>				
Trade payables	5,131,255	4,434,031	–	–
Other payables and accruals	4,656,528	2,804,857	214,350	224,548
Lease liabilities	4,132,309	4,863,872	–	–
Loans and borrowings	27,401,933	27,599,923	–	–
	41,322,025	39,702,683	214,350	224,548

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.4 Gains or (losses) arising from financial instruments**

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>Financial assets</b>				
<u>Fair value through profit or loss</u>				
Net gains recognised in profit or loss	228,326	–	–	–
<u>Amortised cost</u>				
Net gains/(losses) recognised in profit or loss	1,671,301	(182,377)	1,908,944	666,419
<b>Financial liabilities</b>				
<u>Amortised cost</u>				
Net (losses) recognised in profit or loss	(2,788,824)	(530,495)	–	–

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

## 37. FINANCIAL INSTRUMENTS (CONT'D)

## 37.5 Fair value information

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following tables sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2024</b>								
<b>Financial assets</b>								
Other investment	-	25,000	-	-	-	-	25,000	46,667
Short-term investment	-	5,771,856	-	-	-	-	5,771,856	5,771,856
<b>Financial liabilities</b>								
Term loans	-	-	-	-	(22,659,466)	-	(22,659,466)	(22,659,466)
<b>2023</b>								
<b>Financial assets</b>								
Other investment	-	25,000	-	-	-	-	25,000	46,667
<b>Financial liabilities</b>								
Term loans	-	-	-	-	(25,454,429)	-	(25,454,429)	(25,454,429)

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

**37. FINANCIAL INSTRUMENTS (CONT'D)****37.5 Fair value information (Cont'd)****(a) Fair value of financial instrument carried at fair value**

The fair value above have been determined using the following basis:-

- (i) The fair value of other investment is estimated based on references to current available counterparty quotation of respective golf club.
- (ii) The fair value of short-term investment is determined by reference to statements provided by the respective financial institutions, with which the investment were entered into.

**(b) Fair value of financial instruments not carried at fair value**

The fair values, which are for disclosure purposes, have been determined using the following basis:-

The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

**38. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD**

On 2 August 2024, the Company obtained approval from Bursa Malaysia Securities Berhad to undertake a proposal of Employees Shares Scheme ("ESS") of up to 10% of the total number of issued ordinary shares in the Company (excluding treasury shares).



## LIST OF PROPERTIES

Property / Title Details	Type (Existing Use)	Date of Acquisition / Revaluation	Approximate Age of Buildings / Tenure	Net Book Value (RM'000)	Land Area / Built-up Area (square feet)
<b><u>Factory 1</u></b> Lot 2567, Jalan Sungai Jati, Kampung Jawa, 41200 Klang, Selangor / GM 21359, Lot 174667, Tempat Sungei Jaty, Mukim Klang, Daerah Klang, Selangor	Land and Building (Factory and Office)	30/03/1996 / 27/04/2022	27 years / Freehold	18,949	117,014/ 90,712
Lot 2568, Jalan Sungai Jati, Taman Klang Jaya, 41200 Klang, Selangor / GM 20928, Lot 174634, Mukim Klang, Daerah Klang, Selangor	Land and Building (Warehouse)	08/01/2009 / 27/04/2022	7 years / Freehold	20,046	117,122/ 63,375
<b><u>Factory 2</u></b> Lot 2736, Jalan Raja Nong, Kampung Jawa, 41200 Klang, Selangor / GM 19478, Lot 128651, Tempat Sungei Jaty, Mukim Klang, Daerah Klang, Selangor	Land and Building (Factory and Office)	13/10/2004 / 27/04/2022	18 years / Freehold	19,501	120,620/ 69,174
<b><u>VIETNAM</u></b> Land Lot No. 18-6, Street 3B, Protrade International Tech Park, An Tay Ward, Ben Cat Town, Binh Duong Province, Vietnam	Building (Factory and Office)	18/04/2017/ 11/06/2024	5.5 years / Long lease up to 28 October 2057	4,399	– / 68,949

# ANALYSIS OF SHAREHOLDINGS

AS AT 29 JULY 2024

Issued share capital	:	RM41,433,182
Total number of issued shares	:	160,000,000
Class of shares	:	Ordinary shares

Size of shareholdings	No. of shareholders	%	No. of shares <sup>^</sup>	%
Less than 100	69	1.56	1,759	~
100 – 1,000	1,015	22.84	477,367	0.30
1,001 – 10,000	2,271	51.10	11,612,556	7.32
10,001 – 100,000	960	21.60	28,808,476	18.17
100,001 – less than 5%	128	2.88	81,833,136	51.60
5% and above	1	0.02	35,860,548	22.61
TOTAL	4,444	100.00	158,593,842	100.00

<sup>^</sup> Excluding the 1,406,158 shares held in treasury

~ Negligible

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

Name	Direct interest		Indirect interest	
	No. of shares	%	No. of shares	%
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	35,860,548	22.61	14,280,000*	9.00
Liu Han-Chao	7,140,000	4.50	35,860,548 <sup>a</sup>	22.61
Liu Jeremy	7,140,000	4.50	35,860,548 <sup>a</sup>	22.61

\* Deemed interested via her children, Mr Liu Han-Chao's and Mr Liu Jeremy's shareholdings

<sup>a</sup> Deemed interested via his mother, Madam Liu Lee, Hsiu-Lin's shareholdings

## DIRECTORS' SHAREHOLDINGS

Name	Direct interest		Indirect interest	
	No. of shares	%	No. of shares	%
Chun Kwong Pong	1,000,000	0.63	–	–
Liu Lee, Hsiu-Lin (also known as Jessica Hsiu-Lin Liu)	35,860,548	22.61	14,280,000*	9.00
Liu Han-Chao	7,140,000	4.50	35,860,548 <sup>a</sup>	22.61
Liu Jeremy	7,140,000	4.50	35,860,548 <sup>a</sup>	22.61
Ongi Cheng San	132,204	0.08	–	–
Lim Wai Loong	–	–	–	–
Lin, Po-Chih	4,865,100	3.07	–	–
Lee Mei Hsiang	–	–	–	–

\* Deemed interested via her children, Mr Liu Han-Chao's and Mr Liu Jeremy's shareholdings

<sup>a</sup> Deemed interested via his mother, Madam Liu Lee, Hsiu-Lin's shareholdings

## ANALYSIS OF SHAREHOLDINGS (CONT'D)

## LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	Name	No. of shares	%
1.	LIU LEE, HSIU LIN	35,308,320	22.26
2.	COVINGTON PACIFIC LTD	7,534,000	4.75
3.	JEREMY LIU	7,140,000	4.50
4.	LIU HAN-CHAO	7,140,000	4.50
5.	YAYASAN GURU TUN HUSSEIN ONN	6,013,000	3.79
6.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR FONG SILING</i>	5,000,000	3.15
7.	LIN, PO-CHIH	4,865,100	3.07
8.	LIN, RONG-MAO	2,330,000	1.47
9.	FANG, MEI-LING	1,925,200	1.21
10.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB COMMERCE TRUSTEE BERHAD FOR MAYBANK MALAYSIA SMALLCAP FUND</i>	1,622,500	1.02
11.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR ANDREW LIM ENG GUAN</i>	1,480,000	0.93
12.	MERCSEC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR SIOW WONG YEN @ SIOW KWANG HWA</i>	1,280,000	0.81
13.	CHIN CHIN SEONG	1,270,000	0.80
14.	RHB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHUA MENG KEAT</i>	1,208,000	0.76
15.	FANG, PEI-CHING	1,082,000	0.68
16.	LOH KUOK JEAN	1,078,000	0.68
17.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN LEONG KIAT</i>	1,050,000	0.66
18.	CHUN KWONG PONG	1,000,000	0.63
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHEE SAI MUN</i>	804,400	0.51
20.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TEOH HUI PENG</i>	800,000	0.50
21.	HLB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR ANDREW LIM ENG GUAN</i>	730,000	0.46
22.	LIEW CHEE MING	720,000	0.45
23.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TANG CHONG HEE</i>	688,800	0.43
24.	ANG JIUN PEY	606,000	0.38
25.	LEE MOI YIN	601,100	0.38
26.	ANDREW LIM CHEONG SENG	600,000	0.38
27.	HLIB NOMINEES (ASING) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TINA YU-CHEN LEE</i>	580,448	0.37
28.	LIU LEE, HSIU LIN	552,228	0.35
29.	LEOW KIM SOON	550,204	0.35
30.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG</i>	528,000	0.33

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Eighteenth Annual General Meeting of SUPERLON HOLDINGS BERHAD ("Superlon" or "the Company") will be held at Botanic Room, Botanic Resort Club, No. 1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor on Wednesday, 25 September 2024 at 10.00 a.m. to transact the following business:-

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 April 2024 together with the Directors' and Auditors' Reports thereon.
2. To approve the following payments to Directors:
  - (i) Directors' fees of up to RM230,000 for the financial year ending 30 April 2025 payable monthly in arrears after each month of completed service of the Directors during the subject financial year. **(Ordinary Resolution 1)**
  - (ii) Meeting attendance allowances of up to RM45,500 for the period from the date of the forthcoming Annual General Meeting to 31 October 2025. **(Ordinary Resolution 2)**
3. To re-elect the following Directors who retire in accordance with Clause 93 of the Company's Constitution:
  - (i) Mr Liu Han-Chao **(Ordinary Resolution 3)**
  - (ii) Mr Liu Jeremy **(Ordinary Resolution 4)**
  - (iii) Mr Ongi Cheng San **(Ordinary Resolution 5)**
4. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

### AS SPECIAL BUSINESS

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

5. **Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016** **(Ordinary Resolution 7)**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant regulatory authorities (where applicable), the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company without first offer to holders of existing issued shares of the Company, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being ("Proposed General Mandate").

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market of Bursa Malaysia Securities Berhad.

AND THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities."

**6. Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital (Ordinary Resolution 8)**

"THAT subject to compliance with the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and all other applicable laws, regulations, guidelines, the approvals of all relevant governmental and/or regulatory authorities, the Company be hereby given full authority, to seek shareholders' approval for the renewal of authority for the Company to purchase such amount of ordinary shares in the Company ("Shares") through Bursa Malaysia Securities Berhad upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that:

- (i) the aggregate number of Shares so purchased and/or held pursuant to this ordinary resolution ("Purchased Shares") does not exceed ten percent (10%) of the total issued share capital of the Company; and
- (ii) the maximum amount of funds to be allocated for the Purchased Shares shall not exceed the aggregate of the retained profits of the Company;

THAT the Directors be hereby authorised to decide at their discretion either to retain the Purchased Shares as treasury shares (as defined in Section 127 of the Companies Act 2016) and/or to cancel the Purchased Shares and/or to retain part of the Purchased Shares as treasury shares and cancel the remainder of the Purchased Shares;

THAT where the Purchased Shares are held as treasury shares, the Directors be hereby authorised to decide at their discretion either to distribute the treasury shares as share dividends to the shareholders of the Company and/or to resell the treasury shares through Bursa Malaysia Securities Berhad in accordance with the relevant rules of Bursa Malaysia Securities Berhad and/or to transfer the treasury shares or part thereof under an employees' share scheme and/or to transfer the treasury shares or part thereof as purchase consideration and/or to cancel the treasury shares or part thereof subsequently and/or to deal with the Purchased Shares in such other manner as may be permitted by the Companies Act 2016, rules, regulations, guidelines, requirements and/or orders of Bursa Malaysia Securities Berhad and any other relevant authorities for the time being in force;

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

AND THAT such approval and authorisation shall only continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first;

AND FURTHER THAT the Directors of the Company be authorised to do all such acts and things (including, without limitation executing all such documents as may be required) as they may consider expedient or necessary to give full effect to this mandate."

7. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016.

**By order of the Board**

**NG MEI WAN**  
**(SSM Practicing Certificate No. 201908000801) (MIA 28862)**  
Company Secretary

Kuala Lumpur  
22 August 2024

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

**NOTES:**

1. Only depositors whose names appear in the Record of Depositors as at 17 September 2024 shall be regarded as members and be entitled to attend, participate, speak and vote at the Eighteenth Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or by electronic lodgement via TIH Online website at <https://tiah.online> not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Eighteenth Annual General Meeting to vote by way of poll. For electronic lodgement, please refer to the Administrative Guide of Eighteenth Annual General Meeting.

**EXPLANATORY NOTES TO THE AGENDA**

**8. Item 1 of the Agenda**  
**Audited Financial Statements**

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

**9. Item 2 of the Agenda - Ordinary Resolutions no. 1 & 2**  
**Approval of Directors' fees for the financial year ending 30 April 2025 and meeting attendance allowances from the date of the forthcoming Annual General Meeting to 31 October 2025**

Directors' fees approved for the financial year ended 30 April 2024 was RM230,000 and the meeting attendance allowances of up to RM45,500 for the period from 22 September 2023 to 31 October 2024. The Directors' fees and meeting attendance allowances proposed are calculated based on the anticipated number of scheduled Board and Committee Meetings for 2024/2025 and assuming that all the Non-Executive Directors will hold office until the conclusion of the next Annual General Meeting.

This resolution is to facilitate payment of Directors' fees and meeting attendance allowances on current financial year basis. In the event the Directors' fees and meeting attendance allowances proposed are insufficient (e.g. due to more meetings), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

**EXPLANATORY NOTES TO THE AGENDA (CONT'D)****10. Item 5 of the Agenda - Ordinary Resolution 7****Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016**

- a. The proposed Ordinary Resolution 7, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the Eighteenth Annual General Meeting to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company up to an amount not exceeding ten percent (10%) of the total number of issued share capital of the Company. This authority, unless revoked or varied at a general meeting shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.
- b. The General Mandate is a renewal of the previous mandate obtained at the last Annual General Meeting held on 22 September 2023 which will expire at the conclusion of the forthcoming Annual General Meeting.
- c. As at the date of this Notice, the Company did not issue any new ordinary shares based on the previous mandate obtained at the last Annual General Meeting.
- d. The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital, repayment of bank borrowings and/or acquisitions.
- e. In accordance with Clause 10 of the Company's Constitution, the passing of the Ordinary Resolution 7 by the shareholders of the Company shall be taken as the shareholders agree for the New Shares to be issued to such person(s) as the Directors may deem fit and expedient in the interest of the Company without first offer the New Shares to holders of existing issued shares of the Company prior to issuance of the New Shares.

**11. Item 6 of the Agenda - Ordinary Resolution 8****Proposed renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital**

The proposed Ordinary Resolution 8, if passed, will allow the Directors of the Company to exercise the power of the Company to purchase not more than ten percent (10%) of the total issued and paid-up share capital of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This authority, unless revoked or varied by the Company at a general meeting, shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.

Further details are set out in the Statement to Shareholders dated 22 August 2024.

**12. ANNUAL REPORT**

The Annual Report for the financial year ended 30 April 2024 is now available at the Company's corporate website, [www.superlon.com.my](http://www.superlon.com.my). A printed copy of the Annual Report shall be provided to the shareholders upon request made with Tricor soonest possible from the date of receipt of the request.

Shareholder who wish to receive the printed Annual Report may request at <https://tiyh.online> by selecting "Request for Annual Report/Circular" under the "Investor Services" to submit the request form electronically or contacting Tricor Investor & Issuing House Services Sdn. Bhd. [197101000970 (11324-H)] at 03-27839299 or email your request to [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com).



## NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

**STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

**1. Details of Individuals Standing for Election as Directors**

No individual is seeking election as a Director at the Eighteenth Annual General Meeting of the Company.

**2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

Please refer to item 10 – Explanatory Notes to the Agenda for Ordinary Resolution 7 on proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

# ADMINISTRATIVE GUIDE

FOR THE EIGHTEENTH ANNUAL GENERAL MEETING ("18TH AGM") OF SUPERLON HOLDINGS BERHAD

**Date** : **Wednesday, 25 September 2024**  
**Time** : **10.00 a.m.**  
**Venue of Meeting** : **Botanic Room, Botanic Resort Club, No. 1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor**

## 1. CORPORATE MEMBERS

- a. Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor").
- b. Attorneys appointed by power of attorney are required to deposit their power of attorney with Tricor not later than **Monday, 23 September 2024 at 10.00 a.m.** to attend and vote at the 18TH AGM.

## 2. GENERAL MEETING RECORD OF DEPOSITORS ("ROD")

- a. Only a depositor whose name appears on the ROD as at **17 September 2024** shall be entitled to attend, participate, speak and vote at the 18TH AGM or appoint proxies to attend and/or vote on his/her behalf.

## 3. PROXY

- a. You may also submit the Form of Proxy electronically via **TIIH Online** website at <https://tiih.online> no later than **Monday, 23 September 2024 at 10.00 a.m.**
- b. Alternatively, you may submit your Original Form of Proxy to Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the 18TH AGM or any adjournment thereof, otherwise the Form of Proxy shall not be treated as valid.

## 4. ELECTRONIC LODGEMENT OF FORM OF PROXY

- a. The procedures to lodge your Form of Proxy electronically via Tricor's **TIIH Online** website are summarised below:

Procedure		Action
<b>1. Steps for Individual Members</b>		
(a)	Register as a User with <b>TIIH Online</b>	<ul style="list-style-type: none"> <li>Please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the "e-Services". Select the "<b>Sign Up</b>" button and followed by "<b>Create Account by Individual Holder</b>". Please refer to the tutorial guide posted on the homepage for assistance.</li> <li>If you are already a user with <b>TIIH Online</b>, you are not required to register again.</li> </ul>
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> <li>After the release of the Notice of the 18<sup>th</sup> AGM by the Company, login with your username (i.e. email address) and password.</li> <li>Select the corporate event: "<b>SUPERLON HOLDINGS BERHAD 18TH AGM – SUBMISSION OF FORM OF PROXY</b>".</li> <li>Read and agree to the terms and conditions and confirm the Declaration.</li> <li>Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li> <li>Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy.</li> <li>Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.</li> <li>Review and confirm your proxy(s) appointment.</li> <li>Print Form of Proxy for your record.</li> </ul>

## ADMINISTRATIVE GUIDE (CONT'D)

**4. ELECTRONIC LODGEMENT OF FORM OF PROXY (CONT'D)**

- a. The procedures to lodge your Form of Proxy electronically via Tricor's **TIIH Online** website are summarised below (Cont'd):

Procedure		Action
<b>2. Steps for Corporation or Institutional Members</b>		
(c)	Register as a User with <b>TIIH Online</b>	<ul style="list-style-type: none"> <li>Access <b>TIIH Online</b> website at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>Under e-Services, the authorised or nominated representative of the corporation or institutional member selects the "<b>Sign Up</b>" button and followed by "<b>Create Account by Representative of Corporate Holder</b>".</li> <li>Complete the registration form and upload the required documents.</li> <li>Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul> <p><i>(Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he/she can subscribe to this corporate member electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
(d)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> <li>Login to <b>TIIH Online</b> website at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>Select the corporate event: "<b>SUPERLON HOLDINGS BERHAD 18TH AGM – SUBMISSION OF FORM OF PROXY</b>".</li> <li>Read and agree to the terms and conditions and confirm the Declaration.</li> <li>Proceed to download the file format for "Submission of Form of Proxy" in accordance with the Guidance Note set therein.</li> <li>Prepare the file for the appointment of proxies by inserting the required data.</li> <li>Proceed to upload the duly completed proxy appointment file.</li> <li>Select "Submit" to complete your submission.</li> <li>Print the confirmation report of your submission for your record.</li> </ul>

**5. POLL VOTING**

- a. The Voting at the 18TH AGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. A Poll Administrator will conduct the poll by way of electronic voting and Scrutineers will verify the poll results.
- b. During the 18TH AGM, the Chairman will invite the Poll Administrator to brief on the Voting procedures. The voting session will commence as soon as the Chairman calls for the poll to be opened.
- c. Upon completion of the voting session for the 18TH AGM, the Scrutineers will verify the poll results for announcement by the Chairman, followed by the Chairman's declaration whether the resolutions are duly passed.

**6. ANNUAL REPORT 2024**

- a. The Company's Annual Report 2024 is available at the Company's website at [www.superlon.com.my](http://www.superlon.com.my).
- b. Should you require a printed copy of the Annual Report 2024, please request at our Share Registrar's website at <https://tiih.online> by selecting "Request for Annual Report/Circular" under the "Investor Services" or kindly contact Tricor. Nevertheless, we encourage you to consider the environment before you decide to request for the printed copy.

## ADMINISTRATIVE GUIDE (CONT'D)

**7. REGISTRATION**

- a. The registration will commence at 9.00 a.m. on Wednesday, 25 September 2024 and will remain open until the closing of the voting period for vote-counting or such time as may be determined by the Chairman of the meeting.
- b. Please present your original National Registration Identity Card ("NRIC") or passport (for non-Malaysian) to the registration staff for verification.
- c. Upon verification, you are required to write your name and sign the attendance list placed on the registration table. You will be given an identification wristband for voting purposes.
- d. No person will be allowed to register on behalf of another person even with the original NRIC or passport of the other person.

**8. HELP DESK**

- a. Please proceed to the Help Desk for any clarification or queries apart from registration details.
- b. The Help Desk will also handle revocation of proxy's appointment.

**9. RECORDING OR PHOTOGRAPHY**

- a. Strictly **NO** unauthorised recording or photography of the 18TH AGM proceedings is allowed.

**10. ENQUIRY**

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

**Tricor Investor & Issuing House Services Sdn. Bhd.**

General Line : +603-2783 9299  
Fax Number : +603-2783 9222  
Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)  
Contact Person : Mohammad Amirul Iskandar  
([mohammad.amirul@vistra.com](mailto:mohammad.amirul@vistra.com))  
+03-2783 9279

Syafiqul Hafidz  
([syafiqul.hafidz@vistra.com](mailto:syafiqul.hafidz@vistra.com))  
+03-2783 9280

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# SUPERLON®

**SUPERLON HOLDINGS BERHAD**  
Registration No.: 200601020659 (740412-X)  
(Incorporated in Malaysia)

## FORM OF PROXY

<b>CDS Account No.</b>	
<b>Total No. of shares held</b>	

I/We, \_\_\_\_\_ NRIC/Passport/Registration No. \_\_\_\_\_  
(full name in capital letters)

of \_\_\_\_\_  
(full address)

contact no. \_\_\_\_\_ email address \_\_\_\_\_ being a member / members of SUPERLON HOLDINGS BERHAD hereby appoint(s):-

<b>Full Name (in capital letters):</b>	<b>NRIC/Passport No.:</b>
<b>Full Address (in capital letters):</b>	<b>Contact No.:</b> <b>Email Address:</b>

and/or

<b>Full Name (in capital letters):</b>	<b>NRIC/Passport No.:</b>
<b>Full Address (in capital letters):</b>	<b>Contact No.:</b> <b>Email Address:</b>

or failing him/her\*, the CHAIRMAN OF THE MEETING as my/our\* proxy to vote for me/us\* and on my/our\* behalf at the Eighteenth Annual General Meeting of the Company held at Botanic Room, Botanic Resort Club, No. 1, Jalan Ambang Botanic, Bandar Botanic, 41200 Klang, Selangor on Wednesday, 25 September 2024 at 10.00 a.m. and at any adjournment thereof in respect of my/our\* shareholding in the manner indicated below:-

No.	Ordinary Resolutions	For	Against
1.	Payment of Directors' fees of up to RM230,000 for the financial year ending 30 April 2025		
2.	Payment of Directors' meeting attendance allowances of up to RM45,500 for the period from the date of forthcoming Annual General Meeting to 31 October 2025		
3.	Re-election of Mr Liu Han-Chao as Director		
4.	Re-election of Mr Liu Jeremy as Director		
5.	Re-election of Mr Ongi Cheng San as Director		
6.	Re-appointment of Messrs Crowe Malaysia PLT as Auditors		
7.	Renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
8.	Renewal of authority for the Company to purchase its own ordinary shares up to ten percent (10%) of its issued share capital		

Please indicate with an "X" in the appropriate box against each resolution how you wish your proxy to vote. If no instruction is given, this form will be taken to authorise the proxy to vote at his/ her discretion.

For appointment of two proxies, the percentage of shareholdings to be represented by each proxy is as follows:

	No. of Shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature of Shareholder(s) or Common Seal

### NOTES:

- Only depositors whose names appear in the Record of Depositors as at 17 September 2024 shall be regarded as members and be entitled to attend, participate, speak and vote at the Eighteenth Annual General Meeting.
- A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
- Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.



**NOTES (CONT'D):**

4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or by electronic lodgement via TIH Online website at <https://tiah.online> not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Eighteenth Annual General Meeting to vote by way of poll. For electronic lodgement please refer to the Administrative Guide of Eighteenth Annual General Meeting.

**Personal Data Privacy**

By submitting the form of proxy, the member or proxy accepts and agrees to the collection, use and disclosure of their personal data by the Company (or its agents or service providers) for the purpose of preparation and compilation of documents relating to the Eighteenth Annual General Meeting (including any adjournment thereof).

1st Fold Here

AFFIX  
STAMP

To: **Tricor Investor & Issuing House Services Sdn Bhd**

Unit 32-01, Level 32, Tower A  
Vertical Business Suite  
Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Malaysia

2nd Fold Here

Fold This Flap For Sealing



## **SUPERLON** HVAC&R PARTS

In addition to the manufacturing of thermal insulation materials, **SUPERLON** is also involved in trading of HVAC&R parts and equipment. The existing product range for our trading business include the following:-

- 1) Copper Tubes and Fittings
- 2) Refrigerant Gas
- 3) Refrigerator Compressor and Vacuum Pump
- 4) Mini Cutter, Mapp Gas & Self-Ignition Torch
- 5) Rotary Compressor
- 6) HVAC Tools

## **SUPERLON** INSULATION SHEETS & ROLLS

**SUPERLON** sheets are available in pre-cut sizes or in rolls.



## **OH MY MAT! FITNESS MATS**

**SUPERLON** also produces fitness mats with various thicknesses which are suitable for pilates, floor exercise, yoga, gymnasiums, rehabilitation and physio therapy centres.



## **SUPERLON HOLDINGS BERHAD**

REGISTRATION NO. : 200601020659 (740412-X)

Lot 2567, Jalan Sungai Jati  
41200 Klang, Selangor Darul Ehsan, Malaysia  
Tel: 603-3382 1688 Fax: 603-3381 5788  
Email: [corporate@superlon.com.my](mailto:corporate@superlon.com.my)

[www.superlon.com.my](http://www.superlon.com.my)

