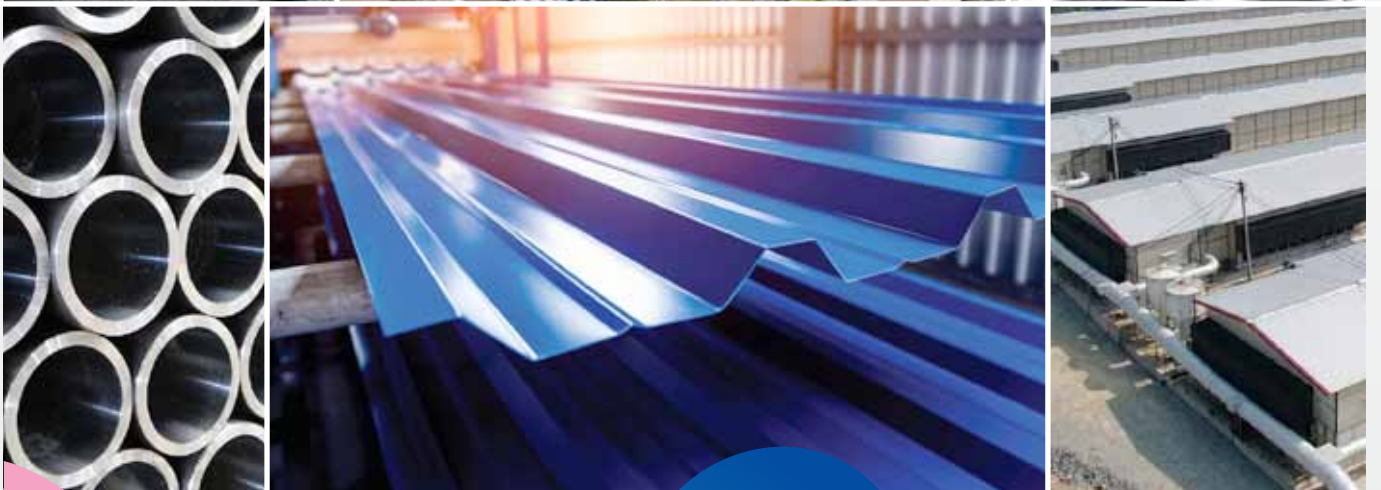




**ASTINO BERHAD**  
200001020478 (523085-X)





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**NG BACK TENG**  
Executive Chairman

**NG HUNG SEH**  
Chief Executive Officer

**DATO' NG HUNG WENG**  
Executive Director

**DATO' HAJI MOHTAR BIN NONG**  
Senior Independent Non-Executive Director

**LIM BEE LEE**  
Independent Non-Executive Director

**CHEAH SWI CHUN**  
Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

**CHEAH SWI CHUN**  
Chairman  
Independent Non-Executive Director

**DATO' HAJI MOHTAR BIN NONG**  
Member  
Senior Independent Non-Executive Director

**LIM BEE LEE**  
Member  
Independent Non-Executive Director

## COMPANY SECRETARY

**CH'NG LAY HOON**  
SSM PC No.: 201908000494  
MAICSA 0818580

## BUSINESS OFFICE

Lot 1499 (Lot Baru 10030) & 1500  
Mukim 11, Jalan Changkat  
14300 Nibong Tebal  
Seberang Perai Selatan  
Penang

## REGISTERED OFFICE

Suite 12-A Level 12  
Menara Northam  
No. 55 Jalan Sultan Ahmad Shah  
10050 George Town Penang

Telephone No. : 04-228 0511  
Facsimile No. : 04-228 0518  
Email : [general@enetcorpsb.com](mailto:general@enetcorpsb.com)

## SHARE REGISTRAR

### ALDPRO CORPORATE SERVICES SDN. BHD.

B-21-1 Level 21 Tower B  
Northpoint Mid Valley City  
No.1 Medan Syed Putra Utara  
59200 Kuala Lumpur Wilayah Persekutuan Malaysia  
Telephone No. : 603-9770 2200  
Facsimile No. : 603-9770 2239  
Email : [admin@aldpro.com.my](mailto:admin@aldpro.com.my)

## AUDITORS

Messrs Crowe Malaysia PLT  
Chartered Accountants

## BANKERS

Malayan Banking Berhad  
United Overseas Bank (Malaysia) Bhd  
Hong Leong Bank Berhad  
HSBC Bank Malaysia Berhad  
CIMB Bank Berhad  
Citibank Berhad

## STOCK EXCHANGE

Main Market of the Bursa Malaysia  
Securities Berhad

## WEBSITE

[www.astino.com.my](http://www.astino.com.my)

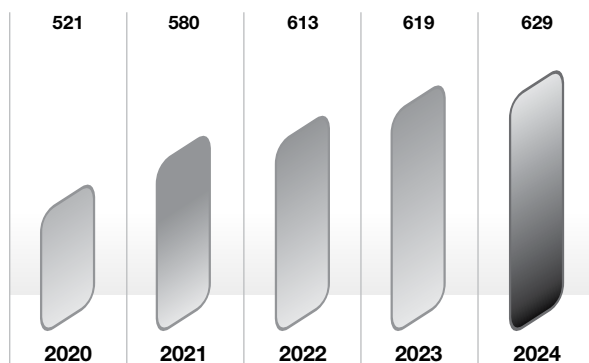


# GROUP FINANCIAL HIGHLIGHTS

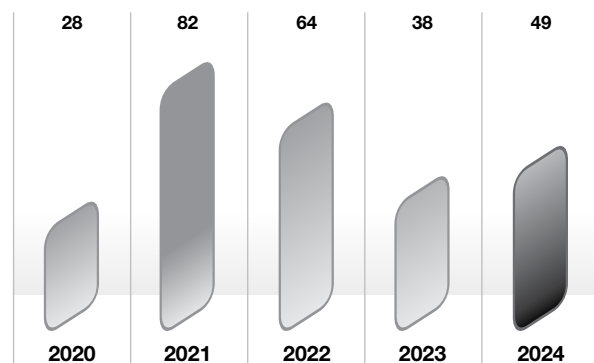
Year	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
(RM million)					
Turnover	521	580	613	619	629
Profit Before Taxation	28	82	64	38	49
Shareholders' fund	402	460	503	525	553

Net Earnings Per Share (Sen)	4.52	12.91	9.83	5.76	7.62
Net Dividend Per share (Sen)	1.50	1.00	1.00	1.00	1.00
Share dividend	N/A	1 : 50	N/A	N/A	N/A
Net Tangible Assets Per Share (Sen)	81	93	102	107	114
Debt to Equity Ratio	0.16	0.04	0.07	0.04	0.05

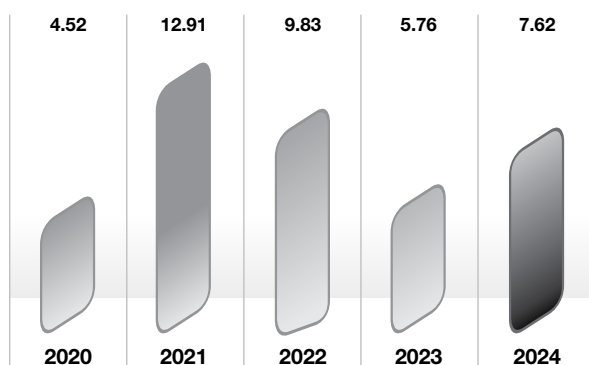
## TURNOVER (RM million)



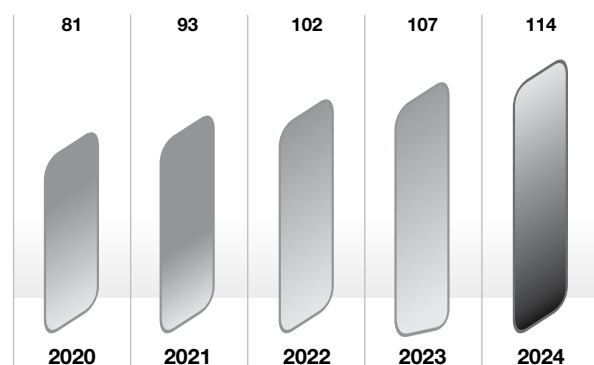
## PROFIT BEFORE TAXATION (RM Million)



## NET EARNINGS PER SHARE (SEN)



## NET TANGIBLE ASSETS PER SHARE (SEN)



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF BUSINESS AND OPERATIONS

Astino Berhad is a Malaysian-based company principally engaged in the manufacturing and trading of metal building materials and other steel products. We were incorporated in year 2000 and subsequently became a public listed company in year 2003. Our main products are metal roofing, c-purlin, small c-purlin, truss and batten, piping, scaffolding, slitting and levelling coil, agro facilities and its related products.

The Group produces a wide range of products utilised in the construction, infrastructure, manufacturing, agricultural and poultry industries. Given the wide customer base and different industries served, the Group has an upper hand in being able to deliver specific requests as we have in-house facilities to undertake activities such as cutting, levelling, shearing, bending and welded steel pipe.

The Group's mission is to provide top-quality and innovative products to our customers at a reasonable cost. We strive to satisfy their needs through personalized, efficient, and reliable services and to build mutually rewarding relationships. To achieve this, the Group has strategically set up eight manufacturing plants in various locations to serve customers. These plants help reduce transportation costs, which in turn lowers the cost of sales.

## OPERATION REVIEW

Financial year 2024, the Group is facing keen challenging operating environment as the economic recovery was hindered by various factors, including rising inflation, foreign currency fluctuations, instability of steel price, market-related issues and supply chain disruptions.

The Group delivered a strong financial performance in financial year 2024 ("FY2024") despite operating in a very challenging environment. This was achieved by leveraging our strong customer base, which forms the solid foundation of our efforts, expanding our product range to serve the construction, agricultural, poultry, industrial and various commercial sectors.

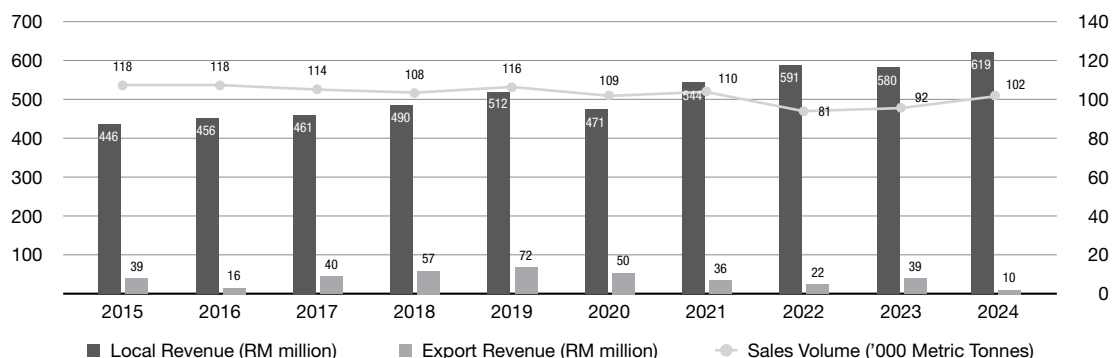
## PERFORMANCE REVIEW

For the financial year 2024, the Group achieved higher revenue of RM629 million with a higher profit before tax ("PBT") of RM49 million as compared to RM619 million turnover and RM38 million PBT achieved in Financial Year 2023.

### a) Revenue

In the financial year 2024, the Group achieved revenue of RM629 million, marking a slight rise of RM10 million (1%) from the RM619 million reported in the previous year. This increase was primarily due to lower average selling prices, partially offset by a modest uptick in sales volume. Sales volume grew from 92,000 metric tonnes to 102,000 metric tonnes, representing a 10.9% increase. The Group's annual revenue was predominantly contributed by the local market at approximately 98.5%, with the export market contributing around 1.5%. The local market saw a 6.7% increase compared to the preceding financial year.

**Segment Revenue (RM million) and Sales Volume ('000 Metric Tonnes)**



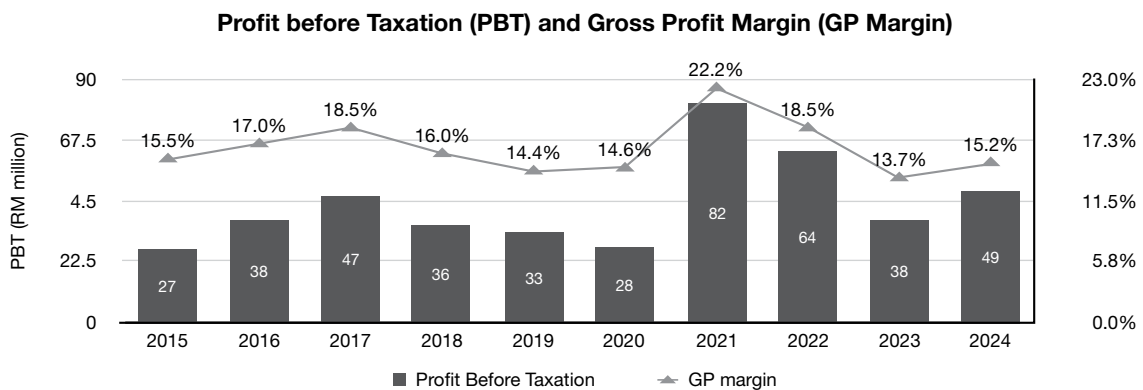
## MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

### PERFORMANCE REVIEW (CONT'D)

#### b) Profit before Taxation

The PBT for FY2024 rose by 28.9% to RM49 million, up from RM38 million, primarily driven by a 1.5 percentage point increase in the overall gross profit margin to 15.2% from 13.7% in FY2023. This increase in gross profit margin can be attributed to reduced raw material costs and an uptick in sales volume.



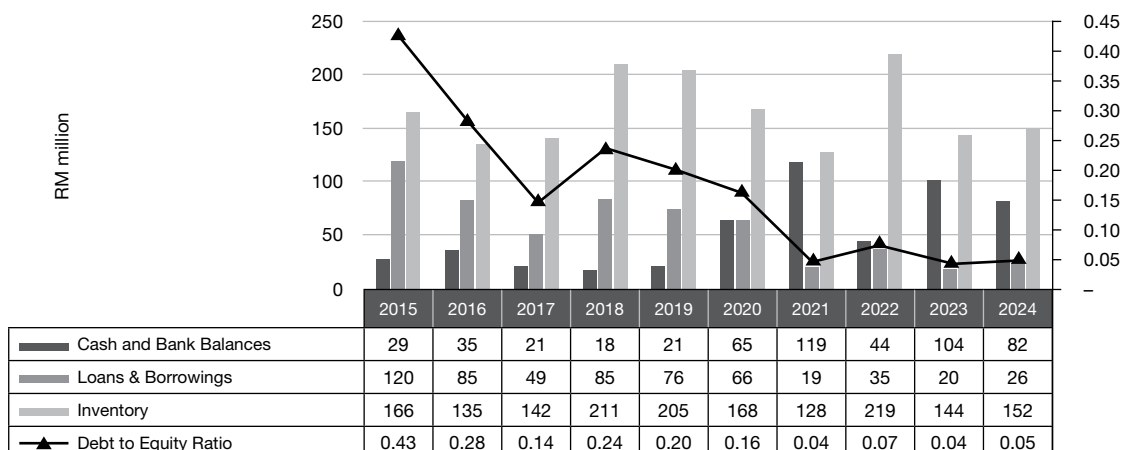
#### c) Cash Flows And Liquidity

The Group's cash and bank balances decreased by RM22 million, and bank borrowings increased by RM6 million compared to the financial year 2023. This was primarily due to an increase in inventories and the purchase of new piece of land. The land purchase cost RM54 million, of which RM41 million was paid using own funds and balance RM13 million was financed by revolving credit.

The Group's inventories as at 31 July 2024 has significantly increased as compared to previous year. This was mainly due to increase of inventories volume as at 31 July 2024.

The Group's debt to equity ratio still maintains a healthy and manageable level of 0.05 times at the end of the current financial year. Considering the challenging operating environment, the Board has elected to conserve adequate funds to meet the Group's financial obligations while still maintaining a healthy capital base for future earnings generation.

#### Cash & Bank Balances Vs. Loans and Borrowings Vs. Inventories Vs. Debt to Equity Ratio



## MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

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### BUSINESS RISKS

The cost of steel, which is the Group's primary raw material, has had a significant effect on the Group's production costs. It accounts for approximately 90% of the total cost of production. Therefore, any fluctuations in steel commodity prices, foreign exchange rates and the availability of steel materials will have a significant impact on the Group's profitability. To address these issues, the Group is in close contact with suppliers and keeps a close eye on the cost of steel materials in order to respond quickly to any volatility. Additionally, a weekly pricing review is implemented to monitor the changes in steel price.

Inventory management is another critical area of focus, ensuring timely fulfilment of customer orders while minimising the risk associated with high inventory holding costs. In FY2024, our inventory turnover period was 117 days, reflecting an adjustment from 113 days in FY2023. Nevertheless, the impact of inventory holding was not materially significant, given the enduring nature of steel products which are not prone to obsolescence.

The Group strives to remain competitive by focusing on products development to ensure good quality product and also on time delivery in order to fulfil customers' satisfaction in dealing with market competition. Nevertheless, the Group will continue to seek for opportunities in order to broaden our customer base and expand the existing markets.

Credit risk arises primarily from trade receivables and other receivables. To mitigate this risk, the Group has established credit control procedures to evaluate the creditworthiness of respective customer. Written credit control policies have been set up with a constant review of risk associated with the customers and close monitoring of the credit operation of the transactions. The computerised information system also enables the subsidiaries to access up-to-date ageing reports to ensure appropriate and timely actions are taken to mitigate the possible credit risk exposure.

### FUTURE PROSPECT

The business outlook for the upcoming year is anticipated to remain challenging, characterised by persistent uncertain macroeconomic conditions, fluctuating exchange rates and repercussions of geopolitical conflicts. Given these circumstances, the Board is committed to adopting a cautious and vigilant approach to proactively steer through this challenging business environment. To navigate these complex circumstances, the Board will maintain a sharp focus on implementing prudent procurement and distribution strategies, optimising costs, and enhancing operational efficiencies and internal processes. Additionally, efforts will be taken to optimise our financial performance by maintaining a healthy cashflow position to sustain efficient operations.

Barring unforeseen circumstances and market condition uncertainty, the Group will continue its efforts in delivering high quality products to existing customers, actively securing orders from new customers and monitoring prevailing market conditions to adopt appropriate strategies to mitigate risks and achieve sustainable growth for the Group

### DIVIDEND

In line with the Group's performance and in recognition of the continuous support of shareholders, the final single tier dividend of 1.0 sen per share in respect of the financial year ended 31 July 2024 will be proposed for shareholders' approval at the forthcoming Annual General Meeting.

The dividend recommendation is consistent with our policy of building up reserves for expansion plans while at the same time giving reasonable return to our shareholders.

## DIRECTORS' PROFILE



### Ng Back Teng

Executive Chairman

A Malaysian, aged 77, male, was appointed to the Board on 16 February 2003 as the Executive Chairman & Managing Director, re-designated as the Executive Chairman & Chief Executive Officer on 8 March 2010 and currently holding the position as the Executive Chairman of the Company, a position he held since 17 June 2016.

Mr. Ng Back Teng completed his upper secondary education in 1967. He has a total of 25 years of overseas working experience as a Mining Supervisor in British Phosphate Co. Ltd in Christmas Island, Australia and as a Production Executive for Elson Engineering Company. He is responsible for the growth of the Group's metal roofing and awning products.



### Ng Hung Seh

Chief Executive Officer

A Malaysian, aged 58, male, was appointed to the Board on 16 February 2003 as the Executive Director, re-designated as the Chief

Operating Officer on 8 March 2010 and subsequently holding the position as Chief Executive Officer, a position he held since 17 June 2016.

Mr. Ng Hung Seh completed his lower secondary education in 1986. He is responsible for the marketing and sales of metal roofing and awning products for the Group. He has more than 20 years experience and expertise in the building related materials business.



### Dato' Ng Hung Weng

Executive Director

A Malaysian, aged 60, male, was appointed to the Board on 16 February 2003 as a Non-Independent Non-Executive Director and was

re-designated as the Executive Director of the Company on 8 March 2010.

Dato' Ng Hung Weng has more than 20 years of experience and expertise in both the PVC door and metal roofing industries. He was instrumental in building up the Group to become one of the major suppliers of PVC doors in the country. He was previously in-charge of research and development for the Group's products and had successfully introduced many new products to the market.



### Dato' Haji Mohtar Bin Nong

Senior Independent  
Non-Executive Director

A Malaysian, aged 71, male, was appointed to the Board on 16 January 2006 and re-

designated as the Independent Non-Executive Director of the Company on 17 June 2016.

Dato' Haji Mohtar holds an honours Bachelor Degree in Economics from Universiti Kebangsaan Malaysia (1978) and a Master Degree in Business Administration from Dubuque, Iowa, USA (1994).

Dato' Haji Mohtar joined the Terengganu State Civil Service in 1978 and retired on 15 August 2010. During his tenure with the Terengganu State, he has held various important posts such as District Officer of Setiu, Besut and Kuala Terengganu (1996 -1999), General Manager for Yayasan Pembangunan Usahawan Terengganu (2000), President of Majlis Perbandaran Kuala Terengganu (2001- 2002) and the State Secretary of Terengganu (2007 - 2010).

Dato' serves as the Chairman of the Nominating Committee and also a member of the Company's Audit & Risk Management Committee and the Remuneration Committee.



## DIRECTORS' PROFILE

(CONT'D)



### Lim Bee Lee

Independent  
Non-Executive Director

A Malaysian, aged 69, female, was appointed as an Independent Non-Executive Director of the Company on 3 January 2019. A Chartered Accountant by profession, she is a member of the Malaysian Institute of Accountants and the Association of Chartered Certified Accountants (United Kingdom).

Ms. Lim has a vast working experience in the field of auditing and financial accounting in audit, financial institution, airline and properties industries.

Ms Lim is a member of the Audit & Risk Management Committee, Remuneration Committee and Nomination Committee.



### Cheah Swi Chun

Independent  
Non-Executive Director

A Malaysian, aged 51, male, was appointed to the Board on 31 May 2023.

Cheah Swi Chun graduated with a Bachelor of Commerce (Accounting) from La Trobe University, Australia in 1996. He has been a registered member of the Malaysia Institute of Accountants since 2002 and a member of CPA Australia since 2000. His professional journey began at Ernst & Young Corporate Advisory division in 1996. After gaining valuable experience there, he joined B. Braun Medical Industries Sdn Bhd in 2000 as Corporate Controller for Asia Pacific region and subsequently, left to join Astino Berhad in 2002 as Accountant and Corporate Manager with primarily functions of overseeing the financial reporting, corporate planning and the listing exercise of the group. He left Astino Berhad in 2003 upon its successfully listing onto Bursa Malaysia Securities Berhad to co-establish several private companies with business activities in manufacturing and trading of building materials, and sub-contracting of building construction works.

With over 20 years of experience, his expertise extends to manufacturing operations in steel sector, as well as various business activities related to building construction works and building materials.

Mr. Cheah serves as a Chairman of both the Company's Audit & Risk Management Committee and the Remuneration Committee. He is also a member of the Nomination Committee.

Save as disclosed below, there is no other family relationship with any other Directors or major shareholders of the Group and none of the Directors have any conflict of interest with the Company and have any conviction for offences within past five (5) years other than traffic offences, if any.

Ng Back Teng, Ng Hung Seh and Dato' Ng Hung Weng are brothers. They are also the brothers of Ng Bak Seng, the major shareholder of the Company.

# SENIOR MANAGEMENT PROFILE



## Mr. Ng Back Teng

Executive Chairman

The Profile of Mr Ng Back Teng is listed in the Directors Profile on page 7.



## Mr. Ng Hung Seh

Chief Executive Officer

The Profile of Mr Ng Hung Seh is listed in the Directors Profile on page 7.



## Dato' Ng Hung Weng

Executive Director

The Profile of Mr Ng Hung Weng is listed in the Directors Profile on page 7.

## Mr. Ng Bak Seng

A Malaysian, male, aged 68. the current Executive Director of Astino Southern Sdn. Bhd. and responsible for the daily operations of Astino Southern Sdn. Bhd. (Temerloh Branch), the wholly owned subsidiary of the Company.

He joined the Group more than 20 years and has held various position in the Group.

In 2000, Mr Ng had assisted the Group in setting up Astino Southern Sdn Bhd, the manufacturing plant in Malacca.

Mr Ng is the brother of Mr Ng Bak Teng (Executive Chairman), Mr Ng Hung Seh (Chief Executive Officer), Mr Ng Hung Weng (Executive Director) and Mr Ng Bak Hiong.

## Mr. Ng Bak Hiong

A Malaysian, male, aged 65. the current Executive Director of Astino (M) Colour Steel Sheet Sdn. Bhd. (KL Branch) and responsible for the daily operations of Astino (M) Colour Steel Sheet Sdn. Bhd. (KL Branch), the wholly owned subsidiary of the Company. He joined the Group in 2010.

Mr Ng is the brother of Mr Ng Bak Teng (Executive Chairman), Mr Ng Hung Seh (Chief Executive Officer), Mr Ng Hung Weng (Executive Director) and Mr Ng Bak Seng.

## Mr. Khoo Eng Seng

A Malaysian, male, aged 64, the current Executive Director of Astino Southern Sdn. Bhd. and responsible for the daily operations of Astino Southern Sdn. Bhd. (Melaka Branch), the wholly owned subsidiary of the Company.

Mr. Khoo joined the Group in 2003 and has held various positions within the Group.

He has more than 30 years of hands-on experiences in building material businesses.

## Mr. Kevin Ng Fong Soo

A Malaysian, male, aged 46, was appointed as the Executive Director of Astino Metal industries Sdn. Bhd. on 1 February 2019 who is responsible for the daily operation of Astino Metal Industries Sdn. Bhd, the wholly owned subsidiary of the Company. He joined the Group in year 2001 and has held various positions within the Group.

He has more than 20 years of experience in building materials industry.

Mr. Kevin is the nephew of our Executive Chairman, Mr. Ng Back Teng, Chief Executive Officer, Mr. Ng Hung Seh, Executive Director Mr. Ng Hung Weng, Mr Ng Bak Seng and Mr. Ng Bak Hiong.

## Ms Chua Phaik See

A Malaysian, female, aged 50, was appointed as the Chief Financial Officer on 27 September 2024 who is overseeing the Group's financial planning, financial reporting and operational analysis function. She is a fellow member of the Association of Chartered Certified Accountants (ACCA), UK and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).

She joined the Group since July 2003 and over the past 20 years she has held the various positions within the Group.

All Senior management do not have any conviction for the past five years other than traffic offences; if any, and do not have any conflict of interest with the Company.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 24<sup>th</sup> Annual General Meeting (“AGM”) of **ASTINO BERHAD** (“the Company”) will be held at Iconic 1, Level 7, Iconic Hotel, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang on Friday, 24 January 2025 at 10.30 a.m. or at any adjournment thereof, for the following purposes: -

## A G E N D A

### ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the year ended 31 July 2024 and Reports of the Directors and Auditors thereon.
2. To approve the payment of a first and final single tier dividend of 1.0 sen per ordinary share in respect of financial year ended 31 July 2024. **(Resolution 1)**
3. To re-elect the following Directors who retire in accordance with Article 88 of the Company’s Constitution, and being eligible have offered themselves for re-election: -
  - 3.1 Mr. Ng Back Teng **(Resolution 2)**
  - 3.2 Dato’ Haji Mohtar Bin Nong **(Resolution 3)**
4. To approve the payment of Directors’ Fees amounting to RM96,000 for the financial year ended 31 July 2024. **(Resolution 4)**
5. To approve the payment of Directors’ Other Benefits up to RM30,000 from 25 January 2025 to 31 January 2026 **(Resolution 5)**
6. To re-appoint Messrs Crowe Malaysia PLT, the retiring Auditors, and to authorise the Directors to fix their remuneration. **(Resolution 6)**

### SPECIAL BUSINESS: -

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

7. **Authority to Issue Shares Pursuant to the Companies Act 2016** **(Resolution 7)**  
 “THAT, subject always to the Companies Act 2016 (“Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), the provisions of the Constitution of the Company and approval of any relevant governmental and/or regulatory authorities, where such approval is required, the Board of Directors of the Company (“Board”) be and is hereby empowered pursuant to Section 75 and 76 of the Act, to issue and allot shares in the capital of the Company, at any time upon such terms and conditions and for such purposes as the Board may, in its absolute discretion deem fit, provided that the aggregate number of the shares issued pursuant to this resolution does not exceed ten (10) per centum of the issued share capital of the Company for the time being and the Board be and is also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad (“Mandate”) and that such authority shall continue in force until the conclusion of the next AGM of the Company;

## NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

THAT pursuant to Section 85 of the Act read together with Article 10 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate AND THAT such new Shares when allotted shall rank pari passu in all respects with the existing class of ordinary shares;

AND FURTHER THAT the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the allotment and issuance of new Shares pursuant to the Mandate."

**8. Proposed Renewal of Share Buy-Back Authority**

**(Resolution 8)**

"THAT, subject to the provisions of the Act, rules, regulations, orders and guidelines made pursuant to the Act, provisions of the Company's Constitution, Bursa Securities' Main Market Listing Requirements and approvals of any relevant governmental and/or regulatory authorities, where such approval is required, the Directors be and are hereby authorised to utilize an amount not exceeding the Company's retained profits, to purchase such number of ordinary shares of the Company provided the ordinary shares so purchased shall [in aggregate with the treasury shares as defined under Section 127 of the Act ("Treasury Shares") then still held by the Company] not exceed ten (10) per centum of the total issued and paid-up share capital of the Company for the time being AND THAT such authority shall commence upon the passing of this resolution until the conclusion of the next AGM of the Company unless earlier revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting AND THAT the Directors may cancel the ordinary shares so purchased or retain same as Treasury Shares and may distribute the Treasury Shares as share dividend or may resell same in a manner they deem fit and expedient as prescribed by the Act and the applicable regulations and guidelines of Bursa Securities and any other relevant authorities for the time being in force AND THAT authority be and is hereby given to the Directors to take such steps as are necessary or expedient to implement, finalise and to give effect to the aforesaid transactions with full power to assent to any conditions, modifications, variations and/or amendments as may be required or imposed by the relevant authorities and to do all such acts and things and upon such terms and conditions as the Directors may in their discretion deem fit and expedient in the best interest of the Company in accordance the Act, regulations and guidelines."

**9. Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

**(Resolution 9)**

"THAT, subject always to the compliance with Bursa Securities' Main Market Listing Requirements, the Company's Constitution and all other applicable laws, guidelines, rules and regulations, approval be and is hereby given to the Company and its subsidiaries ("Astino Group") to enter into any of the category of recurrent related party transactions of a revenue or trading nature as set out in Paragraph 2.4 of Part A of the Circular/Statement to Shareholders dated 28 November 2024 with the specific related parties mentioned therein ("Proposed Mandate") which are necessary for Astino Group's day-to-day operations on terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.



## NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until: -

- a) the conclusion of the next AGM of the Company following the AGM, at which time the Proposed Mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in general meeting; whichever is the earlier;

THAT authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing such documents as may be required) to give effect to such transactions contemplated and/or authorised by this Ordinary Resolution.”

**10. Continuing Office As Independent Non-Executive Director**

**(Resolution 10)**

“THAT, subject to the passing of Ordinary Resolution 3, to retain Dato’ Haji Mohtar Bin Nong, who has served for nine (9) years by June 2025, as Independent Non-Executive Director of the Company, pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance”

11. To transact any other ordinary business for which due notice has been given.

**NOTICE IS HEREBY GIVEN** that for purpose of determining a member who shall be entitled to attend this 24<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 16 January 2025. Only a depositor whose name appears on the Record of Depositors as at 16 January 2025 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

**NOTICE OF DIVIDEND ENTITLEMENT**

**NOTICE IS ALSO HEREBY GIVEN** that, subject to the approval of the shareholders at the 24th Annual General Meeting, a first and final single tier dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 July 2024 will be paid on 28 March 2025 to depositors registered in the Records of Depositors on 7 March 2025.

A depositor shall qualify for entitlement only in respect of: -

- a) Shares transferred into the depositor’s securities account before 4.00 p.m. on 7 March 2025 in respect of transfers; and
- b) Shares bought on Bursa Securities on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

**Ch’ng Lay Hoon**

SSM PC No.: 201908000494 MAICSA 0818580

Company Secretary

Penang

28 November 2024

## NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

### NOTES:

#### 1. Proxy

- 1.1 A member entitled to attend, speak and vote at the AGM is entitled to appoint proxy(ies) to attend, participate, speak and vote in his stead.
- 1.2 Where a member is an authorised nominee ("AN") as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), the AN may appoint proxy(ies) in respect of each securities account it holds which is credited with ordinary shares of the Company.
- 1.3 Where a member of the Company is an exempt authorised nominee ("EAN") as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), the EAN may appoint proxy(ies) in respect of each omnibus account it holds.
- 1.4 Where a member appoints more than one (1) proxy the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- 1.5 The appointment of a proxy may be made in hard copy form or by electronic means and must be received by the Company not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof. If the appointer is a corporation, under its common seal or in such other manner approved by its directors. Any alteration to the instrument appointing a proxy must be initialed. Kindly refer to the Administrative Details for further guidance.
- 1.6 Pursuant to Paragraph 8.29A of the Bursa Securities Main Market Listing Requirements, all resolutions set out in the Notice of 24<sup>th</sup> AGM will be put vote on a poll.

#### 2. Audited Financial Statements for financial year ended 31 July 2024

The audited financial statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not required shareholders' approval and hence, will not be put for voting.

#### 3. Explanatory Notes On Special Business

##### **Resolution 7: Authority to Issue Shares**

The proposed Resolution 7, if passed, will give a renewed mandate to the Directors of the Company, from the date of above AGM, authority to issue and allot shares in the Company up to and not exceeding in total ten (10) per centum of the issued share capital of the Company for the time being, for such purposes as the Directors would consider in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at the 23rd AGM held on 12 January 2024. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional cost and time.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company would make an announcement in respect of the purpose and utilization of the proceeds arising from such issue.

##### **Resolution 8: Proposed Renewal of Share Buy-Back**

The proposed Resolution 8, if passed, will provide the mandate for the Company to buy back its own shares up to a limit 10% of the total issued and paid-up share capital of the Company. The explanatory notes on Resolution 8 are set out in Part B of the Circular/Statement dated 28 November 2024 accompanying the Annual Report.

## NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

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### **NOTES: (CONT'D)**

#### **Resolution 9: Proposed Renewal Mandate for Recurrent Related Party Transactions**

The proposed Resolution 9, if approved, will enable the Astino's Group to enter into recurrent related party transactions of a revenue or trading nature with related parties in accordance with paragraph 10.09 of Bursa Securities' Main Market Listing Requirements. The explanatory notes on Resolution 9 are set out in Part A of the Circular/Statement to Shareholders dated 28 November 2024 accompanying the Annual Report.

#### **Resolution 10: Continuing in office as Independent Non-Executive Director**

The Board of Directors via the Nominating Committee assessed the independence of Dato' Haji Mohtar Bin Nong who has served on the Board as Independent Non-Executive Director of the Company for a cumulative of nine (9) years by June 2025 and the Board has recommended that the approval of the shareholders be sought to re-appoint Dato' Haji Mohtar Bin Nong as an Independent Non-Executive Director, based on the following justifications: -

- a) He has met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;
- b) Being director for going to be more than nine (9) years has enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess tremendous knowledge of the Company's operations;
- c) He has the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- d) He has contributed sufficient time and exercised due care during his tenure as Independent Non-Executive Director and carried out his fiduciary duties in the interest of the Company and minority shareholders.

### **STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

Pursuant to Paragraph 8.27 (2) of the Main Market Listing Requirements of Bursa Securities

- 1) Save for re-election of Directors, there is no Director standing for election at the 24th AGM of the Company.

Save as disclosed in the Circular to Shareholders dated 28 November 2024, the retiring Directors have confirmed that they do not have any conflict of interest or potential conflict of interest that arise, or might arise, where they have interest, whether direct or indirect financial interest as well as non-financial interest or competing loyalties or interests which are in conflict with the Company or its subsidiaries.

- 2) The proposed Ordinary Resolution 7 for the general mandate for issue of securities is a renewal mandate. As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors of the Company at last AGM held on 12 January 2024.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTRODUCTION

The Board of Directors (“Board”) of Astino Berhad is committed to ensure that a high standard of corporate governance is practised throughout the Company and its subsidiaries in discharging its responsibilities with integrity, transparency and professionalism to protect the assets of the Group and enhance shareholders’ value and the financial position of the Group. The Board has always been vigilant of the fiduciary duties entrusted upon the Board as a principle guide in discharging its duties.

The Board will constantly review its corporate governance practices in response to develop best practices and the changing needs of the Group. The Board hereby provides the following Corporate Governance Overview Statement, which outlines the practices adopted by the Company in compliance with the Principles and Recommendations set in the MCCG 2021 as well as the Main Market Listing Requirement of Bursa Securities (“MMLR”).

The detailed application for each practice as set out in the Code is disclosed in the Corporate Governance Report (“CG Report”) which is available on the Company’s website: [www.astino.com.my](http://www.astino.com.my) as well as via the Company’s announcement made to Bursa Securities. The CG Report is prepared in compliance the MMLR.

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### A.1 BOARD LEADERSHIP

#### *Clear Functions of the Board and Management*

The Board’s role is to provide stewardship of the Company and direction for management, it is collectively responsible and accountable to the Company’s shareholders for the long term success of the Group. The Board is guided by its Charter, Code of Ethics which outlines the duties and responsibilities of the Board, matters that are specifically reserved for the Board, as well as those which the Board may delegate to the relevant Board Committees.

The Board also delegated the authority and responsibility for managing the day-to-day business affairs of the Group to the Chief Executive Officer who is responsible for overseeing the business development, implementation of the corporate strategies and business plans, policies and controls. The responsibilities of the senior management team are clearly defined.

#### *Clear Roles and Responsibilities of the Board*

The Group is led by effective Board comprising members of high caliber. The Directors comprise of individuals from varied professional background with wide range of relevant business and financial experience who contribute independent judgement on issues pertaining to the strategy, risks, management performance, compliance and resources affecting the Group.

The role of the Board is to provide overall strategic guidance, effective oversight on the governance and management of the business affairs of the Company for the benefit of the stakeholders. Responsibilities of the Board includes:-

- Reviewing, adopting and monitoring the Company’s major strategies, financial performance in respect of objectives and plans set;
- Decision making regarding matters of sensitive, extraordinary or strategic nature;
- Monitoring capital management and major expenditure;
- Approving the Group’s annual budget, quarterly financial results and carrying out periodic review of the achievements by the various operating divisions against their respective business targets;
- Ensuring that the operating infrastructure, systems of control, system for risk identification, financial and operational controls are in place and properly implemented;
- Undertaking succession planning to identify suitable candidates for senior managerial positions to ensure continuity of key positions;
- Reporting to shareholders;
- Evaluation of Board processes and performance;
- Declaring dividends payment.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.1 BOARD LEADERSHIP (CONT'D)

##### ***Clear Roles and Responsibilities of the Board (Cont'd)***

The Board also reviews the principal risks arising from all aspects of the Company's business that have significant impact on the Group's operations to ensure that there are systems in place to effectively monitor and manage these risks.

In discharging its fiduciary duties, Board Committees are formed to assist in the effective functioning of the Board. The Board delegated specific responsibilities to three (3) Committees, namely: -

- A. Nomination Committee,
- B. Audit & Risk Management Committee, and
- C. Remuneration Committee.

The Board Committees are guided and operate within clearly defined terms of reference. All these Committee are mainly lead by Independent Non-Executive Directors of the Board. Management and third party are invited to attend or co-opted to such Committees as and when required.

##### ***Code of Conduct and implementation***

The Board of Directors is guided by the Code of Ethics established by the Companies Commission of Malaysia for Company Directors. The Code of Ethics sets out the principles in relation to sincerity, integrity, responsibility and corporate social responsibility. The code is formulated to enhance the standard of corporate governance and corporate behavior of directors based on trustworthiness and values that can be accepted, and to uphold the spirit of responsibility and social responsibility in line with legislation, regulations and guidelines for administering the Company.

##### ***Whistleblowing Policy***

In adhering to good corporate governance practices and with the introduction of the Whistleblower Protection Act 2010, the Board has put in place an avenue for employees and stakeholders to report genuine concerns about unethical behavior, malpractices, illegal acts or failure to comply with regulatory requirements without fear of reprisal. The detail of Whistleblowing Policy is available at the Company's website at [www.astino.com.my](http://www.astino.com.my).

##### ***Anti-Bribery and Anti-Corruption Policy***

With the introduction of the new corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009 (Amendment 2018), effective from 1 June 2020, the Board has reviewed the Group's readiness to implement the Anti-Bribery and Anti-Corruption Policy in accordance with the compliance objective. The Company's Anti-Bribery and Anti-Corruption Policy is accessible on the Company's website at [www.astino.com.my](http://www.astino.com.my).

##### ***Conflict of Interest***

The Board has established a process to review conflict of interest ("COI") or potential COI whereby all the Directors and Key Senior Management of the Group are required to declare on a annually basis for tabling to the Board and Audit Committee whether they are involved or having interest in any competing business with that of the Group, which may pose a COI or interfere with the exercise of their judgement in their capacity as Directors or Key Senior Management of the Group which would be disadvantageous to the Group or its interest.

A Director who is in any way, whether directly or indirectly, interested in a transaction entered into or proposed to be entered into by the Company and/or its subsidiaries, shall declare his interest and shall not participate in deliberating at board meeting and voting on the proposed transaction.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.1 BOARD LEADERSHIP (CONT'D)

##### ***Board Charter***

The Board has adopted a Board Charter which sets out the principal functions, composition, roles and responsibilities of the Board. The Board Charter is a source reference and primary induction literature, providing insights to respective Board members and Senior Management. Therefore, the Board Charter is reviewed periodically and updated in accordance with the needs of the Company to ensure its effectiveness. A summary of the current Board Charter is published on our website, [www.astino.com.my](http://www.astino.com.my).

##### ***Access to Information and Advice***

The Board will be provided with an agenda and a set of Board papers containing information relevant to the business on a timely manner prior to the scheduled Board/Board Committees meeting. This is to enable the Directors to look at both qualitative and quantitative factors so that informed decisions are made.

The Board papers are circulated to Director at least seven (7) days in advance. This is to accord sufficient time for the Directors to peruse through the Board papers to enable them to effectively discharge their duties and responsibilities. All proceedings of Board Meetings are minuted and signed by the Chairman of the Meeting in accordance with the provision of the Companies Act, 2016 (“the Act”). Minutes of meeting of each Committee are also circulated to the Board Members for review.

The Directors have unrestricted access to the advice and services of the Company Secretary on compliance with the new statutory and regulatory requirements. The Board of Directors, whether as a full Board in their individual capacity, may upon approval of the Board of Directors, seek independent advice if required, in furtherance of their duties, at the Company’s expense.

##### ***The Role of Chairman and CEO***

There is a clear and distinct division of responsibilities between the Chairman and the CEO to ensure that there is an appropriate balance of power and role, responsibility and accountability at Board level.

The Code recommends that the Chairman must be of a non-executive member of the Board. However, the Nominating Committee has assessed, reviewed and determined that the chairmanship of Mr. Ng Back Teng remains based on the following justifications and aspects contributed by Mr. Ng Back Teng, as a member of the Board:

- His vast experience in managing the operations of the Group’s enable him to provide the Board with a diverse set of experience, expertise and skills to better manage and run the Group;
- He has exercised his due care in the interest of the Company and shareholders during his tenure as an Executive Chairman of the Company; and
- He has provided objectivity in decision making and ensured effective check and balance in the proceedings of the Board.

The Board unanimously appointed Dato’ Haji Mohtar Bin Nong , the Senior Independent Non-Executive Director, to be the senior member to address the shareholders concern, if any.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.1 BOARD LEADERSHIP (CONT'D)

##### ***Qualified and Competent Company Secretaries***

The Company Secretary, who is qualified, experienced and competent, will advise the Board on any new statutory requirements, guidelines and listing rules.

The Company Secretary or their representatives attend all the Board and Board Committee meetings and ensure that meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

The Company Secretary also facilitates timely communication of decisions made by the Board at Board Meetings, to the Senior Management Team for action. The Company Secretary work closely with the Senior Management Team to ensure that there are timely and appropriate information flows within and to the Board and Board Committees, and between the Non-Executive Directors and Management.

#### A.2 BOARD COMPOSITION

The Board currently has six (6) members, comprising three (3) Independent Non-Executive Directors, and three (3) Executive Directors (including the Chairman). The composition of the Board complied with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) to have at least one third (1/3) of the Board consisting of independent director. A brief description of the background of each Director is presented on page 7 to 8.

The Board is well balanced with the presence of Independent Non-Executive Directors of caliber and collectively possesses sufficient experience and expertise in objective and independent decisions making. Although all the Directors have an equal responsibility for the Group’s operations, the role of the Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executives management are fully discussed and examined, and take account of the long term interests, not only of the shareholders, but also of employees, customers, suppliers, and the many communities in which the Group conducts business.

##### ***Board Committees***

Board Committees are formed to assist in the effective functioning of the Board. The Board delegate specific responsibilities to three (3) Committees, namely the Audit & Risk Management Committee, the Nomination Committee and the Remuneration Committee, which operates within clearly defined terms of reference and are consistent with the recommendations of the Code. The Chairman of the various committees will report to the Board on matters deliberated at the committee meetings and such reports are incorporated in the minutes of the Board meetings. The Term of Reference (“TOR”) of each Committee is published on our website, [www.astino.com.my](http://www.astino.com.my).

##### **(A) Audit & Risk Management Committee**

The Audit & Risk Management Committee of the Board comprises three (3) Independent Non-Executive Directors. The composition of the Audit & Risk Management Committee is in the compliance with the Listing Requirements and the Code which require all the Audit and Risk Management Committee members to be Non-Executive Directors with a majority of them being Independent Directors. Further detail of the Audit & Risk Management Committee are outlined on pages 48 to 49 of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.2 BOARD COMPOSITION (CONT'D)

##### *Board Committees (Cont'd)*

##### **(B) Nomination Committee**

The Nomination Committee for the financial year ended 31<sup>st</sup> July 2024, which comprises three (3) Independent Non-Executive Directors and they are as follows:-

Dato' Haji Mohtar Bin Nong (*Chairman – Senior Independent Non-Executive Director*)

Lim Bee Lee (*Member – Independent Non-Executive Director*)

Cheah Swi Chun (*Member – Independent Non-Executive Director*)

The Nominating Committee met once during the financial year where the Committee considered the Directors who were due for retirement and re-election at the Annual General Meeting. The Nominating Committee continuously reviews and evaluates its requirements for an appropriate mix of skills and core competencies to discharge its duties effectively. The Committee confirms that the present size and composition of the Board is appropriate to oversee the overall business of the Group.

##### *(B.1) Appointment and Re-election to the Board*

The Nominating Committee is empowered to identify and recommend to the Board for assessment and endorsement of candidates for new appointments to the Board. In this process, the Nominating Committee shall take into cognizance the following criteria :-

- Size, composition, mix of skills, experience, competencies and other qualities of the existing Board members, level of commitment, resources and time that the recommended candidate can contribute to the Board and Group;
- The candidate's skills, knowledge, expertise and experience, professionalism, integrity and, in the case of a candidate for the position of Independent Non-Executive Director, the independence as defined in the Listing Requirements – for the purpose to bring about independence and objectivity in judgement on issues considered and thence, the ability to discharge responsibilities as expected from an Independent Non-Executive Director,
- The candidate's understanding of the Group business; production and marketing activities; and factors that promote boardroom diversity, including gender diversity and other qualities of the Board

In accordance with the Company's Constitution, any additional Director appointed shall hold office only until the next following Annual General Meeting ("AGM") and shall then be eligible for re-election. The Articles also provide that at least one-third of the remaining Directors be subject to re-election by rotation at each AGM and all the Directors shall retire from office once in each three years but shall be eligible for re-election.

##### *(B.2) Gender Diversity Policy*

The Board acknowledges the importance of boardroom diversity and the recommendation of the Code pertaining to the establishment of a gender diversity policy. Hence, the Board has always been in support of a policy of non-discrimination on the basis of race, religion and gender. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with the competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company. Nevertheless, the Board will only set specific targets in relation to gender diversity if the situation so requires and if it is in the best interest of the Company to do so. The Board currently has one (1) female director.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.2 BOARD COMPOSITION (CONT'D)

##### *Board Committees (Cont'd)*

##### **(B) Nomination Committee**

##### *(B.3) Annual Assessment*

The Nominating Committee meets at least once a year and during the meeting which was held on 27th September 2024, the Nominating Committee conducted the Board Performance Evaluation via questionnaires which covers Board and Board Committees effectiveness assessment together with Directors' self and peer assessment. The Nominating Committee assessed the effectiveness of the Board and Board Committee in terms of composition, conduct, accountability, and responsibility of the Board and Board Committees in accordance with its terms of reference. The Directors self and peer assessment was conducted to evaluate the mix of skills, experience and the individual's Directors ability to contribute and exercise independent judgement towards the effective functioning of the Board. The Nominating Committee also evaluates the independence of the Independent Directors based on the criteria of "Independence" as prescribed in the Listing Requirements.

The Nominating Committee, pursuant to the annual review that was carried out, was satisfied that the size of the Board is optimum, well-balanced with the appropriate mix of skills and experience in the composition of the Board and its Committees and each Director has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director of the Company. The Nominating Committee also reviewed and assessed the effectiveness of the Audit Committee in carrying out its duties as set out in its terms of reference.

The Nominating Committee deliberated and recommending for the retention of Dato' Haji Mohtar Bin Nong who has served for a cumulative period of more than nine (9) years by June 2025 to continue in office as Independent Non-Executive Director.

##### **(C) Remuneration Committee**

The Remuneration Committee met once during the year where the Committee deliberated on the Directors' fees of the Non-Executive Directors, the remuneration package and bonus of the Executive Directors.

The members of the Remuneration Committee are:-

Cheah Swi Chun (*Chairman – Independent Non-Executive Director*)

Dato' Haji Mohtar Bin Nong (*Member –Senior Independent Non-Executive Director*)

Lim Bee Lee (*Member – Independent Non-Executive Director*)

##### **Directors Remuneration**

The Remuneration Committee of the Company recommends to the Board the policy framework of the Executives Directors' remuneration, and the remuneration package for each Executive Director in accordance with performance, service seniority, experience and scope of responsibilities. The Group performance and the country inflation rate are taken into consideration in determining the remuneration packages for Executive Directors.

The determination of the remuneration and entitlement of Non-Executive Directors will be a matter to be decided by the Board as a whole with the Directors concern abstaining from deliberations and voting on decision in respect of his individual remuneration.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.2 BOARD COMPOSITION (CONT'D)

##### Directors Remuneration (Cont'd)

The remuneration of Directors is set at level which would enable the Group to attract and retain Directors with relevant expertise and the experience necessary to run the Group effectively. Directors' fees are to be approved by the shareholders at the AGM.

In compliance with the Listing Requirements on disclosure of Directors' remuneration, details of the Directors' remuneration for the financial year ended 31st July 2024 are as follows:

	Salaries RM'000	Bonuses RM'000	Allowances RM'000	Benefits- in-kind RM'000	Fees RM'000
<b>Executive Directors</b>					
Ng Back Teng	897	658	63	28	
Ng Hung Seh	1015	658	38	29	
Dato' Ng Hung Weng	715	101	28		
<b>Non -Executive Directors</b>					
Dato' Haji Mohtar Bin Nong			6		32
Lim Bee Lee			6		32
Cheah Swi Chun			7		32

The number of Senior Management whose remuneration falls into the following bands comprises:

Remuneration bands	No of senior Management
Below RM50,000	–
RM600,000 to RM650,000	1
RM700,000 to RM750,000	1
RM800,000 to RM850,000	2
RM1,250,000 to RM1,300,000	1
RM1,600,000 to RM1,650,000	1
RM1,700,000 to RM1,750,000	1

##### Directors Training

At the date of this Statement, all Directors have successfully attended the Mandatory Accreditation Programme prescribed by Bursa Securities.

The Directors are mindful that they should receive continuous training to broaden their perspectives and keep abreast with the new statutory and regulatory requirements, and essential practices for effective corporate governance and risk management to enable the Directors to effectively discharge their duties. The Directors are empowered by the Board to evaluate and assess his own individual training needs and are encouraged to attend seminars and/or conferences to further enhance their business acumen and professionalism in discharging their duties effectively.

Throughout the year, the Directors have received updates from time to time on relevant new laws and regulations. The Company Secretary circulated the latest relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference. The External Auditors also briefed the Board members on any changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.2 BOARD COMPOSITION (CONT'D)

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

During the financial year, the training programmes and seminars attended by the Directors are as follows:

##### **Training Programmes & Seminars**

- E-invoicing: A Practical Way of Meeting LHDN's Requirement Chapter 10-Transactions with 3rd Party and Related Party
- "Know Your Duties, Know Your Boundaries" From Legal Point Of View
- Strategic & Critical Thinking for Better Decision Making & Solutions
- HSBCnet Security Controls and Fraud measures
- HSBCnet Liquidity Management Dashboard
- Practical Implementation of e-Invoicing in Malaysia - concepts & challenges
- Taxation of Capital Gains in Malaysia - The Principal and Practice.

##### **Board Meetings**

An effective Board leads and controls the Group. The Board is responsible for the overall performance of the Group and focuses mainly on the strategies, performance, standards of conduct and critical business issues.

The Board meets quarterly to review its quarterly performances and discuss new policies and strategies with additional meetings as and when necessary. A total of five (5) Board meetings were held for the last financial year ended 31st July 2024. All Directors fulfilled the requirement of the Listing Requirements of having attended at least 50% of the Board meetings held by the Company during the financial year. The attendance record of each Director for the last financial year ended 2024 is as follows:

Name of Directors	Attendance
Ng Back Teng	5/5
Ng Hung Seh	5/5
Dato' Ng Hung Weng	5/5
Dato' Haji Mohtar Bin Nong	5/5
Lim Bee Lee	5/5
Cheah Swi Chun	5/5

##### **Annual Assessment of Independent Directors**

The criteria for Independence set out in the Listing Requirements form the basis for evaluation of independence of non-executive director. The Board and its Nominating Committee in their annual assessment concluded that each of the Independent Non-Executive Directors continuous to demonstrate conduct and behavior that are essential indicators of independence. Each of them continuous to fulfill the definition and criteria of independence as set out in Listing Requirements.

##### **Tenure of Independence Directors and Shareholders' Approval for Re-Appointment of Independent Directors**

The Code recommends that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. An Independent Non-Executive Director may continue to serve on the Board subject to re-designation of the Independent Non-Executive Director to Non-Independent Non-Executive Director. In the event the Board intends to retain the Independent after service a cumulative term of nine (9) years, the Board must seek the approval of the shareholders in the Annual General Meeting.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### A.2 BOARD COMPOSITION (CONT'D)

##### ***Tenure of Independence Directors and Shareholders' Approval for Re-Appointment of Independent Directors (Cont'd)***

As at the date of this Annual Report, Dr. Cheah Soo Jin has served the Company for a tenure of nine (9) years and above. The Nominating Committee have assessed the independence of Dato' Haji Mohtar Bin Nong and satisfied that: -

- (a) He has met the criteria the independence guidelines set out in Chapter 1 of the Main Market Listing Requirements of Bursa Securities and therefore able to give independent opinion to the Board;
- (b) Being director for more than nine (9) years have enabled him to contribute positively during deliberations/discussions at meetings as he is familiar with the operations of the Company and possess tremendous knowledge of the Company's operations;
- (c) He has the caliber, qualifications, experiences and personal qualities to challenge management in an effective and constructive manner; and
- (d) He has contributed sufficient time and exercised due care during his tenure as Independent Non-Executive Director and carried out his fiduciary duties in the interest of the Company and minority shareholders.

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### ***Sound Risk Management Framework***

The Board assumes responsibility for the effective stewardship and management of the Company with the strategic objective to build and deliver long term shareholder value whilst meeting the interests of shareholders and stakeholders. The Board provides strategic direction and formulates appropriate corporate policies to ensure the Group's resources and profitability is optimized. The Board is also responsible for assessing the integrity of the Group's financial information and the adequacy and effectiveness of the Group's internal control and risk management processes.

#### ***Internal Audit Function***

The Board recognizes the importance of risk management and internal controls in the overall management process. The Group's Statement on Risk Management and Internal Control which provides an overview of the Group's risk management and state of internal controls is set out on pages 54 and 56 of the Annual Report.

#### ***Financial Reporting***

In presenting annual financial statements and quarterly announcements to the shareholders, the Directors aim to present a balanced and comprehensive assessment of the Group's financial position and prospects. The Audit Committee assists the Board in ensuring the accuracy, adequacy and completeness of information for disclosure.

#### ***Statement of Directors' Responsibility for Preparing the Financial Statements***

The Board is required by the Act to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia and give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flow for the year then ended.

The Board considers that in preparing the financial statements for the year ended 31 July 2024, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates. The Board has responsibility for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group which enable them to ensure that the financial statements comply with the Act.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### ***Statement of Directors' Responsibility for Preparing the Financial Statements (Cont'd)***

The Directors have overall responsibility for taking such steps as is reasonably open to them to safeguard the assets of the Group to prevent and detect fraud and other irregularities.

#### ***Suitability and Independence of External Auditors***

The Board through the Audit Committee maintains a transparent and professional relationship with the Group's external auditors. The Audit Committee meets with the external auditor to discuss their audit plan and audit findings in relation to the Group's financial results. The Audit Committee will have a private session with the External Auditors without the presence of Executive Director and management, where necessary, to discuss the audit findings and any other observations they may have during the audit process. An assurance is provided by the External Auditors via their report to the Audit Committee, confirming their independence through the conduct of the audit engagement in accordance with the terms of relevant professional and regulatory requirement.

The External Auditors are invited to the AGM of the Company and are available to answer shareholders' queries on the conduct of the statutory audit. In addition, the External Auditors are also invited to attend the internal audit exit meeting to receive the internal audit report.

Key features underlying the relationship of the Audit Committee with the external auditors are included in the Audit Committee's TOR.

### **PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND STAKEHOLDER ENGAGEMENT**

ASTINO values good communications with shareholders and investors. Its commitment, both in principle and practice, is to maximize transparency consistent with good governance, except where commercial confidentiality dictates otherwise.

#### ***Annual General Meetings***

The AGM is the principal forum for dialogue and interaction with the shareholders of the Company. The Board encourages shareholders' active participation at the Company's AGM and endeavours to ensure all Board Members, Senior Management and the Group's External Auditors are in attendance to respond to shareholders' enquiries. At the AGM, the Board presents the performance of the Group as contained in the Annual Report and shareholders present are given the opportunity to present their views or to seek more information. Resolutions tabled and passed at the Meeting are released to Bursa Securities on the same day.

#### ***Annual Report***

The Company has consistently published its Annual Report in a timely manner that enables the shareholders to review it prior to AGM. As an initiative to promote environmental sustainability and efficiencies, the mailing of printed copy of the Annual Report has been discontinued from this year onwards. However, the full version of the Annual Report is available online at the Group's website, [www.astino.com.my](http://www.astino.com.my) and a printed full version will be provided to shareholders upon request within four (4) market days.

#### ***Investor Relations***

The Board recognizes the importance of keeping shareholders and investors informed of the Group's businesses and corporate developments. The Board's primary contact with shareholders is via the Executive Chairman, who have regular dialogue with institutional investors.

The Group's website, [www.astino.com.my](http://www.astino.com.my) also serves as a forum to communicate with shareholders and investors and to provide information on the Group's business activities. Information such as disclosures made to Bursa Securities (including interim and full year financial results, Annual Report and other announcements on relevant transactions undertaken by the Group) and the Group's business activities can be obtained from the website. Requests for information on the Company can be forwarded to the same website.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

#### ***Investor Relations (Cont'd)***

Announcements made by the Company to Bursa Securities are also accessible from [www.bursamalaysia.com](http://www.bursamalaysia.com). As there may be instances where investors and shareholders may prefer to express their concerns to an independent director, the Board has appointed Dato' Haji Mohtar Bin Nong as the Senior Independent Non-Executive Director to whom concerns may be directed. At all times, investors and shareholders may contact the Company Secretary for information on the Company.

#### ***Corporate Disclosure Policy***

The Company is committed to a policy which provides accurate, balanced, clear, timely and complete disclosure of corporate information to enable informed and orderly market decisions by investors. In this respect, the Company follows the Corporate Disclosure Guide and Best Practices as proposed by Bursa Securities.

Material information will in all cases be disseminated broadly and publicly via Bursa Securities, and other means. Copies of the full announcement are supplied to the shareholders and members of the public upon request. Interested parties can also obtain the full financial results and the Company's announcements from the Company's website at [www.astino.com.my](http://www.astino.com.my) and also the Bursa Securities' website.

#### ***Sustainability Strategies***

The Group is committed towards building an enduring business model that take into consideration the environment, community, workplace, marketplace and balance between business opportunity and risks in order to deliver lasting value for the shareholders and stakeholders. Details of the day-to-day business activities is disclosed in the Sustainability Statement in this Annual Report.

### **COMPLIANCE WITH THE CODE**

The Board has taken necessary practical and appropriate steps to comply with the requirements of Listing Requirements in relation to applications of principles and adoption of best practices of good corporate governance principles and recommendations in its pursuit of achieving the highest level of transparency, accountability and integrity.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors is required under paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Securities to issue a statement explaining its responsibility for preparing the annual audited financial statements.

The Board of Directors is also required by law to prepare financial statements for each financial year which give a true and fair view of the financial position of the Group and the Company as at the financial year end and of their results and cash flows for the financial year then ended.

The Board of Directors considers that, in preparing the financial statements of the Group and the Company for the financial year ended 31 July 2024, the Group has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgment and estimates. The Board of Directors also considers that all applicable Financial Reporting Standards in Malaysia have been complied with and confirm that the financial statements have been prepared on a going concern basis.

The Board of Directors is responsible for ensuring that the Group and the Company maintains proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and the Company, and that the financial statements comply with the regulatory requirements.

This statement was made in accordance with the resolution of the Board of Directors dated 1 November 2024.

# SUSTAINABILITY STATEMENT

FY2024

The Board of Directors (“Board”) of Astino Berhad (“Astino” or the “Company”) is pleased to present this Sustainability Statement (“Statement”), which performs and reports on the progress of Astino and its subsidiaries (the “Group”) economic, environmental, and social (“EES” or “sustainability”) strategies, management, approaches, targets, and performance in addressing key sustainability areas critical to our business operations and stakeholders.

In line with the Group’s long-term value creation and mission to deliver top-quality and innovative products to our customers, various initiatives and controls have been integrated into our business activities and operational processes to effectively manage sustainability-related risks and opportunities.

## Reporting Scope and Period

This Statement covers the Group’s business activities related to the trading and processing of metal building materials and other steel products across the Group’s 5 wholly-owned subsidiaries, for the period from 1 August 2023 to 31 July 2024 (“FY2024”), unless otherwise stated.

This Statement has been prepared in accordance with the latest Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa”) and has considered the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits. We have considered the latest common sustainability matters and indicators prescribed by Bursa and ensured that the relevant data are collected and presented in this Statement.

## Assurance

This Statement has not been subjected to internal review by the internal audit function, nor has external assurance been obtained. However, the Group has undertaken the necessary steps to internally validate the data presented in this Statement.

## SUSTAINABILITY GOVERNANCE STRUCTURE



## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### SUSTAINABILITY GOVERNANCE STRUCTURE (CONT'D)

At Astino Group, the Board holds the ultimate responsibility for overseeing sustainability strategies, including the management of sustainability and the development of EES strategies, priorities, and targets aimed at driving the Group's long-term value creation. The Board integrates sustainability considerations such as climate change and human rights into its stewardship of both short- and long-term business strategies, ensuring that the Group's governance structure effectively supports sustainability oversight. Additionally, the Board also reviews and approves material sustainability matters ("MSMs") at least once a year and monitors the Group's meaningful engagement and communication with both internal and external stakeholders on its sustainability strategies, priorities, targets, and performance.

The Audit and Risk Management Committee ("ARMC") is responsible for assisting the Board with the overall management of the sustainability risks and opportunities. This responsibility includes overseeing and reviewing the development of sustainability strategies, priorities, targets, and sustainability risk management by Senior Management. In addition, the ARMC is tasked with evaluating the effectiveness and adequacy of the Group's overall stakeholder engagement efforts. The ARMC reports and communicates the progress and outcomes of the Group's MSMs and performance, keeping the Board informed and updated.

The CEO and Senior Management are responsible for formulating the Group's sustainability strategies, priorities, and targets, which are then reported to the ARMC for review and approval by the Board. The CEO and Senior Management also lead the implementation of stakeholder engagement and the management of MSMs, which are executed by the relevant Management functions or personnel, as appropriate. They are additionally responsible for identifying, assessing, managing, and reporting risks and opportunities related to the Group's sustainability matters.

In leading the Management on sustainability management, the CEO and the respective Senior Management members periodically review the actions taken and the data collection process to ensure that appropriate initiatives are implemented and that the reporting is both reliable and meaningful. The overall outcomes related to the Group's stakeholder engagement activities, materiality assessments, and the management and performance of sustainability matters are reported annually to the ARMC and the Board.

### STAKEHOLDER ENGAGEMENT

We recognise that maintaining continuous communication with our stakeholders is critical to supporting the Group's long-term value creation and sustainability strategy. To gain a deeper understanding of the perspectives and expectations of our diverse stakeholders regarding MSMs and business operations, we have established a variety of stakeholder engagement channels. These engagements provide valuable insights into key sustainability issues, allowing us to view our business from multiple perspectives, which in turn strengthens our ability to identify opportunities for business improvement and growth.

By actively engaging with our stakeholders, we ensure that their concerns and viewpoints are integrated into our business strategy and activities. This ongoing engagement not only help us align our business practices with stakeholder expectations but also enhances our capacity to adapt to evolving market and regulatory demands. The feedback we receive is important in shaping our sustainability reporting and disclosures, in addition to contributing to our materiality assessment process.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### STAKEHOLDER ENGAGEMENT (CONT'D)

The table below summarises our engagement methods for each of our key stakeholder groups, including the frequency of engagements, and their primary areas of interest.

Stakeholder Group	Engagement Method	Frequency	Focus Area
Investors/ Shareholders	Quarterly Financial Result Announcement	Quarterly	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Market Presence and Reputation</li> <li>Corporate Governance</li> <li>Ethics and Integrity</li> </ul>
	Company's website	On-going	
	Annual General Meeting	Annually	
Customers	Customer Feedback	As needed	<ul style="list-style-type: none"> <li>Product and Service Quality and Safety</li> <li>Research and Development &amp; Technology</li> </ul>
	Customers' Visit	On-going	
	Product Exhibition	Adhoc	
Suppliers	Suppliers' visit	Ongoing	<ul style="list-style-type: none"> <li>Supply Chain Management</li> <li>Product and Service Quality and Safety</li> <li>Ethics and Integrity</li> </ul>
	Suppliers' feedback	As needed	
Employees	Management meetings	Monthly	<ul style="list-style-type: none"> <li>Training and Development</li> <li>Occupational Health and Safety</li> <li>Human Rights and Labour Standards</li> <li>Employee Welfare</li> <li>Diversity, Inclusion, and Equal Employment Opportunities</li> </ul>
	Performance Appraisals	Half-yearly	
	Training program	As needed	
Communities/ Society	Donation and financial aid	As needed	<ul style="list-style-type: none"> <li>Community engagement</li> <li>Social and environmental impact</li> </ul>
	Hire handicapped employee	Ongoing	
Banker/ Financiers	Corporate announcement	Ad hoc	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Market Presence and Reputation</li> <li>Corporate Governance</li> <li>Ethics and Integrity</li> </ul>
	Annual financial review	Annually	
	Media release	Ad hoc	
Regulators, Authorities, and Government Agencies	Compliance Audit	Ad hoc	<ul style="list-style-type: none"> <li>Product and Service Quality and Safety</li> <li>Human Rights and Labour Standards</li> <li>Occupational Health and Safety</li> <li>Corporate Governance</li> <li>Ethics and Integrity</li> <li>Data Privacy and Security</li> <li>Waste Management</li> <li>Water Management</li> <li>Energy and Emissions Management</li> </ul>
	Licenses and permit renewal	Annually	
Media (including social media)	Online Media (e.g. Facebook/ Instagram/ YouTube)	Ongoing	<ul style="list-style-type: none"> <li>Product and Service Quality and Safety</li> <li>Research and Development &amp; Technology</li> <li>Occupational Health and Safety</li> </ul>
	Print Media (e.g. banner/ flyer/ magazine/ brochure)	Ongoing	
	Advertising Media (e.g. signboard/ billboard/ vehicle sticker plate)	Ongoing	

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

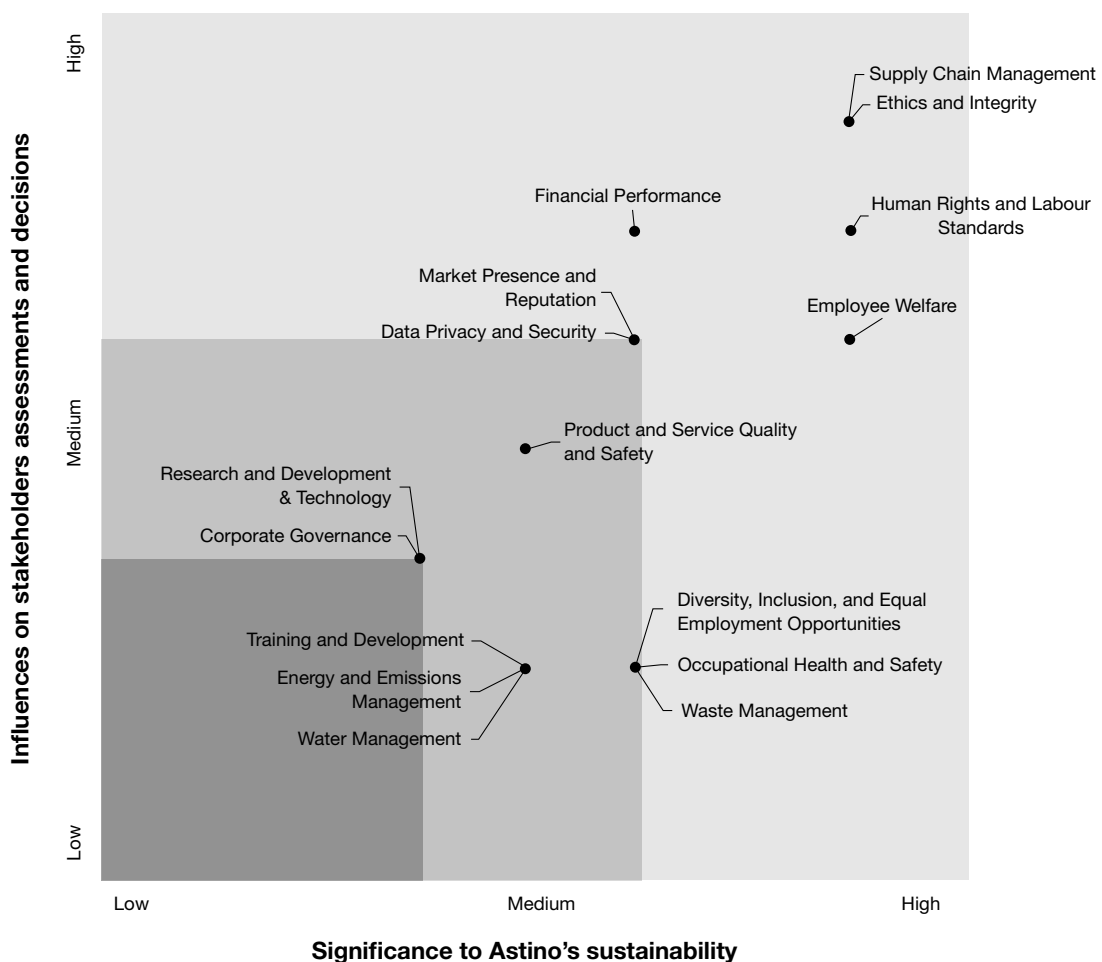
### MATERIAL SUSTAINABILITY MATTERS

The Group performed a general review of its materiality assessment this year to ensure that our MSMs remain up to date and aligned with both our sustainability strategy and stakeholders' priorities. The assessment process involved the active participation of our Senior Management and personnel, who with in-depth knowledge of our business's nature, as well as an understanding of our stakeholder's concerns and expectations. The results gathered during this assessment process were presented to the Board for approval.

The Group's materiality assessment process has been carried out considering the MMLR's definition of MSMs, taking into account the common sustainability matters prescribed by the Bursa. The Group's MSMs are considered material if they:

- reflects the Group's significant sustainability impacts; and
- influences the assessments and decisions of stakeholders.

After considering the feedback from the Senior Management and personnel, the materiality assessment review reveals that the materiality matrix of Astino Group for FY2024 remains the same as the previous year, as it continues to accurately reflect the Group's most significant sustainability matters and align with both business priorities and stakeholder expectations.





## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

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### STRENGTHENING OUR BUSINESS, PRODUCTS AND SERVICES

#### Financial Performance

Astino Group places significant emphasis on maintaining and upholding a strong and healthy financial position and performance as a key objective in its pursuit of long-term, sustainable creation and the protection of the Group's financial value. Beyond meeting the essential financial capital for the Group's operational needs, a strong and sound financial performance and position also fosters trust and confidence among shareholders and investors.

For more detailed information on the Astino Group's financial performance and position, please refer to the **Management Discussion and Analysis** as well as the **Audited Financial Statements** section of the Annual Report FY2024.

#### Market Presence and Reputation

The Group's mission is to supply high-quality and innovative products to our customers at affordable prices. To achieve this, we conduct market surveys regularly to determine our current market position and understand customer needs and expectations of our products. By supplying products and services that meet customer demands and expectations, we not only enhance the value of our products and services but also strengthen our market competitiveness. Besides, Astino Group explores opportunities to expand production capabilities and upgrade facilities to further improve our competitive edge.

The Group caters to a diverse customer base that includes industries such as construction, infrastructure, manufacturing, agriculture, poultry industry and hardware, and wholesalers and retailers. At Astino Group, our dedicated customer-facing team maintains active engagement with customers to deliver service and advice on our products. The close relationship with customers allows us to respond quickly to customers evolving preferences and requirements by continuously improving our current products and launching new products.

Regular communication on products and service strategies and directions is conducted amongst various businesses to create an environment where all employees and functions collaborate towards the same direction of improving our product's quality and service excellence. This approach is further supported by closely aligned business development plans, marketing strategies, and performance objectives.

#### Product and Service Quality and Safety

We are committed to consistently providing high-quality products and services, which involves a continual effort to enhance our quality management system. This commitment aligns with the Group's Quality Policy, and we aim to deliver value to our customers via competitive pricing while also protecting the interests of our key stakeholders.

All 5 subsidiaries and 2 branches of Astino Group have obtained ISO 9001 Quality Management System ("QMS") certification. We are committed to consistently adhering to and fulfilling all QMS requirements or procedures. The top management team is tasked with overseeing the performance of QMS and closely monitoring QMS-relevant performance, amongst others, via management reviews. Furthermore, the Group conducts periodic internal audit activities to objectively determine the integrity and effectiveness of our quality process. During the financial year under review, there were no major non-conformances noted regarding the QMS and we continued to maintain our certifications.

Moreover, the Group routinely manages to ensure that all relevant and necessary licenses and permits essential to our business operations remain valid. This practice is crucial for providing our stakeholders with the confidence and assurance they need about the quality of our processes, products, and services.

The following are some highlights of the various approaches and initiatives that we have implemented to protect and maintain the quality of our products:

- customer requirements clearly stated in the work order;
- established processes to safeguard the quality of supplies procured;
- quality assurance ("QA") process for all products;
- frequent quality inspections;
- regular maintenance machines and equipment; and
- training for employees on standard operating procedures ("SOP") and technical capabilities.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### STRENGTHENING OUR BUSINESS, PRODUCTS AND SERVICES (CONT'D)

#### Market Presence and Reputation (Cont'd)

##### Research and Development & Technology

The Group strives to continually improve product quality and expand our product portfolio to meet our customers' demands and bolster our competitive advantage. To achieve this, we focus on research and development initiatives and foster innovation aimed at creating growth opportunities, enhancing service quality, and leveraging technology to improve operational efficiency.

In FY2022, we began investing in the Enterprise Resource Planning ("ERP") system to improve our resource planning and supply chain management. This investment is expected to enhance the turnaround times and reduce human error in our day-to-day business operations. As at 31 July 2024, the Group has successfully migrated one of our subsidiaries to a new software system, with two more subsidiaries expected to implement it in FY2025. Relevant personnel received training to ensure a smooth transition and the effective adoption of the ERP system. This system has the potential to help us address the industry-wide and nation-wide challenges of labour shortage.

##### Supply Chain Management

Astino Group's business operations are supported by a reliable supply chain, where both material providers and service providers play crucial roles in ensuring the consistent delivery of quality products and services. The Group implements a stringent supply chain management process to determine our key suppliers and service providers, ensuring they consistently meet our expectations. Factors such as competitive pricing, product and service quality, delivery timeliness, and overall service reliability are among the criteria we consider. To reduce the risk of dependency on a single source, we avoid relying on one supplier for our supply needs.

To maintain and uphold the quality of products supplied to us, the Group conducts biannual assessments and evaluations of our key suppliers' performance. If a supplier does not meet our performance requirements, we require them to improve their operations and performance, and follow-up actions where necessary.

In FY2024, the overall average supplier performance scoring was 87.44, exceeding our target of maintaining a score of 80.00 or higher. This marks a 2% improvement compared to the FY2023 score of 85.60.

Astino Group	Target	Performance		
		FY2022	FY2023	FY2024
Overall average supplier performance scoring (%)	≥80.00	81.30	85.60	<b>87.44</b>

#### Supporting local economy

Astino Group acknowledges the wider economic benefits of sourcing locally, even though our industry is closely interconnected to the global commodities market. Where economically viable and operationally practical, we buy local to support local businesses and contribute to the local economy.

During the financial year under review, approximately 88% of the Group's procurements were from Malaysian suppliers, supporting the domestic market while reinforcing our local supply chain, strengthening supplier relationships, shortening lead times, and reducing emissions associated with the delivery process.

Astino Group	FY2022	FY2023	FY2024
Proportion of spending on local suppliers <sup>1</sup> (%)	73	90	<b>88</b>

<sup>1</sup> Local suppliers refer to the businesses and suppliers that registered in Malaysia.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

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### STRENGTHENING OUR BUSINESS, PRODUCTS AND SERVICES (CONT'D)

#### Market Presence and Reputation (Cont'd)

##### Suppliers or vendors

Building and maintaining strong and good relationships with customers, suppliers, and service providers is essential for effective supply chain management. At the same time, the Group is committed to fostering open and transparent communication with our shareholders, investors, business partners, analysts, and fund managers via in-person or video call business reviews. This ensures that our stakeholders are well-informed about our strategies, priorities, and performance to support long-term and ongoing business operations.

The Group implements ethical procurement practices by following standard and equitable procedures when assessing supplier and vendor qualifications. Our supplier and vendor selection process is meticulous and designed to uphold the integrity of our supply chain, guided by a specific set of New Supplier Selection Criteria. Moreover, we perform due diligence on suppliers' financial performance to evaluate their financial viability.

In our engagements with suppliers and vendors, we ensure compliance with relevant and applicable requirements, laws, and regulations, including but not limited to:

- no involvement in fraud, bribery, corruption, extortion, or similar illegal conduct;
- no involvement in all forms of money laundering and terrorism financing activities;
- no conflict of interest with any of our business;
- ensure that all their stakeholders are in an equal, healthy, and safe working environment;
- minimised impact of their operations on the environment such as proper management of waste disposal and pollution control measures;
- compliance with human rights and labour standards; and
- ensure the products supplied are in accordance with the Group's materials requirements and local requirements, certifications, laws, and regulations.

Aligned with our ISO 9001 QMS certification, we have established a Vendor Code of Conduct ("Vendor Code") to ensure that all our suppliers and vendors comply with relevant and applicable laws and regulations. We also require key suppliers and vendors to sign an acknowledgement letter, confirming their awareness and understanding to adhere to our requirements, laws, and regulations. Whenever there are updates to the Group's relevant code, policies, and procedures, it is the responsibility of relevant personnel to communicate these changes and updates to our suppliers and vendors as necessary.

##### Customers

Maintaining a strong supply chain also plays a vital role for the Group in strengthening our customer relationships and service delivery. Our sales team actively engages with our customers to effectively manage their expectations and ensure that their needs are met. To further enhance customer satisfaction, Astino Group has established procedures for tracking and monitoring delivery statuses, ensuring timely delivery of products. Our sales personnel also serve as the connection between internal stakeholders and customers, providing regular updates on manufacturing progress and delivery status.

We continue to seek an understanding of our customers' perceptions and satisfaction levels via customer surveys, which are integral to our continuous improvement initiatives. These surveys, which are augmented by various other initiatives aimed at monitoring and addressing customer feedback and complaints, help us refine our processes. We also actively work on developing improvement plans based on the feedback received.

When customers raise and submit complaints or inquiries, they are promptly directed to the designated person in charge ("PIC"), who is responsible for initiating investigations or formulating action plans as needed. Throughout the resolution process, our sales personnel maintain open and active communication with customers, keeping them updated on the progress of any remedial actions or improvements being implemented.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### STRENGTHENING OUR BUSINESS, PRODUCTS AND SERVICES (CONT'D)

#### Market Presence and Reputation (Cont'd)

##### Customers (Cont'd)

During the financial year under review, the Group recorded overall customer complaint and satisfaction scores of 1.67% and 83.19%, respectively. This year's performance is also meeting our target of maintaining customer complaints at 2% or less while surpassing the customer satisfaction target rate of 75% or more.

Astino Group	Target	Performance		
		FY2022	FY2023	FY2024
Customer complaint (%)	≤2.00	0.76	0.77	<b>1.67</b>
Customer satisfaction (%)	≥75.00	80.79	82.13	<b>83.19</b>

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE

#### Workplace Environment

As at 31 July 2024, Astino Group's total workforce consists of 641 employees, where 404 (63%) of these employees are Malaysians and 237 (37%) foreign workers. In addition, the Group also engages approximately 30 non-employee workers, such as security guards, who are employed by external service providers for security at the Group's premises.

31 July 2024					
Astino Group	Gender		Age		
	Number (%)	Male	Female	< 30	30 - 50
Board of Directors	5 (83%)	1 (17%)	0 (0%)	0 (0%)	6 (100%)
Employee Category					
Senior Managerial	13 (81%)	3 (19%)	0 (0%)	9 (56%)	7 (44%)
Managerial	44 (64%)	25 (36%)	4 (6%)	56 (81%)	9 (13%)
Executive/ Supervisor	66 (51%)	63 (49%)	30 (23%)	90 (70%)	9 (7%)
Non-Executive	365 (85%)	62 (15%)	194 (46%)	210 (49%)	23 (5%)
<b>Total</b>	<b>488 (76%)</b>	<b>153 (24%)</b>	<b>228 (36%)</b>	<b>365 (57%)</b>	<b>48 (7%)</b>

Astino Group	31 July 2022	31 July 2023	31 July 2024
Bumiputera	161 (27%)	159 (26%)	<b>170 (27%)</b>
Chinese	273 (46%)	246 (40%)	<b>234 (36%)</b>
Foreigners	157 (27%)	206 (34%)	<b>237 (37%)</b>

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE

#### Workplace Environment

##### Diversity, Inclusion, and Equal Employment Opportunities

At Astino Group, we embrace inclusivity within our workforce and believe that diversity strengthens our business by enhancing decision-making and management practices through the consideration of diverse views and perspectives of cultural backgrounds, age groups, and mindsets.

We do not discriminate against anyone based on their gender, age, religion, or race. This is applied across all employment practices, including recruitment, promotion, remuneration, and disciplinary actions.

For Astino's executive/ supervisor-level positions and above, we are seeing a more balanced gender representation. Nevertheless, a gender disparity remains among non-executive employees, largely due to the nature of the work, as males often being better suited for roles that involve heavy lifting and handling of substantial items or products.

We firmly support the principle that individuals with disabilities should not face discrimination and should have equal opportunities when seeking employment. We have 1 employee with disabilities within our operation.

As at 31 July 2024, our workforce consists of 641 employees, with 640 serving as permanent employees and 1 employed on a contract basis.

Astino Group	31 July 2022	31 July 2023	31 July 2024
Full-time permanent employees	580 (98%)	597 (98%)	<b>640 (99%)</b>
Full-time contract employees	11 (2%)	14 (2%)	<b>1 (&lt;1%)</b>

Turnover remained high, particularly among non-executive employees due to the competitive nature of the job market in this segment. In FY2024, we recorded a turnover rate of 29.07%, which exceeded our target of 10% or lower.

Turnover is prevalent among non-executive level employees where competition for workforce is intense. In response to the challenges posed by high turnover rates, we undertake continuous reviews of our compensation packages for employees to better attract and retain employees. We are also streamlining our workforce reliance by increasing the adoption of technology in our processes.

On a positive note, our active recruitment efforts have resulted in a new hire rate of 33.87% to fill the vacancies created by departing employees.

Astino Group	Target	Performance		
		31 July 2022	31 July 2023	31 July 2024
New hire rate (%)	–	24.03	29.52	<b>33.87</b>
Turnover rate (%)	≤10	26.17	31.31	<b>29.07</b>

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE (CONT'D)

#### Workplace Environment (Cont'd)

31 July 2024				
Astino Group	Employees turnover		New hires employees	
Employee Category	Turnover number	Turnover <sup>2</sup> rate <sup>2</sup> (%)	New hires number	New hires rate <sup>3</sup> (%)
Senior Managerial	4	22.86	1	5.71
Managerial	14	20.14	12	17.27
Executive/ Supervisor	53	39.70	37	27.72
Non-Executive	111	27.37	162	39.95
<b>Total</b>	<b>182</b>	<b>29.07</b>	<b>212</b>	<b>33.87</b>

<sup>2</sup> calculated using average employee numbers of 1 August 2023 and 31 July 2024 as denominators.

<sup>3</sup> calculated using average employee numbers of 1 August 2023 and 31 July 2024 as denominators.

#### Human Rights and Labour Standards

Astino Group is committed to adhering to all relevant employment and labour laws and regulations within our business operations. We also steadfastly ensure there is no child labour or forced labour in our operations, and we strictly prohibit any form of sexual harassment within our operations. In compliance with all applicable labour laws, we ensure that our recruitment processes, particularly those involving foreign workers, are conducted lawfully and responsibly. We also follow all regulations concerning worker housing and accommodations, minimum wage requirements, and other employment-related regulations.

To foster a work environment that respects human rights and labour standards, the Group conducts periodic briefings and training sessions aimed at raising awareness among employees. Our compliance with human rights and labour standards is regularly assessed through audits and routine visits by our international customers, who require their business partners to uphold acceptable levels of labour standards.

To further support a respectful and inclusive workplace, we have established a grievance channel where employees can report concerns or complaints, which include, but are not limited to, related to workplace issues such as discrimination, bullying, sexual harassment, and any form of unfair treatment. In cases of serious violations related to human rights or labour practices, employees can use the Group's whistleblowing mechanism to report such incidents.

During the financial year under review, Astino Group did not receive any substantiated complaints concerning human rights and labour standards violations.

Astino Group	FY2022	FY2023	FY2024
Substantiated complaints concerning human rights violations (number)	0	0	0



## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

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### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE (CONT'D)

#### Workplace Environment (Cont'd)

##### Employee Welfare

We recognise the importance of investing in our employees and fostering a high level of motivation across the entire workforce. Our primary objective of the Group is to develop a positive and supportive work environment for our employees, which not only enhances employee satisfaction but also strengthens our talent retention efforts. To support our employees, we provide employment benefits on top of regulated entitlements, including Group personal accident and hospitalisation insurance, medical and health allowances, as well as annual medical check-ups for managers in specific age groups.

##### **Training and Development**

We understand that continuous learning is essential for the personal and professional development of our employees, as well as for strengthening the value of our Group's human capital. By investing in our employees, we create opportunities for them to enhance their skills and expand their knowledge, simultaneously building a capable and competitive talent pool for the Group. We offer a variety of training programmes, including in-house training and job-related skill development, aimed at boosting our employees' competencies and capabilities.

Furthermore, Astino Group sponsors selected employees to participate in external training, workshops, and seminars, keeping them up to date with the latest trends and developments in their areas of expertise. For new employees, we conduct orientation programmes to familiarise them with their roles, responsibilities, and the operational processes relevant to their positions. We also provide regular briefings and training sessions to ensure employees remain informed of any changes or updates to their roles and responsibilities.

The Human Resources ("HR") Department of our Group is responsible for leading human capital development initiatives. Each year, a performance evaluation is conducted for all employees, covering various factors such as their performance over the year, challenges faced in their roles, potential areas for improvement in the Group or on an employee level, and identifying any training needs. Based on these evaluations, the HR Department develops an Annual Training Plan and organises the relevant training programmes. These programmes encompass technical skills, soft skills, people management skills, and other areas aligned with the needs and objectives identified during the evaluations.

The training topics provided to our employees in FY2024 are summarised as follows:

- "Know Your Duties, Know Your Boundaries" From Legal Point of View;
- Complete Guide to Retrenchment, Voluntary Separation Scheme ("VSS") and Mutual Separation Scheme ("MSS");
- Effective Supervisory and Leadership Skills;
- Training related to e-invoicing and tax;
- Digital Marketing;
- Production Waste Elimination;
- Risk-Based Program for Effective Operation and Management of Scheduled Waste;
- The Important of Calibration (E&E and RF);
- Total Compensation Management;
- Best Practices for Managing Staff Reorganisations;
- Certified Environmental Professional in Scheduled Waste Management ("CePSWaM");
- Essentials of Capital Allowances and Reinvestment Allowance;
- How To Lower Customer Response Time and Service Costs with Chatbots;
- Mastering Management Accounting and its Monthly Management Accounting Reports;
- Sales Development & Influencing Skills for Sales Personnel;
- Understanding on ISO 9001: 2015 Awareness and Internal Auditor Training; and
- Training related to health and safety (can refer to Occupational Health and Safety section for details).

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE (CONT'D)

#### Training and Development (Cont'd)

During the financial year under review, the Group recorded a total of 4,265 training hours, averaging 6.65 hours of training per employee. This represents a 18.3% increase compared to FY2023. Additionally, we are pleased to report that we surpassed our target of achieving a training-to-working ratio of over 0.20%, reaching 0.48% for FY2024.

Astino Group	Target	Performance		
		FY2022	FY2023	FY2024
Percentage of training hours/ total hours worked (%)	≥0.20	0.21	0.24	<b>0.48</b>
Average hours of training per employee	–	4.65	5.62	<b>6.65</b>

Training hours	FY2023		FY2024	
	Total	Average	Total	Average
Senior Managerial	137	7.21	<b>126</b>	<b>7.88</b>
Managerial	857	12.24	<b>963</b>	<b>13.96</b>
Executive/ Supervisor	1,185	8.59	<b>1,629</b>	<b>12.63</b>
Non-Executive	1,255	3.27	<b>1,547</b>	<b>3.62</b>
Total	3,434	5.62	<b>4,265</b>	<b>6.65</b>

#### Occupational Health and Safety

The Group has implemented an Environment, Occupational Safety and Health (“ESH”) Policy, demonstrating its commitment to providing a safe and healthy workplace for all employees. Additionally, a Vendor Code has been developed and communicated to all our vendors, which demonstrates the Group’s expectations for vendors to comply with applicable safety and health regulations. This ensures that vendors contribute to maintaining the integrity and responsibility of the Astino Group’s value chain by upholding these standards, laws, and regulations.

The Safety and Health Committee (“SHC”) has been established in line with relevant occupational safety and health laws and regulations to effectively oversee and monitor occupational safety and health performance. The SHC plays a vital role in the identification and mitigation of workplace risks across business operations through Hazard Identification, Risk Assessment and Risk Control (“HIRARC”). This process allows the Group to proactively address potential hazards in our existing processes and new machines used and establish necessary controls to prevent or reduce the risk of incidents, ensuring that workplace safety remains a top priority. In addition, section heads and supervisors are trained to conduct HIRARC assessments, enabling them to identify hazards within their process and effectively guide their subordinates in managing these risks.

The SHC members consist of both management and working-level representatives, reflecting a balanced approach to safety governance. This structure ensures that concerns and suggestions from the working level directly involved in daily operations are heard and considered, fostering a collaborative environment for improving safety performance.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE (CONT'D)

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

Beyond controls integrated into our SOPs, employees at risk of exposure to hazardous conditions are required to wear personal protective equipment (“PPE”) provided by the Group. This ensures that our employees are not only aware of the risks but are also properly equipped with sufficient PPE to protect themselves effectively. The PPE provided are also periodically assessed on the sufficiency and effectiveness, and additional PPE are provided to staff working at high-risk areas. The SHC is also responsible for delivering essential training aimed at empowering employees with the knowledge and skills necessary to uphold safety standards and avoid occupational safety and health risks. Apart from that, the SHC is tasked with the maintenance and regular checks of safety systems and equipment within the Group’s buildings to ensure that they are properly functioning and well-maintained.

In FY2024, Astino Group continued its ongoing efforts to ensure that employees, particularly those with high-risk exposure to health and safety hazards, are well-prepared to contribute to a safer work environment. 117 employees received training on health and safety standards during the financial year.

Astino Group	FY2023	FY2024
Employees trained on health and safety standards (number)	175	<b>117</b>

The health and safety training provided to our employees are summarised as follows:

- Heavy Vehicle Defensive Driving;
- HIRARC Risk Management based on the Latest Legal Requirements;
- ERT Training;
- OSH Amendment Act 2022;
- Safety Induction Course for Construction Workers;
- Behaviour Based Safety for Employees;
- Forklift Operator’s Safety Training;
- Occupational First Aid, CPR & AED Training;
- Safety & Health Conference 2023; and
- Welding Safety Training.

Astino Group classifies workplace incidents into several categories, including medical treatment cases, minor injury cases, major injury cases, permanent disability, and fatality cases. During the financial year under review, we recorded 7 serious injuries and 0 work-related fatalities within our operations. These injuries were primarily due to communication errors, inadequate training, and insufficient PPE protection. Investigations were undertaken for every incident to mitigate future risks and enhance employee safety. Among the measures introduced were the provision of additional PPE, increase safety training, and conduct HIRARC assessments periodically, amongst others. By addressing the root causes of the incidents and reinforcing safeguards, we aim to prevent the recurrence of similar injuries.

Astino Group	Target	Performance		
		FY2022	FY2023	FY2024
Serious injuries (cases)	<10	1	9	<b>7</b>
Work-related fatalities (cases)	0	0	0	<b>0</b>
Lost time incident rate (%)	–	3.93	18.99	<b>9.83</b>

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### CONTRIBUTING TO EQUAL, HEALTH, AND SAFETY WORKPLACE (CONT'D)

#### Contributing to Local Communities

Astino Group actively supports corporate community investment activities that have the potential to create positive impacts for vulnerable and disadvantaged communities, as well as for society at large.

In FY2024, the Group supported various community activities through its donations, including contributions to schools for essential needs such as roof replacements, building fund support, and fund-raising dinners. These donations help to provide a better-equipped facilities for students. In addition to supporting schools, the Group also contributed to several associations, providing financial support for association dinners, such as the Penang Teochew Association and Perak Contractors Association. Through these efforts, an estimated 5,721 people benefited directly from the Group's contributions.

Astino Group	FY2023	FY2024
Amount invested in the community (RM)	52,300	<b>32,300</b>
Beneficiaries of the investment in communities (estimated number)	1,746	<b>5,721</b>

### OPERATING RESPONSIBLY

#### Corporate Governance

The Group is committed to upholding a high standard of corporate governance across its operations, emphasising integrity, transparency, and professionalism in fulfilling its responsibilities. This approach aims to safeguard the Group's assets and protect the integrity of Astino's business.

The Board is committed to continuously reviewing and ensuring its corporate governance procedures to adopt practices which are appropriate and suitable for the Group. In doing so, the Board adheres to the MMLR of Bursa and has considered sufficiently the Principles and Practices of the Malaysian Code on Corporate Governance (as at 28 April 2021).

For further information on the Group's corporate governance, please refer to the **Corporate Governance Overview Statement** section of the Annual Report FY2024 and **Corporate Governance Report FY2024**.

#### Ethics and Integrity

##### Code of Ethics

A Code of Ethics ("COE") for employees is in place to guide their ethical behaviour and business conduct. This COE prohibits activities that could damage the Group's reputation or interests, such as soliciting or collecting contributions or donations without management's approval, using the Group's resources for personal benefit, and accepting valuable gifts or favours from individuals conducting business with the Group. Our employees are expected to avoid situations involving conflict of interest and are required to disclose any such conflicts if they arise.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

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### OPERATING RESPONSIBLY (CONT'D)

#### Conflicts of Interest

The Conflicts of Interest Policy was reviewed and approved by the Board in March 2024. The policies demonstrate our commitment to preventing or effectively managing situations where personal interests may conflict with the best interests of the company. This includes issues such as family relationships, company shareholdings, or employment positions. This Policy is applied to all our employees and is publicly available on our corporate website.

All our employees are required to disclose the Employees' Conflict of Interest Declaration Form on any actual or potential conflicts of interest related to the Group and its operations. Significant conflict of interest situations will be reviewed by the ARMC in accordance with the Group's established guidelines, as outlined in the MMLR.

#### Vendor Code of Conduct

The Vendor Code applies to all vendors, including suppliers and service providers. The Vendor Code sets out the Group's expectations of its vendors, which include compliance with laws and regulations, fair competition, avoidance of intellectual property violations, and the implementation of anti-corruption, and anti-bribery measures. This Vendor Code also addresses conflict of interest and expects vendors to take reasonable steps to ensure stakeholder safety and health, minimise environmental impacts, and uphold labour standards.

#### Data Privacy and Security

The Group recognises its responsibility to protect the business data and personal data of its stakeholders, including employees, customers, vendors, etc. To achieve this, Astino's handling and processing of data is governed by various policies and controls governing data access, transfer of sensitive data, and cyber hygiene practices to protect the Group's internal IT and data systems, and others.

Besides, the Group also invests in cyber security measures, such as firewalls, anti-virus and anti-malware software, and backup practices, to safeguard the integrity of our IT systems.

#### Anti-Bribery and Corruption Policy

The Group has an Anti-Bribery and Corruption ("ABC") Policy, reinforcing our commitment to conducting business ethically and in accordance with all applicable and relevant anti-bribery and corruption laws and regulations in every country where we operate. To continuously enhance our anti-bribery and corruption measures, we conduct risk assessments to identify and assess potential and actual risks, together with our risk management process. Our corruption and bribery risk assessment focuses on areas such as system weakness that may allow corruption, financial transactions that could corrupt payments, high-risk business activities, dealings with external parties where bribery is likely to be present, as well as bribery risks within the supply chain.

In FY2024, all of our operations have been assessed for bribery and corruption-related risks, and these risks are also included in the Group's annual risk assessment review.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### OPERATING RESPONSIBLY (CONT'D)

#### Anti-Bribery and Corruption Policy (Cont'd)

Astino Group	FY2022	FY2023	FY2024
Operations assessed for corruption-related risks (%)	100	100	<b>100</b>

To ensure that all our employees fully understand the expectations and procedures of the ABC Policy, we require all our employees to read and sign an acknowledgement form confirming their compliance with the ABC Policy. Moreover, the Group has established a gift declaration process, requiring employees to declare any gifts they receive that are permissible under the Group's ABC Policy by completing a gift declaration form.

Due diligence is conducted for candidates in key employment positions and for key business associates to ensure we understand the background of the companies or individuals we engage with. Ongoing due diligence reviews are also conducted to continually assess potential bribery and corruption risks that may impact our business associates or personnel.

Regular audits are performed by the internal auditors to monitor and oversee the effectiveness and integrity of the Group's internal controls related to anti-bribery and anti-corruption. The findings from these audits are reported to the Board, ensuring transparency and accountability in our anti-bribery and anti-corruption efforts.

The Group communicates its zero-tolerance stance on corruption to both employees and key business associates, emphasising the importance of ethical conduct. The Group's ABC Policy, which is part of its Adequate Procedures to Combat Corruption, is publicly accessible on Astino's corporate website. Anti-corruption training is also provided to selected employees, particularly those in high-risk positions, at least once every two years. This training aims to equip them with the knowledge and skills necessary to recognise and address potential bribery and corruption risks in their roles and responsibilities. Additionally, all newly recruited employees are required to attend anti-bribery and corruption training during their orientation. This ensures that every employee, regardless of their position, understands the Group's commitment to ethical business practices. As at 31 July 2024, all our employees have received training on anti-bribery and anti-corruption.

31 July 2024		
Astino Group	Employees who have received training on anti-corruption	
Employee Category	Number	Percentage
Senior Managerial	16 / 16	100
Managerial	69 / 69	100
Executive/ Supervisor	129 / 129	100
Non-Executive	427 / 427	100
<b>Total</b>	<b>641 / 641</b>	<b>100</b>



## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### OPERATING RESPONSIBLY (CONT'D)

#### Whistleblowing Policy

The Group is committed to upholding and maintaining high standards of behaviour across our operations through its Whistle Blowing Policy. We encourage our employees and stakeholders to report any genuine concerns regarding unethical conduct, malpractices, illegal activities, or non-compliance with regulatory requirements without fear of reprisal. To ensure protection for those who report in good faith, the Group's Whistleblowing Policy includes measures that safeguard individuals from any form of reprisal. To further support this, the Whistleblowing Policy also allows for anonymous reporting.

The Group is pleased to report that there were no confirmed incidents of corruption reported during the financial year under review. We also did not receive any substantiated complaints concerning breaches of customer privacy and losses of customer data.

Astino Group	FY2023	FY2024
Confirmed incidents of corruption (number)	0	0
Substantiated complaints concerning breaches of customer privacy and losses of customer data (number)	0	0

### PROTECTING THE ENVIRONMENT

#### Energy and Emissions Management

##### Energy Management

Astino Group will continue to collect energy usage and related emissions data to monitor its overall energy consumption. This ongoing data collection process enables the Group to introduce more energy-efficient practices and strategies. Additionally, by gathering this data, the Group can align with Bursa's requirements on energy consumption and emissions generated, ensuring compliance with reporting standards. In light of global trends and the increasing urgency to address climate change, particularly as it relates to energy sources and consumption patterns, this approach helps the Group stay proactive in mitigating its environmental impact.

We are committed to reducing environmental pollution and lowering our carbon footprint, and this commitment is aligned with the Group's ESH Policy.

Since March 2023, Astino Metal Industries Sdn Bhd, a subsidiary of the Group located in Changkat, Penang, has successfully completed the installation of a solar panel systems. A portion of the electricity generated by this system is used to power the factory's operations, contributing to a cleaner and more sustainable energy source for its day-to-day activities. The remaining surplus electricity produced is sold to Tenaga Nasional Berhad ("TNB"), and the proceeds from these sales are then used to offset the factory's electricity bills with TNB.

This year, apart from electricity usage, the Group started to collect data relating to the direct fuel consumption in our company assets and vehicles. The Group will continue conducting more detailed assessments, exploring all potential avenues for improving energy efficiency and reducing emissions.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### PROTECTING THE ENVIRONMENT (CONT'D)

#### Energy and Emissions Management (Cont'd)

##### Energy Management (Cont'd)

During the financial year under review, the Group recorded a total energy consumption of 15,789.29 MWh, consisting of 12,186.04 MWh from fuel consumption, 3,061.74 MWh from purchased electricity, and 541.51 MWh from renewable energy generated by the solar panel systems.

Astino Group		FY2023 <sup>4</sup>	FY2024
Fuel consumption <sup>5</sup>	Diesel (MWh)	NA	<b>11,929.31</b>
	Petrol (MWh)	NA	<b>256.73</b>
Electricity purchased from TNB (MWh)		4,981.83	<b>3,061.74</b>
Renewable energy from solar panel systems (MWh) <sup>6</sup>		106.79	<b>541.51</b>
Total energy consumption (MWh)		5,088.62	<b>15,789.29</b>

##### Emissions Management

This year, Astino Group began reporting on Scope 1 emissions, which are the direct emissions generated from the fuel consumption of the Group's assets and vehicles. In FY2024, the total emissions generated were 5,384.83 tonnes of CO<sub>2</sub>e. Furthermore, through the installation of our solar panel systems, the Group managed to avoid the release of approximately 410.47 tonnes of Scope 2 CO<sub>2</sub>e.

Astino Group		FY2023 <sup>4</sup>	FY2024
Scope 1 emissions <sup>7</sup>	Diesel (tCO <sub>2</sub> e)	NA	<b>3,001.36</b>
	Petrol (tCO <sub>2</sub> e)	NA	<b>62.67</b>
Scope 2 Emissions – electricity purchased (tCO <sub>2</sub> e) <sup>8</sup>		3,776.22	<b>2,320.80</b>
Total emissions generated (tCO <sub>2</sub> e)		3,776.22	<b>5,384.83</b>

<sup>4</sup> FY2023 energy consumption data is converted to MWh in this table.

<sup>5</sup> We began to report fuel consumption in FY2024.

<sup>6</sup> since March 2023.

<sup>7</sup> We began to report fuel consumption in FY2024.

<sup>8</sup> Grid Emission Factor ("GEF") for Peninsula Malaysia in 2021, published by the Energy Commission of Malaysia, is used to estimate the emissions associated with purchased electricity. 2021 GEF data is the latest available as of the preparation of this Statement. FY2023 figures recalculated using 2021 GEF.

#### Waste Management

At Astino Group, we are committed to the responsible management of waste generated by our business operations, encompassing both hazardous and non-hazardous waste. Our key focus is to effectively manage and minimise the environmental impact associated with our activities, particularly within our operating processes and manufacturing activities. This commitment is aligned with the Group's ESH Policy, where we prioritise waste minimisation, proper disposal practices, and effective pollution control measures to ensure sustainable operations.

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

### PROTECTING THE ENVIRONMENT (CONT'D)

#### Waste Management (Cont'd)

As part of our commitment to environmental responsibilities, we have implemented various measures to reduce waste generation and minimise environmental consequences. These initiatives include enhancing monitoring practices to minimise waste production, encouraging employees to reduce paper usage, and maintaining recycling programmes in our workplace. The Group also periodically reviews its environmental objectives and goals, continuously improving strategies for environmental protection and pollution control. Our Vendor Code is in place to encourage our suppliers to adopt environmentally responsible practices, with a strong emphasis on effective waste disposal management and pollution control measures.

The Group also ensures that we are adhering to well-established policies and procedures for the proper handling and management of both hazardous and non-hazardous waste across our operations. Hazardous waste materials are carefully stored in designated areas that meet safety standards and are disposed of by licensed service contractors. On the other hand, non-hazardous waste, such as scrap metal and paper, is managed and sold to external parties who then process these materials for recycling. Regular training or awareness programmes are provided to our employees to instil responsible waste handling practices across all levels of the company and to ensure they are well-trained on how to manage waste effectively and in compliance with environmental regulations.

During the financial year under review, the Group gathered data on hazardous and non-hazardous waste generated at our office and manufacturing sites. An overall summary of the recycling rates for these waste categories is provided in the table below.

FY2024					
Astino Group	Generated (tonnes)	Diverted from disposal (tonnes)		Directed to disposal (tonnes)	
		Reused	Recycled	Incineration	Landfill
<b>Overall total waste generated</b>					
<b>Total</b>	<b>2,059.37</b>	<b>1,966.12</b>		<b>90.34</b>	
<b>Hazardous waste</b>					
SW305 Used Lubricating Oil	1.59	0.00	1.51	0.00	0.08
SW306 Used Hydraulic Oil	4.23	0.00	4.04	0.00	0.19
SW307 Used Coolant	6.93	0.00	0.00	0.00	6.93
SW322 Used solvent/thinner	0.00	0.00	0.00	0.00	0.00
SW409 Contaminated Container	139.54	0.59	138.95	0.00	0.00
SW410 Contaminated Gloves & Rags	2.56	0.00	1.76	0.00	0.80
SW429 Off-Specification Chemical	0.00	0.00	0.00	0.00	0.00
<b>Subtotal</b>	<b>154.85</b>	<b>0.59</b>	<b>146.26</b>	<b>0.00</b>	<b>8.00</b>
<b>Total</b>	<b>154.85</b>	<b>146.85</b>		<b>8.00</b>	

**SUSTAINABILITY STATEMENT FY2024**

(CONT'D)

**PROTECTING THE ENVIRONMENT (CONT'D)**

**Waste Management (Cont'd)**

FY2024					
Astino Group	Generated (tonnes)	Diverted from disposal (tonnes)		Directed to disposal (tonnes)	
		Reused	Recycled	Incineration	Landfill
<b>Non-hazardous waste</b>					
Paper	145.16	0.00	145.16	0.00	0.00
Plastic	5.45	0.00	5.45	0.00	0.00
Metal	1,544.91	269.73	1,272.26	0.00	0.00
Wood	9.52	0.00	9.52	0.00	0.00
Domestic Waste	114.26	0.00	31.92	0.00	82.34
Wooden Pallet	85.23	0.00	85.23	0.00	0.00
<b>Subtotal</b>	<b>1,904.52</b>	<b>269.73</b>	<b>1,549.54</b>	<b>0.00</b>	<b>82.34</b>
<b>Total</b>	<b>1,904.52</b>	<b>1,819.27</b>		<b>82.34</b>	

We have implemented processes to collect and manage non-hazardous waste generated from our operations, ensuring it is either reused or recycled. Our employees are responsible for segregating these wastes into materials that can be reused within our operations and those that cannot. Waste that cannot be reused is sold to third parties for recycling or reuse. For any waste that cannot be reused or recycled, we ensure the disposal is carried out in a legal and responsible manner.

**Water Management**

Water management holds a relatively low materiality rating for Astino Group, as our operations do not involve significant water consumption, and we are not located in water-stressed areas. All the water we use is sourced from municipal water sources and we strictly avoid any illegal water withdrawals.

During the financial year under review, the Group purchased a total of 21.106 megalitres ("MI") of water within our business operations.

Astino Group	FY2023	FY2024
<b>Water used (MI)</b>	22.872	<b>21.106</b>

## SUSTAINABILITY STATEMENT FY2024

(CONT'D)

Indicator	Measurement Unit	2024
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Managerial	Percentage	100.00
Managerial	Percentage	100.00
Executive / Supervisor	Percentage	100.00
Non-executive	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	32,300.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	5,721
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Managerial Under 30	Percentage	0.00
Senior Managerial Between 30-50	Percentage	56.00
Senior Managerial Above 50	Percentage	44.00
Managerial Under 30	Percentage	6.00
Managerial Between 30-50	Percentage	81.00
Managerial Above 50	Percentage	13.00
Executive / Supervisor Under 30	Percentage	23.00
Executive / Supervisor Between 30-50	Percentage	70.00
Executive / Supervisor Above 50	Percentage	7.00
Non-Executive Under 30	Percentage	46.00
Non-Executive Between 30-50	Percentage	49.00
Non-Executive Above 50	Percentage	5.00
Gender Group by Employee Category		
Senior Managerial Male	Percentage	81.00
Senior Managerial Female	Percentage	19.00
Managerial Male	Percentage	64.00
Managerial Female	Percentage	36.00
Executive / Supervisor Male	Percentage	51.00
Executive / Supervisor Female	Percentage	49.00
Non-Executive Male	Percentage	85.00
Non-Executive Female	Percentage	15.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83.00
Female	Percentage	17.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Managerial	Hours	126
Managerial	Hours	963
Executive / Supervisor	Hours	1,629
Non-executive	Hours	1,547
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.16
Bursa C6(c) Total number of employee turnover by employee category		
Senior Managerial	Number	4
Managerial	Number	14
Executive / Supervisor	Number	53
Non-executive	Number	111
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0

Internal assurance

External assurance

No assurance

(\*)Restated

## SUSTAINABILITY STATEMENT FY2024 (CONT'D)

Indicator	Measurement Unit	2024
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	9.83
Bursa C5(c) Number of employees trained on health and safety standards	Number	117
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	15,789.29
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	88.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	21.106000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	2,059.37
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,966.12
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	90.34
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	3,064.03
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	2,320.80

Internal assurance External assurance No assurance

(\*)Restated



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## PURPOSE

The Audit and Risk Management Committee assists the Board in carrying out its responsibilities and meeting the Corporate Governance requirements. It reviews the quarterly financial information before recommending to the Board for adoption and release to Bursa Malaysia Securities Berhad and shareholders. In addition to this, the Audit and Risk Management Committee reviews the system of internal controls which management and the Board of Directors have established, and makes recommendations to the management on actions to be taken, if any, based on the reports of the independent Internal and External Auditors.

## MEMBERS

The members of the Audit and Risk Management Committee for the financial year ended 31 July 2024 comprise:

Cheah Swi Chun	<i>Chairman, Independent Non-Executive Director</i>
Dato' Haji Mohtar Bin Nong	<i>Member, Senior Independent Non-Executive Director</i>
Lim Bee Lee	<i>Member, Independent Non-Executive Director</i>

## ATTENDANCE OF MEETINGS

During the financial year ended 31 July 2024, the Audit and Risk Management Committee held five (5) meetings to discuss matters relating to the accounting and reporting practices of the Group and the Company. Details of attendance of each Audit and Risk Management Committee member are as follows: -

Name of Directors	Attendance
Cheah Swi Chun	5/5
Dato' Haji Mohtar Bin Nong	5/5
Lim Bee Lee	5/5

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

During the financial year ended 31 July 2024, the Audit and Risk Management Committee had discharged its functions and carried out its duties as set out in Term of Reference which is published on our website, [www.astino.com.my](http://www.astino.com.my).

The Audit and Risk Management Committee had also met up the External Auditors without the presence of all the Executive Directors of the Company during the financial year.

The following activities were undertaken by the Audit and Risk Management Committee for the financial year ended 31 July 2024: -

- Reviewed the Audit Planning Memorandum, which includes reporting responsibilities and deliverables, audit approach and audit scope with the external auditors prior to commencing of audit;
- Reviewed the audited financial statements of the Company together with the external auditor's report and their audit findings prior to tabling to the Board for approval.

In the review of the annual audited financial statements, the Audit and Risk Management Committee had discussed with Management and the External Auditors the accounting principles and standards that were applied and their judgment of the items that may affect the financial statements as well as issues and reservations arising from the statutory audit.

- Considered the appointment of External Auditors and their request for increase in audit fees.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

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

The following activities were undertaken by the Audit and Risk Management Committee for the financial year ended 31 July 2024: - (Cont'd)

- d) Reviewed the unaudited quarterly results of the Group focusing particularly on the significant and unusual events before recommending them for approval by the Board of Directors for announcement to Bursa Malaysia Securities Berhad;
- e) Reviewed the related party transactions and conflict of interest situation that may arise within the Group, including any transactions, procedures and course of conduct that raises questions of Management integrity and to ensure its compliance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- f) Reviewed recurrent related party transactions (“RRPTs”) that mandated by the shareholders in AGM, including any transaction to ensure that the transactions were on normal commercial terms and not detrimental to the interest of minority shareholders of the Company;
- g) Reviewed the following in respect of Internal Audit:
  - adequacy of scope, functions and resources of the internal audit department and that it has the necessary authority to carry out its work.
  - internal audit programme
  - the major findings of internal audit investigations and management’s responses, and ensure that appropriate actions are taken on the recommendations of the internal audit function
  - assessed the performance of the internal audit function
- h) Considered the adequacy of management actions taken on internal and external audit reports;
- i) Reviewed risk assessment process to ensure effectiveness and consistence;
- j) Monitored action taken by management in response to risk;
- k) Made recommendations to the Board on appropriate policies and procedures relating to risk management governance, risk management practices and risk control infrastructure for the Group.

### INTERNAL AUDIT FUNCTION

During the financial year ended 31 July 2024, the internal audit function was outsourced and carried out by an independent professional consulting firm, Messrs. Tricor Axcelasia Sdn. Bhd. The internal audit function of the Group was carried out by the appointed internal auditors in order to assist the Committee in discharging its duties and responsibilities. The internal audit activities were carried out in accordance with the internal audit plan which comprises the following:

- Reviewed internal controls systems and ascertain the extent of compliance with the established policies, procedures and statutory requirements, and
- Identified areas to improve controls of operations and processes in the Group.

The findings by the internal audit function have been presented to the Committee who has taken steps to ensure that appropriate actions are being taken to improve the current internal control systems.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

Pursuant to paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) for the Main Market and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”), the Board of Directors (“the Board”) of Astino Berhad is pleased to include a statement on the state of the Group’s system of risk management and internal control in this annual report.

## BOARD’S RESPONSIBILITIES

The Board recognises the importance of good risk management practices and sound internal controls as a platform to good corporate governance. The Board acknowledges that its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and integrity. In addition, the Board has also received assurance from the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) that the Group’s risk management and internal control system are operating adequately and effectively, in all material aspects.

Due to inherent limitations in any risk management and internal control system, such systems put into effect by Management are designed to manage rather than eliminate risks that may impede the achievement of the Group’s business objectives. Therefore, the risk management and internal control system can only provide reasonable and not absolute assurance against material misstatement, error or loss.

The Group’s system of risk management and internal control applies principally to the Group and its subsidiaries but do not apply to the associate. The Group’s interest in the associate is served through Board representation. This representation also provides the Board with timely information on the financial performance of the associate.

## KEY FEATURES OF THE GROUP’S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Key elements of the Group’s risk management and internal control system that have been established to facilitate the proper conduct of the Group’s businesses are described below:

### 1. Risk Management System

The Board is dedicated to strengthen the Group’s risk management by managing its key business risks within the Group and to implement appropriate controls to manage these risks. Whilst the Board maintains ultimate control over risk and control issues, it has been delegated to the Audit and Risk Management Committee (“ARMC”) the implementation of the system of risk management and internal control within an established framework. While the Sub Risk Management Committee (“SRMC”), which consist of the head of department and key management staff are delegated with the responsibility to manage identified risks within defined parameters and standards.

The Risk Management Policy defines the risk management processes to be employed. The systematic risk management process is employed by the Risk Owners and SRMC for identification, analysis, assessment and evaluation, management of key risks identified (including continuous review and monitoring of existing and emerging key risks). Risk assessment and evaluation, at gross and residual level, are guided by the likelihood rating and impact rating established per Risk Management Policy. Risk Registers were compiled by the Risk Owners and discussed at the Sub Risk Management Committee Meeting, with the relevant key risks identified rated based on the agreed upon risk rating.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

### KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

#### 1. Risk Management System (Cont'd)

During the financial year under review, the Risk Owners, with the oversight of the SRMC, conducted a risks review, assessment and evaluation exercise on existing strategic and key operational risks (including sustainability, fraud and bribery related risks) faced by the Group with emerging risks and opportunities assessed and incorporated into the Risk Registers for on-going review and monitoring. Subsequent to the risks review, assessment and evaluation exercise performed during the financial year under review, the results of the risk identification and assessment were tabled by the SRMC to the Audit & Risk Management Committee for its review and reporting to the Board. The Group's risk management is embedded into key processes at all levels of organisation structure whereby respective head of departments (as Risk Owners) are delegated with the responsibility to continuously identify, analyse, assess, evaluate and manage the existing and emerging risks faced by the Group, resulting from changes to internal and external business context, under their scope of responsibility by formulating and implementing adequate internal control system to manage the risk exposure identified. Changes in the key risks or emergence of new key risks are identified through daily operational management and controls and review of financial and operational reports by respective level of Management generated by internal management information system supplemented by external data and information collected. Respective Risk Owners are responsible to assess the changes to the existing operational risks and emerging risks and to formulate and implement effective controls to manage the risks. Critical and material risks are highlighted to the SRMC for the final decision on the formulation and implementation of effective internal controls. The Executive Directors manage key risks faced by the Company through constant communication among themselves and with respective head of departments during daily management of business operations and through operational and management meetings. Changes in the key risks faced by the Group or emergence of new key risks are highlighted to the Board for deliberation and decision making, if any.

#### 2. Internal Control System

The Group has appointed an independent professional service firm, Tricor Axcelasia Sdn Bhd to assist the Board and ARMC by providing an independent assessment of the adequacy and effectiveness of the Group's internal controls.

The internal audit engagement is currently headed by Puan Noor Lilah Wati ("Puan Noor Lilah") who has over 20 years of experience in providing risk-based audit, enterprise risk management, corporate governance and business continuity management advisory. Puan Noor Lilah is a certified business continuity practitioner from Business Continuity Institute and lead auditor for ISO 9000. She is also an Associate member of the Institute of Internal Auditors of Malaysia.

The number of staff deployed for the internal audit reviews consist of 3-4 staffs including the Engagement Director during the financial year under review. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staffs on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.

The internal audit reviews were conducted using a risk-based approach and were guided by the International Professional Practice Framework. During the FYE 31 July 2024, the Internal Auditors performed audit reviews in accordance with the approved annual audit plan covering the following key business activities of the Group:

- (i) Project management and procurement management;
- (ii) Anti-corruption programme; and
- (iii) Inventory management, scrap, downgrading & zero cost item management.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

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### KEY FEATURES OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

#### 2. Internal Control System (Cont'd)

The result of the audit review was discussed with the Senior Management and subsequently, the audit findings, management action plans as well as the implementation progress of previous auditable processes were reported to the ARMC. The Board through the ARMC received and reviewed the internal audit reports at the scheduled quarterly meetings.

The costs incurred for the Internal Audit Function for FYE 31 July 2024 was RM59,200 (FYE 31 July 2023: RM58,830).

#### OTHER KEY ELEMENTS OF INTERNAL CONTROL

- i. A well-defined organisational structure with clear delegation of responsibilities and accountability provide a sound framework within the Group and its subsidiaries in facilitating check and balances for proper decision making at the appropriate authority levels, including matters that require the Board's approval.
- ii. A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of Management involved including matters that require the Board's approval.
- iii. The Board and ARMC meet at least on a quarterly basis to review and deliberate financial reports, annual financial statements and internal audit reports. Discussions with Management were held to deliberate on the actions that are required to be taken to address internal control issues identified. The Board also plays an active role in discussing and reviewing the business plans, strategies, performance and risks faced by the Group.
- iv. The Executive Directors are involved in the running of business and operations of the Group and they report to the Board on significant changes in the business and external environment, which affects the operations of the Group at large.
- v. The Group has a budgeting process which establishes plans and targets for performances to be measured on an on-going basis. Budget variances are analyzed and reported internally, and, on a quarterly basis variance are reported to the Board.
- vi. Internal policies and procedures had been established for key business units with the Group. Certain subsidiaries within the Group adhered to and applied ISO Quality Policies and Procedures and other programs implemented through its ISO accreditation programme. With this certification, audits were conducted by independent ISO consultant to ensure compliance with ISO procedures or manual.

#### CONCLUSION

The Board is of the view that the Group's system of internal control and risk management for the year under review and as at the date of this statement is sound and adequate to safeguard the shareholders' investments and the Group's assets. However, the Board is also cognizant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the Group system of internal control and risk management framework.

The External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report in the financial year ended 31 July 2024 pursuant to Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants. Based on their review, nothing has come to their attention that causes them to believe that the Statement intended to be included in the annual report is not prepared, in all material aspects, 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 the statement factually inaccurate.

This statement was approved by the Board of Directors on 1 November 2024.

# ADDITIONAL CORPORATE INFORMATION

## 1. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

## 2. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE

Details of the recurrent related party transactions of revenue nature have been duly disclosed in Note 29 of the Notes to the Financial Statements for the financial year ended 31 July 2024.

The Company is proposing to seek a renewal shareholders' mandate at its forthcoming Annual General Meeting pursuant to paragraph 10.09 of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements for recurrent related party transactions of a revenue or trading nature. Details of the proposal are being disclosed in the Circular/Statement to Shareholders dated 28 November 2024.

## 3. AUDIT NON-AUDIT FEES

During the financial year, the audit fees and non-audit fees paid/payable to the Company's external auditors by the Company and by the Group incurred for services rendered are as follows: -

Type of Fees	Company (RM)	Group (RM)
Audit Fees	35,000	168,200
Non-Audit Fees	4,000	40,900

# DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 31 July 2024. All values shown in this report are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities and other details of the subsidiaries are disclosed in Note 8 to the financial statements.

## RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	37,108	10,105

## DIVIDENDS

During the financial year, the Company paid a final single tier dividend of 1 sen per share amounting to RM4,866,000 in respect of the financial year ended 31 July 2023.

A final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2024 will be proposed for shareholders' approval at the forthcoming annual general meeting.

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES OR DEBENTURES

The Company did not issue any shares or debentures during the financial year.

## SHARE OPTIONS

The Company did not grant any share options during the financial year.



## DIRECTORS' REPORT

(CONT'D)

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### **BAD AND DOUBTFUL DEBTS**

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

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent.

### **CURRENT ASSETS**

Before the financial statements were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records have been written down to an amount which the current assets 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 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 would render adherence to the existing methods of valuation of assets or liabilities of the Group or the Company misleading or inappropriate.

### **CONTINGENT AND OTHER LIABILITIES**

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

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

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Group or 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 which would render any amount stated in the financial statements misleading.

## DIRECTORS' REPORT

(CONT'D)

### ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and 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.

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 or the Company for the financial year in which this report is made.

### DIRECTORS

The directors in office since the beginning of the financial year are:

#### Directors of the Company

Ng Back Teng  
 Ng Hung Seh  
 Dato' Ng Hung Weng  
 Dato' Haji Mohtar Bin Nong  
 Lim Bee Lee  
 Cheah Swi Chun

#### Directors of subsidiaries (other than directors of the Company)

Ng Bak Seng  
 Ng Bak Hiong  
 Khoo Eng Seng  
 Ng Fong Soo

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests in shares in the Company of the directors in office at the end of the financial year are as follows:

Name of director	Number of ordinary shares					
	Direct interest				Indirect/Deemed interest	
	Balance at 1.8.2023	Bought	Sold	Balance at 31.7.2024	Balance at 1.8.2023	Balance at 31.7.2024
Ng Back Teng	39,070,451	0	0	<b>39,070,451</b>	55,080	<b>55,080</b>
Ng Hung Seh	26,155,299	0	0	<b>26,155,299</b>	4,822,311	<b>4,822,311</b>
Dato' Ng Hung Weng	2,256,536	0	0	<b>2,256,536</b>	0	<b>0</b>
Cheah Swi Chun	2,244,799	0	0	<b>2,244,799</b>	0	<b>0</b>

## DIRECTORS' REPORT

(CONT'D)

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### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than the directors' remuneration as disclosed in Note 24 to the financial statements) 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 have arisen by virtue of certain related party transactions as disclosed in Note 29 to the financial statements.

Neither during nor at the end of the financial year, was the Company a party to any arrangement 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.

### INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There was no indemnity given to or liability insurance effected for any director or officer of the Group or the Company during the financial year.

### AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office. The auditors' remuneration is disclosed in Note 23 to the financial statements. There was no indemnity given to or liability insurance effected for the auditors during the financial year.

**Signed in accordance with a resolution of the directors dated 1 November 2024**

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**Ng Back Teng**

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**Ng Hung Seh**

## STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements set out on pages 62 to 106 give a true and fair view of the financial position of the Group and the Company as at 31 July 2024 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the directors dated 1 November 2024

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**Ng Back Teng**

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**Ng Hung Seh**

## STATUTORY DECLARATION

I, Chua Phaik See (MIA membership no.: 18687), being the officer primarily responsible for the financial management of Astino Berhad, do solemnly and sincerely declare that the financial statements set out on pages 62 to 106 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 abovenamed Chua Phaik See at  
George Town in the State of Penang on  
this 1 November 2024

**Chua Phaik See**  
Chief Financial Officer

Before me

**Shamini A/P M Shanmugam**  
No. P157  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTINO BERHAD

200001020478 (523085-X) (INCORPORATED IN MALAYSIA)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Astino Berhad, which comprise the statements of financial position as at 31 July 2024 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 62 to 106.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31 July 2024, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for opinion

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

### 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 the Company of the current period. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><u>Valuation of inventories (Refer to Notes 3 and 12 to the financial statements)</u></p> <p>The Group carries significant inventories. 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 audit procedures included, among others:</p> <ul style="list-style-type: none"> <li>Obtaining an understanding of: <ul style="list-style-type: none"> <li>the Group's inventory management process;</li> <li>how the Group identifies and assesses inventory write-downs; and</li> <li>how the Group makes the accounting estimates for inventory write-downs.</li> </ul> </li> <li>Reviewing the ageing analysis of inventories and testing the reliability thereof.</li> <li>Examining the perpetual records for inventory movements and to identify slow moving aged items.</li> <li>Making inquiries of management regarding the action plans to clear slow moving aged and obsolete inventories.</li> <li>Reviewing the net realisable value of major inventories.</li> <li>Evaluating the reasonableness and adequacy of the resulting inventory write-downs recognised.</li> </ul>

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of the Company.

## INDEPENDENT AUDITORS' REPORT

(CONT'D)

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### *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 directors' report (but does not include the financial statements of the Group and the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after that date.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and request that a correction be made. If the directors refuse to make the correction, we shall take appropriate action considering our legal rights and obligations, to seek to have the uncorrected material misstatement appropriately brought to the attention of users for whom our auditors' report is prepared.

### *Responsibilities of the directors for the financial statements*

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

In preparing the financial statements of the Group and 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 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 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.

## INDEPENDENT AUDITORS' REPORT

(CONT'D)

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

### Other matters

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

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

**Eddy Chan Wai Hun**  
02182/10/2025 J  
Chartered Accountant

Date: 1 November 2024

Penang



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
<b>Non-current assets</b>			
Property, plant and equipment	4	234,132	177,057
Investment properties	5	47,476	47,722
Right-of-use assets	6	13,995	14,309
Intangible assets	7	0	0
Investment in associate	9	2,328	2,453
Other investments	10	200	174
Deferred tax assets	11	519	52
		<b>298,650</b>	<b>241,767</b>
<b>Current assets</b>			
Inventories	12	152,334	144,433
Receivables	13	80,417	76,959
Prepayments	14	5,156	9,109
Current tax assets		4,157	6,376
Cash and cash equivalents	15	82,274	104,330
		<b>324,338</b>	<b>341,207</b>
<b>Current liabilities</b>			
Payables	16	23,210	19,568
Loans and borrowings	17	7,038	7,173
Lease liabilities	18	1,046	992
Contract liabilities	19	14,308	13,520
Current tax liabilities		656	114
		<b>46,258</b>	<b>41,367</b>
<b>Net current assets</b>		<b>278,080</b>	<b>299,840</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	11	5,582	5,241
Loans and borrowings	17	15,651	9,000
Lease liabilities	18	2,605	2,759
		<b>23,838</b>	<b>17,000</b>
<b>Net assets</b>		<b>552,892</b>	<b>524,607</b>
<b>Equity</b>			
Share capital	20	138,274	138,274
Treasury shares	20	(6,043)	(2,086)
Capital reserve		30,123	30,123
Retained profits		390,538	358,296
<b>Total equity</b>		<b>552,892</b>	<b>524,607</b>

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

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
Revenue	21	<b>628,765</b>	618,702
Cost of sales		<b>(533,272)</b>	(533,634)
Gross profit		<b>95,493</b>	85,068
Impairment (losses)/gains on financial assets	22	<b>(148)</b>	263
Other income		<b>6,778</b>	4,134
Administrative and general expenses		<b>(36,948)</b>	(34,538)
Selling and distribution expenses		<b>(15,423)</b>	(15,775)
Finance costs		<b>(770)</b>	(1,018)
Share of associate's loss		<b>(125)</b>	(354)
Profit before tax	23	<b>48,857</b>	37,780
Tax expense	25	<b>(11,749)</b>	(9,446)
Profit for the financial year		<b>37,108</b>	28,334
Other comprehensive income for the financial year		0	0
Comprehensive income for the financial year		<b>37,108</b>	28,334
Earnings per share:			
- Basic (sen)	26	7.62	5.76
- Diluted (sen)		7.62	5.76

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Share capital RM'000	Treasury shares RM'000	Non- distributable Capital reserve RM'000	Distributable Retained profits RM'000	Total equity RM'000
Balance at 1 August 2022	138,274	(1)	30,123	334,882	503,278
Purchase of own shares	0	(2,085)	0	0	(2,085)
Dividend (Note 27)	0	0	0	(4,920)	(4,920)
Total transactions with owners	0	(2,085)	0	(4,920)	(7,005)
Profit (representing comprehensive income) for the financial year	0	0	0	28,334	28,334
Balance at 31 July 2023	138,274	(2,086)	30,123	358,296	524,607
Purchase of own shares	0	(3,957)	0	0	(3,957)
Dividend (Note 27)	0	0	0	(4,866)	(4,866)
Total transactions with owners	0	(3,957)	0	(4,866)	(8,823)
Profit (representing comprehensive income) for the financial year	0	0	0	37,108	37,108
<b>Balance at 31 July 2024</b>	<b>138,274</b>	<b>(6,043)</b>	<b>30,123</b>	<b>390,538</b>	<b>552,892</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>			
Profit before tax		48,857	37,780
Adjustments for:			
Amortisation and depreciation		11,296	11,890
Dividend income		(14)	(5)
Fair value (gains)/losses on financial instruments		(26)	5
Gain on dilution of interest in associate		0	(548)
Gain on disposal of investment properties		(209)	(89)
Gain on disposal of property, plant and equipment		(301)	(135)
Impairment losses/(gains) on financial assets		148	(263)
Interest expense		770	1,018
Interest income		(3,783)	(2,397)
Inventories written down		10,214	13,528
Property, plant and equipment written off		72	15
Share of associate's loss		125	354
Unrealised loss on foreign exchange		296	349
Operating profit before working capital changes		67,445	61,502
Changes in:			
Inventories		(18,234)	60,319
Receivables		(3,606)	(3,488)
Prepayments		(2,063)	2,865
Payables		(2,373)	(4,894)
Contract liabilities		788	(9,023)
Cash generated from operations		41,957	107,281
Tax paid		(9,458)	(13,209)
Tax refunded		344	0
Net cash from operating activities		32,843	94,072
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	28	(54,917)	(12,605)
Acquisition of right-of-use assets	28	0	(7)
Dividend received		14	5
Interest received		3,783	2,397
Proceeds from disposal of investment properties		341	165
Proceeds from disposal of property, plant and equipment		307	147
Net cash used in investing activities		(50,472)	(9,898)
<b>Cash flows from financing activities</b>			
Decrease in short-term loans and borrowings	28	0	(4,992)
Dividend paid		(4,866)	(4,920)
Drawdown of revolving credit	28	13,984	0
Interest paid		(765)	(1,029)
Payment of lease liabilities	28	(1,053)	(1,023)
Purchase of own shares		(3,957)	(2,085)
Repayment of revolving credits	28	(3,333)	(3,000)
Repayment of term loans	28	(4,140)	(6,224)
Net cash used in financing activities		(4,130)	(23,273)
Currency translation differences		(297)	(348)
Net (decrease)/increase in cash and cash equivalents		(22,056)	60,553
Cash and cash equivalents brought forward		104,330	43,777
Cash and cash equivalents carried forward		82,274	104,330

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

# STATEMENT OF FINANCIAL POSITION

## AS AT 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
<b>Non-current assets</b>			
Property, plant and equipment	4	25	72
Right-of-use assets	6	51	51
Investments in subsidiaries	8	204,988	201,988
Deferred tax assets	11	103	52
		<b>205,167</b>	202,163
<b>Current assets</b>			
Receivables	13	2	0
Prepayments	14	113	75
Cash and cash equivalents	15	227	1,746
		<b>342</b>	1,821
<b>Current liabilities</b>			
Payables	16	804	575
Lease liabilities	18	51	51
Current tax liabilities		19	5
		<b>874</b>	631
<b>Net current (liabilities)/assets</b>		<b>(532)</b>	1,190
<b>Net assets</b>		<b>204,635</b>	203,353
<b>Equity</b>			
Share capital	20	138,274	138,274
Treasury shares	20	(6,043)	(2,086)
Retained profits		72,404	67,165
<b>Total equity</b>		<b>204,635</b>	203,353

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

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
Revenue	21	<b>15,220</b>	12,141
Other income		<b>42</b>	11
Administrative and general expenses		<b>(5,139)</b>	(4,581)
Finance costs		<b>(2)</b>	(2)
Profit before tax	23	<b>10,121</b>	7,569
Tax expense	25	<b>(16)</b>	(121)
Profit for the financial year		<b>10,105</b>	7,448
Other comprehensive income for the financial year		<b>0</b>	0
Comprehensive income for the financial year		<b>10,105</b>	7,448

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

# STATEMENT OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Total equity RM'000
Balance at 1 August 2022	138,274	(1)	64,637	202,910
Purchase of own shares	0	(2,085)	0	(2,085)
Dividend (Note 27)	0	0	(4,920)	(4,920)
Total transactions with owners	0	(2,085)	(4,920)	(7,005)
Profit (representing comprehensive income) for the financial year	0	0	7,448	7,448
Balance at 31 July 2023	138,274	(2,086)	67,165	203,353
Purchase of own shares	0	(3,957)	0	(3,957)
Dividend (Note 27)	0	0	(4,866)	(4,866)
Total transactions with owners	0	(3,957)	(4,866)	(8,823)
Profit (representing comprehensive income) for the financial year	0	0	10,105	10,105
<b>Balance at 31 July 2024</b>	<b>138,274</b>	<b>(6,043)</b>	<b>72,404</b>	<b>204,635</b>

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



# STATEMENT OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

	Note	2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>			
Profit before tax		10,121	7,569
Adjustments for:			
Depreciation		126	109
Dividend income		(10,350)	(7,300)
Interest expense		2	2
Interest income		(42)	(11)
Operating (loss)/profit before working capital changes		(143)	369
Changes in:			
Receivables		(2)	0
Prepayments		(38)	(21)
Payables		229	(271)
Cash generated from operations		46	77
Tax paid		(56)	(97)
Tax refunded		3	0
Net cash used in operating activities		(7)	(20)
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	28	(3)	0
Acquisition of right-of-use assets	28	0	(7)
Dividends received		10,350	7,300
Interest received		42	11
Proceeds from disposal of property, plant and equipment		0	1
Subscription for shares in subsidiary		(3,000)	0
Net cash from investing activities		7,389	7,305
<b>Cash flows from financing activities</b>			
Dividend paid		(4,866)	(4,920)
Interest paid		(2)	(2)
Payment of lease liabilities	28	(76)	(31)
Purchase of own shares		(3,957)	(2,085)
Net cash used in financing activities		(8,901)	(7,038)
Net (decrease)/increase in cash and cash equivalents		(1,519)	247
Cash and cash equivalents brought forward		1,746	1,499
Cash and cash equivalents carried forward		227	1,746

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

# NOTES TO THE FINANCIAL STATEMENTS

31 JULY 2024

## 1. GENERAL INFORMATION

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

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 8.

The registered office of the Company is located at Suite 12-A, Level 12, Menara Northam, 55, Jalan Sultan Ahmad Shah, 10050 Penang, Malaysia and its principal place of business is located at Lot 1499 (Lot Baru 10030) & 1500, Mukim 11, Jalan Changkat, 14300 Nibong Tebal, Seberang Perai Selatan, Penang, Malaysia.

The consolidated financial statements set out on pages 62 to 65 together with the notes thereto cover the Company and its subsidiaries ("Group") and the Group's interest in an associate. The separate financial statements of the Company set out on pages 66 to 69 together with the notes thereto cover the Company solely.

The presentation currency of the financial statements is Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

The financial statements were authorised for issue in accordance with a resolution of the directors dated 1 November 2024.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Basis of preparation of financial statements

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

The following MFRSs became effective for the financial year under review:

<b>MFRS</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17 <i>Initial Application of MFRS 17 and MFRS 9 - Comparative Information</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112 <i>International Tax Reform - Pillar Two Model Rules</i>	1 January 2023

The initial application of the above MFRSs did not have any significant impacts on the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.1 Basis of preparation of financial statements (Cont'd)

During the financial year ended 31 July 2022, the Group and the Company had early applied the Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current* which are effective for annual periods beginning on or after 1 January 2024. These amendments allow the Group to classify its revolving credit obligation as non-current when it has the right at the end of the reporting period to roll over the obligation for at least twelve months after the reporting period, even if it would otherwise be due within a shorter period.

The Group and the Company have not applied the following MFRSs which have been issued as at the end of the reporting period but are not yet effective:

<b>MFRS (issued as at the end of the reporting period)</b>	<b>Effective for annual periods beginning on or after</b>
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

Except for the adoption of MFRS 18, management foresees that the initial application of the above MFRSs will not have any significant impacts on the financial statements.

#### MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18, which will replace MFRS 101 *Presentation of Financial Statements* upon its adoption, aims to provide better information about entities' financial performance and enhance financial reporting quality. The key changes introduced by MFRS 18 are:

- classification of income and expenses into five categories (i.e. operating, investing, financing, income taxes and discontinued operations);
- presentation of two defined subtotals (i.e. operating profit or loss and profit or loss before financing and income taxes) in the statement of profit or loss;
- disclosures about management-defined performance measures; and
- new principles for aggregation and disaggregation of information.

The Group and the Company will initially apply the new requirements of MFRS 18 in the financial year ending 31 July 2028.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.2 Business combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. If the assets acquired are not a business, the transaction or other event is accounted for as an asset acquisition.

Business combinations are accounted for using the acquisition method. Under the acquisition method, the consideration transferred, the identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values. The components of non-controlling interests that are present ownership interests are measured at the present ownership instruments' proportionate share in the recognised amounts of the identifiable net assets acquired. All other components of non-controlling interests are measured at their acquisition-date fair values. In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss. All acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss as incurred.

Goodwill at the acquisition date is measured as the excess of (a) over (b) below:

- (a) the aggregate of:
  - (i) the acquisition-date fair value of the consideration transferred;
  - (ii) the amount of any non-controlling interests; and
  - (iii) in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree.
- (b) the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed.

Goodwill is recognised as an asset at the aforementioned amount less accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.10. When the above (b) exceeds (a), the excess represents a bargain purchase gain and, after reassessment, is recognised in profit or loss.

#### 2.3 Basis of consolidation

A subsidiary is an entity that is controlled by another entity. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

A subsidiary is consolidated from the acquisition date, being the date on which control is obtained, and continues to be consolidated until the date when control is lost. Intragroup balances, transactions, income and expenses are eliminated in full on consolidation. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Upon loss of control of a subsidiary, the assets (including any goodwill) and liabilities of, and any non-controlling interests in the subsidiary are derecognised. All amounts recognised in other comprehensive income in relation to the subsidiary are accounted for on the same basis as would be required if the related assets or liabilities had been directly disposed of. Any consideration received and any investment retained in the former subsidiary are recognised at their fair values. The resulting difference is then recognised as a gain or loss in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.10.

Freehold land and capital work-in-progress are not depreciated. Other property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:

Buildings	2%
Plant, machinery, tools and equipment	10%
Furniture, fittings and office equipment	10% - 33%
Motor vehicles	20%
Scaffolding	25%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

#### 2.5 Investment properties

Investment property is property held (by the owner or the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.10.

Freehold land is not depreciated. Buildings are depreciated on a straight-line basis over their estimated useful lives of 50 years.

#### 2.6 Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

##### Lessor accounting

When the Group or the Company acts as a lessor, it classifies each lease as either an operating lease or a finance lease. A finance lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, whereas an operating lease does not.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term. The Group and the Company have not entered into any finance lease.

##### Initial recognition and measurement

When the Group or the Company acts as a lessee, it recognises a right-of-use asset (representing its right to use the underlying leased asset) and a lease liability (representing its obligation to make lease payments) at the commencement date. The Group and the Company have elected not to apply such recognition principle to short-term leases (which have a lease term of 12 months or less) and leases of low-value assets. The lease payments associated with those leases are recognised as an expense on a straight-line basis over the lease term.

A right-of-use asset is initially recognised at cost, which comprises the initial amount of lease liability, any lease payments made at or before the commencement date (less any lease incentives), any initial direct costs and any estimated dismantling, removing and restoring costs.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.6 Leases (Cont'd)

##### Lessee accounting (Cont'd)

###### Initial recognition and measurement (Cont'd)

A lease liability is initially recognised at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. The unpaid lease payments included in the measurement of lease liability comprise fixed payments (less any lease incentives), variable lease payments linked to an index or a rate, expected amounts payable under residual value guarantees, the exercise price of a purchase option reasonably certain to be exercised and the penalties of a termination option reasonably certain to be exercised.

###### Subsequent measurement

A right-of-use asset is subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The impairment policy is disclosed in Note 2.10.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that a purchase option will be exercised, the right-of-use asset is depreciated on a straight-line basis from the commencement date to the end of its useful life. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of its useful life or the end of the lease term.

A lease liability is subsequently measured at amortised cost, and remeasured to reflect any reassessment (arising from changes to the lease payments) or lease modifications.

#### 2.7 Intangible assets

Computer software which is not an integral part of the related hardware is treated as intangible assets. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.10.

Intangible assets are amortised on a straight-line basis over the estimated useful lives of the assets using an annual rate of 33%.

The useful life and amortisation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

#### 2.8 Investments in subsidiaries

As required by the Companies Act 2016, the Company prepares separate financial statements in addition to the consolidated financial statements. In the separate financial statements of the Company, investments in subsidiaries are stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.10.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.9 Investment in associate

An associate is an entity over which an investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

In the consolidated financial statements, investment in associate is accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and adjusted thereafter for the post-acquisition changes in the investor's share of the investee's net assets. After application of the equity method, the investment is assessed for any objective evidence of impairment. If any such evidence exists, the carrying amount of the investment is tested for impairment in accordance with Note 2.10.

#### 2.10 Impairment of non-financial assets

At the end of each reporting period, the Group and the Company assess whether there is any indication that a non-financial asset, other than deferred tax assets and inventories, may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs of disposal and its value in use, is estimated. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. Any excess of the carrying amount of the asset over its recoverable amount represents an impairment loss and is recognised in profit or loss.

An impairment loss on an asset, other than goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised. The reversal is recognised in profit or loss. An impairment loss on goodwill is not reversed.

#### 2.11 Inventories

Inventories are valued at the lower of cost (determined principally on the weighted average basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

#### 2.12 Contract assets and contract liabilities

A contract is presented in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. A contract asset is an entity's right to consideration in exchange for goods or services transferred to a customer when that right is conditioned on something other than the passage of time. The asset is subject to impairment assessment on the same basis as trade receivables as disclosed in Note 2.13. A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.



## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.13 Financial assets

Financial assets of the Group and the Company consist of investments in equity instruments, receivables and cash and cash equivalents.

##### Initial recognition and measurement

A financial asset is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. A regular way purchase or sale of financial assets is recognised or derecognised using settlement date accounting. Trade receivables that do not contain a significant financing component are initially recognised at their transaction price (as defined in Note 2.18). Other financial assets are initially recognised at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

##### Subsequent measurement

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss in accordance with their classification on the basis of both the business model within which they are held and their contractual cash flow characteristics.

##### (i) Amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All receivables and cash and cash equivalents are classified under this category. Any gain or loss is recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

##### (ii) Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is to both collect contractual cash flows and sell financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group and the Company do not have any financial assets classified under this category.

##### (iii) Fair value through profit or loss

A financial asset is measured at fair value through profit or loss if it does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income. All investments in equity instruments are classified under this category. Any gain or loss is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.13 Financial assets (Cont'd)

##### Impairment

At each reporting date, the Group and the Company recognise a loss allowance for expected credit losses on a financial asset measured at amortised cost. The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. Any adjustment to the loss allowance is recognised in profit or loss as an impairment gain or loss.

Irrespective of whether there is any significant increase in credit risk since initial recognition, the loss allowance for trade receivables is always measured at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9 *Financial Instruments*. Such lifetime expected credit losses are calculated using a provision matrix based on historical credit loss experience and adjusted for reasonable and supportable forward-looking information that is available without undue cost or effort.

The expected credit losses for a credit-impaired financial asset are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The gross carrying amount of a credit-impaired financial asset is directly written off when there is no reasonable expectation of recovery.

##### Derecognition

A financial asset is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or all the risks and rewards of ownership are substantially transferred. A direct write-off of gross carrying amount when there is no reasonable expectation of recovering a financial asset constitutes a derecognition event.

#### 2.14 Financial liabilities

Financial liabilities of the Group and the Company consist of payables, loans and borrowings and financial guarantee contracts.

##### Initial recognition and measurement

A financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is initially recognised at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs.

##### Subsequent measurement

All payables and loans and borrowings are subsequently measured at amortised cost. Any gain or loss is recognised in profit or loss when the financial liability is derecognised and through the amortisation process.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance and the amount initially recognised less any cumulative income recognised.

##### Derecognition

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.15 Foreign currency transactions and translation

The consolidated financial statements and separate financial statements of the Company are presented in Ringgit Malaysia, which is also the Company's functional currency, being the currency of the primary economic environment in which the entity operates. Items included in the financial statements of each individual entity within the Group are measured using the individual entity's own functional currency.

A foreign currency transaction is recorded in the functional currency using the exchange rate at transaction date. At the end of the reporting period, foreign currency monetary items are translated into the functional currency using the closing rate. Foreign currency non-monetary items measured at cost are translated using the exchange rate at transaction date, whereas those measured at fair value are translated using the exchange rate at valuation date. Exchange differences arising from the settlement or translation of monetary items are recognised in profit or loss. Any exchange component of the gain or loss on a non-monetary item is recognised on the same basis as that of the gain or loss, i.e. in profit or loss or in other comprehensive income.

#### 2.16 Share capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity.

Own shares purchased are held as treasury shares in accordance with the requirements of Section 127 of the Companies Act 2016. The total amount of consideration paid, including directly attributable costs, is recognised directly in equity. When treasury shares are distributed as share dividends or cancelled, the cost of the shares distributed or cancelled is applied in the reduction of distributable reserves. When treasury shares are resold in the open market, any excess of sale consideration over the cost of the shares resold is adjusted to share capital, whereas any deficit is applied in the reduction of distributable reserves.

Dividends on shares declared and unpaid at the end of the reporting period are recognised as a liability, whereas dividends proposed or declared after the reporting period are disclosed in the notes to the financial statements.

#### 2.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The valuation techniques used include the following or a combination thereof:

- (i) Market approach - which uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities.
- (ii) Cost approach - which reflects the amount that would be required currently to replace the service capacity of an asset.
- (iii) Income approach - which converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.17 Fair value measurement (Cont'd)

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 - unobservable inputs for the asset or liability.

Any transfers between the levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

#### Non-financial assets

The fair values of land and buildings are measured using the market comparison approach. Under this approach, the fair values are derived from observable market data such as prices per square foot for comparable properties in similar locations (i.e. Level 2).

#### Financial assets and financial liabilities

The carrying amounts of receivables, cash and cash equivalents, payables and loans and borrowings which are short-term in nature or repayable on demand are reasonable approximations of fair values. The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

The fair values of quoted investments are directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

The fair values of financial guarantee contracts are estimated based on probability-adjusted discounted cash flow analysis after considering the probability of default by the debtors (i.e. Level 3).

#### 2.18 Revenue from contracts with customers

The Group and the Company recognise revenue (by applying the following steps) to depict the transfer of promised goods or services to customers at the transaction price.

- (i) Step 1: Identify contract - A contract is an agreement between two or more parties that creates enforceable rights and obligations.
- (ii) Step 2: Identify performance obligations - Each promise to transfer distinct goods or services is identified as a performance obligation and accounted for separately.
- (iii) Step 3: Determine transaction price - The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. It is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties), significant financing component, non-cash consideration and consideration payable to customer.
- (iv) Step 4: Allocate transaction price to performance obligations - The transaction price is allocated to each performance obligation on the basis of the relative (estimated) stand-alone selling prices of each distinct good or service promised in the contract.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.18 Revenue from contracts with customers (Cont'd)

- (v) Step 5: Recognise revenue - Revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). Revenue is recognised either over time or at a point in time depending on the timing of transfer of control.

##### **Sale of goods**

The Group determines that the transfer of control of promised goods generally coincides with the transfer of risks and rewards of ownership. Accordingly, revenue from the sale of goods is recognised at a point in time when the significant risks and rewards of ownership have been transferred to the customer upon delivery.

##### **Rendering of services**

The Company determines that the transfer of control of promised services generally coincides with the Company's performance as the customer simultaneously receives and consumes the benefits of the performance as the Company performs. Accordingly, revenue from the rendering of services is recognised over time when the services are performed. The Company measures the progress towards complete satisfaction of the performance obligation using an output method, i.e. time elapsed.

#### 2.19 Other income

Dividend income is recognised in profit or loss only when the entity's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Interest income is recognised in profit or loss using the effective interest method.

Operating lease income is recognised in profit or loss on a straight-line basis over the lease term.

#### 2.20 Employee benefits

##### **Short-term employee benefits**

Short-term employee benefits such as wages, salaries, bonuses and social security contributions are recognised in profit or loss or included in the cost of an asset, where appropriate, in the period in which the associated services are rendered by the employee.

##### **Defined contribution plans**

As required by law, employers in Malaysia make contributions to the statutory pension scheme, Employees Provident Fund ("EPF"). Contributions to defined contribution plans are recognised in profit or loss or included in the cost of an asset, where appropriate, in the period in which the associated services are rendered by the employee.

#### 2.21 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset, until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

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

#### 2.22 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax represents the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided for under the liability method in respect of all temporary differences between the carrying amount of an asset or liability and its tax base except for those temporary differences associated with goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting nor taxable results and does not give rise to equal taxable and deductible temporary differences.

A deferred tax liability is recognised for all taxable temporary differences, whereas a deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### 2.23 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, term deposits that are withdrawable on demand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

### 3. JUDGEMENTS AND ESTIMATION UNCERTAINTY

#### Judgements made in applying accounting policies

In the process of applying the accounting policies of the Group and the Company, management is not aware of any judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.

#### Sources of estimation uncertainty

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

##### Valuation of inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews involve judgements and estimation uncertainty in forming expectations about future sales and demands. Any changes in these accounting estimates will result in revisions to the valuation of inventories (Note 12).

##### Impairment of receivables

The Group recognises loss allowance for expected credit losses on receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of receivables (Note 13).

**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**4. PROPERTY, PLANT AND EQUIPMENT**

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Scaffolding <sup>(a)</sup> RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Cost</b>								
Balance at 1 August 2022	73,996	90,841	99,410	16,550	26,512	2,496	406	310,211
Additions	0	872	2,788	1,081	441	0	1,407	6,589
Disposals/Write-offs	0	0	(266)	(846)	(484)	0	0	(1,596)
Transfer from inventories (net)	0	0	0	0	0	378	0	378
Transfer to investment properties	(1,900)	(4,985)	0	0	0	0	0	(6,885)
Reclassifications	0	0	1,143	0	0	0	(1,143)	0
Balance at 31 July 2023	72,096	86,728	103,075	16,785	26,469	2,874	670	308,697
Additions	60,160	0	2,814	1,751	1,062	0	1,162	66,949
Disposals/Write-offs	0	0	(326)	(153)	(628)	0	(14)	(1,121)
Transfer to inventories (net)	0	0	0	0	0	(129)	0	(129)
Reclassifications	0	0	421	0	0	0	(421)	0
<b>Balance at 31 July 2024</b>	<b>132,256</b>	<b>86,728</b>	<b>105,984</b>	<b>18,383</b>	<b>26,903</b>	<b>2,745</b>	<b>1,397</b>	<b>374,396</b>
<b>Accumulated depreciation</b>								
Balance at 1 August 2022	0	15,563	72,382	12,384	23,752	783	0	124,864
Depreciation	0	1,854	5,185	989	1,024	679	0	9,731
Disposals/Write-offs	0	0	(257)	(828)	(484)	0	0	(1,569)
Transfer to inventories	0	0	0	0	0	(106)	0	(106)
Transfer to investment properties	0	(1,280)	0	0	0	0	0	(1,280)
Balance at 31 July 2023	0	16,137	77,310	12,545	24,292	1,356	0	131,640
Depreciation	0	1,779	5,214	1,247	1,059	616	0	9,915
Disposals/Write-offs	0	0	(296)	(122)	(625)	0	0	(1,043)
Transfer to inventories	0	0	0	0	0	(248)	0	(248)
<b>Balance at 31 July 2024</b>	<b>0</b>	<b>17,916</b>	<b>82,228</b>	<b>13,670</b>	<b>24,726</b>	<b>1,724</b>	<b>0</b>	<b>140,264</b>

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024  
(CONT'D)

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

Group	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Scaffolding <sup>(a)</sup> RM'000	Capital work-in-progress RM'000	Total RM'000
<b>Carrying amount</b>								
Balance at 1 August 2022	73,996	75,278	27,028	4,166	2,760	1,713	406	185,347
Balance at 31 July 2023	72,096	70,591	25,765	4,240	2,177	1,518	670	177,057
<b>Balance at 31 July 2024</b>	<b>132,255</b>	<b>68,812</b>	<b>23,757</b>	<b>4,713</b>	<b>2,177</b>	<b>1,021</b>	<b>1,397</b>	<b>234,132</b>

<sup>(a)</sup> Held for operating leases

The Group leases the scaffolding to customers under operating leases on a monthly basis. Accordingly, the undiscounted lease payments to be received on an annual basis are not determinable and disclosed.



**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

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

	Furniture, fittings and office equipment RM'000
<b>Cost</b>	
Balance at 1 August 2022	315
Disposals	(1)
Balance at 31 July 2023	314
Additions	3
<b>Balance at 31 July 2024</b>	<b>317</b>
<b>Accumulated depreciation</b>	
Balance at 1 August 2022	171
Depreciation	71
Balance at 31 July 2023	242
Depreciation	50
Balance at 31 July 2024	292
<b>Carrying amount</b>	
Balance at 1 August 2022	144
Balance at 31 July 2023	72
Balance at 31 July 2024	25

**5. INVESTMENT PROPERTIES**
**Group**

	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>Cost</b>			
Balance at 1 August 2022	41,499	832	42,331
Disposals	0	(110)	(110)
Transfer from property, plant and equipment	1,900	4,985	6,885
Balance at 31 July 2023	43,399	5,707	49,106
Disposals	0	(132)	(132)
<b>Balance at 31 July 2024</b>	<b>43,399</b>	<b>5,575</b>	<b>48,974</b>

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024  
(CONT'D)

**5. INVESTMENT PROPERTIES (CONT'D)**

	Freehold land RM'000	Buildings RM'000	Total RM'000
<b>Accumulated depreciation</b>			
Balance at 1 August 2022	0	105	105
Depreciation	0	33	33
Disposals	0	(34)	(34)
Transfer from property, plant and equipment	0	1,280	1,280
Balance at 31 July 2023	0	1,384	1,384
Depreciation	0	114	114
<b>Balance at 31 July 2024</b>	<b>0</b>	<b>1,498</b>	<b>1,498</b>
<b>Carrying amount</b>			
Balance at 1 August 2022	41,499	727	42,226
Balance at 31 July 2023	43,399	4,323	47,722
<b>Balance at 31 July 2024</b>	<b>43,399</b>	<b>4,077</b>	<b>47,476</b>
<b>Fair value</b>			
Estimated fair value at 31 July 2023	70,016	4,539	74,555
<b>Estimated fair value at 31 July 2024</b>	<b>98,725</b>	<b>6,350</b>	<b>105,075</b>

The fair values of investment properties as at 31 July 2024 were measured based on appraisals performed by independent professional valuers using the market comparison approach. The appraised values were derived from observable prices per square foot for comparable properties in similar locations (i.e. Level 2).

The Group leases certain investment properties under an operating lease for 2 years. The undiscounted lease payments to be received are as follows:

	2024 RM'000	2023 RM'000
Within 1 year	1,330	1,596
1 to 2 years	0	1,330
	<b>1,330</b>	<b>2,926</b>

The Group also leases certain investment properties under operating leases on a monthly basis. Accordingly, the undiscounted lease payments to be received on an annual basis are not determinable and disclosed.

**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**6. RIGHT-OF-USE ASSETS**
**Group**

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Balance at 1 August 2022	10,877	4,081	14,958
Additions	0	89	89
Remeasurement of lease liabilities	0	523	523
Depreciation	(174)	(1,087)	(1,261)
Balance at 31 July 2023	10,703	3,606	14,309
Remeasurement of lease liabilities	0	953	953
Depreciation	(174)	(1,093)	(1,267)
<b>Balance at 31 July 2024</b>	<b>10,529</b>	<b>3,466</b>	<b>13,995</b>

**Company**

	Buildings RM'000
Balance at 1 August 2022	0
Additions	89
Depreciation	(38)
Balance at 31 July 2023	51
Remeasurement of lease liabilities	76
Depreciation	
<b>Balance at 31 July 2024</b>	<b>51</b>

The Group acquired the rights to use the leasehold land for 62 to 82 years. The Group and the Company also lease the buildings for business operations. The initial lease terms range from 1 to 2 years and are extendable for 1 to 6 years.

**7. INTANGIBLE ASSETS**
**Group**

	Computer software RM'000
<b>Cost</b>	
Balance at 1 August 2022 / 31 July 2023 / 31 July 2024	2,735
<b>Accumulated amortisation</b>	
Balance at 1 August 2022	1,870
Amortisation	865
Balance at 31 July 2023 / 31 July 2024	2,735
<b>Carrying amount</b>	
Balance at 1 August 2022	865
Balance at 31 July 2023 / 31 July 2024	0

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 8. INVESTMENTS IN SUBSIDIARIES

#### Company

	2024 RM'000	2023 RM'000
Unquoted shares - at cost	<b>204,988</b>	201,988

The details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activity
		2024	2023	
Astino (Malaysia) Colour Steel Sheet Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Metal Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Southern Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Agro-House Multi System Sdn. Bhd.	Malaysia	100%	100%	Design, construction, manufacture and sale of poultry house and equipment system
Astino Netting Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of insect screen
Astino Scaffolding Sdn. Bhd.	Malaysia	100%	100%	Manufacture, sale and renting of scaffolding
Ooi Joo Kee & Brothers Sdn. Bhd.	Malaysia	100%	100%	Investment holding

### 9. INVESTMENT IN ASSOCIATE

#### Group

	2024 RM'000	2023 RM'000
Unquoted shares - at cost	<b>4,060</b>	4,060
Share of post-acquisition changes in net assets	<b>(1,732)</b>	(1,607)
	<b>2,328</b>	2,453

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 9. INVESTMENT IN ASSOCIATE (CONT'D)

The details of the associate are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activity
		2024	2023	
Richhill Capital Sdn. Bhd.	Malaysia	35%	35%	Investment holding

The summarised financial information of the associate is as follows:

	2024 RM'000	2023 RM'000
Non-current assets	6,680	7,034
Current assets	13	18
Current liabilities	(43)	(43)
Net assets	6,650	7,009
Loss (representing comprehensive income)	(359)	(1,010)

The reconciliation of the above summarised financial information to the carrying amount of the investment in associate is as follows:

	2024 RM'000	2023 RM'000
Net assets	6,650	7,009
Effective ownership interest	35%	35%
Carrying amount	2,328	2,453

### 10. OTHER INVESTMENTS

#### Group

	2024 RM'000	2023 RM'000
Quoted shares - at fair value	200	174

The fair values of quoted investments were directly measured using their unadjusted closing prices in active markets (i.e. Level 1).

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

**11. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Balance at 1 August	<b>(5,189)</b>	(3,589)	<b>52</b>	126
Deferred tax income/(expense) relating to origination and reversal of temporary differences	<b>48</b>	(1,520)	<b>51</b>	(72)
Deferred tax liabilities over/(under) provided in prior year	<b>78</b>	(80)	<b>0</b>	(2)
<b>Balance at 31 July</b>	<b>(5,063)</b>	(5,189)	<b>103</b>	52
Disclosed as:				
- Deferred tax assets	<b>519</b>	52	<b>103</b>	52
- Deferred tax liabilities	<b>(5,582)</b>	(5,241)	<b>0</b>	0
	<b>(5,063)</b>	(5,189)	<b>103</b>	52
In respect of:				
- Deductible/(Taxable) temporary differences of:				
- Inventories	<b>3,165</b>	3,865	<b>0</b>	0
- Financial instruments	<b>1,362</b>	1,065	<b>103</b>	58
- Lease liabilities	<b>792</b>	899	<b>12</b>	12
- Property, plant and equipment	<b>(10,028)</b>	(10,404)	<b>0</b>	(6)
- Investment properties	<b>(137)</b>	(136)	<b>0</b>	0
- Right-of-use assets	<b>(751)</b>	(864)	<b>(12)</b>	(12)
- Unused capital allowances	<b>436</b>	288	<b>0</b>	0
- Unused tax losses	<b>98</b>	98	<b>0</b>	0
	<b>(5,063)</b>	(5,189)	<b>103</b>	52

**12. INVENTORIES**

	Group	
	2024 RM'000	2023 RM'000
Raw materials	<b>131,092</b>	120,647
Finished goods	<b>21,242</b>	23,786
	<b>152,334</b>	144,433

**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**13. RECEIVABLES**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade receivables:				
- Related parties <sup>(a)</sup>	774	654	0	0
- Related parties <sup>(b)</sup>	187	250	0	0
- Unrelated parties	79,942	76,448	0	0
	80,903	77,352	0	0
- Loss allowance	(1,090)	(942)	0	0
	79,813	76,410	0	0
Other receivables	604	549	2	0
	80,417	76,959	2	0

<sup>(a)</sup> Being companies in which certain directors have substantial financial interests

<sup>(b)</sup> Being companies in which close family members of certain directors have substantial financial interests

**Trade receivables**

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 31 July 2024, the Group did not have any major credit risk concentration relating to any individual customer or counterparty. The credit risk concentration profile by geographical areas of trade receivables is as follows:

	Group	
	2024 RM'000	2023 RM'000
Malaysia	80,903	77,151
Indonesia	0	201
	80,903	77,352

The credit terms of trade receivables range from 30 to 90 days. The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status is as follows:

	Group	
	2024 RM'000	2023 RM'000
Not past due	78,724	74,427
1 to 30 days past due	824	1,556
31 to 60 days past due	207	220
61 to 90 days past due	49	135
More than 90 days past due	1,099	1,014
	80,903	77,352

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 13. RECEIVABLES (CONT'D)

#### Trade receivables (cont'd)

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

#### Group

	Not past due RM'000	1 to 30 days past due RM'000	31 to 60 days past due RM'000	61 to 90 days past due RM'000	More than 90 days past due RM'000	Credit- impaired RM'000	Total RM'000
<b>2024</b>							
Gross carrying amount	78,724	824	207	49	99	1,000	80,903
Average credit loss rate	0.05%	0.36%	1.93%	2.04%	46.46%	100.00%	1.35%
<b>Loss allowance</b>	<b>36</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>46</b>	<b>1,000</b>	<b>1,090</b>
<b>2023</b>							
Gross carrying amount	74,427	1,556	220	135	141	873	77,352
Average credit loss rate	0.07%	0.19%	1.36%	1.48%	8.51%	100.00%	1.22%
Loss allowance	49	3	3	2	12	873	942

The average credit loss rates were based on the payment profile of revenue over a period of 36 (2023 : 36) months and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The changes in the loss allowance are as follows:

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 August	942	1,240
Impairment losses/(gains)	148	(263)
Write-offs	0	(35)
Balance at 31 July	<b>1,090</b>	942



**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**14. PREPAYMENTS**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Prepaid cost of property, plant and equipment (Note 28)	0	6,016	0	0
Prepaid operating expenses	5,156	3,093	113	75
	<b>5,156</b>	<b>9,109</b>	<b>113</b>	<b>75</b>

**15. CASH AND CASH EQUIVALENTS**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances:				
- Interest earning	43,534	89,356	227	1,746
- Non-interest earning	339	443	0	0
	<b>43,873</b>	<b>89,799</b>	<b>227</b>	<b>1,746</b>
Term deposits	38,401	14,531	0	0
	<b>82,274</b>	<b>104,330</b>	<b>227</b>	<b>1,746</b>

Cash and cash equivalents are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

The effective interest rates of interest earning bank balances and term deposits as at 31 July 2024 ranged from 2.50% to 5.45% (2023 : 2.50% to 5.10%) per annum.

**16. PAYABLES**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables	6,725	10,141	0	0
Other payables	10,469	9,427	804	575
Accrued cost of property, plant and equipment (Note 28)	6,016	0	0	0
	<b>23,210</b>	<b>19,568</b>	<b>804</b>	<b>575</b>

Payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

The credit terms of payables range from 30 to 90 days.

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

**17. LOANS AND BORROWINGS**

**Group**

	2024 RM'000	2023 RM'000
<b>Unsecured</b>		
Revolving credits	22,689	12,016
Term loans	0	4,157
	<b>22,689</b>	16,173
Disclosed as:		
- Current liabilities	7,038	7,173
- Non-current liabilities	15,651	9,000
	<b>22,689</b>	16,173

The effective interest rate of loans and borrowings as at 31 July 2024 was 4.40% (2023 : 4.39% to 4.78%) per annum.

Having complied with specified covenants and conditions, the Group has the rights to roll over the revolving credit obligations on a monthly basis for 5 years, with each rolled over principal amount being reduced by RM583,000 (2023: RM250,000) per month. Hence, the facilities are effectively repayable as follows:

	2024 RM'000	2023 RM'000
Within 1 year	7,038	3,016
1 to 5 years	15,651	9,000
	<b>22,689</b>	12,016

**18. LEASE LIABILITIES**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Gross lease liabilities:				
- Within 1 year	1,200	1,140	52	52
- 1 to 5 years	2,520	2,760	0	0
- After 5 years	360	320	0	0
Total contractual undiscounted cash flows	4,080	4,220	52	52
Future finance charges	(429)	(469)	(1)	(1)
Present value of lease liabilities	<b>3,651</b>	3,751	<b>51</b>	51
Disclosed as:				
- Current liabilities	1,046	992	51	51
- Non-current liabilities	2,605	2,759	0	0
	<b>3,651</b>	3,751	<b>51</b>	51

The incremental borrowing rates applied to lease liabilities as at 31 July 2024 ranged from 3.17% to 5.04% (2023 : 3.17% to 5.20%) per annum.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 19. CONTRACT LIABILITIES

#### Group

	2024 RM'000	2023 RM'000
Balance at 1 August	<b>13,520</b>	22,543
Revenue recognised from opening contract liabilities	<b>(10,263)</b>	(18,768)
Excess of consideration over revenue recognised	<b>11,051</b>	9,745
Balance at 31 July	<b>14,308</b>	13,520

As disclosed in Note 2.18, the Group generally satisfies its performance obligations at a point in time upon delivery of goods. Any consideration received or due in advance before a performance obligation is satisfied is presented as contract liability.

As a practical expedient, information about remaining performance obligations for contracts with original duration of one year or less has not been disclosed.

### 20. SHARE CAPITAL

	2024 RM'000	2023 RM'000
<b>Issued and fully paid</b>		
493,411,000 ordinary shares with no par value	<b>138,274</b>	138,274

#### Treasury shares

The shareholders of the Company, by a resolution passed at the annual general meeting held on 28 January 2005, approved the Company's plan to purchase its own shares. The details of the shares purchased from the open market using internally generated funds and held as treasury shares during the financial year are as follows:

	2024		2023	
	Number of ordinary shares '000	Cost RM'000	Number of ordinary shares '000	Cost RM'000
Balance at 1 August	<b>4,147</b>	<b>2,086</b>	2	1
Shares purchased	<b>6,741</b>	<b>3,957</b>	4,145	2,085
Balance at 31 July	<b>10,888</b>	<b>6,043</b>	4,147	2,086
Average unit cost for the year (RM)		<b>0.587</b>		0.503

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024  
(CONT'D)

**20. SHARE CAPITAL (CONT'D)**

**Treasury shares (Cont'd)**

The number of outstanding shares in issue after excluding the treasury shares is as follows:

	2024 Number of ordinary shares '000	2023 Number of ordinary shares '000
Balance at 1 August	489,264	493,409
Shares purchased	(6,741)	(4,145)
Balance at 31 July	482,523	489,264

**21. REVENUE**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue from contracts with customers:				
- Sale of goods	627,827	617,608	0	0
- Rendering of services	0	0	4,870	4,841
	627,827	617,608	4,870	4,841
Other sources of revenue:				
- Dividend income	0	0	10,350	7,300
- Operating lease income	938	1,094	0	0
	938	1,094	10,350	7,300
	628,765	618,702	15,220	12,141

The disaggregation of revenue by geographical areas is disclosed in Note 30. Information about other disaggregation of revenue from contracts with customers has not been disclosed as the Group generates the revenue principally from selling metal building related products, whereas the Company derives the revenue mainly from rendering management services to subsidiaries.

**22. IMPAIRMENT (LOSSES)/GAINS ON FINANCIAL ASSETS**

	Group	
	2024 RM'000	2023 RM'000
Trade receivables from contracts with customers	(148)	263

**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**23. PROFIT BEFORE TAX**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before tax is arrived at after charging:				
Amortisation of intangible assets	0	865	0	0
Auditors' remuneration	168	168	35	35
Depreciation of investment properties	114	33	0	0
Depreciation of property, plant and equipment	9,915	9,731	50	71
Depreciation of right-of-use assets	1,267	1,261	76	38
Employee benefits expense (Note 24)	48,620	44,066	4,299	3,744
Fair value losses on financial instruments mandatorily measured at fair value through profit or loss	0	5	0	0
Fee expense for financial instruments not measured at fair value through profit or loss	171	151	1	1
Interest expense for financial liabilities not measured at fair value through profit or loss	604	848	0	0
Interest expense for lease liabilities	166	170	2	2
Inventories written down	10,214	13,528	0	0
Lease expense relating to:				
- Short-term leases	30	12	144	144
- Leases of low-value assets (other than short-term leases)	38	38	7	5
Property, plant and equipment written off	72	15	0	0
Unrealised loss on foreign exchange	296	349	0	0
and crediting:				
Dividend income	14	5	10,350	7,300
Fair value gains on financial instruments mandatorily measured at fair value through profit or loss	26	0	0	0
Gain on dilution of interest in associate	0	548	0	0
Gain on disposal of investment properties	209	89	0	0
Gain on disposal of property, plant and equipment	301	135	0	0
Interest income for financial assets measured at amortised cost	3,783	2,397	42	11
Operating lease income from:				
- Investment properties	1,638	530	0	0
- Others	938	1,094	0	0
Realised gain on foreign exchange	491	82	0	0

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

**24. EMPLOYEE BENEFITS EXPENSE (INCLUDING DIRECTORS' REMUNERATION)**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors of the Company:				
- Fees	96	96	96	96
- Other short-term employee benefits	3,655	3,049	27	28
- Defined contribution plans	537	575	0	0
	<b>4,288</b>	3,720	<b>123</b>	124
Directors of subsidiaries:				
- Short-term employee benefits	2,890	2,247	0	0
- Defined contribution plans	548	426	0	0
	<b>3,438</b>	2,673	<b>0</b>	0
Other employees:				
- Short-term employee benefits	37,605	34,615	3,752	3,249
- Defined contribution plans	3,289	3,058	424	371
	<b>40,894</b>	37,673	<b>4,176</b>	3,620
	<b>48,620</b>	44,066	<b>4,299</b>	3,744

The estimated money value of benefits received or receivable by directors otherwise than in cash is as follows:

	Group	
	2024 RM'000	2023 RM'000
Directors of the Company	57	57
Directors of subsidiaries	37	37
	<b>94</b>	94

**25. TAX EXPENSE**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Tax based on results for the year:				
- Current tax	12,395	8,151	69	68
- Deferred tax	(48)	1,520	(51)	72
	<b>12,347</b>	9,671	<b>18</b>	140
Tax (over)/under provided in prior year:				
- Current tax	(520)	(305)	(2)	(21)
- Deferred tax	(78)	80	0	2
	<b>11,749</b>	9,446	<b>16</b>	121

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 25. TAX EXPENSE (CONT'D)

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate on results for the year is as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Applicable tax rate	<b>24.00</b>	24.00	<b>24.00</b>	24.00
Non-deductible expenses	<b>1.47</b>	2.02	<b>0.72</b>	1.00
Non-taxable income	<b>(0.20)</b>	(0.39)	<b>(24.54)</b>	(23.15)
Effect of differential tax rates	<b>0.00</b>	(0.03)	<b>0.00</b>	0.00
Average effective tax rate	<b>25.27</b>	25.60	<b>0.18</b>	1.85

### 26. EARNINGS PER SHARE

#### Group

The basic earnings per share is calculated by dividing the Group's profit for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	2024	2023
Profit for the financial year (RM'000)	<b>37,108</b>	28,334
Number of shares in issue at 1 August ('000)	<b>489,264</b>	493,409
Effect of shares purchased ('000)	<b>(2,269)</b>	(1,800)
Weighted average number of shares in issue ('000)	<b>486,995</b>	491,609
Basic earnings per share (sen)	<b>7.62</b>	5.76

The diluted earnings per share equals the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the financial year.

### 27. DIVIDENDS

#### Group and Company

	2024 RM'000	2023 RM'000
Final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2022	<b>0</b>	4,920
Final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2023	<b>4,866</b>	0
	<b>4,866</b>	4,920

A final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2024 will be proposed for shareholders' approval at the forthcoming annual general meeting.

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

**28. NOTES TO STATEMENTS OF CASH FLOWS**

**Acquisition of property, plant and equipment**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cost of property, plant and equipment acquired (Note 4)	<b>66,949</b>	6,589	<b>3</b>	0
Cost prepaid in current year (Note 14)	<b>0</b>	6,016	<b>0</b>	0
Cost prepaid in prior year (Note 14)	<b>(6,016)</b>	0	<b>0</b>	0
Cost accrued in current year (Note 16)	<b>(6,016)</b>	0	<b>0</b>	0
Net cash disbursed	<b>54,917</b>	12,605	<b>3</b>	0

**Acquisition of right-of-use assets**

	Group and Company	
	2024 RM'000	2023 RM'000
Cost of right-of-use assets acquired (Note 6)	<b>0</b>	89
Acquisition by means of leases	<b>0</b>	(82)
Net cash disbursed	<b>0</b>	7

**Short-term loans and borrowings**

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 August	<b>0</b>	4,987
Net cash flow changes	<b>0</b>	(4,992)
Other changes	<b>0</b>	5
Balance at 31 July	<b>0</b>	0

**Revolving credits**

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 August	<b>12,016</b>	15,016
Drawdown	<b>13,984</b>	0
Repayments	<b>(3,333)</b>	(3,000)
Other changes	<b>22</b>	0
Balance at 31 July (Note 17)	<b>22,689</b>	12,016



**NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024**

(CONT'D)

**28. NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)**
**Lease liabilities**

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Balance at 1 August	3,751	4,169	51	0
Acquisition of right-of-use assets	0	82	0	82
Remeasurement from reassessment or lease modifications	953	523	76	0
Payments	(1,053)	(1,023)	(76)	(31)
Balance at 31 July (Note 18)	3,651	3,751	51	51

The total cash outflow for leases is as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Operating activities</b>				
Lease expense recognised in profit or loss (Note 23)	68	50	151	149
<b>Investing activities</b>				
Acquisition of right-of-use assets	0	7	0	7
<b>Financing activities</b>				
Interest portion of lease liabilities (Note 23)	166	170	2	2
Principal portion of lease liabilities	1,053	1,023	76	31
	1,287	1,250	229	189

**Term loans**

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 August	4,157	10,397
Repayments	(4,140)	(6,224)
Other changes	(17)	(16)
Balance at 31 July (Note 17)	0	4,157

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 29. RELATED PARTY DISCLOSURES

Transactions with related parties during the financial year are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Key management personnel compensation:				
- Short-term employee benefits	6,735	5,486	123	124
- Defined contribution plans	1,085	1,001	0	0
	<b>7,820</b>	6,487	<b>123</b>	124
Disposal of property, plant and equipment to director	115	0	0	0
Disposal of property, plant and equipment to subsidiary	0	0	0	1
Dividends declared from subsidiaries	0	0	10,350	7,300
Management fees charged to subsidiaries	0	0	4,870	4,841
Purchase of goods from other related party <sup>(a)</sup>	1	0	0	0
Purchase of property, plant and equipment from subsidiary	0	0	3	0
Rental charged by subsidiary	0	0	144	144
Rental charged by other related party <sup>(a)</sup>	180	180	78	39
Rental charged by other related parties <sup>(b)</sup>	1,040	1,020	0	0
Sale of goods to other related parties <sup>(a)</sup>	1,791	3,279	0	0
Sale of goods to other related parties <sup>(c)</sup>	901	729	0	0
Subscription for shares in subsidiary	0	0	3,000	0

<sup>(a)</sup> Being companies in which certain directors have substantial financial interests

<sup>(b)</sup> Being key management personnel of the Group who are also close family members of certain directors

<sup>(c)</sup> Being companies in which close family members of certain directors have substantial financial interests

### 30. SEGMENT REPORTING

Group

#### Operating segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely the manufacture and sale of metal building related products.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 30. SEGMENT REPORTING (CONT'D)

#### Geographical information

The Group operates principally in Malaysia and generates revenue from the following geographical locations of customers:

	External revenue	
	2024 RM'000	2023 RM'000
Malaysia	<b>618,903</b>	580,135
Indonesia	<b>4,879</b>	23,134
Philippines	<b>1,995</b>	9,565
Others	<b>2,988</b>	5,868
	<b>628,765</b>	618,702

#### Major customers

The Group did not have any major customer that contributed 10% or more of its total revenue.

### 31. CONTRACTUAL COMMITMENTS

#### Group

	2024 RM'000	2023 RM'000
Acquisition of property, plant and equipment	<b>20,412</b>	57,659

### 32. FINANCIAL GUARANTEE CONTRACTS

#### Company

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions and trade suppliers for credit facilities granted to certain subsidiaries up to a total limit of RM314,709,000 (2023 : RM326,727,000). The total utilisation of these credit facilities as at 31 July 2024 amounted to RM26,334,000 (2023 : RM21,745,000). No maturity analysis is presented for the financial guarantee contracts as the entire amount could be called at any time in the event of default by the subsidiaries.

The aforementioned financial guarantee contracts should have been recognised in the statement of financial position in accordance with the recognition and measurement policies as stated in Note 2.14. After considering that the probability of the subsidiaries defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 33. FINANCIAL RISK MANAGEMENT

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk, interest rate risk and other price risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

#### Credit risk

The Group's exposure to credit risk arises mainly from receivables and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statement of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 32.

The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an ongoing basis, setting and monitoring counterparties' limits and credit terms. The quantitative information about such credit risk exposure is disclosed in Note 13. As the Group only deals with reputable financial institutions, the credit risk associated with deposits placed with them is low.

#### Liquidity risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

#### Currency risk

The Group's exposure to currency risk arises mainly from transactions entered into in currencies other than its functional currency, i.e. Ringgit Malaysia ("RM"). The major foreign currency transacted is US Dollar ("USD"), and the gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:

	Group Denominated in USD	
	2024 RM'000	2023 RM'000
Receivables	0	201
Cash and cash equivalents	10,992	10,202
Payables	(130)	(1,504)
	<b>10,862</b>	<b>8,899</b>

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 33. FINANCIAL RISK MANAGEMENT (CONT'D)

#### Currency risk (Cont'd)

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:

- (i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss and equity to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:

	Group Profit/(Loss) and equity	
	2024	2023
	RM'000	RM'000
Appreciation of USD against RM by 1% (2023 : 3%)	83	203
Depreciation of USD against RM by 1% (2023 : 3%)	(83)	(203)

#### Interest rate risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely interest earning bank balances, term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:

	Group	
	2024	2023
	RM'000	RM'000
<b>Fixed rate instruments</b>		
Financial assets	38,401	14,531
Financial liabilities	26,340	15,767
<b>Floating rate instruments</b>		
Financial liabilities	0	4,157

NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024  
(CONT'D)

**33. FINANCIAL RISK MANAGEMENT (CONT'D)**

**Interest rate risk (Cont'd)**

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss and equity. For floating rate financial instruments measured at amortised cost, the following table demonstrates the sensitivity of profit or loss and equity to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:

	Group Profit/(Loss) and equity	
	2024 RM'000	2023 RM'000
Increase in interest rates by 0* (2023 : 22) basis point	0	(7)
Decrease in interest rates by 0* (2023 : 22) basis point	0	7

\* Using standard deviation to measure interest rate volatility for the past 12 months, the Group did not foresee any reasonably possible change in interest rate at the end of the reporting period.

**Other price risk**

The Group's exposure to other price risk arises mainly from quoted investments.

The Group manages its investments on an individual basis by continuously evaluating the share price movements, investment returns and the general industrial conditions relevant to the investees.

The Group's quoted investments are listed on Bursa Malaysia Securities Berhad. Based on the assumption that the share prices of these investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI"), the following table demonstrates the sensitivity of profit or loss and equity to changes in FBMKLCI that were reasonably possible at the end of the reporting period, with all other variables held constant:

	Group Profit/(Loss) and equity	
	2024 RM'000	2023 RM'000
Increase in FBMKLCI by 4% (2023 : 3%)	8	5
Decrease in FBMKLCI by 4% (2023 : 3%)	(8)	(5)

## NOTES TO THE FINANCIAL STATEMENTS 31 JULY 2024

(CONT'D)

### 34. CAPITAL MANAGEMENT

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as total interest-bearing debts divided by total equity as follows:

	Group	
	2024	2023
	RM'000	RM'000
Loans and borrowings	<b>22,689</b>	16,173
Lease liabilities	<b>3,651</b>	3,751
Total interest-bearing debts	<b>26,340</b>	19,924
Total equity	<b>552,892</b>	524,607
Total capital	<b>579,232</b>	544,531
Debt-to-equity ratio (times)	<b>0.05</b>	0.04

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

## LIST OF PROPERTIES OWNED BY ASTINO BERHAD AND IT'S SUBSIDIARIES AS AT 31 JULY 2024

<b>Location</b>	<b>Tenure</b>	<b>Description / Existing Use</b>	<b>Date of revaluation / acquisition</b>	<b>Age of Building (years)</b>	<b>Land area / built-up area</b>	<b>Net Book Value as at 31.07.2024</b>
Lot 632, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Industrial Land	31.7.2008	–	27,075 sq.m / Not applicable	<b>1,515,555</b>
Lot 1230, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	2 storey office block annexed with a single storey factory	31.7.2008	23	1.763 h.a. / 9,523 sq.m	<b>6,025,942</b>
Lot 1187, Mukim 15, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	A vacant detached housing plot	31.7.2008	–	354 sq.m./ Not applicable	<b>40,000</b>
Lot 20000, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang	Freehold	3 storey office block annexed with a single storey factory	31.7.2008	21	43,810 sq.m / 29,992 sq.m	<b>22,015,899</b>
Lot 1245, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	2 storey office block annexed with a single storey factory	31.7.2010	24	1.395 h.a. / 5,143 sq.m	<b>5,489,280</b>
Lot 1044 & 1045, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	2 adjoining units of 1 1/2 storey terraced light industrial buildings	31.7.2008	28	259 & 263 sq.m respectively / 362 & 362 sq.m respectively	<b>403,120</b>
PT 10343, Mukim Mentakab, Daerah Temerloh, Pahang.	Freehold	2 storey office block annexed with a single storey factory	31.7.2008	13	20,230 sq.m / 9,812 sq.m	<b>6,618,688</b>
PT 16357 Seksyen 20, Mukim Bandar Serendah, Daerah Ulu Selangor, Selangor.	Freehold	2 storey office block annexed with a single storey factory	31.7.2008	9	16,802 sq.m / 1.951 h.a.	<b>8,567,042</b>
Lot 2043 & 2045, Mukim 11, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	31.7.2011	–	40,242 sq.m / Not applicable	<b>2,620,000</b>
Lot 631, Mukim 12, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	31.7.2011	–	38,611 sq.m / Not applicable	<b>3,320,000</b>



## LIST OF PROPERTIES

(CONT'D)

Location	Tenure	Description / Existing Use	Date of revaluation / acquisition	Age of Building (years)	Land area / built-up area	Net Book Value as at 31.07.2024
Lot 6157 & 6158, Mukim Jeram, Daerah Kuala Selangor, Selangor.	Freehold	Agriculture land	6.9.2012	–	2.11 h.a. / Not applicable	<b>3,740,820</b>
Lot 18915 to 18918, Mukim Asam Kumbang, Daerah Larut & Matang, Perak.	Leasehold	Industrial land	1.4.2010	–	14,884 sq.m / Not applicable	<b>1,051,143</b>
PT 2475, Mukim 11, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	4 storey office block annexed with a single storey factory	1.10.2011	6	141,084 sq.m / 88,095 sq.m	<b>58,379,066</b>
Lot 1133, Mukim 07, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Industrial land	1.10.2011	–	59,402 sq.m / Not applicable	<b>8,034,473</b>
Lot 407, Mukim 17, Daerah Seberang Perai Tengah, Pulau Pinang.	Freehold	Vacant land	1.1.2014	–	40,949 sq.m / Not applicable	<b>8,000,851</b>
Lot 1491, 5700 & 5702, Mukim 11, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	31.8.2015	–	87,655 sq.m / Not applicable	<b>20,188,094</b>
Parcel No. 48, Taman Vila Permai Jaya, Daerah Seberang Perai Tengah, Pulau Pinang.	Freehold	Three storey semi-detached house	28.7.2017	7	211.63 sq.m	<b>619,717</b>
Lot 842, Mukim 01, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	26.4.2019	–	1.63 h.a. / Not applicable	<b>6,418,458</b>
Lot 639, Mukim 01, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	31.5.2019	–	5,053.5 sq.m / Not applicable	<b>1,969,746</b>
Lot 680, Mukim 08, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	31.10.2017	–	20,386 sq.m / Not applicable	<b>4,092,598</b>

## LIST OF PROPERTIES

(CONT'D)

<b>Location</b>	<b>Tenure</b>	<b>Description / Existing Use</b>	<b>Date of revaluation / acquisition</b>	<b>Age of Building (years)</b>	<b>Land area / built-up area</b>	<b>Net Book Value as at 31.07.2024</b>
Lot 682, Mukim 08, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	18.12.2020	–	3,240 sq.m / Not applicable	<b>430,174</b>
Lot 683, Mukim 08, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	18.12.2020	–	4,761 sq.m / Not applicable	<b>632,934</b>
Lot 684, Mukim 08, Daerah Seberang Perai Selatan, Pulau Pinang.	Freehold	Vacant land	18.12.2020	–	4,130 sq.m / Not applicable	<b>551,497</b>
PT 465, Bandar Sungai Petani, Daerah Kuala Muda, Kedah.	Leasehold	Industrial land	31.10.2021	–	40,468.6 sq.m / Not applicable	<b>9,702,828</b>
PT 13928 & 13929, Mukim Jasin, Daerah Jasin, Melaka.	Freehold	Industrial land	21.07.2022	–	47,425 sq.m / Not applicable	<b>18,484,514</b>
PT 84451 & 84452, Mukim Kapar, Daerah Klang, Selangor.	Freehold	Industrial land	5.4.2024	–	884,703.6 sq.ft	<b>60,159,845</b>
<b>TOTAL</b>						<b>259,072,285</b>

# SHAREHOLDINGS STATISTIC

AS AT 1 NOVEMBER 2024

Number of ordinary shares in issued	:	493,411,555 (inclusive of 15,205,605 Treasury shares held)
Class of Equity Securities	:	Ordinary shares
Voting Rights	:	One vote per share

## LIST OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

Name	Direct	%	Indirect	%
Seavision Sdn Bhd	153,388,620	32.08	–	–
Ng Back Teng	39,070,451	8.17	55,080*	0.01
Ng Hung Seh	26,155,299	5.47	4,822,311*	1.01
Ng Bak Seng	370,872	0.08	154,931,086**	32.40
Yeo Seng Chong	2,550,000	0.53	23,436,782**	4.90
Lim Mee Hwa	1,950,000	0.41	24,036,782**	5.03

Notes:

\* Deemed interested pursuant to Section 197(1) of the Companies Act 2016 ("Act")

\*\* Deemed interested pursuant to Section 8(4) and Section 197(1) of the Act

## DIRECTORS' SHAREHOLDINGS IN THE COMPANY

Name	Direct	%	Indirect	%
Ng Back Teng	39,070,451	8.17	55,080*	0.01
Ng Hung Seh	26,155,299	5.47	4,822,311*	1.01
Dato' Ng Hung Weng	2,256,536	0.47	–	–
Cheah Swi Chun	2,244,799	0.47	–	–
Dato' Haji Mohtar Bin Nong	–	–	–	–
Lim Bee Lee	–	–	–	–

Note: -

\* Deemed interested pursuant to Section 197(1) of the Act

## DISTRIBUTION SCHEDULE OF SHAREHOLDINGS

No. of Holders	Size of Holdings	Total Holdings	%
1,090	less than 100 shares	48,284	0.01
665	100 to 1,000 shares	243,110	0.05
1,551	1,001 to 10,000 shares	8,740,332	1.83
1,364	10,001 to 100,000 shares	44,948,868	9.40
275	100,001 to less than 5% of issued shares	244,681,437	51.17
2	5% and above of issued shares	179,543,919	37.54
<b>4,947</b>		<b>478,205,950</b>	<b>100.00</b>

## SHAREHOLDINGS STATISTIC AS AT 1 NOVEMBER 2024

(CONT'D)

### LIST OF THIRTY (30) LARGEST SHAREHOLDERS

	NAMES	NO. OF SHARES HELD	%
1.	Seavision Sdn. Bhd.	153,388,620	32.08
2.	Ng Hung Seh	26,155,299	5.47
3.	Ng Back Teng	23,004,836	4.81
4.	DB (Malaysia) Nominee (Asing) Sdn. Bhd. Deutsche Bank AG Singapore For Yeoman 3-Rights Value Asia Fund (PTSL)	20,500,000	4.29
5.	Ng Back Teng	16,065,615	3.36
6.	Ng Hun Chew	11,184,105	2.34
7.	Ng Fong Soo	9,458,847	1.98
8.	Ng Bak Hiong	7,704,836	1.61
9.	Phillip Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Goh Choon Kim	7,408,304	1.55
10.	Liau Keen Yee	5,323,980	1.11
11.	Chuah Cheng Boey	4,822,311	1.01
12.	Siew Quek Lan	4,425,692	0.93
13.	CSC Steel Holdings Berhad	3,828,216	0.80
14.	Koh Kwee Hooi	3,820,919	0.80
15.	Khor Soo Kiang	3,501,885	0.73
16.	Liau Choon Hwa & Sons Sdn. Bhd.	2,946,060	0.62
17.	CSC Steel Holdings Berhad	2,734,511	0.57
18.	Lai Kam Keong	2,662,200	0.56
19.	Tan Kim Kee @ Tan Kee	2,650,000	0.55
20.	Affin Hwang Nominees (Asing) Sdn. Bhd. DBS Vickers Secs (S) Pte Ltd For Yeo Seng Chong	2,550,000	0.53
21.	Lim Khuan Eng	2,313,360	0.48
22.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Keng Chin Eng (E-SGM)	2,302,803	0.48
23.	Cheah Swi Chun	2,244,799	0.47
24.	Addeen Trading Sdn. Bhd.	2,203,750	0.46
25.	Zulkifli Bin Hussain	2,172,483	0.45
26.	Wong Chui Sing	2,008,550	0.42
27.	Affin Hwang Nominees (Asing) Sdn. Bhd. DBS Vickers Secs (S) Pte. Ltd. For Lim Mee Hwa	1,950,000	0.41
28.	Ng Hung Weng	1,910,000	0.40
29.	Ng Su Ngee	1,745,461	0.37
30.	Ooi Choo Fong	1,652,428	0.35

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Astino Berhad (200001020478)(523085-X)

PROXY FORM

CDS ACCOUNT NO.	NO. OF SHARES HELD

I/We, \_\_\_\_\_  
*(Full name of a member in BLOCK LETTERS as per Identity Card("MYKAD")/Passport/Certificate of Incorporation\*)*

MYKAD/Passport No./Company No.\* \_\_\_\_\_ of \_\_\_\_\_

*(Address in full)*

telephone no. \_\_\_\_\_, being a member of ASTINO BERHAD ("the Company")

hereby appoint \_\_\_\_\_  
*(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)*

MYKAD/Passport No.\* \_\_\_\_\_ of \_\_\_\_\_

*(Address in full)*

And/or failing him/her,\* \_\_\_\_\_  
*(Full name of proxy in BLOCK LETTERS as per MYKAD/Passport)*

MYKAD/Passport No.\* \_\_\_\_\_ of \_\_\_\_\_

*(Address in full)*

or failing the abovenamed proxies, the Chairman of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the 24th Annual General Meeting of the Company, to be held at **Iconic 1, Level 7, Iconic Hotel, 71, Jalan Icon City, Icon City, 14000 Bukit Mertajam, Penang on Friday, 24 January 2025 at 10.30 a.m.** and at any adjournment thereof. My/our proxy/proxies\* is to be vote as indicated below:

	RESOLUTION	FOR	AGAINST
1	Approval of payment of final single tier dividend		
2	Re-election of Mr. Ng Back Teng as Director		
3	Re-election of Dato' Haji Mohtar Bin Nong as Director		
4	Approval of Directors' Fees for the financial year ended 31 July 2024		
5	Approval of Directors' Other Benefits from 25 January 2025 to 31 January 2026		
6	Re-appointment of Auditors		
7	Approval to issue and allot shares pursuant to Section 75 of the Companies Act 2016		
8	Approval on the renewal on share buy-back by the Company		
9	Approval on renewal on shareholders' mandate for recurrent related party transactions		
10	Approval for Dato' Haji Mohtar Bin Nong to continue as Independent Non-Executive Director of the Company		

*(Please indicate with "X" in the spaces on how you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain from voting at his discretion.)*

*\*Strike out whichever not applicable*

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ .

\_\_\_\_\_  
Signature(s)/ Common Seal of Shareholder(s)

The proportions of my/our* holding to be represented by my/our* proxies are as follows: -		
	No. of Shares	Percentage
First Proxy		
Second Proxy		
<b>Total</b>		<b>100%</b>



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**NOTES:-**

1. A member entitled to attend, speak and vote at the AGM is entitled to appoint proxy(ies) to attend, participate, speak and vote in his stead.
2. Where a member is an authorised nominee ("AN") as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), the AN may appoint proxy(ies) in respect of each securities account it holds which is credited with ordinary shares of the Company.
3. Where a member of the Company is an exempt authorised nominee ("EAN") as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one securities account (omnibus account), the EAN may appoint proxy(ies) 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 specifies the proportion of his holdings to be represented by each proxy.
5. The appointment of a proxy may be made in hard copy form or by electronic means and must be received by the Company not less than forty-eight (48) hours before the time stipulated for holding the meeting or adjournment thereof. If the appointer is a corporation, under its common seal or in such other manner approved by its directors. Any alteration to the instrument appointing a proxy must be initialed. Kindly refer to the Administrative Details for further guidance.
6. For the purpose of determining a member who shall be entitled to attend this 24th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 16 January 2025. Only a depositor whose name appears on the Record of Depositors as at 16 January 2025 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

**Personal Data Privacy:**

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM of the Company and any adjournment thereof.

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AFFIX  
STAMP

**THE COMPANY SECRETARY  
ASTINO BERHAD**

[Registration No. 200001020478(523085-X)]

Suite 12-A, Level 12, Menara Northam  
No. 55, Jalan Sultan Ahmad Shah  
10050 Georgetown Penang

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**ASTINO BERHAD**

200001020478 (523085-X)

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14200 Sungai Bakap, Seberang Perai Selatan, Pulau Pinang.

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[www.astino.com.my](http://www.astino.com.my)