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CONTENTS

002	Corporate Information	061	Directors' Report
003	Corporate Structure	066	Directors' Statement
004	Notice Of Annual General Meeting	066	Statutory Declaration
009	Statement Accompanying Notice Of Annual General Meeting	067	Independent Auditors' Report
010	Management Discussion & Analysis	072	Statements of Financial Position
018	Directors' Profile	074	Statements of Comprehensive Income
021	Key Management Profile	075	Consolidated Statement of Changes in Equity
022	Corporate Governance Overview Statement	076	Statement of Changes in Equity
031	Additional Compliance Information	077	Statements of Cash Flows
032	Directors' Responsibility Statement	081	Notes to the Financial Statements
033	Sustainability Report	133	Properties of the Group
052	Statement on Risk Management and Internal Control	135	Analysis of Shareholdings
055	Audit Committee Report		Proxy Form



Corporate Information

DIRECTORS

Lim Chien Ch'eng

(Non-Independent Non-Executive Chairman)

Tsai Yung Chuan

(Managing Director)

Tsai Chang Hsiu-Hsiang

(Executive Director)

Tsai Chia Ling

(Executive Director)

Tsai Cheng Hsun

(Executive Director)

Ang Seng Oo

(Independent Non-Executive Director)

Low Yeaw Seng

(Independent Non-Executive Director)

Datin Sharmin Fazlina Binti Mohd Shukor

(Independent Non-Executive Director)

SECRETARIES

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

P'ng Chiew Keem (MAICSA 7026443)

SSM PC No. 201908002334

AUDIT COMMITTEE

Ang Seng Oo (Chairman) Independent Non-Executive Director

Datin Sharmin Fazlina Binti Mohd Shukor (Member) Independent Non-Executive Director

Low Yeaw Seng (Member) Independent Non-Executive Director

REGISTERED OFFICE

51-21-A Menara BHL Bank Jalan Sultan Ahmad Shah 10050 George Town Penang

Tel: 04-210 8833 Fax : 04-210 8831

Email: corporatenet21@gmail.com

BUSINESS ADDRESS

No. 1586 MK 11 Lorong Perusahaan Utama 1 Bukit Tengah Industrial Park 14000 Bukit Mertajam Penang

SHARE REGISTRAR

Symphony Corporate Services Sdn. Bhd. S-4-04, Gamuda Biz Suites Persiaran Anggerik Vanilla Kota Kemuning 40460 Shah Alam Selangor

Tel: 016-4397718 Fax: 03-51319134

AUDITORS

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

PRINCIPAL BANKERS

AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) CTBC Bank Co., Ltd (Ho Chi Minh City Branch) Hong Leong Asset Management Bhd. Hong Leong Bank Berhad Joint Stock Commercial Bank for Foreign Trade of Vietnam Maybank Kin Eng Securities Limited Malayan Banking Berhad OCBC Al-Amin Bank Berhad OCRC Bank (Malaysia) Berhad Saigon Thuong Tin Commercial Joint Stock Bank Standard Chartered Bank Malaysia Berhad United Overseas Bank (Malaysia) Bhd. UOB Asset Management (Malaysia) Vietnam Joint Stock Commercial

SOLICITOR

Ghazi & Lim

STOCK EXCHANGE LISTING

Bank for Industry and Trade

Commercial Joint Stock Bank

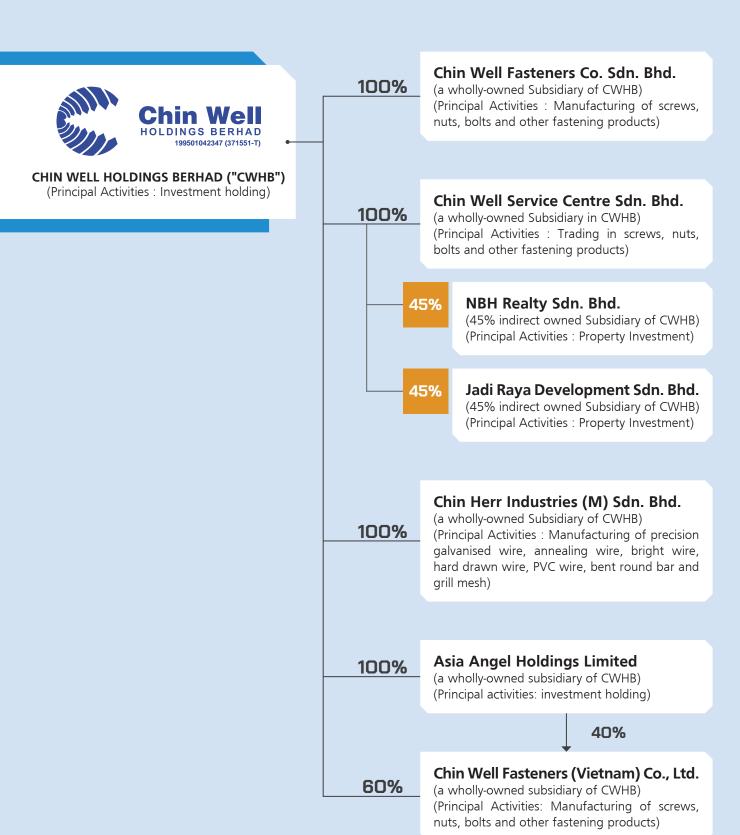
Vietnam Technological and

Main Market of Bursa Malaysia Securities Berhad Stock Name: CHINWEL Stock Code: 5007



Corporate Structure

as at 30 June 2024



Notice of Annual General Meeting



(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting ("AGM") of Chin Well Holdings Berhad ("the Company") will be held at the Conference Room of Chin Well Holdings Berhad at No. 1586, MK 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang on Wednesday, 27 November 2024 at 11.00 am, for the following purposes:-

AGENDA

As Ordinary Business:

Please refer to Note 8	1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon.	1
Ordinary Resolution 1	2. To re-elect Ms. Tsai Chia Ling, a Director who retires by rotation in accordance with Article 111 of the Company's Constitution and who, being eligible, offers herself for re-election.	2
Ordinary Resolution 2	To re-elect Mr. Tsai Cheng Hsun, a Director who retires by rotation in accordance with Article 111 of the Company's Constitution and who, being eligible, offers himself for re-election.	3
Ordinary Resolution 3	4. To approve the payment of Directors' fees amounting to RM180,000.00 to the Non-Executive Directors of the Company for the financial year ended 30 June 2024.	4
Ordinary Resolution 4	To approve the payment of Directors' fees amounting to RM180,000.00 to the Executive Directors of the Company for the financial year ended 30 June 2024.	5
Ordinary Resolution 5	To approve the payment of Directors' Benefits up to an amount not exceeding RM80,000.00 payable to the Directors of the Company for the financial year ending 30 June 2025.	6
Ordinary Resolution 6	7. To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company to hold office until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.	7



As Special Business:

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

8. AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Ordinary Resolution 7

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

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

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

PROPOSED CONTINUATION OF DATIN SHARMIN FAZLINA BINTI MOHD SHUKOR IN 9. OFFICE AS INDEPENDENT DIRECTOR

Ordinary Resolution 8

"THAT authority be and is hereby given to Datin Sharmin Fazlina Binti Mohd Shukor who had served as an Independent Director of the Company for a cumulative term of more than 9 years to continue to act as an Independent Director of the Company and to hold office until the conclusion of the next AGM of the Company."

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

Ordinary **Resolution 9**

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

- the aggregate number of CWHB Shares which may be purchased or held by the (a) Company shall not exceed 10% of the total number of issued shares of the Company ("Proposed Share Buy-Back"), subject to the restriction that the issued shares of the Company does not fall below the minimum share capital requirements of the Main LR of Bursa Securities that the Company continues to maintain a shareholding spread that is in compliance with the Main LR after the share purchase;
- the maximum funds to be allocated by the Company for the purpose of purchasing the (b) CWHB Shares under the Proposed Share Buy-Back shall not exceed the retained profits of the Company;



As Special Business: (cont'd)

10. PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY (CONT'D)

- the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until;
 - (i) the conclusion of the next AGM of the Company at which such resolution was passed at the which time the authority would lapse unless by ordinary resolution passed at the next AGM, the authority is renewed, either conditionally or subject to conditions; or
 - (ii) the expiration of the period within the next AGM of the Company after that date is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company of the CWHB Shares before the aforesaid expiry date and, made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities; and
- (d) upon completion of the purchase(s) of the CWHB Shares by the Company, the Directors of the Company be and are hereby authorised to retain the CWHB Shares so purchased as treasury shares, which may be distributed as dividends to shareholders, cancel and/or resold on Bursa Securities, in the manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Main LR of Bursa Securities and any other relevant authority for the time being in force,

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

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

By Order of the Board,

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

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

Penang

Date : 29 October 2024

NOTES ON APPOINTMENT OF PROXY

- 1. For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 20 November 2024. Only a depositor whose name appears on the Record of Depositors as at 20 November 2024 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her behalf.
- 2. A proxy may but need not be a member of the Company.
- 3. For a proxy to be valid, the original proxy form duly completed must be deposited at the registered office of the Company at 51-21-A Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 George Town, Penang not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll. The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted unless the original copy is received at the registered office not less than 24 hours before the time appointed for meeting.
- 4. A member shall be entitled to appoint of up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
- 5. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- 6. Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.
- 7. In the case of a corporate member, the proxy form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.

NOTES ON ORDINARY BUSINESS

8. Agenda 1 – Audited Financial Statements

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

9. Agenda 2 and Agenda 3 – Re-election of Directors

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

Agenda 4 and Agenda 5 - Directors' Fees

The Ordinary Resolution 3 and 4, if passed, will enable the Company to pay Directors' fees to the Non-Executive and Executive Directors of the Company for the financial year ended 30 June 2024 in accordance with Section 230(1) of the Companies Act 2016.

NOTES ON ORDINARY BUSINESS (CONT'D)

Agenda 6 - Directors' Benefits 11.

The Ordinary Resolution 5, if passed, will enable the Company to pay benefits to the Directors of the Company in accordance with Section 230(1) of the Companies Act 2016. The total amount of Directors' benefits payable is estimated based on number of scheduled meetings of the Board and Board Committees as well as the number of Directors involved; and these benefits may comprised of meeting allowances, trainings, accommodations, insurance and other emoluments and benefits-in-kinds.

Agenda 7 - Re-appointment of Auditors

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

NOTES ON SPECIAL BUSINESS

13. Agenda 8 – Authority to issue shares pursuant to Companies Act 2016

The Ordinary Resolution 7, if passed, will enable the Directors to allot and issue shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company for the time being for such purposes as the Directors consider will be in the best interest of the Company. This authority, unless revoked or varied by the shareholders of the Company in a general meeting will expire at the conclusion of the next AGM.

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

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

Agenda 9 – Proposed continuation as Independent Director

The Ordinary Resolution 8 is to seek shareholders' approval through a two-tier voting process and, if passed, will enable Datin Sharmin Fazlina Binti Mohd Shukor, an Independent Director of the Company who had served for a cumulative term of more than 9 years but less than 12 years to be retained and continued to act as an Independent Director of the Company until the conclusion of the next AGM of the Company. The Nominating Committee had assessed the independence of Datin Sharmin Fazlina Binti Mohd Shukor and recommended her to continue in office as she has demonstrated complete independence in character and judgement. The Board having considered the recommendation of the Nominating Committee proposed that Datin Sharmin Fazlina Binti Mohd Shukor be remained as an Independent Director of the Company until the conclusion of the next AGM of the Company.

Agenda 10 - Proposed Share Buy-Back Authority

The Ordinary Resolution 9, if passed, will enable the Directors of the Company to purchase the Company's shares up to 10% of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the retained profits of the Company. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM. Further information on the Proposed Share Buy-Back Renewal is set out in Share Buy-Back Statement dated 29 October 2024, a copy of which can be downloaded from the Company's website (www.chinwell.com.my).



Statement Accompanying Notice Of Annual General Meeting (PURSUANT TO PARAGRAPH 8.27(2) OF MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES)

- No individuals are standing for election as Directors at the forthcoming 28th Annual General Meeting of the 1) Company.
- 2) The Ordinary Resolution 7 tabled under Special Business as per the Notice of 28th Annual General Meeting of the Company dated 29 October 2024 is a renewal of general mandate granted by shareholders of the Company at the last Annual General Meeting held on 29 November 2023.

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

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



Management Discussion & Analysis

This Statement contains the management discussion and analysis ("MD&A") of the business operations and performance (including financial performance) of Chin Well Holdings Berhad ("CWHB") Group ("Chin Well Group" or "the Group") for the financial year ended 30 June 2024 ("FY2024").

This MD&A should be read in conjunction with the Audited Financial Statements

This MD&A contains forward-looking statements that reflect our current views in respect to future events. Our actual results may differ from those anticipated in these forward-looking statements as the result of risks and uncertainties.



Company's Profile

Chin Well Group was founded by our Group Managing Director, Mr. Tsai Yung Chuan in 1989. The Group was listed on the Main Board of Bursa Malaysia Securities Berhad in 1999 under the umbrella of CWHB. Today, Chin Well Group is one of the world's largest suppliers of carbon steel fasteners such as bolts, nuts, screws, etc.

The Group has production facilities in Penang, Malaysia and Dong Nai Province, Vietnam and we manufacture a wide range of fasteners for use in power, infrastructure and furniture sectors. One of the subsidiaries is involved in trading of fastener products. We have established strong distribution networks in domestic and international markets, with our fasteners being sold to Europe (34%), Malaysia (30%), North America (26%), Asian countries (8%), Vietnam (1%) and others (1%).

Besides fasteners, the Group is also involved in the manufacturing of precision galvanized wire, PVC wire, BRC wire and gabion, fences and chicken meshes via our wire products division with our production facilities located in Penang.

Economy Overview

The European steel industry has been navigating through numerous challenges since the COVID pandemic to the energy crisis and other ongoing disruptive factors. The lingering impact of the downside factors such as high energy prices, production cost, war in Ukraine and Russia had severely affected the steel and fastener consumption in Europe. The presence of such uncertainties had resulted in a recession in Europe and also adversely affected the global demand for the fastener products in FY2024.

In 2024, the economic conditions in the US showed signs of downturn as well. In addition to its fiscal, monetary and geopolitical uncertainty, the US presidential election is another headwind for the slowdown in its market which had negatively affected the demand for fastener products.

On domestic front, according to the report of Bank Negara, the Malaysian economy advanced by 5.9% in the second quarter of 2024 (1Q 2024: 4.2%). The growth is driven by stronger domestic demand, expansion in exports, higher household spending which is supported by positive labour market conditions and policy measures including investment activity underpinned by continued progress in multi-year projects across private and public sectors. Whilst the manufacturing sector is supported by broad-based improvement across all clusters, particularly in the electrical and electronics industry.

Notwithstanding the above, the demands for fasteners and wire in local market do not exhibit signs of picking up in FY2024. On top of local manufacturers facing fierce price competition from China and lack of major infrastructure projects domestically, the growth for local fasteners and wire demand also hinges on the Government's economic policies and directions in handling challenges confronting local manufacturers against the foreign suppliers.



Vision Strategy

The Group strives to be a leading manufacturer of high quality carbon steel fasteners and wire products whilst delivering sustainable value to our shareholders, employees, business partners and stakeholders.

We adopt the following strategies in order to achieve the Group's vision:

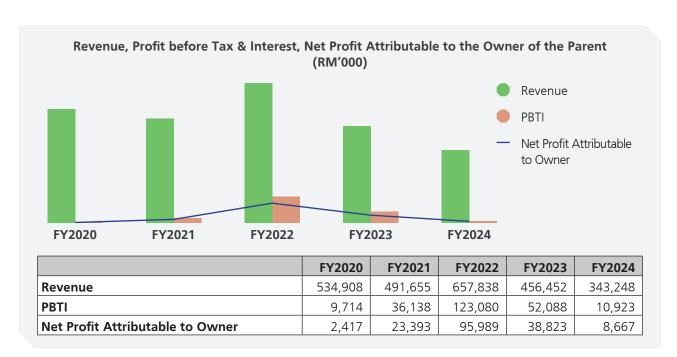
- Enhancement of product quality with the aim of zero defects;
- Development of new products via product differentiation and product portfolio expansion;
- New distribution networks or market reach;
- Cost efficiency benefiting from computerised inventory and automated warehousing
- Providing one stop supply with wide range of products; and
- Develop competencies and skills that increase job efficiency and effectiveness resulting in higher productivity.

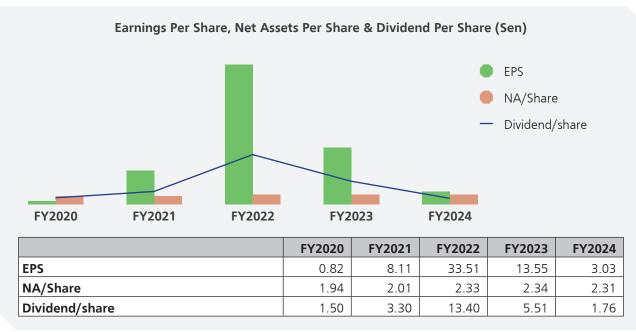
<u>Highlights of the Group's Financial Information for Past 5 Financial Years</u>

	FY2024	FY2023 (Restated)	FY2022	FY2021	FY2020
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	343,248	456,452	657,838	491,655	534,908
Profit before interest & tax	10,923	52,088	123,080	36,138	9,714
Finance cost	147	445	874	3,391	2,414
Net profit attributable to ordinary shareholders	8,667	38,823	95,989	23,393	2,417
Shareholders' equity	660,967	669,516	665,176	580,431	568,762
Total Assets	741,093	753,204	797,460	714,891	678,545
Borrowings	Nil	5,427	37,825	89,357	70,344
Debts/Equity ratio (%)	Nil	0.8%	5.7%	15.4%	12.4%
Earnings per share (sen)	3.03	13.55	33.51	8.11	0.82
Net assets per share (RM)	2.31	2.34	2.33	2.01	1.94
Dividend per share (sen)	1.76	5.51	13.40	3.30	1.50

Share Performance

Share performance	FY2024	FY2023	FY2022	FY2021	FY2020
Year high (RM per share)	1.49	1.87	1.98	1.58	1.83
Year low (RM per share)	1.17	1.26	1.16	0.935	0.68
Year close (RM per share)	1.22	1.32	1.70	1.21	1.01
Trading volume('000)	11,881.20	39,822,100	35,694.30	35,294.10	35,044.90
Market capitalization as of year					
end 30 June (RM'000)	349,468,229	378,115,806	486,970,726	360,943,844	292,271,546







Review of Financial Results and Financial Condition

Indicators to Measure the Group's Performance

The following key indicators were extracted from the Company's Audited Consolidated Statements of Profit or Loss to measure the Group's financial performance for FY2024 as compared with FY2023:

	FY2024	FY2023 (Restated)	Change
	RM'000	RM'000	%
Revenue	343,248	456,452	4 24.80%
Other Income	9,007	7,390	1 21.88%
Administrative expenses	18,442	24,469	4 24.63%
Selling and distribution expenses	7,153	7,040	1.61%
Finance cost	147	445	↓ 66.97%
Finance income	5,552	5,501	1 0.93%
Profit Before Tax	10,776	51,643	↓ 79.13%

During the FY2024, the global business environment faced multiple challenges due to uncertainties of ongoing global issues. Against this backdrop, the Group's revenue declined by 24.80% to RM343.25 million versus FY2023 of RM456.45 million. This was mainly attributed to lackluster average selling prices as well as weaker sales volume amid the challenging market environment. The profit before tax of the Group reduced to RM10.78 million as compared to profit before tax of RM51.64 million achieved in the corresponding period of preceding financial year.

The Group's core business is primarily engaged in the manufacturing of fasteners and wire products. The Fasteners division consists mainly of manufacturing of screws, bolts, nuts, threaded bars and other fastening products which contributed about 75.28% to the Group's total revenue while the remaining revenue was from the Wire division which comprises the manufacturing of precision galvanised wire, annealing wire, bright wire, hard drawn wire, PVC wire and grill mesh.

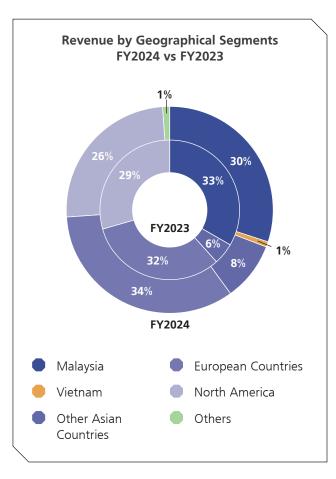
For FY2024, the Group sold approximately 29.85% of its products domestically whilst the remaining 70.15% were export sales. Europe and North America remained the two largest market destinations of the Group and they had contributed about 34.13% and 25.62% respectively to the Group's total revenue in FY2024.

The exports to the European and US markets had dropped by 20.88% and 33.59% to RM117.17 million and RM87.96 million respectively in current financial year, impacted by uncertainties arising from macroeconomic conditions worldwide namely the on-going war between Ukraine and Russia, Israel's war on Gaza, political tension between US and China, and other inflationary pressures that had led to economic contraction and substantial decline in the demand for fastener products. In addition, stiff price competition from China's products had further dampened the performance of the fasteners division.



Review of Financial Results and Financial Condition (cont'd)

Indicators to Measure the Group's Performance (cont'd)



Other income of the Group for FY2024 increased by 21.88% to RM9.01 million as compared to FY2023 of RM7.39 million mainly due to higher distribution income and fair value gain from placement of deposits in investment funds.

Selling and distribution expenses for FY2024 at RM7.15 million were comparable with those of FY2023 despite lower revenue recorded in current financial year. The effect of lower export sales in current financial year had mitigated the hike of international ocean freight costs arising from the Red Sea crisis.

Finance costs for FY2024 of RM0.15 million represented a 66.97% reduction as compared to FY2023 due to repayment of bank borrowings in current financial year. As of the closing of FY2024, the Group had fully settled its bank borrowings.

The Group registered a profit before tax of RM10.78 million as compared with RM51.64 million in the corresponding period of preceding year reflecting the lower revenue generated. Fastener Division contributed approximately RM12.14 million of the Group's profit before tax which cushioned the loss before tax of RM 2.60 million suffered from the Wire Division. The investment holding company contributed other income of RM1.24 million to the Group's profit under review.

Significant Changes in Financial Position and Liquidity As Compared With the Previous Financial Year

The financial position of the Group remained healthy as at 30 June 2024.

Key items of the Financial Position of the Company as at 30 June 2024 and 30 June 2023 which reflect the significant changes in financial position and liquidity as extracted from the Audited Financial Statements are as follows:

	30.06.2024 RM'000	30.06.2023 (Restated) RM'000	Change %
Trade receivables	46,789	49,185	4 .87%
Other investment	77,818	67,154	1 5.88%
Bank Borrowings	Nil	5,427	1 00.00%
Total Equity Attributable to shareholders	660,967	669,516	1 .28%
Gearing Ratios	NA	0.01	



Significant Changes in Financial Position and Liquidity As Compared With the Previous Financial Year (cont'd)

Trade receivables

As at 30 June 2024, trade receivables reduced by 4.87% to RM46.79 million which is in line with the lower revenue recorded in FY2024 and better collections from customers.

Other investment

Other investment as at 30 June 2024 amounting to RM77.82 million represents the deposits placed in investment fund for higher interest earning while maintaining the liquidity of the fund.

Borrowings

As at 30 June 2024, the Group had fully settled its bank borrowings to reduce its finance cost.

Equity Attributable to Shareholders

Equity attributable to the owners of the Company as at 30 June 2024 stood at RM660.97 million as compared to RM669.52 million as at 30 June 2023 after taking into account the profit after tax of RM8.67 million netting the dividends declared amounting to RM2.03 million in FY2023. During FY2024, the Company had bought back its own shares from open market amounting to RM2,564.

The retained earnings brought forward as of 1 July 2022 were restated retrospectively to RM485.25 million from RM494.78 million previously as the foreign subsidiary in Vietnam changed its costing methodology to be aligned with the local subsidiaries besides the additional provisions of severance allowance made pursuant to the requirements of Vietnam regulations. The restatement had given a reduction to a foreign translation reserves of RM0.19 million.

Capital Expenditure Requirements and Capital Structure

For FY2024, the Group incurred capital expenditures (CAPEX) of RM5.32 million as compared to RM6.73 million in FY2023. Due to uncertain economic conditions, the Group has been careful in incurring CAPEX. The CAPEX spent are merely for replacement and restoration of machinery and equipment.

The capital structure as at 30 June 2024 in which the Group financed its overall operations comprising different sources of funds is as follows:

	30.06.2024	30.06.2023 (Restated)		Change
	RM'000	RM'000		%
Equity				
Share Capital	177,929	177,929		-
Treasury Share	(18,886)	(18,884)		0.01%
Reserves	501,924	510,471	→	1.67%
<u>Debts</u>				
Net Borrowings	NIL	NIL		
Total	660,967	669,516	4	1.28%

Review of Operating Activities of Principal Business Segments

	FY2024	FY2023	Change
	RM'000	(Restated) RM'000	%
Revenue			_
Fasteners Division	258,388	345,662	25.25%
Wire Division	84,860	110,790	4 23.40%
Investment Holdings	-	-	
Group Revenue	343,248	456,452	4 24.80%
Profit hoforo toy//Loss)			_
Profit before tax/(Loss) Fasteners Division	12,144	48,653	1 75.04%
Wire Division	(2,607)	2,491	↓ 204.66%
Investment Holdings	1,239	499	1 48.30%
Group Profit Before Tax	10,776	51,643	↓ 79.13%

Fasteners Products

For FY2024, Fasteners division recorded a total revenue of RM258.39 million registering a decline of 25.25% as compared to FY2023. The fall in export sales was largely attributable to weak demand from the European market and lower average selling price due to price competition from China. The demand from Europe was adversely affected by the on-going geopolitical conflict in particularly the war between Ukraine and Russia, the elevated inflation rate and the high interest rate in the region. Meanwhile the demand from local market was not up to expectation as well because there were no mega construction projects started in the country that benefited the local fastener manufacturers and this had affected the revenue of this division. As a result, the profit before tax for this division reduced by RM36.51 million to RM12.14 million from RM48.65 million in FY2023.

Wire Products

Wire division posted total revenue of RM84.86 million in FY2024 representing a decrease of 23.40% as compared to FY2023. The profit before tax for this division dropped from RM2.49 million in FY2023 to a loss before tax of RM2.60 million in FY2024. This division was experiencing slow demand, and the profit margin was affected by the lower selling price and fixed overhead cost.

Business Risks

Going forward, the uncertainty of the international steel market remains as the biggest threat, where the continuously changing market conditions will certainly affect the wire rod prices and demand which will impact the Group's profit margin in short term. In the past, the risk was mitigated through proper inventory planning. The Group has been constantly monitoring the price movement of the wire rod and would purchase in bulk in order to secure more competitive pricing. It is also the practice of the Group to source its raw material from various sources so that it not reliant on a single supplier. The Group always ensures sufficient inventories for its production requirements by stocking up the materials when its price is low. Despite the fluctuation of the raw material price, there should not be a significant impact on the Group's bottom line in the long run as the Group applies cost-plus method in its pricing strategy. In addition, with the good relationship that the Group maintains with its long-term suppliers, the Group manages to have sufficient raw materials when there is a shortage of steel supply worldwide.

The unfavorable global political conflicts such as escalating tension between US-China and the on-going Ukraine-Russia war may continue to weigh on the global economic activities and adversely impact the demands for the Group's products. For instance, the flooding of cheap imports may further intensify the supply-demand imbalance and impact the fastener market in FY2025. Given the uncertain market conditions, it is always the Group intention to leverage on its competitive strength such as to focus on our production efficiency, to widen our product range, upgrade our product quality and enhance our delivery lead time efficiency. These will equip us to remain competitive in the industry for unexpected challenges ahead.



Business Risks (cont'd)

Ongoing regulatory changes to address growing environmental concerns will remain a challenge for us. For instance, Carbon Border Adjustment Mechanism (CBAM) had been implemented by European Union (EU) since October 2023 with the ultimate aim of reducing carbon emissions by ensuring the imported goods to EU from the countries outside EU are subject to the levy equal to the same carbon cost as that of the EU manufacturers. Upon the full implementation in 2026, the CBAM policy is expected to cause massive changes to EU's importers and would indirectly affect the exporters involved. As an effort to address this concern, the major subsidiaries of the Group had engaged external consultants to assess the CO2 emission of its production plant to serve as a base for future reduction in CO2 generation.

Forward-looking Statement

The market outlook in next financial year is expected to be challenging. The on-going geopolitical conflicts and instability have triggered recession in the Western region. Notwithstanding the challenges, the Group expects to benefit from the imposition of tariff by the European Commission and US on steels and fasteners originated from China. The Group foresees the demand for its DIY products will be improved after the US presidential election when the political uncertainties are cleared. In addition, the Group also anticipates the demands for fasteners in North America will increase, driven by the growth of key end-user industries such as manufacturing, automotive, and construction. The Group also targets to penetrate into new market segments such as Canada.

It is envisaged that the rollout of infrastructure projects nationwide in Malaysia will lift market sentiments to drive the local demand for fastener products. At the same time the Group will continue its effort to expand its downstream products to cushion the profit margin compression and price competition from foreign suppliers.

The Group would continue to explore other new business ventures which will potentially benefit the growth of the Group. Given the rising risks from the uncertainties of the economic conditions, the Group will be cautiously prudent in its business and strategy approach. Barring unforeseen circumstances, the Group is resilient and cautiously optimistic of a satisfactory performance in the forthcoming year.



Dividend

The Group had established a dividend policy of distributing at least 40% of the Group's net profits to shareholders of the Company since the financial year ended 30 June 2014.

For FY2024, CWHB declared a total dividend of 1.76 sen per share, which represented 58% of the Group's net profits.

Appreciation

On behalf of the Board of Directors and management, we would like to express our thanks and appreciation to our stakeholders, business partners and all the employees who had rendered us their supports and worked hard together with us to enable CWHB to attain its current commendable position. The Board will continue to strive towards enhancing value for all our shareholders and we look forward to having you in the vear ahead.

Directors' Profile

TSAI YUNG CHUAN

Managing Director

Aged 67 | Male | Taiwanese

He was appointed to the Board of CWHB on 2 March 1999. He is one of the founders of CWHB Group. He graduated with a Certificate in Electrical Engineering from Lienho Junior College of Technology in Taiwan in 1975. He started his career as a General Manager by joining his family business, Jinn Her Enterprise Co. Ltd., a factory manufacturing fasteners in 1980. He then initiated the business expansion into Malaysia when he visited this country in 1988.

He does not have any directorship in public companies and other listed issuers.

TSAI CHANG HSIU-HSIANG

Executive Director

Aged 67 | Female | Taiwanese

She was appointed to the Board of CWHB on 2 March 1999. After her graduation, she joined the family business, Jinn Her Enterprise Co. Ltd. in 1980, of which she was in-charge of the financial affairs of the company. She came to Malaysia in 1989 and helped to form Chin Well Fasteners Co. Sdn. Bhd. She is currently in charge of the financial affairs of CWHB Group.

She does not have any directorship in public companies and other listed issuers.

LIM CHIEN CH'ENG

Non-Independent Non-Executive Chairman

Aged 71 | Male | Malaysian

He was appointed to the Board of CWHB on 2 March 1999 and currently he is the Non-Independent Non-Executive Chairman of the Company. He graduated from Universiti Sains Malaysia in 1976 with a Bachelor of Social Science (Hons.) Degree majoring in Politics. Subsequently, he pursued a law degree and graduated from Kings College, University of London in 1979 with a Bachelor of Law (LLB. Hons.). He was called to the English Bar in 1980 and the Malaysian Bar in 1981. He is a member of the Lincoln's Inn. He has been practicing as an Advocate & Solicitor in Malaysia since 1981 and is a Partner in a legal firm with offices in Penang, Seberang Jaya, Kuala Lumpur and Johor Bharu.

He is the Independent Non-Executive Chairman of P.I.E Industrial Berhad, a public company listed on Bursa Securities. He is also the Chairman of the Tun Dr. Lim Chong Eu Foundation and Hornbill Foundation. Save as disclosed, he does not have any directorship in public companies and other listed issuers.



Directors' Profile (Cont'd)

ANG SENG OO

Independent Non-Executive Director

Aged 70 | Male | Malaysian

He was appointed to the Board of CWHB on 5 December 2017. He is the Chairman of Nominating Committee, Chairman of Audit Committee and a member of Remuneration Committee. He started his career at Tansley Witt & Co, London where he qualified as a Chartered Accountant (Institute of Chartered Accountants In England and Wales) in 1977. He later joined KPMG in the London and Kuala Lumpur offices. He is also a member of the Malaysian Institute of Accountants. He has many years of broad financial experience having held various senior financial positions in public listed companies whose activities span investment holdings, construction, property and infrastructure development, both in Malaysia and Australia.

He does not have any directorship in public companies and other listed issuers.

LOW YEAW SENG

Independent Non-Executive Director

Aged 66 | Male | Malaysian

He was appointed to the Board of CWHB on 5 October 2018. He is also a member of Remuneration Committee, Nominating Committee and Audit Committee. He graduated from Universiti Malaya with a Bachelor of Accounting (hons) degree in 1983. After graduation, he joined Accountant General Department, Ministry of Finance as a Treasury Accountant. He served in various Ministry until 1995 and joined Ooi & Associates, Chartered Accountant firm that provides assurance, taxation, corporate secretarial, accounting and consultancy services. Besides leading in assurance and taxation practice, he is also an approved Trade Mark Agent. He is a member of Malaysian Institute of Accountants and a fellow member of CPA Australia.

He does not have any directorship in public companies and other listed issuers.

DATIN SHARMIN FAZLINA BINTI MOHD SHUKOR

Independent Non-Executive Director

Aged 45 | Female | Malaysian

She was appointed to the Board of CWHB on 1 October 2014. She is the Chairman of Remuneration Committee and also a member of Nominating Committee and Audit Committee. She holds a Bachelor of Laws (Honours) degree from Brunel University, United Kingdom and the Certificate of Legal Practice from the Legal Qualifying Board of Malaysia. She was admitted to the High Court of Malaya in 2004. She began her career with Skrine and later joined Zaid Ibrahim & Co. She was named by the Islamic Finance News Awards 2012 as one of the leading lawyers in the corporate and commercial area of legal practice in 2012. Currently, she is a partner of a legal practice in Kuala Lumpur. She also advises on general matters relating to corporate and commercial law and has been actively involved in various legal due diligence exercises.

She does not have any directorship in public companies and other listed issuers.

Directors' Profile (Cont'd)

TSAI CHIA LING

Executive Director

Aged 45 | Female | Taiwanese

She was appointed to the Board of CWHB on 5 July 2021. She graduated from National Cheng Kung University in 2001 with a Bachelor of Business Administration Degree. She started her career as a Management Trainee with Gem-Year Industrial Co. Ltd. (China) before she joined Chin Well Fasteners Co. Sdn. Bhd. ("CWF") as a Marketing Executive in 2003. She was appointed as the General Manager of CWF on 1 July 2013 and she is currently overseeing the entire operation of CWF.

She is a Non-Independent Non-Executive Director of Tambun Indah Land Berhad, a public company listed on Bursa Securities. Save as disclosed, she does not have any directorship in public companies and other listed issuers.

TSAI CHENG HSUN

Executive Director

Aged 44 | Male | Taiwanese

He was appointed to the Board of CWHB on 1 July 2022. He graduated from National Taiwan University with Bachelor of Business Administration in 2003 and received his Master degree in Business (Public Relations) from the Queensland University of Technology in 2013. He has more than 13 years' experience in fastener related fields. He joined Chin Well Fasteners (Vietnam) Ltd ("CWFV") since its inception and has played a pivotal role in various aspect of the management. He was appointed as the General Director of CWFV on 13 June 2013 and he is currently overseeing the entire operation of CWFV.

He does not have any directorship in public companies and other listed issuers.

Notes:

1) Family Relationship with any Director and/or Major Shareholder of the Company:

Tsai Yung Chuan, Tsai Chia Ling and Tsai Cheng Hsun are directors of CWHB whilst Tsai Chia Wen is a key senior management of CWFV and they are the major shareholders of CWHB. Tsai Chang Hsiu-Hsiang, a director of CWHB is the spouse of Tsai Yung Chuan whilst Tsai Chia Ling, Tsai Cheng Hsun and Tsai Chia Wen are siblings. Save as mentioned, none of the other Directors have any family relationships with any Director and/or major shareholder of the Company.

- 2) Disclosure of Conflict of Interest with the Company and its subsidiaries:
 - The conflict of interest involving Tsai Chia Wen and the potential conflict of interest involving Lim Chien Ch'eng, Tsai Yung Chuan, Tsai Chang Hsiu-Hsiang, Tsai Chia Ling and Tsai Cheng Hsun are disclosed on page 57 to 60 of the Audit Committee Report of this Annual Report 2024. Save as mentioned, none of the other Directors have any conflict of interest or potential conflict of interest with the Company or its subsidiaries.
- 3) Conviction for offences within the past five (5) years (other than traffic offences, if any) or have any public sanction or penalty imposed on them by any regulatory bodies during the FY2024: None of the Directors and Key Senior Management have any conviction for offences within the past five (5)

years (other than traffic offences, if any) or have any public sanction or penalty imposed on them by any regulatory bodies during the FY2024.



Key Management Profile

TSAI CHIA WEN

Marketing Manager – Chin Well Fasteners (Vietnam) Co. Ltd. Aged 34 | Female | Taiwanese

She obtained her Bachelor degree of Business Administration from Arizona State University in 2011. She started her career in CWFV as a purchaser after her graduation. Subsequently, she was transferred to the marketing department and promoted to head the department in 2013.

She does not have any directorship in public companies and listed issuers.

TENG CHUNG CHIEN

Senior Marketing Manager – Chin Well Fasteners Co. Sdn Bhd.

Aged 67 | Male | Taiwanese

He obtained his Bachelor degree of Business Administration from Chihlee University of Technology, Taiwan in 1977. He has numerous years of working experience in the fastener industry when he was in Taiwan. He came to Penang in 1988 and set up Chin Well Fasteners Co Sdn Bhd (CWF) together with the founder of the company. He focused on the Marketing activities of CWF since its inception and he was promoted to the Senior Marketing Manager on 1 July 2016.

He does not have any directorship in public companies and listed issuers.

CHU KIM TEIK

General Manager – Chin Herr Industries (M) Sdn Bhd.

Aged 58 | Male | Malaysian

He completed his STPM qualification in Chung Ling High School, Penang in 1986. He has more than 30 years of experience mainly focused on sales and marketing. He joined the Group 32 years ago, as an International Sales Representative in the Fasteners division in 1992. Two years later, he was transferred to the Wire division and involved in the sales and marketing activities. He has held the position of General Manager in the Wire division since 1 June 2008 and his key responsibilities are leading the management planning and overseeing the operations of the Wire division.

He does not have any directorship in public companies and listed issuers.



Corporate Governance Overview Statement

This Corporate Governance Overview Statement is prepared in accordance with the Main Market Listing Requirements (Main LR) of Bursa Malaysia Securities Berhad (Bursa Securities) and the Malaysian Code on Corporate Governance (MCCG) issued by the Securities Commission Malaysia.

This statement gives the shareholders an overview of the corporate governance practices of the Company during the financial year ended 30 June 2024 (FY2024) and it is to be read together with the Corporate Governance Report which is available at the Company's website (www.chinwell.com.my).

In FY2024, the Company had adopted 42 out of the total 45 recommended practices in MCCG. The recommended practice not adopted is as follows:

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises majority independent directors.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Practice 13.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate-

- including voting in absentia; and
- remote shareholders' participation at General Meetings.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

Board Responsibilities

The Board takes full responsibilities for the overall performance of the Group and had delegated certain areas of responsibilities to the Board Committees with predefined terms of reference and the executive directors for the Group's day to day operations.

The Chairman of the Company is a non-independent non-executive member of the Board and is responsible for leading the Board to ensure its effectiveness, ensuring effective communications with shareholders and relevant stakeholders and for orderly conduct of meetings.

The Managing Director formulates and develops the Group's strategies and policies. He is also responsible for the day-to-day management of the business and operations of the Group in respect of both its regulatory and commercial functions. The Managing Director is supported by the executive directors and management who are responsible for implementing of policies and decisions of the Board and are accountable for the conduct and performance of the businesses.

The Board is supported by 2 qualified company secretaries and has unrestricted access to the services of the Company Secretaries on matters relating to the companies' law, rules and regulations of the regulatory authorities as well as best practices on governance.

Board meetings

The Board ordinarily meets at least five (5) times a year at quarterly intervals with additional meetings convened as and when urgent and important decisions need to be made between the scheduled meetings. In recognizing the importance of time commitment from all the Directors, each Director shall attend at least 60% of the total meetings held during the financial year. The Board receives documents on matters requiring its consideration at least 7 days in advance of each meeting. The Board papers are comprehensive and encompass both quantitative and qualitative factors so that informed decisions are made. The proceedings of the Board meetings are minuted by the Company Secretary and signed by the Chairman of the meeting.



PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board meetings (cont'd)

The Board met five (5) times during FY2024. The details of each Director's attendances at Board meetings are as follows:

Name of Directors	Number of Board Meetings Attended
Tsai Yung Chuan	5/5 meetings
Tsai Chang Hsiu-Hsiang	5/5 meetings
Tsai Chia Ling	5/5 meetings
Tsai Cheng Hsun	5/5 meetings
Lim Chien Ch'eng	5/5 meetings
Datin Sharmin Fazlina Binti Mohd Shukor	5/5 meetings
Ang Seng Oo	5/5 meetings
Low Yew Seng	5/5 meetings

In facilitating the Directors' schedule for the year, an annual corporate calendar is discussed and circulated to the Directors before the beginning of a new financial year. The corporate calendar provides the scheduled meeting dates of the Board, Board Committees, as well as the AGM and other events of the Company.

The Board was satisfied with the level of time commitment given by the Directors having multiple board representations as they had fulfilled their roles and responsibilities as Directors of the Company during FY2024.

Directors Trainings

All the Directors of the Company had attended the MAP Part I, the Mandatory Accreditation Programme (MAP) for Directors under the Main LR prescribed by Bursa Securities.

Pursuant to the amendments to the Main LR of Bursa Securities in relation to sustainability training, our Directors namely Tsai Yung Chuan, Tsai Chang Hsiu-Hsiang and Tsai Chia Ling had attended the MAP Part II on 7th to 10th August 2023. Save as disclosed, all the other Directors of the Company will attend the MAP Part II before 01 August 2025.

During FY2024, the Nominating Committee and the Board had reviewed and assessed the trainings attended by the Directors and had allocated a training budget for each Director to encourage them to attend more structured trainings to keep them abreast with the regulatory and industry development.

The Directors however, are to evaluate their own training needs on a continuous basis and to attend workshops, seminars and other training programmes that would enable them to enhance their knowledge and contribution to the Board.



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

Directors Trainings (cont'd)

Training programmes and workshop attended by the Directors during the financial year are as follows:

Director	Trainings
Tsai Chia Ling	Possible Impact of RCEP and CPTPP on Iron & Steel Industry - Malaysia MAP Part II: Leading for Impact (LIP) Advocacy Sessions for Directors and CEOs of Main Market Listed Issuers FTSE4Good ESG Ratings for All PLCs Development of Impact of ESG on Corporate Malaysia ISO 14001:2015 Management Awareness What Amount to a Conflict of Interest by Directors ISO 14001:2015 Environmental Aspects & Associates Impact Assessment
Tsai Chang Hsiu-Hsiang	Inheritance of Family Assets from Legal Perspective MAP Part II: Leading for Impact (LIP) Corporate Shareholdings Inheritance and Family Business Continuations Corporate ESG Sustainability Practice and Realisation of Zero Carbon Emission 2024 Outlook and Forward Looking Trend Malaysia SME's ESG Strategy: Concept to Practice
Tsai Yung Chuan	Inheritance of Family Assets from Legal Perspective MAP Part II: Leading for Impact (LIP) Corporate Shareholdings Inheritance and Family Business Continuations Corporate ESG Sustainability Practice and Realisation of Zero Carbon Emission 2024 Outlook and Forward Looking Trend Malaysia SME's ESG Strategy: Concept to Practice
Tsai Cheng Hsun	ISO 14064-1:2018 Leader Verifier Training Carbon Mate ISO 14064-1:2018 Leader Verifier Training
Ang Seng Oo	FTSE4Good ESG Ratings for All PLCs
Lim Chien Ch'eng	Development of Impact of ESG on Corporate Malaysia
Low Yaw Seng	Investment Incentives in Malaysia under the Income Tax Act 1967 and the Relevant Public Rulings AMLA and Reporting Institution's Roles and Duties E-invoicing latest updates ESG-Role of the Accountants and Financial Reporting

Save as disclosed above, the other Director did not participate in any structured trainings during the financial year as she opined that her business meetings and interaction with various business parties and other directorships sufficiently served her in discharging her duties on the Board.



PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition

The Board, currently consists of eight (8) members; comprising four (4) Executive Directors, three (3) Independent Non-Executive Directors and one (1) Non-Independent and Non-Executive Director. The Board complies with Paragraph 15.02 (a) of the Main LR of Bursa Securities which requires at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.

The Directors, with their different backgrounds and expertise, collectively bring with them a wide range of experiences such as finance, legal, corporate affairs, marketing and operations. A brief profile of each Director is presented on pages 18 to 20 of this Annual Report.

The present members of the Nominating Committee are as follows:-

Name	Designation	Directorate
Ang Seng Oo	Chairman	Independent Non-Executive
Datin Sharmin Fazlina Binti Mohd Shukor	Member	Independent Non-Executive
Low Yeaw Seng	Member	Independent Non-Executive

The Nominating Committee met twice during the financial year ended 30 June 2024 with full members present. The activities of the Nominating Committee are summarised as follows:-

- a) Reviewed and assessed the composition of the Board and Board Committees
- Reviewed and assessed the contributions of individual Directors and Independent Directors b)
- c) Reviewed and assessed the Directors due for retirement by rotation
- d) Reviewed and assessed the performance of the Audit Committee and each of its member
- Reviewed and assessed the Continuing Education Programmes and the Directors' training needs e)
- f) Reviewed and assessed the Board skills matrix and Boardroom Diversity
- Reviewed and assessed the effectiveness of the Company's the Environmental, Social and Governance (ESG) g) and Sustainability matters
- h) Reviewed and assessed the Independent Director whose tenure was more than 9 years

The Nominating Committee applies a set of criteria by way of questionnaires with independent and fit and proper elements that suit the Company's objectives and strategic goals to evaluate the performance of individual Directors, the Board as a whole, each Board Committee and review their performance annually. The criteria used, amongst others, for the annual assessment of individual Director includes an assessment of their knowledge, roles, duties, responsibilities, integrity, contribution to interaction during the meeting and independent challenge to Board's deliberation and decision, whereas for the Board and Board Committees, the criteria used include composition, structure, expertise and responsibility in company's strategy, human capital, management reporting and financial literacy. The mentioned criteria were set with the objective to examining the contribution and performance of the Directors, the effectiveness of the Board and the Board Committees and these criteria are subject to review whenever required.

The Nominating Committee, upon its recent annual assessment carried out, is satisfied that the current size and composition of Board, Board Committees, its directors and senior management are adequately appropriate for its purpose with relevant mix of skills, experience, independence and other necessary qualities to serve effectively.

The Nominating Committee is also responsible for assessing the candidate for appointment to the Board and Board Committees through a formal and transparent selection process. New candidate will be considered and evaluated by the Nominating Committee after taking into consideration the fit and properness for appointment of Director, mix of skills, time commitment, competencies, experiences and other qualities which are relevant to the business of the Group.



PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition (cont'd)

The Nominating Committee will also consider other factors such as the level of independence of the candidate for the appointment of Independent Director. The Nominating Committee will then submit its recommendation to the Board for decision. The Company Secretary will ensure that all appointments are properly made, all necessary information is obtained, as well as all legal and regulatory obligations are met.

The Board had established a gender diversity policy to have at least 30% of its Directors are women Directors in the composition of the Board. As at 30 June 2024, three (3) out of eight (8) Directors of the Company are women Directors equivalent to 37.5% and this complies with Paragraph 15.02 (b) the Main LR of Bursa Securities as well as in line with the recommended Practice 5.9 of the MCCG.

The Nominating Committee is also responsible to recommend the re-election of Directors due for retirement at the forthcoming annual general meeting (AGM) based on a fit and proper assessment of the retiring Directors.

An election of director shall take place every year. In accordance with the Company's Constitution, 1/3 of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to 1/3 shall retire from office and be eligible for re-election. All the Directors shall retire from office at least once every 3 years but shall be eligible for re-election. A retiring director shall retain office until the close of the AGM at which he retires.

Any Director appointed either to fill a casual vacancy or as an addition to the Board, shall hold office only until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The Board had established a Proper and Fit Policy for the appointment of the Directors and a copy of the policy is available on the Company's website.

The assessment of candidate as an Independent Director is carried out before their appointment. Additionally, the Independent Directors are required to provide an undertaking to Bursa Securities pursuant to Paragraph 1.01 of the Main LR of Bursa Securities confirming their independence. On annual basis, the Independent Directors are required to carry out a self-assessment evaluations to ensure that they are free of any significant business or other relationships which could interfere with the exercise of independent judgment and able to act in the best interests of the Company and ensure shareholders' interests are given priority in the event of a conflict of interest.

The Nominating Committee, upon its recent annual assessment carried out, is satisfied that the Independent Directors have been able to discharge their responsibilities in an independent manner where they actively participated at Board meetings and provided constructive feedback that benefited the stakeholders of the Company.

Tenure of Independent Directors

Practice 5.3 of the MCCG stipulates that the tenure of an Independent Director of the Company should not exceed a cumulative term of nine (9) years. An Independent Director may continue to serve the Board subject to re-designation as a Non-Independent Director. In the event the Board intends to retain the Independent Director after serving a cumulative term limit of nine (9) years, the Board will seek shareholders' approval through two-tier voting.

Datin Sharmin Fazlina Binti Mohd Shukor had served the Board as an Independent Non-Executive Director for more than nine (9) years but less than twelve (12) years. The Nominating Committee had assessed the independence of Datin Sharmin Fazlina and recommended her to continue in office as she has demonstrated complete independence in character and judgement. The Board having considered the recommendation of the Nominating Committee proposed that Datin Sharmin Fazlina be remained as an Independent Director of the Company. In view of her tenure of more than nine (9) years, the Board would seek shareholders' approval through a two-tier voting process at the forthcoming 28th AGM of the Company.

The Company does not have a policy which limits the tenure of its independent directors to nine (9) years. The Board is of the view that there are advantages to be gained from the long-serving Directors who possess tremendous insights and knowledge of the Group's businesses and affairs. In addition, the ability of a Director to serve effectively is very much dependent on the person's caliber and personal integrity and objectivity, and has no real connection to his tenure as an Independent Director.

As at 30 June 2024, none of the Independent Directors of the Company had served cumulatively served more than twelve (12) years.



PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Remuneration

The present members of the Remuneration Committee are as follows:-

Name	Designation	Directorate
Datin Sharmin Fazlina Binti Mohd Shukor	Chairman	Independent Non-Executive
Ang Seng Oo	Member	Independent Non-Executive
Low Yeaw Seng	Member	Independent Non-Executive

The Remuneration Committee is responsible to recommend to the Board the remuneration package, rewards and other benefits of Executive Directors. The Directors Remuneration Policy is available on the Company's website. The Remuneration Committee also recommended to the Board, the proposed fees and benefits of the Non-Executive Directors. However, all the Directors' fees and benefits must be approved by the shareholders at the AGM. The respective Director is required to abstain from deliberation and voting on decisions in respect of his individual remuneration.

The Remuneration Committee meets whenever necessary. During the financial year, the Remuneration Committee had held one meeting with full attendance. The Remuneration Committee believes that fair remuneration is important to attract, retain and motivate the directors. In making recommendations to the Board, appropriate survey data on the remuneration practices of comparable companies is taken into consideration in determining the remuneration packages of the directors. This is to ensure that the Director's remuneration package is competitive with the prevailing market rate of the same industry.

The remuneration of the individual Directors for FY2024 had been disclosed in the Corporate Governance Report.

Details of Top Five Senior Management Remuneration

The Board had disclosed the remuneration of its senior management in bands of RM50,000 but not on named basis in view of the competitive nature of the human resource market and to support the Company's efforts in attracting and retaining executive talents, it should maintain confidentiality on employee remuneration matters.

The top five (5) senior management whose remuneration (comprising salary, bonus, benefits in-kind and other emoluments) for FY2024 within the successive bands of RM50,000 are as follows:

Remuneration Band	Number of top five(5) senior management
RM550,001 to RM 600,000	1
RM450,001 to RM 500,000	1
RM250,001 to RM 300,000	1
RM150,001 to RM200,000	2

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

Members of the Audit Committee and their meeting attendance during the FY2024 are as follows:-

Name	Designation	Directorate	Number of Meetings Attended
Ang Seng Oo	Chairman	Independent Non-Executive	5/5
Datin Sharmin Fazlina Binti Mohd Shukor	Member	Independent Non-Executive	5/5
Low Yeaw Seng	Member	Independent Non-Executive	5/5

The term of reference of the Audit Committee is available on the Company's website (www.chinwell.com.my).

The summary of the works carried out by the Audit Committee is detailed in the Audit Committee Report.

Risk Management and Internal Control Framework

Since the listing of the Company, the Board continuously placed emphasis on the need for maintaining a sound system of internal control within the Group with the objective to manage and mitigate risk at an acceptable level and to safeguard the assets of the Group as well as the investors' interests.

The Company outsourced its internal audit functions to external consulting firms. The Internal Auditors assist the Audit Committee in discharging its duties and responsibilities. The Internal Auditors are to provide independent review on the state of risk management and internal control of the Group report directly to Audit Committee. The Audit Committee reviews, deliberates and evaluates the effectiveness and efficiency of the risk management and internal control systems in the organization.

The Audit Committee meets with the Internal Auditors twice during the financial year to ensure controls are effectively applied. Through the Audit Committee, the Board has established a transparent relationship with the Internal Auditors.

The Group has an on-going process for identifying, evaluating and managing the principal risks. The Management with the assistance of the outsourced Internal Auditors established a risk management framework to assess, review and monitor the risk at an acceptable level for the Group. The Internal Auditors will review the risk register prepared by the management and highlight the high risk area, adequacy of compliance and control measures to the Audit Committee. The Audit Committee will take into consideration the report of the Internal Auditors before they fix the audit plan.

The Statement on Risk Management and Internal Control furnished in pages 52 to 54 of this Annual Report provide an overview of the state of internal controls within the Group.



PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH **STAKEHOLDERS**

Integrity in Corporate Reporting

The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements and quarterly announcement of results to shareholders as well as the Management Discussion and Analysis Report in the Annual Report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

The Audit Committee, has the authority under its terms of reference to investigate any matters relating to the Group's accounting, auditing and internal controls and has full access to and co-operation of the management and/or invite any management or officers to attend its meeting and reasonable resources to discharge its function properly.

The Audit Committee meets on a quarterly basis to review the Group's financial statements prior to recommending them for the Board's approval and announcement. A separate analysis report of the financial performance of the major subsidiaries and the significant variances on the expenditures will be reviewed during the quarterly meeting. The Audit Committee will request the management to explain further if clarification is needed. The Audit Committee will also ensure the appropriate approved accounting standards (MFRS) are applied consistently and prudent judgments are made in preparing the financial statements.

Relationship with the External Auditors

The Board through the Audit Committee maintains a professional and transparent relationship with the External Auditors in conduct of the audit and towards ensuring compliance with the requirements of the approved accounting standards.

In performing its function, the Audit Committee met with the External Auditors, reviewed the external audit plan prior to the commencement of the audit and co-operation/assistance given by the Management to the External Auditors so as to ensure sufficient coverage in terms of the scope of the audit. After the completion of the audit, all significant audit findings and recommendations are presented to the Audit Committee for discussion.

During FY2024, the assurance related and non-audit services provided by the External Auditors is amounting to RM5,000. The Audit Committee met with the External Auditors twice without the presence of the Executive Directors and Management of the Company.

The current External Auditors, Grant Thornton Malaysia PLT ("GT") was re-appointed by shareholders at the last AGM. In accordance with the policy of the Group's External Auditors, the lead audit engagement and concurring partners of the firm will be subject to a five-year rotation and cooling-off period. This is to ensure the objectivity, independence and integrity of the audit opinion.

For FY2024, GT had confirmed in writing that they are, and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The Audit Committee also formally assessed the suitability and independent status of the External Auditors via a set of questionnaires. Based on the assessment performed, the Audit Committee was in the opinion that GT is able to meet the audit requirements and statutory obligations of the Company, has independent status and has sufficient resources to carry out the audits of the Company and of the Group. Thus, the Audit Committee recommended the re-appointment of GT to the Board for approval by the shareholders at the forthcoming AGM.



PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

Corporate Disclosures

The Board is mindful of the compliance with the Main LR of Bursa Securities in relation to disclosures of information and acknowledges the importance of timely dissemination of information to shareholders, stakeholders and investment community. The Board had established a Corporate Disclosure Policy in disseminating of information to the relevant parties. Such information is communicated through:

- Announcements and disclosures to Bursa Securities
- Annual Report of the Company
- Circulars to Shareholders
- Company's separate briefings for the fund managers, institutional investors and investment analysts when it is
- Company's website at http://www.chinwell.com.my

Conduct of general meetings

The Company's AGM serves as a principal forum for dialogues and interactions with shareholders and investors. The Extraordinary General Meeting is held as and when required.

At the commencement of the meeting, the Secretary will share with the shareholders amongst others, the proceedings of the meeting, the Questions & Answers session as well as the poll voting process. During the meeting, shareholders are given every opportunity to inquire and comment on matters relating to the agendas of the meeting. The Directors, senior management and the Group's External Auditors are in attendance to respond to shareholders' inquiries. Additionally, there will be a presentation on the Company's financial performance by the Executive Director.

The Company's Annual Report, together with notice of AGM, is sent to shareholders at least twenty eight (28) days before the date of each AGM. Each item of special business included in the notice of AGM will be accompanied by explanatory statement to facilitate a full understanding and evaluation of issues involved. The adequate information and timely notice allow shareholders to make necessary arrangements to attend and participate in the AGM either in person, by corporate representative, by proxy or by attorney.

In compliance with the Main LR and the Company's Constitution, all the resolutions set out in the notice of the forthcoming AGM shall be voted upon by poll.

This statement is issued in accordance with a resolution of the Directors dated 24 October 2024.



Additional Compliance Information

Material Contracts

There were no material contracts entered by the Company and its subsidiaries involving Directors' and major shareholders' interest during the current financial year.

Utilisation of Proceeds

For the financial year ended 30 June 2024, there were no proceeds raised by the Company from any corporate

Recurrent Related Party Transactions of Revenue or Trading Nature ("RRPT")

The RRPT entered by the Group during the financial year are enclosed in Note 34 of the financial statements in pages 117 to 119 of this Annual Report.

Audit and Non-audit Fees

For the financial year ended 30 June 2024, the fees payable for external audit services by the Company and the Group were RM 42,000 and RM137,500 respectively. The Company paid RM5,000 for assurance related and non-audit services during the current financial year.



Directors' Responsibility Statement

The Board is required by the Companies Act, 2016 to prepare financial statements for each financial year for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the accounting period and of the results and cashflows for the period then ended. In preparing the financial statements, the Directors had:

- Applied appropriate approved accounting standards consistently;
- Made judgments and estimates that are reasonable and prudent; and
- Prepared financial statements on a going concern basis.

The Directors had ensured the Company maintains proper accounting records which disclose with reasonable accuracy the financial position of the Group to enable them to ensure that the financial statements comply with the Companies Act, 2016. The Directors also had taken steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This statement is issued in accordance with a resolution of the Directors dated 24 October 2024.



Sustainability Report



The Board of Directors ("Board") of Chin Well Holdings Berhad is proud to present the Sustainability Report for the financial year ended 30 June 2024. This Report is prepared in the manner prescribed by Bursa Malaysia Securities Berhad ("Bursa") in its Main Market Listing Requirements ("Listing Requirements") and taking into consideration the Sustainability Reporting Guide – 2nd Edition and its accompanying Toolkits issued by Bursa.

Our sustainability reporting period covers from 1 July 2023 to 30 June 2024 and the scope of this report includes of our major subsidiaries, Vietnam ("CWFV").

Restatement of Information

Information or data for previous years may be revised due to reasons such as improvement in data collection, more comprehensive calculations or adoption of new standards or operation procedures.

Forward-Looking Statements

This statement contains some of the forward-looking statements such as targets and expectations. These are made based on the existing available data and current operating and market conditions. Given the rising risks from the uncertainties of the macro-economic conditions which are beyond our control, the actual outcomes may differ from what is expected.

GOVERNANCE

Sustainability Governance Structure

The Group adopts a top-down approach in sustainability. The Board of Directors ("BOD") oversees the formulation of the Group's sustainability policy and implementation of the Group's sustainability strategies. The BOD holds the responsibility of ensuring that sustainability is integrated into the process of strategic planning of the Group. The BOD oversees the sustainability performance of the Group by reviewing its interim sustainability report on half yearly basis and advising the Sustainability Management Committee ("SMC") when necessary. SMC consists of the management members from the major subsidiaries. They are responsible for the sustainability reporting and setting and improving the sustainability policy. SMC will monitor the actual result of the material issues on regular basis to identify the weakness that the Group is having for future improvement purposes.

In FY2024, the Nominating Committee had assessed the Executive Directors towards the effectiveness of the Company's Environmental, Social and Governance (ESG) and Sustainability matters and was satisfied therewith.

All data contained within this statement has been sourced internally and compiled by SMC. Overall, the information reported in this Statement is fairly presented. However, the Group has not undertaken an assurance process for the Statement 2024. The Board acknowledges its responsibility to ensure the reliability and credibility of this Statement through effective governance practices and internal reporting procedures. Moving forward, we aim to engage external independent assurance providers and conduct a limited assurance exercise for selected sustainability performance data and processes.

Board Diversity and Independence

The Group recognised that diversity is important in strengthening corporate governance, enabling a wide range of perspectives, independent deliberations and stronger decision-making capability. The Board members of the Company are from different professions ranging from business management to accounting, taxation and regulatory.

Sustainability Report (Cont'd)

GOVERNANCE (CONT'D)

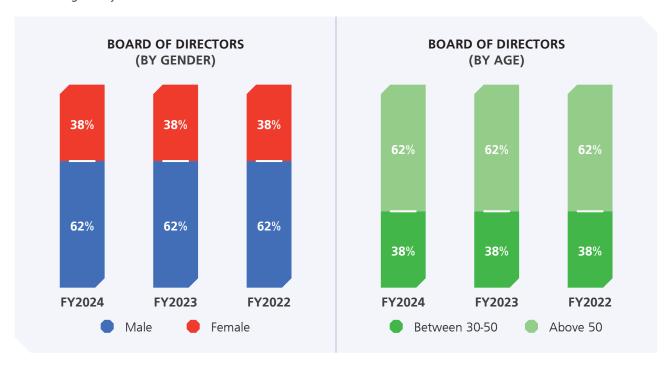
Board Diversity and Independence (cont'd)

As at 30 June 2024, the Board consisted of eight members comprising of four executive directors, three independent directors and one non-independent and non-executive director. The Board complies with the Para 15.02 of the Main Market Listing Requirements ("Main LR") of Bursa Securities which require at least two directors or one-third of the Board whichever is the higher are independent directors. Nevertheless, the Board is aware of the corporate governance' requirement where at least half of the Board members comprise independent directors and will consider to appoint additional independent directors in future once suitable candidates are found.

The Board adopted a gender diversity policy on 15 September 2021 which the Board has at least 30% of the women directors. As at 30 June 2024, the Board comprised of 3 women directors, equivalent to 37.5% women representation on the Board.

To ensure strong due diligence and transparency, the Nominating Committee is responsible to assess and recommend the re-election of directors and new appointment of directors to the Board. The director's concerned shall abstain from deliberating on his own assessment. For the new appointment of directors, the Nominating Committee is open to recommendations from Board members, major shareholders as well as referrals from external and independent sources.

The Chairman of the Board is a Non-Executive Non-Independent Director, a clear separation from the Managing Director who is responsible for the day-to-day management of the business and operations of the Group in respect of both its regulatory and commercial functions.



Policies of Good Corporate Governance

The Group has in place the following policies to ensure the adherence of the Good Corporate Governance:

Policy of Good Corporate Governance	Publish in Company's website
Board Charter and Term of Reference	✓
Code of Business Conduct and Ethics	✓
Anti-Bribery and Corruption Policy	✓
Director Fit and Proper Policy	✓
Whistleblowing Policy	✓
Conflict of Interest Policy	✓



Sustainability Report (Cont'd)

GOVERNANCE (CONT'D)

Anti-Bribery and Corruption Policy

Chin Well Group has adopted an anti-bribery and corruption policy since June 2020 when the amendment to the Malaysian Anti-Corruption Act 2009, the Corporate Liability Provision known as S17A, came into effect. An independent consultant had been engaged to advise the Group in the implementation of the adequate procedures in accordance with the corporate liability provision. Training had been held for the existing staff and will be conducted for the new employees to create awareness of the risk and implication of fraud, bribery and corruption. The briefing also reminds the employees to discharge their duties with due care where breaching their fiduciary duties may lead to their dismissal. It is always the Group's target to ensure 100% of its employees are aware of anti-bribery and corruption policy. The anti-bribery and corruption policy has been translated into foreign language for easy understanding of its foreign employee. The following practices are in place to ensure adequate control measures with the aim to prevent the occurrence of corruption in the Group.

- 1. Anti-corruption programmes such as to include a corruption risk assessment in its annual risk register;
- 2. Training of its staff on corruption prevention whenever necessary;
- 3. Integrity pacts with its vendors where they commit to carry on business that is bribe-free, and with a provision stating that they will be terminated if they do not comply;
- 4. The customers acknowledge that they will not either directly or indirectly, promise, offer or give any bribe or an improper advantage to any personnel of Chin Well Group;
- 5. Code of Business Ethics to regulate the behavior of its staff, management and directors;
- 6. Policy under the Whistleblower Protection Act 2010 to protect the whistleblower; and
- 7. Revise or update relevant internal standard operating procedures on bribery and how to prevent or avoid it;

Periodical reviews will be carried out to assess the status and effectiveness of the implementation of the adequate procedures in the respective subsidiaries. Enhancement will be carried out in the areas where weaknesses are identified.

Whistle Blowing Policy

In addition to the anti-bribery and corruption policy, Chin Well Group has in place a whistle-blowing policy to allow our employees the mechanism to raise concerns on possible improprieties in financial reporting, fraudulent acts and other such irregularities without fear of reprisals. The policy was last updated in June 2020 in conjunction with the effective implementation of Corporate Liability Provision, Sec17A of amendment to Malaysian Anti-Corruption Act (MACC) 2009. The mechanism was endorsed by our Audit Committee and reports or concerns of improprieties are made directly to the Chairman of the Audit Committee. In FY2024, there was no known whistle-blowing case in the Group.

Conflict of Interest Policy

Conflict of interest (COI) is a situation in which a person is in a position to derive personal benefit from action or decisions made in their official capacity.

In November 2023, the Company had developed a conflict of interest policy with the aim to set out the disclosure obligations of each Director with respect to conflict of interest (COI), and the procedures to be followed when a COI arises or potentially arises to ensure systematic identification, disclosure and management of COI in an effective and timely manner. A potential COI is a COI that has yet to materialise or happen, but may arise subsequently due to, among others, prevailing relationships or interests of the said person.

The Board reviews the declaration of the COI situation by the directors quarterly if there is any in the Board meeting.

GOVERNANCE (CONT'D)

Sustainability Policy

The Group acknowledges that its operations impact the economy, environment, workplace, and the communities in the areas we operate in. As such, our sustainability strategies are based on these areas whilst using materiality assessment on factors relevant to the Group. Sustainable practices are progressively embedded into the day-to-day operations and decision-making processes, and these practices guide the Group in the conduct of its businesses, and form an integral part of our overall strategy. Our Sustainability Policy is steered by the four key objectives:

- 1. To invest and utilise resources in a sustainable manner to promote long-term profitability of the Group;
- 2. To promote responsible and ethical marketplace practices;
- 3. Undertaking responsible practices that preserve our environment; and
- 4. Enriching community

The various sustainability initiatives undertaken by the reporting subsidiaries are summarised below:

Stakeholders Identified

According to the Sustainability Reporting Guide, a stakeholder is essentially an individual or a group that has an effect on, or is affected by the organization and its activities. The table below shows the list of stakeholders with whom we engage with during the current reporting period and who we believe are impacted the most by our business activities.

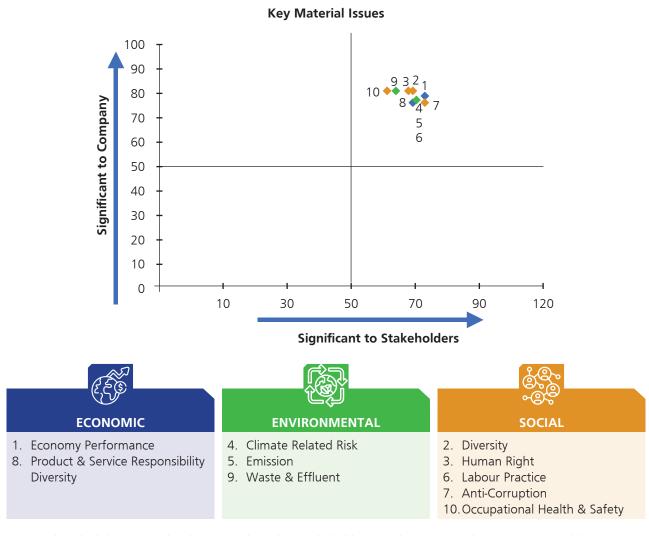
Stakeholder group	Engagement method	Frequency of engagement	Sustainability material matter
Customers	Face to face interaction	As needed	Customer satisfaction
4分4	Customer feedback/survey	As needed	Customer complaint
õQõ	Product exhibition	Adhoc	
	Product quality audit by customer	As needed	
Suppliers	Face to face interaction	As needed	Quality of goods /service
	Supplier visit	Adhoc	supplied
	Supplier appraisal	As needed	Timely deliveryCompetitive pricingConsistent supplyAnti-bribery and corruption
Government &	Regulatory requirement	On-going	Compliance
Authorities	On-going interaction	As needed	
	Meeting	As needed	
ALLOWED	Reports	Periodically	
Employees	Management meeting	Regularly	Career development and
8	Performance appraisals	Annually	training opportunity
	Training programme	As needed	Workplace health and safetyWork-life balance
Local Communities	Donation and financial aid	Regularly	 Community development Social and environmental issue
Investors	Quarterly Financial Result Announcement	Quarterly	Financial performance Corporate governance
	Media and investor briefing	Regularly	Regulatory compliance
	Company's website	On-going	
	Annual General Meeting	Annually	

GOVERNANCE (CONT'D)

Material Sustainability Matters

The outcome of our materiality assessment in term of the significance of the economy, environmental and social ("EES") impacts to the reporting subsidiaries or their influence on the stakeholder's assessment and decision are illustrated below.

For the current financial year, there are no major changes to the Group's business model or operating context; hence the material issues remained relevant and therefore unchanged. 10 material issues had been identified as shown in the matrix below. The X-axis represents EES issues relevant to the stakeholders and the Y-axis denotes the issues material to our reporting subsidiaries. The issues on the top right are considered the most important to the reporting subsidiaries and stakeholders. Each of these initiatives had been grouped under the relevant sustainability prongs that manage our economy, environmental and social impact.



Having identified the materiality factors and our key stakeholders, we have mapped out our sustainability priorities and their boundaries and its current year performance as compared to the previous financial years. We commit to increasing our value creation for all our stakeholders and to have a positive impact on the environment at large, while managing the Group's risk, leveraging on opportunities and ensuring its long-term financial soundness.

GOVERNANCE (CONT'D)

Material Sustainability Matters (cont'd)

In support of the United Nations Sustainable Development Goals, the Group has adopted the relevant United Nations Sustainability Development Goals (UN SDGs), the shared blueprint for peace and prosperity for people and the planet, now and into the future. The Group's has hence aligned its sustainability commitment to the following UN SDGs:

Linkage to UN SDGs **Linkage to Material Topics** Results • Zero reported case of corruption • Corporate Governance • Enable a safe and conductive work Diversity environment Labour Practice & Standard Peace, Justise and Strong Institutions · Zero incidents of health & safety non-Health and Safety 3 GOOD HEALTH compliance, zero fatalities Labour Practices and Standard • Employee engagement activities such as • Community Investment festive celebrations serve to maintain a Good Health and Wellconducive work environment being Donation to under privilege and community and contribute toward their wellbeing • Zero human rights violations during the Economic performance reporting period Diversity Zero incident of non-compliance with Labour Practice and Standard regard to labour matter Corporate Governance Decent Work and Diverse workforce ethnicity composition Health and Safety **Economic Growth** • 11,456 training hours with an average of 10.93 hours per employee to support talent development Continuous drive to improve economy performance • RM343.25 million in revenue with RM8.60 million profits after tax attributable to shareholders • Measuring Scope and emissions data Climate Change & Emissions Continuous exploration on innovation • Waste Management process to manage waste more **Energy Management** efficiently · Water and Effluents Responsible Consumption • Installation of solar panels and saving of and Production energy consumption Climate Action 15 UFE ON LAND Life on Land • Strong female representation on the Diversity Board at 37.5% Health and Safety Labour Practice and Standard. Continuous focus on managing and

Gender Equality

enhancing employee welfare

WHAT IS MATERIAL TO US:



Economic Performance

FY2024 was a volatile and challenging year for the Group. The persistently uncertain global economic conditions and political sentiment during the current financial year affected the performance of the Group. The Group created direct economic value of RM343.25 million via its sales in the current financial year which is a decrease of 24.8% as compared to RM456.45 million in the year before. Its profit before tax declined from RM51.64 million in FY2023 to RM10.78 million in the current reporting year.

In terms of our economic value to our shareholders, we declared a higher dividend of 58% of its profit after tax and minority interest ("PATMI") to its shareholders as compared to 88% of its PATMI in FY2023. In FY2024, a total of RM2.03 million had been paid out as dividends whilst RM36.67 million had been paid in the last financial year. The Group continues to be cautious in its spending on capital expenditure in view of the economic uncertainties where approximately RM5.32 million had been spent for fixed assets in the current reporting period as compared to RM6.73 million in the immediate preceding year. These capital investments are mainly to replace and restore the machinery and equipment to enable the Group to continue its sustainability through its existing production capacity and increase its productivity efficiency.

Product Responsibility and Customer Satisfaction

In line with our Group's vision, it is always our aim to deliver quality products that meet our customers' demands. We place consumer satisfaction, health and safety as one of the top priorities of our company's visions. We understand that non-compliance with the health and safety issue not only will tarnish our Group's reputation but also will impact our customers and community. Therefore, we are always committed toward attaining high standards of quality for our products and do not manufacture banned products. We have in place ISO 9001 certification, environmental management system, testing and calibration laboratories and system to ensure we continuously add value to our customers by providing them with quality products. In overseas market, we are in compliance with prevailing laws and regulations governing the respective products in the various countries in which they are sold. During FY2024, to the best of our knowledge, there has been no major incident of non-compliance with the regulations in the foreign countries where our products were sold.

Besides the high quality of products, we are also committed to delivering on time and providing good after sales service. Although our customers reach span the world, we have managed to maintain good relationships with them across a multitude of platforms such as through direct inquiry, dedicated servicing of specific customers, company's website and trade exhibitions in which we had participated in. Beside visit, we always maintain close relationships with our customers via phone calls, digital modes such as WhatsApp, WeChat and emails. For customers that we are unable to visit regularly, on-line video meeting was held to ensure their expectation are met and problems are attended to. In order to continually improve our service, we conduct customer surveys regularly with our major customers and customers' satisfaction is monitored and tracked closely.

We measure our customers' level of satisfaction with us through an annual customer satisfaction index in areas of quality, service, delivery and cost. Based on our survey, the following results have been achieved by the reporting subsidiaries in the current reporting year. With the result of the survey, we understand our strengths and weaknesses better and we will focus on our responsiveness, promptness of delivery and quality of packing, to improve ourselves and serve the customers better in future.

WHAT IS MATERIAL TO US: (CONT'D)



Product Responsibility and Customer Satisfaction (cont'd)

Subsidiary	Customer Satisfaction Rating (maximum 5 points)			
	Target Rating	FY2022	FY2023	FY2024
CWF	4.0	3.91	3.89	3.97
CHI	4.0	3.53	3.96	3.54
CWFV	5.0	4.70	4.85	4.9

Subsidiary	Number of Customer Complaint			
	Target	FY2022	FY2023	FY2024
CWF	0	17	24	15
CHI	0	15	6	5
CWFV	0	13	13	10

Procurement Practice

We understand that effective engagement and cooperation with our suppliers are integral part of our procurement process which will lead us towards long-term growth and sustainability. In order to achieve the effective communication with our suppliers, we use various touch points which comprise regular meetings, emails and phone calls. These meetings are crucial for us to gather feedback, exchange ideas and formulate action plans to achieve our procurement aims. By working closely with our suppliers, we expect to gain mutual understanding and develop ways to continuously improve and create value for our business.

In compliance with our ISO guide, we have assessment procedures in selection of new suppliers. The selection of suppliers is endorsed by way of approved vendor list. We conduct site visits to selected suppliers, as well as evaluate their company background and financial information, to determine the viability of the supplies. Regularly, evaluation is conducted for selected key suppliers to ensure that the bulk of our supplies remain optimal.

Our suppliers are also chosen for their ability to complement and enhance our commitment towards providing high quality products and excellent service standards. We conduct sampling check on the goods delivered to ensure the goods supplied are in accordance with the Group's material requirements. The suppliers are also expected to comply with the local regulations in regards to environmental standards, maintain fair social practices and good ethical standards.

Moving forward, the Group aims to screen more on the supplier's environmental and social aspects.

In FY2024, approximately 73% of the total purchases are from overseas due to the lack of supply in Malaysia for the wire rods that are required. In addition, CWFV did not import their materials from Malaysia.



Emissions & Climate Change

In tandem with the economic and population growth, human activities contribute to the greenhouse gas emission which leads to global warming and climate change. The Group is concerned about the severity of the greenhouse impact on global warming. The global climate change not only caused financial loss to the world but also the loss of human life. Therefore, Group has taken its first step towards incorporating sustainability within its business operations by engaging consultants to quantify the lifecycle carbon emissions associated with the production of fasteners manufactured from Cradle-to-Gate (C2G). A detailed assessment of the carbon footprint, including emissions from energy consumption, transportation, raw material extraction, and manufacturing processes had been performed. Key areas for carbon emissions reduction and opportunities for sustainable practices within the production process had been studied for future improvement.



WHAT IS MATERIAL TO US: (CONT'D)



Emissions & Climate Change (cont'd)

The total carbon emissions for Fasteners Division in FY2024 is prepared below.

Subsidiary	Total Carbon Emissions Scope 1 & Scope 2 Metric tonnes of CO2
CWF	7,625
CWFV	22,608

Note:

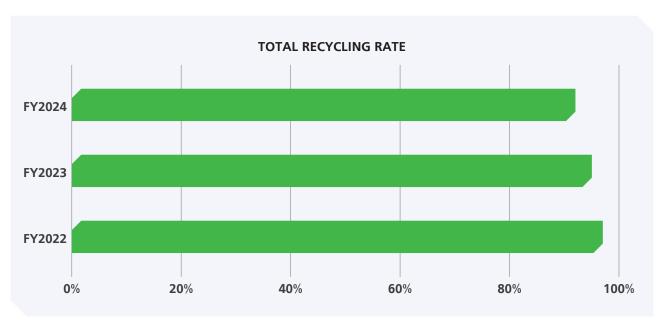
Scope 1: Direct emissions from owned/controlled operations

Scope 2: Indirect emissions from the use of purchased electricity, steam, heating, and cooling electric

Waste & Effluent

We handle effluents and waste in line with Environmental Quality Regulations 2009. We consistently keep track on the volume of effluent generated from our productions and ensure that the critical parameters such as pH value, chemical oxygen demand, suspended solids and other trace elements are within the effluent standard. We have in place our in-house waste water treatment plant to treat the hazardous water generated before it is discharged to local water course. This will reduce the burden on public water treatment. Through these efforts, our wastewater discharge in the current reporting year had complied with the Environmental Quality (Industrial Effluent) Regulations 2009. Our records showed that the quality of our wastewater discharge is within the effluent standard required.

Given the nature of our industry, our operations generate scheduled waste which includes amongst other waste streams, waste containing organic or inorganic constitutions and chemical waste. In compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005, all scheduled waste generated are properly stored and transported to licensed contractor, certified by DOE for treatment or recovery. We always aim to recycle more of scheduled waste generated and will continue our efforts to reduce the waste generation and disposal. During FY2024, the recycling rate of the hazardous generated by the Group is appended below.



WHAT IS MATERIAL TO US: (CONT'D)



Waste & Effluent (cont'd)

The recycling rate recorded in FY2024 was lower as compared to the previous year mainly due to different product mix which was produced in the current financial year as there was more production of thread bar which generate less recycling hazardous waste.

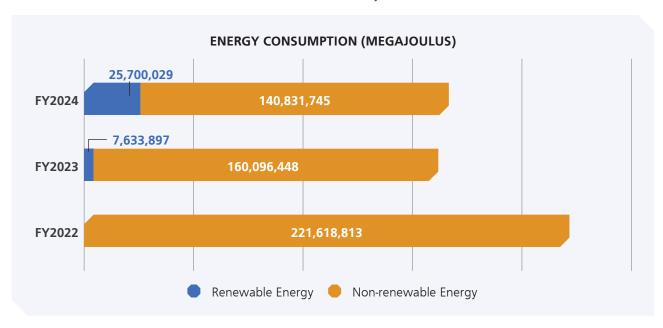
As part of the Group's on-going efforts in preserving and conserving the environment, various measures were undertaken by the Group during the current financial year to minimise the impact of our business has on the environment. We proactively seek to implement practices that will lead to the sustainable use of energy and striking a balance between the waste and effluent generated, given the nature of our business, and the need to preserve the environment. Local exhaust ventilation system had been installed to control air contaminants in the production area.

In view of the nature of our production activities, we are subject to periodical checks by Department of Environment (DOE) to ensure we comply with the environmental requirements. During FY2024, there had been no penalty by the authorities for non-compliance with the environmental laws and regulations in our operations in Malaysia. In Vietnam, CWFV has complied with the local regulation, Vietnam Environmental Protection Law and there is no compound by the authorities for non-compliance in Vietnam.

Energy Consumption

As a responsible business entity, we seek ways to reduce our energy consumption across our business operations as a method of reducing environmental impact. We recognise that optimizing energy consumption across the Group will not only result in cost savings but also reduce the damage to the environment. Therefore, we are committed to ensuring energy is not wasted and the consumption is at its optimum level for our operations. Production process has been reviewed to ensure energy isn't being wasted and we are considering the use of high efficiency motors in the production. Besides closely monitoring our energy usage, we are implementing simple measures in our operations such as encouraging the use of day light, switching off the light and air-condition during lunch time. The company always tries to cultivate energy saving awareness among the staff as we believe even the small energy saving action will eventually make a substantial difference to our environmental footprint.

As part of our Group effort in pursuit of renewal energy initiatives, the Group is in the progress of installing solar panels in all its major production plants. The solar panel installation had been completed in CWF and CWFV and the installation in CHI is expected to be completed soon. The electricity consumption of the Group recorded a decline noticeably after the utilization of solar energy. The Group aims to save on its utilities costs and at the same time contribute towards a more sustainable and low carbon community.



Renewable energy reflected in the graph above includes solar energy and the non-renewable energy refers to electricity and gas consumed by the Group during the respective reporting years.



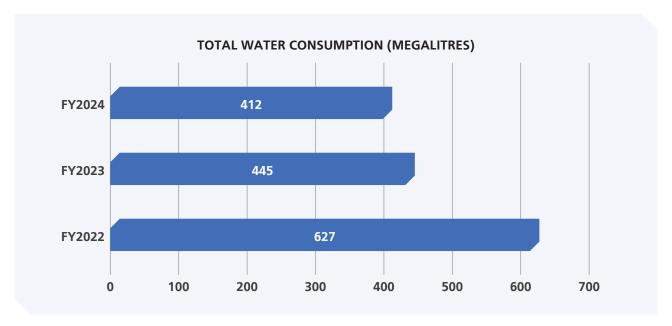
WHAT IS MATERIAL TO US: (CONT'D)



Water Management

Water is one of our most used natural resources in the processes of our production especially in the plating process. Water is used for degreasing, rinsing, pickling, electroplating and passivation during plating process. As such, our focus has always been on finding ways to reduce water waste. As part of our effort to increase water usage efficiency, we continuously monitor and track our water consumption.

The chart below provides the information on the Group's water consumption during FY2024 as compared to previous reporting years:



The reduction in water consumption in the current year under review is mainly attributable to the lower production volume and the effort of the Group in reducing the usage of water in its daily operation.

Environmental Monitoring and Compliance

The Group is aware of the importance of compliance with the environmental regulations and hence always commits to comply with requirements from various authorities:

- Majlis Bandaraya
- Jabatan Alam Sekitar
- Jabatan Pengairan dan Saliran
- ISO 14001:2015
- Jabatan Keshihatan Pulau Pinang

In regards to discharge or release of industrial effluent or mixed effluent into inland waters Environmental Quality (Industrial Effluent) Regulations 2009, P.U.(A) 434/2009 is always complied with.

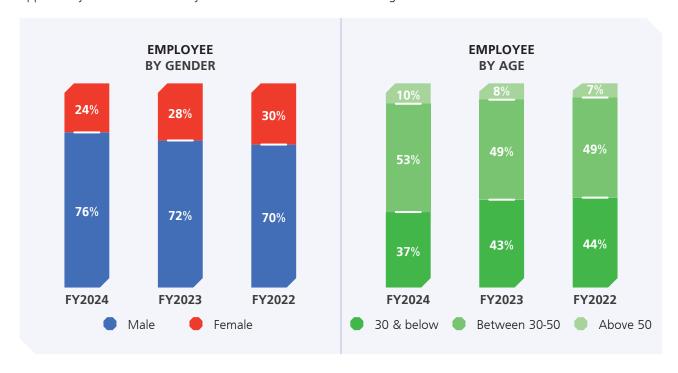
CWFV, the largest revenue contributor of the Group had been qualified for ISO 14001:2015 in FY2024. As part of the Group commitment in its effort in improving its environmental performance in its business activities while protecting and enhancing the quality of life and productivity, another one of its major subsidiaries in Penang, CWF is in the progress of obtaining the certification of ISO 14001:2015. In this regard, environmental policy and environmental objectives had been developed and strictly adhered to.

WHAT IS MATERIAL TO US: (CONT'D)



Diversity

The Group does not have a written diversity policy in workplace but it is believed that a well-managed, diverse work force expands the Group's base of knowledge, skills and cross-cultural understanding, which in turn, enables us to understand, relate and respond to our diverse and changing customers throughout the world. We maintain a work environment free from discrimination against individuals and disabilities. The Group employs disabled employees who are fit to their job. The Group complies with all applicable laws pertaining to non-discrimination and equal opportunity. This is evidenced by the diverse ethnic and social backgrounds of members and staff.



The majority of the employees are male mainly due to the nature of the work in the production plants being more suitable for male.



WHAT IS MATERIAL TO US: (CONT'D)



Upholding Human Rights

In regards to upholding human rights, our Group always supported internationally accepted human rights principles such as those related to child labor and human trafficking. We are in compliance with the prevailing Labor Law in Malaysia throughout the current financial year.

We do not engage with business partners that are known to use unethical means in their business processes. We also respect and protect the rights of our own employees and the freedom of association and collective bargaining. A Collective Agreement was signed between CWF and Metal Industry Employees Union (MIEU) with the aim of protecting the rights of the employees. Nevertheless, we have not received any reports of human rights violations by the Group in the current reporting year.



Employee Wellbeing

The Group commits to fairness of remuneration to align with the compliance with all government policies. We recognised the contribution of the employee by adopting fair compensation and ensuring they are fairly rewarded for their contributions.

Beside remuneration, the CWF also gives other benefits such as financial assistance to the qualified employee's children in pursuing their university education. Daily free vegetarian lunch has been provided to its employees and free white rice is given on regular basis.

Staff activities such as bowling competition, festival celebration and gathering with food provided to promote employees' well-being and teamwork are being held from time to time.

Training

The Group placed significant emphasis on upgrading its employee's competency. Beside on the job training, we also conduct annual review of the employee's training needs to determine the training that is required by each employee to equip them to perform their job more efficiently and for their future career development. Internal trainings were conducted during the current financial year and selected employees were also sent for external training programme from time to time.

Below is the training data during the following reporting year.

	FY2024	FY2023	FY2022
Total Training hours as a Group	11,456	11,550	16,248
Average training hours per employee	10.93	8.71	11.44

The above training data excludes the director's training as it has been disclosed in the Corporate Governance Overview Statement.



WHAT IS MATERIAL TO US: (CONT'D)



Training Programmes

In FY2024, the Group conducted various training programme internally as well as externally cover various areas and some of them are outlined below:

Safety

- Safety Riding
- First Aid Training
- Asas Keselamatan Kebakaran
- Road Traffic Safety Management

Risk Management

• Risk Management

ISO

- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Management Awareness
- ISO 14001:2015 Environmental Aspect and Associated Impacts Assessment
- ISO 9001:2015 Internal Auditing Programme
- ISO 14064-1:2018 Leader Verifier Training

Corporate Governance

Development and Impact of ESG on Corporate Malaysia

Industry Specific

Possible Impact of RCEP and CPTPP on Iron & Steel Industry - Malaysia

Health & Wellbeing

- OSH Principle of Prevention (ASH Pop) on Mental Health at Workplace
- Noise Exposure and Hearing Conservation

Accounting & Taxation

Decoding IRBM Guidelines for Malaysia E-Invoicing

Environmental

- Couse for Certified Environmental Professional In the Operation of Industrial Effluent Treatment Systems (Physical Chemical Process)
- Course for Certified Environmental Professional In Scrubber Operation



WHAT IS MATERIAL TO US: (CONT'D)



Occupation Safety & Health

The Group strives to ensure a safe and healthy working environment for all its employees. As such, we adhere strictly to all stipulated regulations and guidelines in the countries we operate in with the aim to minimise the work-related injury which leads to positive workplace morale and ultimately to higher quality products.

The Health and Safety Committee is formed in the respective reporting subsidiaries to ensure health and safety issues are being addressed. The committee members are elected by way of management nomination and employee selection, based on criteria such as daily work scope and ability to handle health and safety issues. The committee regularly monitors and reviews our safety practices and procedures. On-job trainings were conducted regularly to create safety awareness among the workers to ensure the daily operation works and handling of chemicals and machinery are always been carried out in a safe manner.

Internal safety audits were carried out on quarterly basis to ensure that the safety equipment and machinery are properly functioning and are well maintained. All workers have to wear safety shoes and ear plugs at all times on the production floor. Workers are provided with safety and health training from time to time and we track and record all the industrial accidents and injuries which happen during the current reporting financial year. There is no fatal work-related accident which cause death that happen in the reporting subsidiaries during the current reporting period under review.

During the reporting period, the following health and safety activities had been conducted in the reporting subsidiaries:

- Health and safety training for employees and management representatives
- First aid training
- Regular examination for occupational diseases
- Fire and emergency escape drill
- Chemical and wastewater spill response drills
- Specialist physical examination for kitchen staff
- Audiometric test for production workers

Appropriate follow-up actions had been taken on the workers whose hearing is found to be impaired resulting from the work environment. Implementation of noise exposure control had been progressively being implemented in the production area to protect the worker's hearing from further impairment. In addition, training on the proper usage of the personal hearing protector had been scheduled from time to time to teach the workers the correct way of wearing the protector.

Community Investment

Embracing our role as a corporate citizen, we endeavor to contribute meaningfully to the communities and environment in which we operate. During FY2024, the Group had contributed monetary donations for the amount of RM86,000 to various non-profit organizations as disclosed below:

- PENANG ADVENTIST HOSPITAL
- PENANG CHINESE TOWN HALL
- MOUTH & FOOT PAINTING ARTISTS SDN BHD
- ONE MILLION TREE PLANTING PROGRAM IN PENANG



WHAT IS MATERIAL TO US: (CONT'D)



Indicators for Common Sustainability Matters:

Common Sustainability Matters	Unit of Measurement	FY2024	FY2023	FY2022
Anti-corruption C1 (a) Percentage of employees who have received training on anti-corruption by employee category				
Director	%	100	100	100
Management	%	100	100	100
Executive	%	100	100	100
Non-Executive	%	100	100	100
General Worker	%	100	100	100
C1 (b) Percentage of operations assessed for corruption-related risks	%	100	100	100
C1 (c) Confirmed incidents of corruption and action taken	Number	Nil	Nil	Nil
Community/Society C2 (a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	86,000	78,878	174,947
C2 (b) Total number of beneficiaries of the investment in communities	Number	5	8	7
Diversity C3 (a) Percentage of employees by gender and age group, for each employee category				
By Gender	%	67	67	67
Management – Male Management - Female	%	67	67	67
Executive – Male	%	33 58	63	33 62
Executive – Iviale Executive - Female	%		37	38
Non-Executive – Male	%	70	67	71
Non-Executive – Iviale Non-Executive – Female	%			
		30	33	29
General Worker – Male	%	83	83	83
General Worker - Female	%	17	17	17



WHAT IS MATERIAL TO US: (CONT'D)



Indicators for Common Sustainability Matters: (cont'd)

	Unit of			
Common Sustainability Matters	Measurement	FY2024	FY2023	FY2022
By Age				
Management – Under 30	%	0	0	0
Management – Between 30-50	%	22	22	22
Management – Above 50	%	78	78	78
Executive – Under 30	%	5	5	10
Executive – Between 30-50	%	76	76	70
Executive – Above 50	%	19	19	20
Non-Executive – Under 30	%	16	16	18
Non-Executive – Between 30-50	%	57	58	58
Non-Executive – Above 50	%	27	26	24
General Worker – Under 30	%	32	32	33
General Worker – Between 30-50	%	53	53	52
General Worker – Above 50	%	15	15	15
C3 (b) Percentage of directors by gender and				
age group Male	%	63	63	63
Female	%	37	37	37
Male – Between 30-50	%			13
		13	13	
Male – Above 50	%	50	50	50
Female – Between 30-50	%	24	24	24
Female – Above50	%	13	13	13
Energy management		455 50 : :	467 700 5 17	224 545 545
C4 (a) Total energy consumption	Megajoules	166,531,774	167,730,345	221,618,813
Health and Safety		N. C.	API	N. C.
C5 (a) Number of work-related fatalities	Number	Nil	Nil	Nil
C5 (b) Lost time incident rate	%	2.20	0.96	0.17
C5 (c) Number of employees trained on health and safety standards	Number	1,058	892	1,074

WHAT IS MATERIAL TO US: (CONT'D)



Indicators for Common Sustainability Matters: (cont'd)

	Unit of			
Common Sustainability Matters	Measurement	FY2024	FY2023	FY2022
Labor Practice and Standards C6 (a) Total hours of training by employee category				
Director	Hours	218	66	82
Management	Hours	1,149	136	244
Executive	Hours	357	460	244
Non-Executive	Hours	5,298	5,909	5,937
General Worker	Hours	4,651	5,045	9,823
C6 (b) Percentage of employees that are contractors or temporary staff	%	Nil	Nil	Nil
C6 (c) Total number of employee turnover by employee category				
Director	Number	Nil	Nil	Nil
Management	Number	Nil	Nil	Nil
Executive	Number	5	2	3
Non-Executive	Number	17	6	12
General Worker	Number	319	167	291
C6 (d) Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	Nil
Supply chain management C7 (a) Proportion of spending on local suppliers	%	27	27	18
Data privacy and security C8 (a) Number of substantiated complaints concerning breaches of customers privacy and losses of customer data	Number	Nil	Nil	Nil
Water C9 (a) Total volume of water used	Megaliters	412	445	627
Waste management C10 (a)Total waste generated, and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to disposal (iii) recycling rate	Metric tonnes Metric tonnes %	4,746 406 92	5,338 271 95	6,663 166 98



WHAT IS MATERIAL TO US: (CONT'D)



Indicators for Common Sustainability Matters: (cont'd)

Common Sustainability Matters	Unit of Measurement	FY2024	FY2023	FY2022
Emissions management C11 (a) Scope 1 emissions in tonnes of CO2e (for fasteners division only)	Metric tonnes of CO2	2,738	NA	NA
C11 (b) Scope 2 emissions in tonnes of CO2e (for fasteners division only)	Metric tonnes Of CO2	27,495	NA	NA
C11 (c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting) C11 (c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee	Metric tonnes of CO2	NA	NA	NA



Statement on Risk Management and Internal Control

Pursuant to Paragraph 15.26 (b) of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), the Board of Directors ("Board") of Chin Well Holdings Berhad is pleased to provide the following statement on risk management and internal control of the Group, which has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Internal Control Guidelines").

RESPONSIBILITY FOR RISK AND INTERNAL CONTROL

The Board recognises the importance of a structured risk management and a risk-based internal audit to establish and maintain a sound system of internal control. The Board affirms its overall responsibility for the Group's systems of internal control and for reviewing the adequacy and integrity of those systems.

The Board has established an ongoing process for identifying, evaluating and managing the significant risks faced, or potentially exposed to, by the Group in pursuing its business objectives. This process has been in place throughout the financial year and up to the date of approval of this annual report. The adequacy and effectiveness of this process have been continuously reviewed by the Board and are in accordance with the Internal Control Guidelines.

The Group adopts a written internal control framework covering the major operating procedures in the major subsidiaries. The components of internal controls which have been identified in the framework include control environment, risk assessment, control activities, information and communication and its monitoring. The system of internal control under the framework covers not only financial controls but also operational controls and risk management procedures. In view of the limitations inherent in any system of internal controls, the system is designed to manage, rather than to eliminate, the risk of failure to achieve the Group's business and corporate objectives. The system can therefore provide reasonable, but not absolute assurance, against material misstatement, loss or fraud. The framework is subject to review from time to time to accommodate process changes or to meet new business requirements.

RISK MANAGEMENT

The Board and management are mindful of measures required to identify risks residing in any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks. Management proactively identifies significant risk on a regular basis with design and implementation of suitable internal controls. The internal auditors were appointed to assist in the facilitation of risk assessment updates on certain subsidiaries in the Group where high level risk assessment exercise is carried out annually and the update shall be reported to the Audit Committee accordingly.

The key aspects of the risk management process being carried out during the financial year under review are as follows:

- Departmental heads of the major local subsidiaries have identified the critical risk areas and updated the risk profiles of their departments;
- The respective departmental heads have prepared a risk register detailing significant risk issues of their departments, existing controls and additional control measures were updated and implemented to manage the risks;
- Risks are classified into two categories, namely Non-controllable risk which is catastrophic in nature and Controllable risk, comprising the risks arise due to the internal factors;
- The risks identified were assessed and rated based on their likelihood of occurrence and severity of impact;
- During the financial year under review, the existing risks in the major operational areas have been reassessed accordingly. Adequate controls are in place to cope with the challenging business environment following the global market uncertainties;



Statement on Risk Management and Internal Control (Cont'd)

RISK MANAGEMENT (CONT'D)

- Top management of the respective subsidiaries i.e., the general manager, were provided with the risk register reports for review, discuss and monitor the risk profiles and implementation of action plans wherever necessary;
- The management is responsible to continuously monitor the implementation of risk mitigation action plan to a level acceptable to the Board. Risk issues were discussed in the management meeting whenever required and existing controls are re-assessed and strengthened from time to time;
- A copy of the risk register of the subsidiaries was forwarded to the internal auditors for compilation;
- The internal auditors have summarised and updated the top-ranking risks identified by the major subsidiaries in Malaysia and presented it to the Audit Committee, highlighting the new emerging or significant risks facing by each major subsidiary. Audit Committee will ensure there are sufficient controls in place or management action plan to mitigate the consequences;
- The Audit Committee has taken the risk report into consideration for future audit purposes; and
- The Audit Committee consulted the internal auditors for further improvement of the risk management process of the group from time to time.

INTERNAL AUDIT

The Board acknowledges the importance of the internal audit function and has outsourced this function in major subsidiaries to independent consulting firms. The internal auditors adopt a risk-based approach in developing their audit plan which includes reviewing key processes of the core operating units of the Group based on their risk profile. The annual audit plan which includes audit approach, past and proposed auditable areas and scope of audit reporting, will be tabled to the Audit Committee for approval. The Audit Committee will review, discuss and decide on the audit areas for the Group for the financial year ahead. The audit plan will be revised whenever necessary.

The independent reports on the state of internal control of the various core operating units are tabled directly to the Audit Committee and the audit findings were discussed at the Audit Committee meeting. Internal auditors will advise management on areas for improvement and subsequently initiate follow-up actions to determine the extent of implementation of their recommendations. The Audit Committee reviews the work of the internal auditors, their findings and recommendations to ensure that it obtains the necessary level of assurance with respect to the adequacy of the internal controls.

During the financial year ended 30 June 2024, the internal auditors have conducted reviews on procurement control of repair and service items and maintenance of machinery of one of the major subsidiaries in Malaysia. In Vietnam, the internal auditor had reviewed the production planning and monitoring functions. A number of minor internal control weaknesses were identified during the audit, all of which have been or are being addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report.



Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL

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

- An organisation structure with well-defined scopes of responsibility, clear lines of accountability, and appropriate levels of delegated authority;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- All the major subsidiaries have been certified with MS ISO 9001:2015 Quality Management System;
- Surveillance Audit will be conducted annually to ensure the compliance of the MS ISO 9001:2015 requirements;
- A set of documented internal policies and procedures for operational and human resource management, which is subject to regular review and improvement;
- Regular and comprehensive information provided to management, covering financial and operational performance for effective monitoring and decision making;
- Regular management meetings are held in each of the Group's business operations to discuss operational issues of the business. Action-plans are constructed for issues identified during the meeting;
- Management accounts with extensive analysis and cash flow reports are provided to the executive directors to facilitate reviewing and monitoring of the financial performance and cash flows of the major subsidiaries;
- Board meetings are held on quarterly basis to discuss on quarterly financial statements and issues that warrant the Board's attention. Actual financial result of the Group compared against its budget will be reviewed by the
- The annual Group budget was presented and approved by the Board;
- Board's approval via board resolution is required for significant capital expenditures with pre-determined limit, significant business venture, disposal of significant investment of the Group and provision of corporate guarantee for financing facilities granted from financial institutions;
- Regular visits to operating units by Executive Directors and senior management;
- The professionalism and competence of the Group's human resources are maintained through established recruitment process, performance appraisal system and training; and
- Training and development programmes are attended by the staff to enhance their competency skills.

The Board has also received assurance from the Group's managing director and executive directors that the risk management and internal control system of the Company and its subsidiaries are operating adequately and effectively, in all material aspects, based on the risk management and internal control system adopted.

Based on the above, the Board confirms that there is an ongoing risk management process established, the system of internal control is satisfactory and appropriate to identify, evaluate, and manage significant risks to effectively mitigate the risks that may impede the achievement of the Group's business and corporate objectives.

The Board is cognizant of the importance of maintaining appropriate controls and will continue to review the adequacy, integrity and implementation of appropriate internal controls system.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by the Listing Requirements of Bursa Securities, the external auditors have reviewed this Statement for inclusion in the annual report for the financial year under review. Their review was performed in accordance with Paragraph 15.23 of MMLR of Bursa Securities and the Audit and Assurance Practice Guide 3 ("AAPG3") issued by the Malaysian Institute of Accountant for inclusion in the Annual Report of the Group for the financial year ended 30 June 2024. From the review conducted, the external auditors have reported that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosure required by paragraphs 41 and 42 of the Internal Control Guideline nor is the Statement factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any disclosed in the Annual Report will, in fact, remedy the problems.

This Statement is issued in accordance with a resolution of the Directors dated 24 October 2024.



Audit Committee Report

MEMBERSHIPS

The present Audit Committee ("the Committee") of the Company consists of three (3) members, comprising wholly Independent Non-Executive Directors and this meets with the requirements of paragraph 15.09(1) (b) of the MMLR of Bursa Securities. The members of the Committee and their meeting attendance during the financial year ended 30 June 2024 are as follows:

Name	Designation	Directorate	Number of Meetings Attended
Ang Seng Oo	Chairman	Independent & Non-Executive	5/5
Datin Sharmin Fazlina Binti Mohd Shukor	Member	Independent & Non-executive	5/5
Low Yeaw Seng	Member	Independent & Non-Executive	5/5

TERMS OF REFERENCE

The term of reference of the Committee is available on the Company's website (www.chinwell.com.my).

SUMMARY OF WORK

The works carried out by the Committee during the financial year ended 30 June 2024 are summarised as follows:

1. **Financial Reporting**

- On 29 August 2023, the Committee reviewed the unaudited consolidated financial results for the 4th quarter of the financial year ended 30 June 2023 and recommended to the Board for approval.
- On 05 October 2023, the Committee reviewed the Company's annual audited financial statements for b. the financial year ended 30 June 2023 and recommended to the Board for approval.
- On 29 November 2023, 27 February 2024 and 29 May 2024 respectively, the Committee reviewed the C. unaudited consolidated financial results for the 1st, 2nd and 3rd guarters of the financial year ending 30 June 2024 and recommended to the Board for approval.

2. **External Audit**

- On 29 August 2023, the Committee held a private session with the External Auditors without the presence of the Executive Directors and the Management in relation to the financial audits of the Group for the financial year ended 30 June 2023. On the same day, the External Auditors also presented their audit findings together with the Group's results to the Committee.
- On 05 October 2023, the Committee deliberated the External Audit Completion Report in relation b. to relevant disclosures in the annual audited financial statements together with the management representation letter for the financial year ended 30 June 2023.
- On 05 October 2023, the Committee held a private session with the External Auditors without the C. presence of the Executive Directors and the Management in relation to the financial audits of the Group for the financial year ended 30 June 2023.
- On 05 October 2023, the Committee carried out an annual assessment on the performance of the External Auditors via a set of questionnaires. Based on the assessment, the Committee was satisfied with the independence, competency and the overall performance of the External Auditors and recommended them to the Board for re-appointment as External Auditors for the financial year 2024.
- On 29 May 2024, the External Auditors tabled to the Committee the External Audit Plan for the financial e. year ending 30 June 2024 which include amongst others the engagement responsibilities and reporting responsibilities, the audit approach, areas of audit emphasis, legal updates, engagement team, proposed reporting schedule and proposed fees.



SUMMARY OF WORK (CONT'D)

3. **Internal Audit**

- a. On 26 May 2023, the Committee reviewed with the internal auditors, the internal audit plan for the financial year ending 30 June 2024 to ensure adequate coverage of key functional areas and activities of the Group in Malaysia.
- On 29 August 2023, the Committee reviewed the internal audit report in relation to the audit findings b. on the production planning and monitoring functions of CWFV, audit recommendations provided by the internal auditors and management responses to those findings and recommendations.
- On 05 October 2023, the Committee reviewed the Statement of Risk Management and Internal Control and recommended to the Board.
- d. On 27 February 2024, the Committee reviewed the internal audit reports in relation to the audit findings on the procurement control of the service and machine maintenance items of a major subsidiary, audit recommendations provided by the internal auditors and management responses to those findings and recommendations.
- e. On 27 February 2024, the Committee reviewed with the internal auditors, the progress reports on the status of implementation by the Management pursuant to the audit recommendations.
- f. On 29 May 2024, the Committee reviewed the Risk Assessment Report tabled by the internal auditors.
- On 29 May 2024, the Committee reviewed with the internal auditors, the internal audit plan for the g. financial year ending 30 June 2025 to ensure adequate coverage of key functional areas and activities of the Group in Malaysia.
- On 29 May 2024, the Committee carried out an assessment on the adequacy of the scope, function and h. effectiveness of the outsourced internal audit function. The Committee concluded that the outsourced internal audit function of the Group has been adequate. With that, the Committee recommended the outsourced internal auditors to the Board for re-appointment for the financial year ending 30 June 2025.

Related Party Transaction 4.

- The Committee reviewed the recurrent related party transactions of revenue or trading nature on a. quarterly basis during the Committee meetings.
- On 29 August 2023, 29 November 2023, 27 February 2024 and 29 May 2024, the Committee reviewed b. the recurrent related party transactions entered by the respective subsidiaries and ensured that the RRPT amounts were within the threshold in the shareholders' mandate.
- On 05 October 2023, the Committee reviewed the adequacy of the Group's existing procedures and C. processes to monitor, track and identify recurrent related party transactions and to form an opinion for inclusion in the Circular to Shareholders in relation to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.



SUMMARY OF WORK (CONT'D)

5. Conflict of Interest or Potential Conflict of Interest (COI)

a. On 29 November 2023, 27 February 2024 and 29 May 2024, the Committee reviewed the COI or potential COI involving Directors and Key Senior Management of the Company and the measures taken to address COI or potential COI as set out below:

COI	Nature and Extent of Interest of Interested Directors and Major Shareholders	Measures taken to address COI or potential COI
Family members of certain Directors are employed by the Group.	Tsai Chia Wen is the Key Senior Management of CWFV.	The annual performance evaluation of Tsai Chia Wen who is the daughter of Tsai Yung Chuan and Tsai Chang Hsiu-Hsiang and sibling of Tsai Chia Ling and Tsai Cheng Hsun will be subject to and endorsed by Nominating Committee and Remuneration Committee.

Potential COI	Nature and Extent of Interest of Interested Directors and Major Shareholders	Measures taken to address COI or potential COI
Directors have direct and/or indirect interest in NBH Realty Sdn Bhd (NBHR) and Jadi Raya Development Sdn Bhd (JDR), both are 45% indirect owned subsidiaries of CWHB. The principal activity of NBHR and JDR are property investments.	 Lim Chien Ch'eng is the Non-Independent Non-Executive Chairman of CWHB. He is also the major shareholder of NBHR and JDR by virtue of his shareholdings in Sunergy Sdn Bhd, a major shareholder of NBHR and JDR. He is also the spouse of Chan Moi Moi @ Anna Tjandra who is the director of NBHR and JDR. Therefore, Lim Chien Ch'eng is deemed interested in NBHR and JDR. Tsai Chang Hsiu-Hsiang is the Executive Director of CWHB. She is also the director and major shareholder of NBHR and JDR by virtue of her shareholdings in Amal Pintas Sdn Bhd (APSB), a major shareholder of NBHR and JDR. Tsai Chia Ling is the Executive Director and major shareholder of her shareholder of CWHB by virtue of her shareholdings in Benua Handal Sdn Bhd (BHSB), a major shareholder of CWHB. She is also the director and major shareholder of NBHR and JDR by virtue of her shareholdings in APSB. 	The Interested Directors have abstained and will continue to abstain from all deliberations and voting pertaining to NBHR and JDR at Board meetings of CWHB. The Interested Directors and Interested Major Shareholders will abstain and undertake to ensure that persons connected with them will abstain from voting in respect of their direct and/or indirect shareholdings, if any, in CWHB on the resolution pertaining to NBHR and JDR to be tabled at general meeting, if any.

SUMMARY OF WORK (CONT'D)

5. Conflict of Interest or Potential Conflict of Interest (COI) (cont'd)

On 29 November 2023, 27 February 2024 and 29 May 2024, the Committee reviewed the COI or potential COI involving Directors and Key Senior Management of the Company and the measures taken to address COI or potential COI as set out below: (cont'd)

Nature and Extent of Interest of Interested Directors and Major Shareholders	Measures taken to address COI or potential COI
 Tsai Yung Chuan is the Managing Director and major shareholder of CWHB by virtue of his shareholder of CWHB. Both Tsai Chang Hsiu-Hsiang and Tsai Chia Ling are the directors and major shareholders of NBHR and JDR by virtue of their shareholdings in APSB, a major shareholder of NBHR and JDR. By virtue of Tsai Yung Chuan being the spouse of Tsai Chang Hsiu-Hsiang and father of Tsai Chia Ling, he is deemed interested in NBR and JDR. Tsai Cheng Hsun is the Executive Director and major shareholder of CWHB by virtue of his shareholdings in BHSB, a major shareholder of CWHB. He is also the son of Tsai Yung Chuan and Tsai Chang Hsiu-Hsiang and sibling of Tsai Chia Ling and Tsai Chia Wen. Therefore, Tsai Cheng Hsun is deemed interested in NBHR and JDR. Tsai Chia Wen is the Key Senior Management of CWFV and major shareholder of CWHB by virtue of her shareholdings in BHSB, a major shareholder of CWHB by virtue of her shareholder of CWHB. She is also the daughter of Tsai Yung Chuan and Tsai Chang Hsiu-Hsiang and sibling of Tsai Chia Ling and Tsai Cheng Hsun. Therefore, Tsai Chia Wen is deemed interested in NBHR and JDR 	
	Interested Directors and Major Shareholders 4. Tsai Yung Chuan is the Managing Director and major shareholder of CWHB by virtue of his shareholder of CWHB. Both Tsai Chang Hsiu-Hsiang and Tsai Chia Ling are the directors and major shareholders of NBHR and JDR by virtue of their shareholdings in APSB, a major shareholder of NBHR and JDR. By virtue of Tsai Yung Chuan being the spouse of Tsai Chang Hsiu-Hsiang and father of Tsai Chia Ling, he is deemed interested in NBR and JDR. 5. Tsai Cheng Hsun is the Executive Director and major shareholder of CWHB by virtue of his shareholdings in BHSB, a major shareholder of CWHB. He is also the son of Tsai Yung Chuan and Tsai Chang Hsiu-Hsiang and sibling of Tsai Chia Ling and Tsai Chia Wen. Therefore, Tsai Cheng Hsun is deemed interested in NBHR and JDR. 6. Tsai Chia Wen is the Key Senior Management of CWFV and major shareholder of CWHB by virtue of her shareholdings in BHSB, a major shareholder of CWHB by virtue of her shareholdings in BHSB, a major shareholder of CWHB by virtue of her shareholdings in BHSB, a major shareholder of CWHB. She is also the daughter of Tsai Yung Chuan and Tsai Chang Hsiu-Hsiang and sibling of Tsai Chia Ling and Tsai Cheng Hsun. Therefore, Tsai Chia Wen



SUMMARY OF WORK (CONT'D)

5. Conflict of Interest or Potential Conflict of Interest (COI) (cont'd)

On 29 November 2023, 27 February 2024 and 29 May 2024, the Committee reviewed the COI or potential COI involving Directors and Key Senior Management of the Company and the measures taken to address COI or potential COI as set out below: (cont'd)

Potential COI	Nature and Extent of Interest of Interested Directors and Major Shareholders	Measures taken to address COI or potential COI
	7. BHSB is the major shareholder of CWHB. Tsai Yung Chuan, Tsai Chang Hsiu-Hsiang and Tsai Chia Ling are the directors of BHSB. By virtue of them being the Interested Directors, BHSB is deemed interested in NBHR and JDR.	
Director is a Partner of Messrs. Ghazi & Lim, a legal firm engaged by the Group.	i i	RM50,000 will be subject to review and approval by Audit

6. **Annual Report**

- On 05 October 2023, the Committee reviewed and recommended the following contents of the annual report for financial year ended 30 June 2023 for the Board approval:
 - i. Statement on Risk Management and Internal Control;
 - ii. Audit Committee Report.

INTERNAL AUDIT FUNCTION

The Board recognises that an internal audit function is vital in ensuring the effectiveness of the Group's systems of internal control as an integral part of the risk management process. In this respect, the Company had outsourced the internal audit functions to external professional firms namely KFF PLT in Malaysia and BDO Consulting Vietnam Company Limited in Vietnam.

The head of KFF PLT is a qualified practitioner and a member of the Malaysian Institute of Accountants (MIA) and member of Institute of Internal Auditors Malaysia whereas the engagement director of BDO Consulting Vietnam Company Limited is a fellow member of Associate of Chartered Certified Accountant (ACCA) and member of MIA.

The Committee sets the scope of the internal audit, reviews and approves the annual audit plan. The internal auditors report directly to the Committee.

The internal auditors independently review the internal control of key functional areas and business activities of the Group according to the annual internal audit plan approved by the Committee. The internal audit function is guided by the International Professional Practice Framework and adopts risk-based approach in preparing its audit strategy and plan based on the risk profiles of the major business units of the Group in Malaysia. The Committee reviews the risk monitoring and compliance procedures of the Group to obtain the level of assurance required by the Board.

During the financial year ended 30 June 2024, KFF PLT had reviewed the systems of internal control on procurement of service and machinery maintenance control of a major subsidiary in Malaysia and had assisted the Committee in identifying areas for improvements, analysing the issues and making their recommendations based on risk ratings to ensure adequate and effective systems are in place. The internal auditors had also carried out follow-up reviews of findings reported in prior financial quarters. Additionally, the internal auditors had facilitated the management of the risk assessment exercise and reported to the Committee what are the Group's risks and to consider revising the Internal Audit Plan accordingly, if necessary.

BDO had performed a review on production control of the Vietnam subsidiary and the findings and report had been presented to the Committee.

The total cost incurred in managing the internal audit function of the Group for the financial year ended 30 June 2024 was RM 24.083.

Further details on the internal audit function and its activities are set out in the Statement on Risk Management and Internal Control section of this Annual Report.



Directors' Report

For The Financial Year Ended 30 June 2024

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	8,596,540	25,998,847
Attributable to:		
Owners of the Company	8,666,713	25,998,847
Non-controlling interests	(70,173)	
	8,596,540	25,998,847

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

DIVIDENDS

Since the end of the previous financial year, the Company has declared a single tier second interim dividend of RM0.0071 per ordinary share amounting to RM2,033,954 in respect of the financial year ended 30 June 2023 on 29 August 2023 and paid on 24 November 2023.

On 30 August 2024, the Company has declared a single tier interim dividend of RM0.0176 per ordinary share amounting to RM5,041,509 in respect of the financial year ended 30 June 2024 and payable on 25 November 2024. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 June 2025.

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



For The Financial Year Ended 30 June 2024

RESERVES AND PROVISIONS

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

SHARE CAPITAL AND DEBENTURE

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

TREASURY SHARES

During the financial year, the Company repurchased 2,000 units of its issued share capital from the open market for a total consideration of RM2,564. The average price paid for the shares repurchased was RM1.24 per share and the repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares and treated in accordance with the requirements of Section 127 of the Companies Act 2016.

As at 30 June 2024, the Company held 13,083,800 treasury shares out of its total 299,533,168 issued ordinary shares. Further relevant details are disclosed in Note 16 to the financial statements.

HOLDING COMPANY

The Company is a subsidiary of Benua Handal Sdn. Bhd., a company incorporated and domiciled in Malaysia. The directors regard Benua Handal Sdn. Bhd. as the ultimate holding company.

DIRECTORS

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

Directors of the Company:

Lim Chien Ch'eng

- * Tsai Yung Chuan
- * Tsai Chang Hsiu-Hsiang
- * Tsai Chia Ling

Ang Seng Oo

Low Yeaw Seng

Datin Sharmin Fazlina Binti Mohd Shukor

* Tsai Cheng Hsun

Directors of the subsidiaries:

The directors of the subsidiaries of the Company since the beginning of the financial year to the date of this report, not including those directors listed above, are:

Chan Moi Moi @ Anna Tjandra Tsai Chia-Wen **Teng Chung-Chien**

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



For The Financial Year Ended 30 June 2024

DIRECTORS' INTERESTS IN SHARES

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

	Balance at 1.7.2023	Bought	Sold	Balance at 30.6.2024
		2009	2010	
Direct interest:				
Lim Chien Ch'eng	6,019,650	-	-	6,019,650
Tsai Chia Ling	838,400	-	-	838,400
Deemed interest:				
¹ Lim Chien Ch'eng	1,765,314	-	-	1,765,314
² Tsai Yung Chuan	163,522,346	305,000	-	163,827,346
² Tsai Chia Ling	163,522,346	305,000	-	163,827,346
² Tsai Cheng Hsun	163,522,346	305,000	-	163,827,346

¹ Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Indra Cempaka Sdn. Bhd.

By virtue of their shareholdings in the Company, **Mr. Tsai Yung Chuan, Ms. Tsai Chia Ling** and **Mr. Tsai Cheng Hsun** are also deemed interested in the shares of all the subsidiaries of the Company, to the extent that the Company has interests.

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

DIRECTORS' REMUNERATION AND BENEFITS

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

	COMPANY	SUBSIDIARIES	GROUP
	RM	RM	RM
Directors' fees	360,000	-	360,000
Salaries, allowances and bonus	7,800	6,168,702	6,176,502
Defined contribution plan	-	277,793	277,793
Social security contribution and employment insurance			
scheme	-	3,153	3,153
Benefits-in-kind	_	19,500	19,500
	367,800	6,469,148	6,836,948

² Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Benua Handal Sdn. Bhd.

For The Financial Year Ended 30 June 2024

DIRECTORS' REMUNERATION AND BENEFITS (CONT'D)

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

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity coverage and insurance premium paid for the directors and officers of the Group and of the Company are RM3,000,000 and RM13,255 respectively.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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



For The Financial Year Ended 30 June 2024

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the directors:

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

AUDITORS

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

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

	GROUP	COMPANY
	RM	RM
Statutory audit	137,500	42,000
Assurance related and non-audit services	5,000	3,000
Total	142,500	45,000

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

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

Tsai Yung Chuan	Tsai Chang Hsiu-Hsiang
Penang,	

Date: 24 October 2024



Directors' Statement

In the opinion of the directors, the financial statements set out on pages 72 to 132 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of their financial performance and cash flows for the financial year then ended.

i Yung Chuan	Tsai Chang Hsiu-Hsiang
ned on behalf of the Board of Directors in accordance with a resolution of th	he Board of Directors:

Statutory Declaration

I, Tsai Chang Hsiu-Hsiang, the director primarily responsible for the financial management of Chin Well Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 72 to 132 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act. 1960.

and by virtue of the provisions of the statutory	Decidrations Act, 1900.		
Subscribed and solemnly declared by the abovenamed at Penang, this 24th day of October 2024 .)))		
		Tsai Chang Hsiu-Hsiang	
Before me,			
Goh Suan Bee			
No. P125			
Commissioner for Oaths			



Independent Auditors' Report

To The Members Of Chin Well Holdings Berhad Registration No. 199501042347 (371551-T) (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chin Well Holdings Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 72 to 132.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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



Independent Auditors' Report To The Members Of Chin Well Holdings Berhad (Cont'd)

Registration No. 199501042347 (371551-T) (Incorporated in Malaysia)

Key Audit Matters (cont'd)



Independent Auditors' Report
To The Members Of Chin Well Holdings Berhad (Cont'd)
Registration No. 199501042347 (371551-T) (Incorporated in Malaysia)

Key Audit Matters (cont'd)

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
Valuation of inventories (cont'd)	
Restatement of closing value of finished goods During the financial year, the management of the foreign subsidiary of the Group, Chin Well Fasteners (Vietnam) Co., Ltd. ("CWFV") have restated the value of the finished goods. The restatement was carried out to align the costing methodology for fastener products of CWFV with the Malaysian subsidiaries of the Group. The effects of the restatement have been disclosed in Note 38 to the financial statements. We focus on this area as the restatement involves material adjustments of prior period's reported figure and requires management to make certain estimation and judgement.	 Our audit procedures in relation the auditing of the restatement are as follows: Obtained an understanding of the costing methodology applied for the finished goods for fastener products of CWFV and reviewed that if it is aligned with the costing methodology of the Malaysian subsidiaries of the Group. The process was done through interview with the local management and component auditor of CWFV. Reviewed the audit workpapers of the component auditor for the restatement of finished goods and on a sampling basis, independently verify if the workings are supported with verifiable source documents and the methodology is applied consistently and accurately to the entire finished goods for fastener products of CWFV.
Revenue recognition (Note 24 to the financial statements)	
The Group's revenue is mainly derived from the manufacturing of fastening products and wire products.	Our audit procedures in relation to the revenue recognition are as follows:
We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised.	 Obtained an understanding of the Group's revenue recognition process and application and thereafter tested controls on the occurrence of revenue. Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities. Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers. Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transactions taking place at either side of the reporting date as well as reviewing credit notes and sales returns issued after the reporting date. Reviewed the sales ledger to identify any sales transactions that were entered using journals or nonsales invoices references and evaluated the nature of the transactions to determine whether they were bona fide transactions.

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

Independent Auditors' Report

To The Members Of Chin Well Holdings Berhad (Cont'd) Registration No. 199501042347 (371551-T) (Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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



Independent Auditors' Report

To The Members Of Chin Well Holdings Berhad (Cont'd) Registration No. 199501042347 (371551-T) (Incorporated in Malaysia)

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, is disclosed in Note 7 to the financial statements.

Other Matter

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

Grant Thornton Malaysia PLT AF: 0737 201906003682 (LLP0022494-LCA) Chartered Accountants Terence Lau Han Wen No. 03298/04/2025 J Chartered Accountant

Penang

Date: 24 October 2024

Statements Of Financial Position

As At 30 June 2024

			GROUP		COMPAI	NY
			(Restated)	(Restated)		
		30.6.2024	30.6.2023	1.7.2022	30.6.2024	30.6.2023
	NOTE	RM	RM	RM	RM	RM
ACCETC						
ASSETS						
Non-current assets Property, plant and						
equipment	4	126,991,441	136,960,303	140,842,596	1	1
Investment properties	5	67,075,685	67,164,078	67,332,996	-	-
Right-of-use assets	6	1,884,470	588,352	458,527	-	-
Investment in						
subsidiaries	7	-	-	-	263,051,296	263,051,296
Deferred tax assets	8			143,370		
		195,951,596	204,712,733	208,777,489	263,051,297	263,051,297
Current assets						
Inventories	9	284,248,747	284,060,231	331,126,249	_	_
Trade receivables	10	46,788,809	49,184,526	102,200,951		_
Other receivables,		,,	,,	/ /		
deposits and						
prepayments	11	17,685,359	10,424,563	16,908,183	4,500	4,500
Amount due from	12					4 476 010
subsidiaries Current tax assets	12	- 7 401 E2E	- 7,837,736	- 3,273,758	- 72,630	4,476,019 144,149
Other investments	13	7,401,535 77,818,105	67,154,171	3,273,736	72,630 29,856,368	8,677,917
Cash and bank	15	77,616,105	07,134,171	-	29,650,506	0,077,917
balances	14	111,198,988	129,830,195	127,451,155	7,375,236	6,846,852
		545,141,543	548,491,422	580,960,296	37,308,734	20,149,437
TOTAL ASSETS		741,093,139	753,204,155	789,737,785	300,360,031	283,200,734
FOLUTY AND						
EQUITY AND LIABILITIES						
Share capital	15	177,929,384	177,929,384	177,929,384	177,929,384	177,929,384
Treasury shares	16	(18,886,487)	(18,883,923)	(18,880,446)	(18,886,487)	(18,883,923)
Foreign currency translation reserve	17	7,883,746	23,062,605	11,150,822	-	-
Retained profits	18	494,040,744	487,407,985	485,250,974	140,911,789	116,946,896
		660,967,387	669,516,051	655,450,734	299,954,686	275,992,357
Non-controlling			4.0== == :	0.05: 555		
interests		1,909,798	1,979,971	2,051,975	-	-
Total equity		662,877,185	671,496,022	657,502,709	299,954,686	275,992,357



Statements Of Financial Position (Cont'd)

As At 30 June 2024

			GROUP		COMPA	NY
			(Restated)	(Restated)		
		30.6.2024	30.6.2023	1.7.2022	30.6.2024	30.6.2023
	NOTE	RM	RM	RM	RM	RM
A1						
Non-current liabilities Provision for severance						
allowance	19	3,442,463	3,457,990	2,276,693	_	_
Lease liabilities	6	1,469,513	465,948	218,755	_	_
Deferred tax liabilities	8	8,284,939	8,985,417	8,468,995	_	_
		13,196,915	12,909,355	10,964,443		
Current liabilities						
Trade payables	20	20,404,533	18,098,738	23,449,611	-	-
Other payables and						
accruals	21	41,360,359	41,540,044	47,390,472	405,345	401,345
Amount due to a	4.5					6 007 000
subsidiary	12		-	-	-	6,807,032
Contract liabilities	22	1,537,608	1,504,564	2,435,143	-	-
Lease liabilities	6	443,067	124,221	274,895	-	-
Borrowings	23	-	5,427,342	37,825,247	-	-
Current tax liabilities		1,273,472	2,103,869	9,895,265		
		65,019,039	68,798,778	121,270,633	405,345	7,208,377
Total liabilities		78,215,954	81,708,133	132,235,076	405,345	7,208,377
TOTAL EQUITY AND						
LIABILITIES		741,093,139	753,204,155	789,737,785	300,360,031	283,200,734



Statements Of Comprehensive IncomeFor The Financial Year Ended 30 June 2024

				GROUP (Restated)	СО	MPANY
	N	NOTE	2024 RM	2023 RM	2024 RM	2023 RM
Revenue		24	343,247,551	456,452,038	25,364,280	22,231,992
Cost of sales			(321,289,367)	(385,745,320)		
Gross profit			21,958,184	70,706,718	25,364,280	22,231,992
Other income		25	9,007,242	7,389,643	1,223,650	1,068,891
Administrative	expenses		(18,169,926)	(24,094,527)	(606,127)	(679,799)
Selling and dis	tribution expenses		(7,152,919)	(7,040,048)	-	-
	expected credit de reveivables		(665,054) 392,710	(408,908) 34,286	<u>.</u>	- -
Operating pro	ofit		5,370,237	46,587,164	25,981,803	22,621,084
Finance incom	e	26	5,551,955	5,500,653	210,818	267,275
Finance costs		27	(146,531)	(445,146)		-
Profit before	tax	28	10,775,661	51,642,671	26,192,621	22,888,359
Taxation		29	(2,179,121)	(12,891,483)_	(193,774)	(153,886)
Profit for the	financial year		8,596,540	38,751,188	25,998,847	22,734,473
income,net Item that will subsequent Foreign curren	l be reclassified :ly to profit or loss:		(15,178,859)	11,911,783		
	hensive (loss)/ the financial year		(6,582,319)	50,662,971	25,998,847	22,734,473
Profit attribut Owners of the Non-controlling	Company		8,666,713 (70,173)	38,823,192 (72,004)	25,998,847 -	22,734,473
Total compre	hensive (loss)/		8,596,540	38,751,188	25,998,847	22,734,473
	ributable to: Company		(6,512,146) (70,173) (6,582,319)	50,734,975 (72,004) 50,662,971	25,998,847 	22,734,473
to owners o (sen)	share attributable of the Company					
- Basic/Diluted		30	3.03	13.55		
The accompan	ying notes form an inte	egral p	art of these finar	ncial statements.		
074	Chin Well Holdings Be	erhad 1	99501042347 (371551	-T)		



Consolidated Statement Of Changes In EquityFor The Financial Year Ended 30 June 2024

			Attributable	Attributable to owners of the	Company			
		Share Capital	Distributable Distributable Treasury Shares	Non-distributable Foreign Currency Translation Reserve	Distributa Retail Pro	Total	Non- controlling Interests	Total Equity
	NOTE	RM	R	RM	RM	RM	RM	RM
30.6.2024								
Balance at 1.7.2023, restated		177,929,384	(18,883,923)	23,062,605	487,407,985	669,516,051	1,979,971	671,496,022
Total comprehensive loss for the financial year		•	•	(15,178,859)	8,666,713	(6,512,146)	(70,173)	(6,582,319)
Transactions with owners of the	4.							
Dividends Purchase of treasury shares	31		. (2,564)		(2,033,954)	(2,033,954) (2,564)		(2,033,954) (2,564)
l otal transactions with owners of the Company	'		(2,564)		(2,033,954)	(2,036,518)		(2,036,518)
Balance at 30.6.2024	•	177,929,384	(18,886,487)	7,883,746	494,040,744	660,967,387	1,909,798	662,877,185
(Restated)								
30.6.2023								
Balance at 1.7.2022 - As previously stated - Effects of restatement	37	177,929,384	(18,880,446)	11,341,822 (191,000)	494,784,765 (9,533,791)	665,175,525 (9,724,791)	2,051,975	667,227,500 (9,724,791)_
Restated balance at 1.7.2022		177,929,384	(18,880,446)	11,150,822	485,250,974	655,450,734	2,051,975	657,502,709
Total comprehensive income for the financial year	(I)							
- As previously stated - Effects of restatement	37			12,401,999 (490,216)	39,460,535 (637,343)	51,862,534 (1,127,559)	(72,004)	51,790,530 (1,127,559)
	J			11,911,783	38,823,192	50,734,975	(72,004)	50,662,971
Transactions with owners of the Company:								
Dividends Purchase of treasury shares	31		(3,477)	1 1	(36,666,181)	(36,666,181) (3,477)	1 1	(36,666,181) (3,477)
lotal transactions with owners of the Company	'		(3,477)		(36,666,181)	(36,669,658)		(36,669,658)
Balance at 30.6.2023, restated		177,929,384	(18,883,923)	23,062,605	487,407,985	669,516,051	1,979,971	671,496,022

Statement Of Changes In Equity For The Financial Year Ended 30 June 2024

			Distrib	utable	
		Share	Treasury	Retained	Total
		Capital	Shares	Profits	Equity
	NOTE	RM	RM	RM	RM
30.6.2024					
Balance at beginning		177,929,384	(18,883,923)	116,946,896	275,992,357
Total comprehensive income for the financial year			-	25,998,847	25,998,847
Transactions with owners of the Company:					
Dividends	31	-	-	(2,033,954)	(2,033,954)
Purchase of treasury shares	16	-	(2,564)	-	(2,564)
Total transactions with owners ofthe Company		-	(2,564)	(2,033,954)	(2,036,518)
Balance at end		177,929,384	(18,886,487)	140,911,789	299,954,686
30.6.2023					
Balance at beginning		177,929,384	(18,880,446)	130,878,604	289,927,542
Total comprehensive incomefor the financial year		-	-	22,734,473	22,734,473
Transactions with owners of:the Company:					
Dividends	31	-	-	(36,666,181)	(36,666,181)
Purchase of treasury shares	16	-	(3,477)		(3,477)
Total transactions with owners ofthe Company		-	(3,477)	(36,666,181)	(36,669,658)
Balance at end		177,929,384	(18,883,923)	116,946,896	275,992,357



Statements Of Cash Flows

For The Financial Year Ended 30 June 2024

	G	ROUP	C	OMPANY
		(Restated)		
	2024	2023	2024	2023
	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	10,775,661	51,642,671	26,192,621	22,888,359
Adjustments for:				
Accretion of interest on lease liabilities Allowance for expected credit losses on trade receivables:	64,029	25,991	-	-
- Addition	665,054	408,908	-	-
- Reversal	(392,710)	(34,286)	-	-
Depreciation of:				
- property, plant and equipment	11,896,191	12,971,463	-	-
- investment properties	88,393	168,918	-	-
- right-of-use assets	420,554	262,585	-	-
Dividend income	-	-	(25,364,280)	(22,231,992)
Distribution income	(1,463,039)	(492,032)	(650,539)	(312,122)
Gain on derecognition of right-of-use assets and lease liabilities	-	(21,882)	-	-
Gain on disposal of property, plant and	.	/·		
equipment	(30,497)	(90,057)	-	-
Interest expenses	82,502	419,155	-	-
Interest income	(5,551,955)	(5,500,653)	(210,818)	(267,275)
Inventories written down				
- Addition	2,230,260	561,117	-	-
- Reversal	(230,355)	-	-	-
Net fair value (gain)/loss on short term funds with licensed financial institutions	(4 300 069)	/E02.278\	(22.964)	88,029
	(1,399,068)	(502,378)	(32,861)	00,029
Property, plant and equipment written off	3	85,252	-	-
Provision for severance allowance	217,348	1,027,745	- (E40.3E0)	(600.760)
Unrealised gain on foreign exchange	(801,446)	(1,748,344)_	(540,250)	(699,769)
Operating profit/(loss) before working capital	46 570 005	FO 404 472	(505.427)	(524.770)
changes	16,570,925	59,184,173	(606,127)	(534,770)
Changes in:	()			
Inventories	(9,893,276)	51,811,105	-	-
Receivables	(6,689,324)	59,867,299	-	-
Payables	3,764,400	(12,094,578)	4,000	41,989
Contract liabilities	62,955	(931,401)		
Cash generated from/(used in) operations, balance carried forward	3,815,680	157,836,598	(602,127)	(492,781)



Statements Of Cash Flows (Cont'd)

For The Financial Year Ended 30 June 2024

			GROUP	cc	MPANY
			(Restated)		
		2024	2023	2024	2023
	NOTE	RM	RM	RM	RM
Cash generated from/(used in)				,	
operations, balance brought forward	l	3,815,680	157,836,598	(602,127)	(492,781)
Interest paid		(82,502)	(419,155)	-	-
Income tax paid		(4,298,680)	(24,703,194)	(161,265)	(188,869)
Income tax refunded	-	1,141,685		39,010	
Net cash from/(used in) operating					
activities		576,183	132,714,249	(724,382)	(681,650)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	Γ	5,551,955	5,500,653	210,818	166,641
Dividends received from subsidiaries		-	-	25,364,280	22,231,992
Net changes in other investments		(7,710,359)	(65,826,934)	(20,495,051)	(8,453,824)
Proceeds from disposal of property,		(7,710,333)	(03,020,334)	(20,433,031)	(0,433,024)
plant and equipment		30,500	90,410	-	-
Purchase of property, plant and					
equipment		(5,320,775)	(6,731,734)	-	-
Net changes in fixed deposits with		42.020.242	(27.044.207)		
licensed banks	L	12,028,212	(27,914,297)	-	-
Net cash from/(used in) investing					
activities		4,579,533	(94,881,902)	5,080,047	13,944,809
CASH FLOWS FROM FINANCING					
ACTIVITIES Dividends paid	Γ	(2.022.0E4)	(26,666,191)	(2.022.054)	(36,666,181)
Dividends paid		(2,033,954)	(36,666,181)	(2,033,954)	1 ' /
Purchase of treasury shares		(2,564)	(3,477)	(2,564)	(3,477)
Net changes in onshore foreign currency loans	Α	_	(27,221,139)	_	_
Net changes in short term loans	Α	-	(10,486,052)	_	_
Net changes in trust receipts	Α	(5,427,342)	5,427,342	_	_
Repayment of lease liabilities	A	(458,290)	(300,000)	_	_
Net changes in subsidiaries' balances	Α	-	-	(2,331,013)	16,410,000
				(=,===,===,	
Net cash used in financing activities	_	(7,922,150)	(69,249,507)	(4,367,531)	(20,259,658)
NET DECREASE IN CASH AND BANK					
BALANCES, BALANCES CARRIED FORWARD		(2,766,434)	(31,417,160)	(11,866)	(6,996,499)



Statements Of Cash Flows (Cont'd)

For The Financial Year Ended 30 June 2024

		GROUP	СО	MPANY
		(Restated)		
	2024	2023	2024	2023
NC	OTE RM	RM	RM	RM
NET DECREASE IN CASH AND BANK BALANCES, BALANCES BROUGHT				
FORWARD	(2,766,434)	(31,417,160)	(11,866)	(6,996,499)
Effects of foreign exchange rates changes	(565,940)	3,461,389	540,250	606,180
CASH AND BANK BALANCES AT BEGINNING	74,490,659	102,446,430	6,846,852	13,237,171
CASH AND BANK BALANCES AT END	71,158,285	74,490,659	7,375,236	6,846,852
Represented by:				
Fixed deposits with licensed banks	41,243,293	62,466,838		-
Short term money market deposits	8,975,034	17,639,847	262,031	2,129,581
Cash in hand and at banks	60,980,661	49,723,510	7,113,205	4,717,271
	111,198,988	129,830,195	7,375,236	6,846,852
Less: Fixed deposits with maturity more than three months	(40,040,703)	(55,339,536)		
	71,158,285	74,490,659	7,375,236	6,846,852



Statements Of Cash Flows (Cont'd)

For The Financial Year Ended 30 June 2024

A. Reconciliation of liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	Net cash flows RM	Others ¹ RM	Balance at end RM
GROUP				
2024				
Borrowings Lease liabilities	5,427,342 590,169	(5,427,342) (458,290)	- 1,780,701	- 1,912,580
Total liabilities arising from financing activities	6,017,511	(5,885,632)	1,780,701	1,912,580
2023				
Borrowings Lease liabilities	37,825,247 493,650	(32,279,849) (300,000)	(118,056) 396,519	5,427,342 590,169
Total liabilities arising from financing activities	38,318,897	(32,579,849)	278,463	6,017,511
COMPANY				
2024				
Net amount due to subsidiaries, representing total liabilities arising from financing activities	2 221 012	(2 221 012)		
Ç .	2,331,013	(2,331,013)	-	
2023				
Net amount due from/(to) subsidiaries, representing total liabilities arising from financing activities	(13,884,764)	16,410,000	(194,223)	2,331,013

¹ Others consist of non-cash movement as follows:

		GROUP	со	MPANY
	2024	2023	2024	2023
	RM	RM	RM	RM
Accretion of interest on lease				
liabilities	64,029	25,991	-	-
Additions of lease liabilities	1,716,672	585,463	-	-
Derecognition of lease liabilities	-	(214,935)	-	-
Interest income from amount due				
from a subsidiary	-	-	-	(100,634)
Unrealised gain on foreign exchange	-	(151,856)	-	(93,589)
Exchange differences	-	33,800	-	-
	1,780,701	278,463		(194,223)



Notes To The Financial Statements

30 June 2024

1. CORPORATE INFORMATION

General

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

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

The principal place of business of the Company is located at No. 1586, MK 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang.

The Company is a subsidiary of Benua Handal Sdn. Bhd., a company incorporated and domiciled in Malaysia. The directors regard Benua Handal Sdn. Bhd. as the ultimate holding company.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors on 24 October 2024.

Principal Activities

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

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

2. **BASIS OF PREPARATION**

2.1 **Statement of Compliance**

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

2.2 **Basis of Measurement**

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the material accounting policy information as set out in the notes to the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

30 June 2024

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

2.2 Basis of Measurement (cont'd)

Fair Value Measurement (cont'd)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 **Functional and Presentation Currency**

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

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates. The Group's foreign operations have different functional currencies.

Adoption of New Standards/Amendments to MFRSs

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

Effective for annual periods beginning on or after 1 January 2023

MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts

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

Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

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

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



30 June 2024

2. BASIS OF PREPARATION (CONT'D)

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

Effective for annual periods beginning on or after 1 January 2023 (cont'd)

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

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

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

2.5 Standards Issued But Not Yet Effective

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

Effective for annual periods beginning on or after 1 January 2024

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

Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures -Supplier Finance Arrangements

Effective for annual period beginning on or after 1 January 2025

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

Effective for annual period beginning on or after 1 January 2026

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

Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for annual periods beginning on or after 1 January 2027

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

Effective date yet to be confirmed

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

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

30 June 2024

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

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

Effective date yet to be confirmed (cont'd)

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

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

The Directors are still assessing the impact on the financial statements of the Group and of the Company from adoption of the standards and interpretations above.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

3.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contract with extension option and termination option - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that includes an extension and termination option. The Group applies judgement in evaluating whether the Group is reasonably certain to exercise the option to extend or to terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the extension or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to extend or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group has included the extension options period as part of the lease term for leases of forklifts as it is reasonably certain that the extension options will be exercised. The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.



30 June 2024

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

3.2 Key sources of estimation uncertainty

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

(i) Useful lives of depreciable assets

Plant and machinery are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of the plant and machinery to be within 5 to 30 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of the plant and machinery. Therefore, future depreciation charges could be revised. A reduction in the estimated useful lives of the plant and machinery would increase the depreciation charge and decrease the property, plant and machinery.

The depreciation charges of the Group's plant and machinery is disclosed in Note 4 to the financial statements.

Inventories (ii)

Inventories are measured at the lower of cost and net realisable value. In estimating the net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to constant change in selling prices which are determined by supply and demand factors. The rapid changes in selling prices will have an impact in determining the net realisable value of inventories and ultimately the earnings of the Group.

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

Provision for expected credit losses ("ECL") of trade receivables (iii)

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

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

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

The information about the ECL on the Group's trade receivables is disclosed in Note 35.3.1 to the financial statements.

30 June 2024

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D) 3.

- 3.2 Key sources of estimation uncertainty(cont'd)
 - (iv) Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).



30 June 2024

4.	PROPERTY, PLANT AND EQUIPMENT GROUP	T AND EQU	JIPMENT									
		Freehold land RM	Leasehold land RM	Buildings	Plant and machinery RM	Tools and implements	Office equipment RM	Furniture and fittings RM	Electrical installation RM	Motor vehicles RM	Capital work-in- progress RM	Total
	30.6.2024											
	At cost											
	Balance at beginning Additions	133,741	33,302,705 109,923,843	109,923,843	315,233,145	24,090,873	10,806,173	562,632	3,368,357	4,602,643	1,844,967	503,869,079
	Disposals	•	•		- (609 340)		(6,950)	<u>'</u>	•	(374,492)		(381,442)
	vvilteri oris Exchange differences		(956,654)	(956,654) (3,547,593)	6	(890,852)	(120,076)			(104,243)	(42,777)	(42,777) (14,756,318)
	Balance at end	133,741	32,346,051	106,784,861	307,706,273	23,819,229	10,487,038	564,481	3,368,357	4,391,289	3,859,248	493,460,568
	Accumulated depreciation											
	Balance at beginning	•	12,920,935	46,294,840	268,068,399	23,446,997	9,071,351	532,707	2,753,677	3,819,870	•	366,908,776
	Current charge	•	869,081	2,482,221	6,882,227	235,183	1,034,901	3,989	81,973	306,616	•	11,896,191
	Disposals Written offs				- (215,619)		(6,950) (375,904)			(374,489)		(381,439) (591,523)
	Exchange differences	•	(364,280)	(364,280) (1,574,692)	8	(852,352)	(114,559)	•		(80,234)		(11,362,878)
	Balance at end	'	13,425,736	47,202,369	266,358,246	22,829,828	9,608,839	536,696	2,835,650	3,671,763	'	366,469,127
	Carrying amount	133,741	133,741 18,920,315	59,582,492	41,348,027	989,401	878,199	27,785	532,707	719,526	3,859,248	3,859,248 126,991,441

PROPERTY, PLANT AND EQUIPMENT (CONT'D) GROUP (CONT'D)	T AND EQL	JIPMENT (CO	NT'D)								
	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Tools and implements RM	Office equipment RM	Furniture and fittings i	Electrical installation RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
30.6.2023											
At cost											
Balance at beginning Additions	133,741	32,640,152 104,702,004 - 2,796,826		308,114,714 2,139,320	23,417,871 68,839	11,678,923	560,132	3,368,357	4,461,447 364,000	1,099,221 4 1,247,419	490,176,562 6,731,734
Disposals Written offs Reclassification	1 1 1	1 1 1	- (125,700) 97,502	- (1,750,729) 432,000	1 1 1	(5,340) (1,066,550)	1 1 1	1 1 1	(295,000)	. (529,502)	(300,340) (2,942,979) -
Exchange differences	1	662,553	2,453,211	6,297,840	604,163	86,310	1	'	72,196	27,829	10,204,102
Balance at end	133,741	33,302,705	109,923,843	315,233,145	24,090,873	10,806,173	562,632	3,368,357	4,602,643	1,844,967 5	503,869,079
Accumulated depreciation											
Balance at beginning Current charge	1 1	11,702,944	42,877,575	256,324,646 7,742,534	22,628,144 232,753	8,829,217	528,536 4,171	2,671,704	3,771,200 291,487	. · ·	349,333,966 12,971,463
Disposals Written offs	1 1	1 1	(50,728)	- (1,740,449)	1 1	(4,987) (1,066,550)	1 1	1 1	(295,000)	1 1	(299,987) (2,857,727)
Exchange differences		239,852	1,060,393	5,741,668	586,100	80,865			52,183		7,761,061
Balance at end		12,920,935	46,294,840	268,068,399	23,446,997	9,071,351	532,707	2,753,677	3,819,870		366,908,776
Carrying amount	133,741	20,381,770	63,629,003	47,164,746	643,876	1,734,822	29,925	614,680	782,773	1,844,967	136,960,303

30 June 2024

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

COMPANY

	Office equipment	
	30.6.2024	30.6.2023
	RM	RM
At cost	1,600	1,600
Accumulated depreciation	1,599	1,599
	1	
Carrying amount		

The information of right-of-use assets which are included in the property, plant and equipment is as follows:

	Carrying amount	Current depreciation	Exchange differences
GROUP	RM	RM	RM
30.6.2024			
Leasehold land	18,920,315	(869,081)	(592,374)
30.6.2023			
Leasehold land	20,381,770	(978,139)	422,701

Material accounting policy information

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Depreciation is recognised in profit or loss on the straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold land	Amortise over its lease period
	of 43 to 60 years
Buildings	2% - 20%
Plant and machinery	3.33% - 20%
Tools and implements	6% - 20%
Office equipment	12.50% - 20%
Furniture and fittings	10% - 20%
Electrical installation	10% - 20%
Motor vehicles	10% - 20%



30 June 2024

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

Material accounting policy information (Cont'd)

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

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

Fully depreciated items of property, plant and equipment are retained in the accounts until the items are no longer in use.

5. **INVESTMENT PROPERTIES**

	Freehold land RM	Buildings RM	Total RM
GROUP			
30.6.2024			
At cost			
Balance at beginning/end	64,937,240	4,419,607	69,356,847
Accumulated depreciation			
Balance at beginning Current charge	<u>.</u>	2,192,769 88,393	2,192,769 88,393
Balance at end		2,281,162	2,281,162
Carrying amount	64,937,240	2,138,445	67,075,685
30.6.2023			
At cost			
Balance at beginning/end	64,937,240	4,419,607	69,356,847
Accumulated depreciation			
Balance at beginning Current charge	<u>-</u>	2,023,851 168,918	2,023,851 168,918
Balance at end		2,192,769	2,192,769
Carrying amount	64,937,240	2,226,838	67,164,078



30 June 2024

5. INVESTMENT PROPERTIES (CONT'D)

Group as lessor

The Group has entered into operating leases on its investment properties. These leases have terms of between two to three years.

The following are recognised in profit or loss in respect of investment properties:

	GROUP	
	30.6.2024	30.6.2023
	RM	RM
Rental income from income generating properties Direct operating expenses:	938,800	707,400
- Rental income generating - Non-rental income generating	165,545 110,996	224,417 110,996

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

	GROUP	
	30.6.2024	30.6.2023
	RM	RM
Within one year	754,200	899,800
More than one year and less than five years	250,400	630,600
	1,004,600	1,530,400

Material accounting policy information

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

Freehold land is not depreciated as it has an infinite life. Buildings are depreciated on the straight-line method to write off the cost to their residual value over their estimated useful lives at 2% per annum.

6. **RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

Group as lessee

The Group has several lease contracts for forklifts used in its operations that has lease term of four years, with an option to extend the lease for one year. At the commencement of lease, the Group has assessed that it is reasonably certain to exercise the extension option. Generally, the Group is restricted from assigning and subleasing the leased asset.

The Group also has certain leases of motor vehicle and equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Such lease payments are charged to profit or loss on the straight-line basis over the lease term.



30 June 2024

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Right-of-use assets

Set out below are the carrying amount of right-of-use assets recognised and the movements during the financial

	Forklifts		
	30.6.2024 30.		
	RM	RM	
Balance at beginning	588,352	458,527	
Additions	1,716,672	585,463	
Depreciation	(420,554)	(262,585)	
Derecognition		(193,053)	
Balance at end	1,884,470	588,352	

Lease liabilities

Set out below are the carrying amount of lease liabilities recognised and the movements during the financial year:

	Forklifts	
	30.6.2024	30.6.2023
	RM	RM
Balance at beginning	590,169	493,650
Additions	1,716,672	585,463
Accretion of interest	64,029	25,991
Payments	(458,290)	(300,000)
Derecognition		(214,935)
Balance at end	1,912,580	590,169
Represented by:		
Non-current	1,469,513	465,948
Current	443,067	124,221
	1,912,580	590,169

The maturity analysis of lease liabilities is disclosed in Note 35.4 to the financial statements.



30 June 2024

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

The following are the amounts recognised in profit or loss:

	GROUP	
	2024	2023
	RM	RM
Accretion of interest on lease liabilities	64,029	25,991
Depreciation expense of right-of-use assets	420,554	262,585
Gain on derecognition of right-of-use assets and lease liabilities	-	(21,882)
Expenses relating to lease of low-value assets	5,477	6,688
Expenses relating to short-term leases	97,980	256,440
Total amount recognised in profit or loss	588,040	529,822
Total cash outflows for leases	561,747	563,128

Material accounting policy information

The Group apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Forklifts 4 to 5 years

7. **INVESTMENT IN SUBSIDIARIES**

	COMPANY	
	30.6.2024	30.6.2023
	RM	RM
Unquoted shares, at cost	221,551,296	221,551,296
Unquoted non-cumulative redeemable preference shares, at cost	41,500,000	41,500,000
	263,051,296	263,051,296



30 June 2024

7. **INVESTMENT IN SUBSIDIARIES (CONT'D)**

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

	Name of Subsidiaries	Effective Equity Interest		Principal Activities
		30.6.2024 %	30.6.2023	
	Chin Well Fasteners Co. Sdn. Bhd.	100	100	Manufacturing of screws, nuts, bolts and other fastening products.
	Chin Well Service Centre Sdn. Bhd. ("CWSC")	100	100	Trading of screws, nuts, bolts and other fastening products.
	Chin Herr Industries (M) Sdn. Bhd.	100	100	Manufacturing of precision galvanised wire, annealing wire, bright wire, hard drawn wire, PVC wire, bent round bar and grill mesh.
*	Chin Well Fasteners (Vietnam) Co., Ltd. (Incorporated and principal place of business in Vietnam)	100	100	Manufacturing of screws, nuts, bolts and other fastening products.
#	Asia Angel Holdings Limited (Incorporated and principal place of business in British Virgin Island)	100	100	Investment holding.
	Indirect held through CWSC			
	Jadi Raya Development Sdn. Bhd. ("Jadi")	45	45	Property investment.
	NBH Realty Sdn. Bhd. ("NBH")	45	45	Property investment.

^{*} Not audited by Grant Thornton Malaysia PLT.

Although the Group owns less than half of the equity interest and the voting power of Jadi and NBH, the directors have determined that the Group controls these two entities. The Group has the control over Jadi and NBH, on the basis that the remaining voting rights are owned by the companies in which certain directors of the Company have substantial financial interests and the Group has the current ability to direct the two entities activities that most significantly affect their returns. Consequently, the Group consolidates its investment in the two entities.



^{*} Not required to be audited in the country of incorporation. The directors have consolidated the results of this subsidiary based on its management accounts which have been audited by Grant Thornton Malaysia PLT for consolidation purpose.

30 June 2024

INVESTMENT IN SUBSIDIARIES (CONT'D) 7.

Subsidiaries with material non-controlling interests ("NCI") 7.1

The details of the material NCI are as follows:

	Jadi	NBH	Total
30.6.2024			
NCI percentage of ownership interest and voting interest (%)	55	55	
Carrying amount of NCI (RM)	(1,362)	1,911,160	1,909,798
Loss allocated to NCI (RM)	(29,262)	(40,911)	(70,173)
30.6.2023			
NCI percentage of ownership interest and voting interest (%)	55	55	
Carrying amount of NCI (RM)	27,900	1,952,071	1,979,971
Loss allocated to NCI (RM)	(30,167)	(41,837)	(72,004)
The summarised financial information of material NCI pelimination:	presented below i	s the amount befo	ore inter-company
		Jadi RM	NBH RM
30.6.2024			
Assets and liabilities Non-current assets Current assets Non-current liabilities Current liabilities		17,000,000 21,224 - (17,023,701)	45,000,000 8,345 (436,422) (41,097,085)
Net (liabilities)/assets		(2,477)	3,474,838



30 June 2024

7. **INVESTMENT IN SUBSIDIARIES (CONT'D)**

7.1 Subsidiaries with material non-controlling interests ("NCI")(Cont'd)

	Jadi	NBH
	RM	RM
Results		
Net loss, representing total comprehensive loss for the financial year	(53,204)	(74,383)
Net cash (used in)/generated from:		
Operating activities	(53,204)	(74,383)
Financing activities	32,640	47,744
Net changes in cash and bank balances	(20,564)	(26,639)
30.6.2023		
Assets and liabilities		
Non-current assets	17,000,000	45,000,000
Current assets	41,788	34,984
Non-current liabilities	-	(436,422)
Current liabilities	(16,991,061)	(41,049,341)
Net assets	50,727	3,549,221
Results		
Net loss, representing total comprehensive loss for the financial year	(54,849)	(76,067)
Net cash (used in)/generated from:		
Operating activities	(54,849)	(76,067)
Financing activities	80,964	82,303
Net changes in cash and bank balances	26,115	6,236

Material accounting policy information

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



30 June 2024

8. **DEFERRED TAX LIABILITIES**

	GROUP	
	30.6.2024	30.6.2023
	RM	RM
Balance at beginning	8,985,417	8,325,625
Recognised in profit or loss	(503,378)	522,253
Exchange differences	-	(461)
	8,482,039	8,847,417
(Over)/Under provision in prior year	(197,100)	138,000
Balance at end	8,284,939	8,985,417

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

	GROUP	
	30.6.2024	30.6.2023
	RM	RM
Property, plant and equipment	8,734,224	9,196,591
Investment properties	436,422	436,422
Unabsorbed capital allowances	(468,914)	-
Unused tax losses	(65,176)	-
Right-of-use assets	452,273	141,204
Lease liabilities	(459,019)	(141,640)
Provisions	(344,871)	(647,160)
	8,284,939	8,985,417

9. **INVENTORIES**

At cost	30.6.2024 RM	GROUP (Restated) 30.6.2023 RM	(Restated) 1.7.2022 RM
Raw materials	80,586,579	74,478,746	121,222,602
Work-in-progress	31,245,199	30,786,632	40,542,475
Finished goods	98,844,617	123,944,435	118,276,079
Indirect materials	48,380,791	52,199,256	47,990,485
Trading goods	87,389	117,083	210,584
Balance carried forward	259,144,575	281,526,152	328,242,225



30 June 2024

9. INVENTORIES (CONT'D)

	30.6.2024 RM	GROUP (Restated) 30.6.2023 RM	(Restated) 1.7.2022 RM
Balance brought forward	259,144,575	281,526,152	328,242,225
At net realisable value	24 024 760	2 207 015	2 720 002
Finished goods Trading goods	24,931,760 172,412	2,387,015 147,064	2,730,903 153,121
	25,104,172	2,534,079	2,884,024
	284,248,747	284,060,231	331,126,249
Cost of inventories recognised in profit or loss: Inventories recognised as cost of sales Inventories written down:	319,289,462	385,184,203	512,174,900
- Addition - Reversal	2,230,260 (230,355)	561,117 	- (1,924,009)

The reversal of inventories written down was made when the related inventories were sold above their carrying amounts.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value.

Cost of raw materials and indirect materials is determined on a weighted average basis and comprises the original cost of purchases plus the cost of bringing the inventories to their present location and condition. Cost of finished goods includes cost of materials, labour and an appropriate proportion of production overheads. The cost of conversion includes cost directly related to the units of production, and a proportion of fixed overheads based on normal capacity of production facilities.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

10. TRADE RECEIVABLES

		GRO	GROUP	
		30.6.2024	30.6.2023	
		RM	RM	
Trade r	receivables	71,539,898	73,663,271	
Less:	Allowance for ECL			
	Balance at beginning	(24,478,745)	(24,104,123)	
	Current year	(665,054)	(408,908)	
	Reversal	392,710	34,286	
	Balance at end	(24,751,089)	(24,478,745)_	
		46,788,809	49,184,526	



30 June 2024

10. TRADE RECEIVABLES (CONT'D)

The normal credit terms granted to trade receivables range from 7 to 120 days (30.6.2023: 30 to 120 days). They are recognised at their original invoice amounts which represent the fair values on initial recognition.

The impairment loss on trade receivable was reversed as a result of subsequent receipts.

The currency profile of trade receivables is as follows:

	GROUP		
	30.6.2024 30.6.2		
	RM	RM	
RM	26,185,578	25,635,465	
United States Dollar ("USD")	14,152,172	15,680,354	
Euro ("EUR")	6,190,631	7,503,572	
Vietnam Dong ("VND")	217,447	365,135	
Singapore Dollar ("SGD")	42,981		
	46,788,809	49,184,526	

OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMP	ANY
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM	RM	RM	RM
Sundry receivables	2,407,059	1,857,583	-	-
Refundable deposits	284,928	272,338	4,500	4,500
Non-refundable deposits	301,707	40,597	-	-
Prepayments	1,225,015	1,811,916	-	-
Down payment for purchase of raw				
materials	7,768,565	122,069	-	-
VAT receivables	5,698,085	6,320,060		-
_	17,685,359	10,424,563	4,500	4,500

The currency profile of other receivables, deposits and prepayments is as follows:

	GRO	GROUP		ANY
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM	RM	RM	RM
RM	7,610,371	2,096,544	4,500	4,500
USD	2,823,595	454,846	-	-
EUR	330,700	-	-	-
VND	6,618,986	7,795,493	-	-
Chinese Yen ("CNY")	301,707	-	-	-
SGD	<u> </u>	77,680	<u> </u>	
	17,685,359	10,424,563	4,500	4,500

30 June 2024

AMOUNT DUE FROM/TO SUBSIDIARIES 12.

	COMPANY	
	30.6.2024	30.6.2023
	RM	RM
Due from:		
- Interest bearing at Nil (30.6.2023: 2.30%) per annum	-	4,375,385
- Non-interest bearing	<u></u> _	100,634
		4,476,019
Due to:		
- Non-interest bearing		6,807,032

The entire amount due to a subsidiary is denominated in USD.

The amount due from subsidiaries is non-trade related, unsecured and classified based on the expected timing of realisation.

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

OTHER INVESTMENTS 13.

	GROUP		GROUP COI		GROUP COMPANY	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023		
	RM	RM	RM	RM		
Financial assets at fair value through profit or loss ("FVTPL")						
Short-term funds with licensed financial institutions						
- Balance at beginning	67,154,171	-	8,677,917	-		
- Addition	52,710,159	101,228,156	28,495,051	36,516,663		
- Disposal	(44,999,800)	(35,401,222)	(8,000,000)	(28,062,839)		
- Distribution income	1,463,039	492,032	650,539	312,122		
- Fair value adjustments	1,399,068	502,378	32,861	(88,029)		
- Exchange differences	91,468	332,827	-			
-	77,818,105	67,154,171	29,856,368	8,677,917		

Short term funds with licensed financial institutions of the Group and of the Company are primarily invested in money market instruments with licensed financial institutions. The funds can be redeemed at any point in time upon request.



30 June 2024

13. **OTHER INVESTMENTS (CONT'D)**

The currency profile of other investments is as follows:

	GRO	GROUP		PANY
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM	RM	RM	RM
RM	68,216,570	67,154,171	29,856,368	8,677,917
USD	9,601,535			
	77,818,105	67,154,171	29,856,368	8,677,917

14. **CASH AND BANK BALANCES**

	GROUP		COMPANY	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM	RM	RM	RM
Fixed deposits with licensed banks	41,243,293	62,466,838	-	-
Short term money market deposits	8,975,034	17,639,847	262,031	2,129,581
Cash in hand and at banks	60,980,661	49,723,510	7,113,205	4,717,271
	111,198,988	129,830,195	7,375,236	6,846,852

The effective interest rates per annum and maturities of the fixed deposits with licensed banks of the Group as at the end of the reporting period range from 3.40% to 5.90% (30.6.2023: 4.75% to 11%) per annum and 1 month to 12 months (30.6.2023: 1 month to 12 months) respectively.

The effective interest rates per annum and maturities of the short-term money market deposits as at the end of the reporting period are as follows:

	GROUP		COMPANY	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
Effective interest rates per annum				
(%)	1.25 to 2.65	0.87 to 2.65	2.65	2.65
Tenure (days)	1 to 30	1 to 30	1	1

The currency profile of cash and bank balances is as follows:

	GRO	OUP	COMPANY	
	30.6.2024	30.6.2023	30.6.2024	30.6.2023
	RM	RM	RM	RM
RM	13,308,414	28,019,291	264,237	2,132,186
USD	44,507,470	33,151,724	7,110,999	4,714,666
EUR	11,191,704	5,827,835	-	-
VND	42,151,115	62,828,652	-	-
SGD	40,285	2,693		-
	111,198,988	129,830,195	7,375,236	6,846,852



30 June 2024

15. SHARE CAPITAL

	Number of ordinary shares		Amount			
	30.6.2024 30.6.2023		30.6.2024 30.6.2023		30.6.2024	30.6.2023
			RM	RM		
Issued and fully paid with no par						
value	299,533,168	299,533,168	177,929,384	177,929,384		

16. TREASURY SHARES

The Company's mandate relating to the share buyback of up to 10% of the existing total paid-up share capital, inclusive of all treasury shares that have been bought back, was approved by the shareholders of the Company at the annual general meeting held on 29 November 2023.

During the financial year, the Company purchased **2,000** (30.6.2023: 2,000) of its issued ordinary shares from the open market at an average price of RM1.24 (30.6.2023: RM1.70) per share. The total consideration paid for the share buy back was **RM2,564** (30.6.2023: RM3,477), including transaction costs of **RM84** (30.6.2023: RM77). None of the treasury shares held were resold or cancelled during the financial year.

As at the end of the reporting period, the Company held a total of 13,083,800 (30.6.2023: 13,081,800) ordinary shares as treasury shares out of its total issued and paid up share capital. The number of outstanding ordinary shares in issue after deducting the treasury shares as at the end of the reporting period was 286,449,368 (30.6.2023: 286,451,368) ordinary shares.

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

FOREIGN CURRENCY TRANSLATION RESERVE 17.

GROUP

Foreign currency translation reserve represents foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

18. **RETAINED PROFITS**

COMPANY

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

PROVISION FOR SEVERANCE ALLOWANCE 19

The Group's Vietnam subsidiary provides severance allowance to all contracted employees who have worked regularly for the employer for a period of 12 months or more, in accordance with Article 46 of the Vietnam Labour Code 2019.



30 June 2024

19. PROVISION FOR SEVERANCE ALLOWANCE (CONT'D)

The movement of severance allowance during the financial year are as follows:

		GROUP	
		(Restated)	(Restated)
	30.6.2024	30.6.2023	1.7.2022
	RM	RM	RM
Balance at beginning	3,457,990	2,276,693	-
Recognised in profit or loss	217,347	1,027,745	2,231,977
Exchange differences	(232,874)	153,552	44,716
Balance at end	3,442,463	3,457,990	2,276,693

20. **TRADE PAYABLES**

The currency profile of trade payables is as follows:

	GROUP		
	30.6.2024	30.6.2023	
	RM	RM	
RM	4,156,391	3,866,401	
USD	2,115,884	1,666,448	
EUR	117,195	-	
VND	14,015,063	12,565,889	
	20,404,533	18,098,738	

The credit terms extended by trade payables range from 7 to 90 days (30.6.2023: 30 to 90 days).

Included in the trade payables is an amount of RM644,002 (30.6.2023: RM797,415) due to the companies in which certain directors of the Company have financial interests. It is unsecured and non-interest bearing.

OTHER PAYABLES AND ACCRUALS 21.

		GROUP		COMP	PANY
		(Restated)	(Restated)		
	30.6.2024	30.6.2023	1.7.2022	30.6.2024	30.6.2023
	RM	RM	RM	RM	RM
Sundry payables	35,189,303	34,411,189	40,539,696	-	-
Accruals	6,171,056	7,128,855	6,850,776	405,345	401,345
	41,360,359	41,540,044	47,390,472	405,345	401,345
·				_	



30 June 2024

21. OTHER PAYABLES AND ACCRUALS (CONT'D)

Included in the sundry payables of the Group is an amount of RM32,047,351 (30.6.2023: RM32,003,141) due to non-controlling interests in which certain directors of the Company have substantial financial interests. It is non-trade related, unsecured, non-interest bearing and repayable on demand.

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

		GROUP		COMP	ANY
		(Restated)	(Restated)		
	30.6.2024	30.6.2023	1.7.2022	30.6.2024	30.6.2023
	RM	RM	RM	RM	RM
RM	38,636,529	38,820,069	40,761,180	405,345	401,345
USD	483,994	336,266	326,120	-	-
EUR	100,893	239,378	2,445	-	-
VND	2,138,943	2,144,331	6,300,727		
	41,360,359	41,540,044	47,390,472	405,345	401,345

CONTRACT LIABILITIES 22.

	GROUP		
	30.6.2024	30.6.2023	
	RM	RM	
Balance at beginning	1,504,564	2,435,143	
Revenue recognised during the financial year	(16,233,368)	(8,828,846)	
Deposits received during the financial year	16,295,880	7,898,267	
Exchange differences	(29,468)	-	
	1,537,608	1,504,564	

Contract liabilities represent deposits received from customers in advance for sales orders before commencing production activity. The deposits will be reversed and recognised as revenue upon satisfying the performance obligation.

All deposits received are expected to be recognised as revenue within one year from the date of receipt.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations of the Group (unsatisfied or partially unsatisfied) to be fulfilled within one year as at the end of the reporting period is RM1,611,540 (30.6.2023: RM1,599,108).



30 June 2024

23. **BORROWINGS**

GROUP 30.6.2024 30.6.2023

RMRM

Secured:

Trust receipts 5,427,342

The borrowings are secured by way of corporate guarantees of the Company and negative pledge of certain subsidiaries' unencumbered assets.

In the prior financial year, the effective interest rate per annum of the trust receipts was 7.14%.

24. **REVENUE**

24.1 **Disaggregation of revenue information**

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
_				
Types of revenue				
Sale of fastening products	258,388,185	345,662,336	-	-
Sale of wire products	84,859,366	110,789,702		
Total revenue from		456 450 000		
contracts with customers	343,247,551	456,452,038	-	-
Dividend income, representing other				
revenue	_		25,364,280	22,231,992
Teveriue	<u>-</u> _		23,304,280	
Total revenue	343,247,551	456,452,038	25,364,280	22,231,992
Coonsonbied monkets				
Geographical markets	447.465.242	1 40 077 005		
Europe	117,165,243	148,077,895	-	-
Malaysia	102,452,657	150,414,488	-	-
North America	87,955,470	132,444,384	-	-
Other Asia Pacific countries	27,997,705	22,969,208	-	-
Australia	3,806,914	1,271,352	-	-
Vietnam	3,618,528	1,274,711	-	-
Others	251,034			
Total revenue from				
contracts with customers	343,247,551	456,452,038		
Timing of revenue				
recognition				
Revenue recognised at a point in				
time, representing total revenue				
from contracts with customers	343,247,551	456,452,038		



30 June 2024

24. REVENUE (CONT'D)

24.2 **Performance obligation**

The performance obligation to recognise revenue is as follows:

Revenue from sale of goods

Revenue from the sale of goods is recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods to locations specified by the customer and acceptance of goods by the customer.

24.3 **Contract balances**

	GROUP		
	2024		
	RM	RM	
Trade receivables (Note 10)	46,788,809	49,184,526	
Contract liabilities (Note 22)	(1,537,608)	(1,504,564)	

25. **OTHER INCOME**

	GROUP		COME	PANY
	2024	2023	2024	2023
	RM	RM	RM	RM
Distribution income Fair value gain on short term funds	1,463,039	492,032	650,539	312,122
with licensed financial institutions	1,399,068	590,407	32,861	-
Gain on derecognition of right-of-use		24 002		
assets and lease liabilities	-	21,882	-	-
Gain on disposal of property, plant and equipment	30,497	90,057	_	_
	•	•		F7.000
Realised gain on foreign exchange	4,125,000	3,625,879	-	57,000
Rental income	938,800	707,400	-	-
Unrealised gain on foreign exchange	801,446	1,748,344	540,250	699,769
Others	249,392	113,642		
_	9,007,242	7,389,643	1,223,650	1,068,891

FINANCE INCOME 26.

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest income from:				
- amount due from a subsidiary	-	-	-	100,634
- licensed financial institutions	5,551,955	5,500,653	210,818	166,641
	5,551,955	5,500,653	210,818	267,275



30 June 2024

27. **FINANCE COSTS**

	GROUP	
	2024 2023	
	RM	RM
Accretion of interest on lease liabilities	64,029	25,991
Interest expenses on:		
- Bank overdraft	30,844	20,000
- Bankers' acceptance	-	10,646
- Letter of credit charges	-	69,109
- Onshore foreign currency loans	-	127,397
- Short term loans	51,658	173,915
- Trust receipts		18,088
	146,531	445,146

PROFIT BEFORE TAX

This is arrived at:

(Restated) 2024 2023 2024 2023 RM RM RM RM RM After charging:
RM RM RM RM
After charging:
3 3
Allowance for ECL on trade
receivables 665,054 408,908
- Addition (392,710) (34,286) -
- Reversal
Auditors' remuneration
- Statutory audit
- Grant Thornton Malaysia PLT ("GTM PLT")
- current year 137,500 117,000 42,000 38,000
- over provision in prior year - (5,000) - (2,000
- other auditors
- current year 70,922 76,413 - -
- under provision in prior year 76,820 47,971
Assurance related and non-audit
services:
- GTM PLT 3,000 2,000 3,000 2,000
- Affiliate of GTM PLT 2,000 2,000
Depreciation of:
- property, plant and equipment 11,896,191 12,971,463
- investment properties 88,393 168,918
- right-of-use assets 420,554 262,585



30 June 2024

PROFIT BEFORE TAX (CONT'D) 28.

GROUP		COMPANY	
	(Restated)		
2024	2023	2024	2023
RM	RM	RM	RM
180,000	180,000	180,000	180,000
180,000	180,000	180,000	180,000
5,477	6,688	-	-
	256.440		
97,980	256,440	-	-
	88.020		99 020
-	88,029	-	88,029
	561,117	-	-
(230,355)	-	-	-
2	05.252		
			-
41,729,825	45,006,512	7,800	8,400
40 110 027	42 274 002	7 900	9.400
		7,800	8,400
1,359,968	1,380,398	-	-
250.920	251.222	_	_
41,729,825	45,006,512	7,800	8,400
	2024 RM 180,000 180,000 5,477 97,980 - 2,230,260 (230,355) 3 41,729,825 40,118,937 1,359,968	(Restated) 2024 2023 RM RM 180,000 180,000 180,000 180,000 5,477 6,688 97,980 256,440 - 88,029 2,230,260 561,117 (230,355) - 3 85,252 41,729,825 45,006,512 40,118,937 43,374,892 1,359,968 1,380,398	(Restated) 2024 2023 2024 RM RM RM RM 180,000 180,000 180,000 180,000 180,000 5,477 6,688 - 97,980 256,440 - 2,230,260 561,117 - (230,355) - 3 85,252 - 41,729,825 45,006,512 7,800 40,118,937 43,374,892 7,800 1,359,968 1,380,398 -



30 June 2024

28. PROFIT BEFORE TAX (CONT'D)

Directors' emoluments

The aggregate amount of remuneration received and receivable by directors of the Company and its subsidiaries are shown below:

	GRO	UP	COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Executive directors of the Company:				
Directors' emoluments				
- Salaries, allowances and bonus	6,172,702	6,000,185	4,000	3,600
- EPF	277,793	277,499	-	-
- SOCSO and EIS	3,153	3,058		
	6,453,648	6,280,742	4,000	3,600
- Benefits-in-kind	19,500	19,500	<u> </u>	
	6,473,148	6,300,242	4,000	3,600
Non-executive directors of the Company: Directors' emoluments - Allowances	3,800	4,800	3,800	4,800
Executive directors of the subsidiaries:				
Directors' emoluments				
- Salaries, allowances and bonus	725,540	742,708	-	-
- SOCSO and EIS	843	718	<u> </u>	
	726,383	743,426		
Total directors' remuneration	7,203,331	7,048,468	7,800	8,400

29. TAXATION

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Based on results for the financial year				
- Current tax				
- Malaysian income tax	(1,585,000)	(5,470,000)	(211,000)	(150,000)
- Foreign tax	(1,298,119)	(5,986,725)	<u> </u>	
Balance carried forward	(2,883,119)	(11,456,725)	(211,000)	(150,000)



30 June 2024

29. TAXATION (CONT'D)

	GRO	OUP	COMPANY	
	2024	2023	2024	2023
	RM	RM	RM	RM
Balance brought forward	(2,883,119)	(11,456,725)	(211,000)	(150,000)
Deferred tax relating to the origination and reversal of				
temporary differences	503,378	(522,253)		
	(2,379,741)	(11,978,978)	(211,000)	(150,000)
Over/(Under) provision in prior year				
- Current tax	3,520	(774,505)	17,226	(3,886)
- Deferred tax	197,100	(138,000)	-	-
	200,620	(912,505)	17,226	(3,886)
	(2,179,121)	(12,891,483)	(193,774)	(153,886)

Taxation for other jurisdiction is calculated at the rate prevailing in that jurisdiction.

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

	GROUP		COMPANY	
		(Restated)		
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit before tax	10,775,661	51,642,671	26,192,621	22,888,359
Income tax at Malaysian statutory tax				
rate of 24%	(2,586,159)	(12,394,241)	(6,286,229)	(5,493,206)
Effect of tax rate in foreign jurisdiction	251,080	1,090,878	-	-
Income not subject to tax	335,776	141,698	6,224,974	5,503,624
Expenses not deductible for tax				
purposes	(603,698)	(495,594)	(149,745)	(160,418)
Effects of expenses qualified				
for double deduction	128,472	24,064	-	-
Utilisation of unrecognised unused tax losses and unabsorbed				
allowances	23,241	_	-	_
Utilisation of previously unrecognised				
deferred tax assets	75,391	-	-	-
Deferred tax assets not recognised _	(3,844)	(345,783)		
	(2,379,741)	(11,978,978)	(211,000)	(150,000)
Over/(Under) provision				
in prior year	200,620	(912,505)	17,226	(3,886)
_	(2,179,121)	(12,891,483)	(193,774)	(153,886)

30 June 2024

29. TAXATION (CONT'D)

The following deferred tax assets (gross amount) have not been recognised as at the end of the reporting period as it is not probable that future taxable profit will be available against which they may be utilised. As at the end of the reporting period, the Group's deferred tax position is as follows:

	GROUP		
	2024 202		
	RM	RM	
Unused tax losses	1,046,169	1,143,005	
Other deductible temporary differences	450,000	748,111	
	1,496,169	1,891,116	

The gross amount and future availability of unused tax losses which are available to be carried forward for setoff against future taxable income are estimated as follows:

	GROUP		
	2024	2023	
	RM	RM	
Unused tax losses	1,317,734	1,143,005	
Unabsorbed capital allowances	1,953,809		

The unused tax losses can be carried forward for ten (10) consecutive years of assessment immediately following that year of assessment ("YA") of which tax losses was incurred and this is effective from YA 2019. However, unabsorbed capital allowances can be carried forward indefinitely.

The unused tax losses will be disregarded in the following YAs:

	GRO	GROUP		
	2024	2023		
	RM	RM		
YA 2032	336,223	433,059		
YA 2033	684,574	684,574		
YA 2034	25,372	25,372		
YA 2035	271,565			
	1,317,734	1,143,005		

30 June 2024

30. **EARNINGS PER SHARE**

(i) Basic earnings per share

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

	GROUP		
		(Restated)	
	2024	2023	
Profits attributable to owners of the Company (RM)	8,666,713	38,823,192	
Weighted average number of ordinary shares in issue:			
Issued ordinary shares at 1 July	299,533,168	299,533,168	
Effect of treasury shares held	(13,082,438)	(13,081,019)	
Weighted average number of ordinary shares at31 December	286,450,730	286,452,149	
Basic earnings per share (sen)	3.03	13.55	

(ii) Diluted earnings per share

The basic earnings and diluted earnings per share are the same as the Company does not have any convertible financial instruments as at the end of the reporting period.

DIVIDENDS 31.

	2024	2023
	RM	RM
In respect of financial year ended 30 June 2023:		
- Single tier first interim dividend of RM0.048 per ordinary share	-	13,749,825
- Single tier second interim dividend of RM0.0071 per ordinary share	2,033,954	-
In respect of financial year ended 30 June 2022:		
- Single tier second interim dividend of RM0.08 per ordinary share		22,916,356
	2,033,954	36,666,181

On 30 August 2024, the Company has declared a single tier interim dividend of RM0.0176 per ordinary share amounting to RM5,041,509 in respect of the financial year ended 30 June 2024 and payable on 25 November 2024. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as appropriation of retained profits in the financial year ending 30 June 2025.



30 June 2024

32. **SEGMENTAL INFORMATION**

Segmental information is presented in respect of the Group's business and geographical segments.

The business segments are based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

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

Business Segments

The Group comprises the following main business segments:

Fastening products: Manufacturing and trading of screws, nuts, bolts and other fastening products. (i)

(ii) Wire products : Manufacturing of precision galvanised wire, annealing wire, bright wire, hard drawn wire, PVC wire, bent round bar and grill mesh.

Investment holding: Investment holding and property investment. (iii)

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

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

Segment assets exclude tax assets and unallocated assets.

Segment liabilities exclude tax liabilities and unallocated liabilities.



30 June 2024

SEGMENTAL INFORMATION (CONT'D) 32.

By business segment

	Fastening products RM	Wire products RM	Investment holding RM	Eliminations RM	Note	Total RM
30.6.2024						
Revenue External sales Inter-segment sales	258,388,185	84,859,366	- 25,364,280	- (25,364,280)	_ A	343,247,551
Total revenue	258,388,185	84,859,366	25,364,280	(25,364,280)	-	343,247,551
Results Segment result Finance income Finance costs	7,344,116	(2,990,980)	1,017,101	-		5,370,237 5,551,955 (146,531)
Profit before tax Taxation						10,775,661 (2,179,121)
Profit for the financial year						8,596,540
Assets Segment assets Current tax assets	510,163,440	107,667,187	115,860,977			733,691,604
Total assets						741,093,139
Liabilities Segment liabilities Deferred tax liabilities Current tax liabilities	32,024,829	4,167,873	32,464,841	-		68,657,543 8,284,939 1,273,472
Total liabilities						78,215,954
Other segment information Additions to non- current assets	4,905,794	414,981	-	-	В	5,320,775
Depreciation of: - property, plant and equipment - investment properties - right-of-use assets	270,326	2,787,856 - 150,228	- - -	:		11,896,191 88,393 420,554
Non-cash income other than depreciation	937,370	83,634	(915,734)	-	С	105,270



30 June 2024

SEGMENTAL INFORMATION (CONT'D) 32.

By business segment

	Fastening products RM	Wire products RM	Investment holding RM	Eliminations RM	Note	Total RM
(Restated)						
30.6.2023						
Revenue External sales Inter-segment sales	345,662,336	110,789,702 	- 37,443,218	- (37,443,218)	_ A	456,452,038 <u>-</u>
Total revenue	345,662,336	110,789,702	37,443,218	(37,443,218)		456,452,038
Results Segment result Finance income Finance costs	44,031,816	2,339,480	215,868	-		46,587,164 5,500,653 (445,146)
Profit before tax Taxation						51,642,671 (12,891,483)
Profit for the financial year						38,751,188
Assets Segment assets Current tax assets	547,107,721	111,474,758	86,783,940	-		745,366,419 7,837,736
Total assets						753,204,155
Liabilities Segment liabilities Deferred tax liabilities Current tax liabilities	32,138,835	6,029,261	32,450,751	-		70,618,847 8,985,417 2,103,869
Total liabilities						81,708,133
Other segment information Additions to non-current assets Depreciation of: - property, plant and	5,065,816	1,665,918	-	-	В	6,731,734
equipment - investment properties - right-of-use assets Non-cash income other	262,585	3,190,210 - -				12,971,463 168,918 262,585
than depreciation	(156,489)	(393,275)	(765,915)	-	C	(1,315,679)



30 June 2024

32. **SEGMENTAL INFORMATION (CONT'D)**

Notes to segmental information:

- Inter-segment revenues are eliminated on consolidation.
- Additions to non-current assets consist of total costs incurred to acquire property, plant and equipment and investment properties. It excludes the additions of right-of-use assets, financial instruments and deferred tax assets.
- C Other material non-cash expenses/(income) other than depreciation consist of the following items:

		(Restated)
	2024	2023
	RM	RM
Accretion of interest on lease liabilities	64,029	25,991
Allowance for ECL on trade receivables:		
- Addition	665,054	408,908
- Reversal	(392,710)	(34,286)
Gain on derecognition of right-of-use assets and lease liabilities	-	(21,882)
Gain on disposal of property, plant and equipment	(30,497)	(90,057)
Inventories written down:		
- Addition	2,230,260	561,117
- Reversal	(230,355)	-
Net fair value gain on short term funds with licensed financial		
institutions	(1,399,068)	(502,378)
Property, plant and equipment written off	3	85,252
Unrealised gain on foreign exchange	(801,446)	(1,748,344)
_	105,270	(1,315,679)
-		

By geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as disclosed in Note 24.1 to the financial statements. Segment assets are based on the geographical location of assets.

	Non-current assets	
	30.6.2024	30.6.2023
	RM	RM
Malaysia	149,676,009	151,152,827
Vietnam	46,275,587	53,559,906
	195,951,596	204,712,733
		-



30 June 2024

32. **SEGMENTAL INFORMATION (CONT'D)**

Information about major customers

None of major customers with total revenue which individually contributed to 10% or more of Group revenue.

33. **CAPITAL COMMITMENTS**

	GROUP	
	2024	2023
	RM	RM
Approved but not provided for:		
- Property, plant and equipment	2,232,897	3,195,953

34. **RELATED PARTY DISCLOSURES**

Identity of related parties (i)

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

Related parties	Relationship
Amal Pintas Sdn. Bhd.	: A company in which the directors of the Company, Mr. Tsai Yung Chuan, Madam Tsai Chang Hsiu-Hsiang and Ms. Tsai Chia Ling, have substantial financial interests.
Jinn Her Enterprise Co., Ltd.	: A company in which the directors of the Company, Mr. Tsai Yung Chuan, Madam Tsai Chang Hsiu-Hsiang and Ms. Tsai Chia Ling, have substantial financial interests.
Jiuh Yang Metal Industry Sdn. Bh	d.: A company in which a director of the Company, Mr. Tsai Yung Chuan, has substantial financial interests.
Sunergy Sdn. Bhd.	: A company in which a director of the Company, Mr. Lim Chien Ch'eng, has substantial financial interests.



30 June 2024

34. **RELATED PARTY DISCLOSURES (CONT'D)**

(ii) **Related party transactions**

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

	GROUP		COMF	PANY
	2024	2023	2024	2023
	RM	RM	RM	RM
Purchase of goods from: - Jinn Her Enterprise Co., Ltd Jiuh Yang Metal Industry Sdn. Bhd.	520,015 4,758,740	1,685,699 5,174,074	-	-
Gross dividend income from a subsidiary	-	-	25,364,280	22,231,992
Interest income from a subsidiary	-	-	-	100,634
Advances from a subsidiary	-	-	-	7,110,000
Payments on behalf by: - Amal Pintas Sdn. Bhd Sunergy Sdn. Bhd.	36,173 8,038	28,905 19,123	- -	-

(iii) Compensation of key management personnel

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

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

	GROUP		COM	COMPANY	
	2024	2023	2024	2023	
	RM	RM	RM	RM	
Fees	360,000	360,000	360,000	360,000	
Short-term employee benefits	7,652,556	7,529,490	7,800	8,400	
EPF	308,176	312,211			
	8,320,732	8,201,701	367,800	368,400	
•					



30 June 2024

RELATED PARTY DISCLOSURES (CONT'D) 34.

(iii) Compensation of key management personnel (Cont'd)

	GRO	UP	COMF	PANY
	2024	2023	2024	2023
	RM	RM	RM	RM
Analysed as: - Directors - Other key management personnel	7,563,331 757,401	7,408,468 793,233	367,800	368,400
	8,320,732	8,201,701	367,800	368,400

35. **FINANCIAL INSTRUMENTS**

35.1 Categories of financial instruments

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

	Carrying amount	FVTPL	AC
	RM	RM	RM
GROUP			
30.6.2024			
Financial assets			
Trade receivables	46,788,809	-	46,788,809
Other receivables and refundable deposits	2,691,987	-	2,691,987
Other investments	77,818,105	77,818,105	-
Cash and bank balances	111,198,988		111,198,988
	238,497,889	77,818,105	160,679,784
Financial liabilities			
Trade payables	20,404,533	-	20,404,533
Other payables and accruals	41,360,359		41,360,359
	61,764,892	_	61,764,892

30 June 2024

FINANCIAL INSTRUMENTS (CONT'D) 35.

35.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	FVTPL RM	AC RM
(Restated)			
30.6.2023			
Financial assets			
Trade receivables	49,184,526	-	49,184,526
Other receivables and refundable deposits	2,129,921	-	2,129,921
Other investments	67,154,171	67,154,171	-
Cash and bank balances	129,830,195		129,830,195
	248,298,813	67,154,171	181,144,642
Financial liabilities			
Trade payables	18,098,738	-	18,098,738
Other payables and accruals	41,540,044	-	41,540,044
Borrowings	5,427,342		5,427,342
	65,066,124		65,066,124
COMPANY			
30.6.2024			
Financial assets			
Refundable deposits	4,500	-	4,500
Other investments	29,856,368	29,856,368	-
Cash and bank balances	7,375,236	-	7,375,236
	37,236,104	29,856,368	7,379,736
Financial liability			
Accruals	405,345		405,345



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	FVTPL RM	AC RM
30.6.2023			
Financial assets			
Refundable deposits	4,500	-	4,500
Amount due from a subsidiary	4,476,019	-	4,476,019
Other investments	8,677,917	8,677,917	-
Cash and bank balances	6,846,852		6,846,852
	20,005,288	8,677,917	11,327,371
Financial liabilities			
Accruals	401,345	-	401,345
Amount due to a subsidiary	6,807,032		6,807,032
	7,208,377		7,208,377

35.2 Financial risk management

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

35.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group's exposure to credit risk arises principally from its trade and other receivables, other investments and cash and bank balances whilst the Company's exposure to credit risk arises principally from other investment, cash and bank balances and financial guarantees provided to financial institutions in respect of credit facilities granted to certain subsidiaries.

35.3.1 Trade receivables

The Group extends credit terms to customers that range between 7 to 120 days (30.6.2023: 30 to 120 days). Credit terms extended to its customers is based on careful evaluation on the customers' financial condition and payment history. Receivables are monitored on an ongoing basis via Group's management reporting procedures and action will be taken for long outstanding debts. In order to further minimise its exposure to credit risk, the Group requires deposits from the customers.



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.3 Credit risk (Cont'd)

35.3.1 Trade receivables (Cont'd)

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

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statements of financial position.

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

	Allowance for		
	Gross	ECL	Net
	RM	RM	RM
GROUP			
30.6.2024			
Not past due	35,491,512	(23,677)	35,467,835
1 to 30 days past due	5,584,648	(10,630)	5,574,018
31 to 60 days past due	1,610,592	(6,797)	1,603,795
More than 60 days past due	5,068,883	(925,722)	4,143,161
	12,264,123	(943,149)	11,320,974
Individually impaired	23,784,263	(23,784,263)	
	71,539,898	(24,751,089)	46,788,809



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.3 Credit risk (Cont'd)

35.3.1 Trade receivables (Cont'd)

Allowance for		
Gross	ECL	Net
RM	RM	RM
39,721,957	(51,738)	39,670,219
4,937,841	(76,445)	4,861,396
2,371,765	(10,630)	2,361,135
2,565,307	(273,531)	2,291,776
9,874,913	(360,606)	9,514,307
24,066,401	(24,066,401)	
73,663,271	(24,478,745)	49,184,526
	39,721,957 4,937,841 2,371,765 2,565,307 9,874,913 24,066,401	Gross ECL RM RM 39,721,957 (51,738) 4,937,841 (76,445) 2,371,765 (10,630) 2,565,307 (273,531) 9,874,913 (360,606) 24,066,401 (24,066,401)

The credit risk concentration profile of the Group as at the reporting date is as follow:

	30.6.2024		30.6.2	.023
	RM	%	RM	%
By Country				
Malaysia	26,185,578	56.0	25,635,465	52.1
Europe	8,919,459	19.0	9,125,562	18.6
North America	5,059,074	10.8	10,320,779	21.0
Other Asia Pacific countries	4,618,063	9.9	3,606,843	7.3
Australia	1,789,973	3.8	130,742	0.3
Vietnam	216,662	0.5	365,135	0.7
	46,788,809	100.0	49,184,526	100.0

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

The Group has trade receivables amounting to RM11,320,974 (30.6.2023: RM9,514,307) that are past due but not impaired as at the end of the reporting period as the management is of the view that these debts will be collected in due course.

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

As at the end of the reporting period, the Group has no significant concentration of credit risk.



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.3 Credit risk (Cont'd)

35.3.2 Other receivables

The maximum exposure to credit risk is represented by their carrying amount in the statements of financial position.

35.3.3 Intercompany balances

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

The maximum exposure to credit risk is represented by the carrying amount in the statements of financial position.

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

35.3.4 Other investments

The Group and the Company have investments in short-term funds with licensed financial institutions. The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

35.3.5 Fixed deposits with licensed banks, cash and bank balances

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

35.3.6 Financial guarantees

The Company provides unsecured financial guarantees to financial institutions in respect of banking facilities granted to certain subsidiaries up to a limit of RM221,456,900 (30.6.2023: RM220,813,700), of which the amount utilised as at the end of the reporting period was RM Nil (30.6.2023: RM5,427,342), representing the credit risk exposure to the Company as at that date.

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. As at the end of the reporting period, there was no indication that the subsidiaries would default on repayment. The directors considered that the fair value of the financial guarantee contracts on initial recognition is insignificant.

35.4 Liquidity risk

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



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.4 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM
GROUP				
30.6.2024				
Non-derivative financial liabilities				
Trade payables	20,404,533	20,404,533	20,404,533	-
Other payables and accruals	41,360,359	41,360,359	41,360,359	-
Lease liabilities	1,912,580	2,051,870	501,240	1,550,630
	63,677,472	63,816,762	62,266,132	1,550,630
(Restated)				
30.6.2023				
Non-derivative financial liabilities				
Trade payables	18,098,738	18,098,738	18,098,738	-
Other payables and accruals	41,540,044	41,540,044	41,540,044	-
Borrowings	5,427,342	5,427,342	5,427,342	-
Lease liabilities	590,169	635,160	140,720	494,440
	65,656,293	65,701,284	65,206,844	494,440



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.4 Liquidity risk (Cont'd)

	Carrying amount	Contractual cash flows	Within one year	More than one year and less than five years
	RM	RM	RM	RM
COMPANY				
30.6.2024				
Non-derivative financial liability				
Accruals	405,345	405,345	405,345	·
30.6.2023				
Non-derivative financial liabilities				
Accruals	401,345	401,345	401,345	-
Amount due to a subsidiary	6,807,032	6,807,032	6,807,032	-
*Financial guarantees		5,427,342	5,427,342	- <u>-</u>
	7,208,377	12,635,719	12,635,719	

^{*}The financial guarantees are included for illustration purpose only as they have not crystallised as at the end of the reporting period.

35.5 Interest rate risk

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

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

	GRO	GROUP		ANY
	30.6.2024	30.6.2024 30.6.2023		30.6.2023
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets	50,218,327	80,106,685	262,031	6,504,966
Financial liabilities		5,427,342	-	-



30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.5 Interest rate risk (Cont'd)

Fair value sensitivity analysis for fixed rate instruments

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

35.6 Foreign currency risk

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

The Group is exposed to foreign currency risk mainly on sales and purchases that are denominated in currencies other than the functional currency of the Group entities. The Group and the Company also hold cash and bank balances denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are USD, VND, EUR and SGD.

Sensitivity analysis for foreign currency risk

VND/EUR - strengthened 10%

- weakened 10%

The following table demonstrates the sensitivity of the Group's and of the Company's profit before tax and equity to a reasonably possible change in the various exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

Increase/(Decrease)

	(Restated)			
	30.6.20	024	30.6.2023	
		Profit before		Profit before
	Equity	tax	Equity	tax
	RM	RM	RM	RM
GROUP				
RM/USD - strengthened 10%	(6,879,781)	(6,940,146)	(1,910,883)	(2,437,904)
- weakened 10%	6,879,781	6,940,146	1,910,883	2,437,904
RM/VND - strengthened 10%	(25,381,023)	(2,447,072)	(26,847,239)	(4,983,693)
- weakened 10%	25,381,023	2,447,072	26,847,239	4,983,693
RM/EUR - strengthened 10%	(427,960)	(563,105)	(297,852)	(391,911)
- weakened 10%	427,960	563,105	297,852	391,911
RM/SGD - strengthened 10%	6,328	8,326	(6,082)	(8,003)
- weakened 10%	(6,328)	(8,326)	6,082	8,003
VND/USD - strengthened 10%	94,566	124,429	(1,700,321)	(2,237,265)
- weakened 10%	(94,566)	(124,429)	1,700,321	2,237,265

(876,522)

876,522

(1,153,319)

1,153,319

(917,292)

917,292

(697, 142)

697,142

30 June 2024

35. FINANCIAL INSTRUMENTS (CONT'D)

35.6 Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk (Cont'd)

	Increase/(Decrease)			
	30.6.20	024	30.6.2	2023
		Profit before		Profit before
	Equity	tax	Equity	tax
	RM	RM	RM	RM
COMPANY				
RM/USD - strengthened 10%	(540,436)	(711,100)	(159,020)	(209,237)
- weakened 10%	540,436	711,100	159,020	209,237

35.7 Equity price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial assets designated at FVTPL will fluctuate because of changes in market prices. Equity price risk arises from the Group's and the Company's other investments which are investment in short term funds with licensed financial institutions.

The management monitors the investment in short term funds with licensed financial institutions and it can be redeemed at any time upon notice given to the financial institutions.

Sensitivity analysis for equity price risk

As at the end of the reporting period, if the prices of the short term funds had been 1% higher, with all other variables held constant, the Group's profit before tax and equity would have been higher/lower by the amount shown below, arising as a result of higher/lower fair value gain on investment in short term funds with licensed financial institutions, while a corresponding decrease would have an equal opposite effect.

	GRO	GROUP		PANY
	2024	2023	2024	2023
	RM	RM	RM	RM
Increase/Decrease in profit before tax and equity	778,181	671,542	298,564	86,779

FAIR VALUE MEASUREMENT 36.

36.1 Fair value measurement of financial instruments

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



30 June 2024

FAIR VALUE MEASUREMENT (CONT'D) 36.

36.1 Fair value measurement of financial instruments (Cont'd)

The table below analyses financial instruments measured at fair value at the end of the reporting period, based on the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
GROUP					
30.6.2024 Financial asset Other investments	77,818,105			77,818,105	77,818,105
30.6.2023					
Financial asset Other investments	67,154,171			67,154,171	67,154,171
COMPANY					
30.6.2024					
Financial asset Other investments	29,856,368			29,856,368	29,856,368
30.6.2023					
Financial asset Other investments	8,677,917			8,677,917	8,677,917

Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets as at the end of the reporting period.

Policy on transfer between levels

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



30 June 2024

36. FAIR VALUE MEASUREMENT (CONT'D)

36.2 Fair value measurement of non-financial assets

The directors determine the fair value of the Group's investment properties for disclosure purpose based on the following:

- With reference to valuation report by external independent qualified property valuer using the market (i) comparison method, being comparison of current price in an active market for similar properties in the same location and condition and where necessary, adjusting for location, accessibility, visibility, time, size, present market trends and other differences; and
- (ii) Current market values with reference to the selling prices of similar properties.

Details of the Group's investment properties and information about the fair value hierarchy are as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
GROUP					
30.6.2024					
Non-financial asset Investment properties			92,700,000	92,700,000	67,075,685
30.6.2023					
Non-financial asset Investment properties			91,750,000	91,750,000	67,164,078

37. **CAPITAL MANAGEMENT**

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

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



30 June 2024

38. **COMPARATIVE FIGURES**

The financial statements of the Group have been retrospectively restated due to the following:

- (i) During the financial year, the local management of CWFV changed the costing methodology of its finished goods to conform with the Malaysia subsidiaries' costing method for fastener products, accordingly the closing value of the finished goods of CWFV were restated; and
- (ii) Additional severance allowance has been provided in CWFV to ensure compliance with the decree issued in 2022 by the Vietnam authority in respect of the Labour Code 2019.

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

	NOTE	As previously stated RM	Effects of restatement RM	As restated RM
Consolidated Statement of financial position	on			
As at 30 June 2023				
Current asset				
Inventories	(i) _	291,731,543	(7,671,312)	284,060,231
Carrita				
Equity Foreign currency translation reserve	(i), (ii)	23,743,821	(681,216)	23,062,605
Retained profits		497,579,119	(10,171,134)	487,407,985
	_		,	
Non-current liability	<i>/</i> ···>			
Provision for severance allowances	(ii) _	-	3,457,990	3,457,990
Current liability				
Other payables and accruals	(ii)	41,816,996	(276,952)	41,540,044
	_		·	
As at 1 July 2022				
Comment				
Current asset Inventories	(i)	338,848,171	(7,721,922)	331,126,249
inventories	(1) _	330,040,171	(7,721,322)	331,120,243
Equity				
Foreign currency translation reserve	(i), (ii)	11,341,822	(191,000)	11,150,822
Retained profits	(i), (ii) _	494,784,765	(9,533,791)	485,250,974
Non gurrant liability				
Non-current liability Provision for severance allowances	(ii)	_	2,276,693	2,276,693
	\'' <i>'</i>		2,2,0,033	2,2,0,000
Current liability				
Other payables and accruals	(ii) _	47,664,296	(273,824)	47,390,472

30 June 2024

COMPARATIVE FIGURES (CONT'D) 38.

	NOTE	As previously stated RM	Effects of restatement RM	As restated RM
Consolidated statement of comprehensive income				
For the financial year ended 30 June 2023				
Cost of sales Administrative expenses	(i) (ii)	386,145,187 23,431,939	(399,867) 1,037,210	385,745,320 24,469,149
Foreign currency translation differences for foreign operation	(i),(ii) _	12,401,999	(490,216)	11,911,783



Properties Of The Group as at 30 June 2024

No	Location	Description	Tenure	Land Area	Existing Use, Age of building And Built-up Area	amount @ 30/06/2024 RM	Year of Acquisition/ Valuation
1.	Block T-3-05 to Block T-3-08, Block T-4-12 Taman Pelangi, Prai, Penang	3 room flat unit of 5 storey flat	99 years expiring on 22-04-2092	700 sq. ft./ 65.03 sq.m. per block	Hostel, 27 years 700 sq. ft./ 65.03 sq.m. per block	245,755	1994
2.	5,7,9,11,11A & 15 Lorong Nagasari 14, Taman Nagasari, Prai, Penang	Double Storey Terrace House – 3 room	Freehold	893.08 sq. ft./ 83 sq.m. per unit	Hostel, 31 years 1,242. sq. ft./ 115.38 sq.m. per unit	235,400	1990
3.	17 Lorong Nagasari 14, Taman Nagasari, Prai, Penang	Double Storey Terrace House – 3 room	Freehold	1,678.56 sq. ft./ 156 sq.m.	Hostel, 31 years 1,514. sq. ft./ 140.65 sq.m. per unit	56,320	1990
4.	105, Lebuh Turi, Off Persiaran Raja Muda Musa, Taman Chi Liung, 41200 Klang, Selangor	4 ½ Storey Terrace Shophouse	Freehold	4,072 sq. ft./ 378 sq.m.	Rental for Business, 31 years 18,897.75 sq. ft./ 1,400 sq.m.	381,971	1991
5.	1586, Mukim 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang	1 Block 3 Storey Office Building, 3 Block Single Storey Factory, 2 Treatment Plants and Automate Warehouse	60 years expiring on 11-06-2053	15 acres./ 60,703 sq.m.	Factory & Office, 27 years, 391,963.63 sq. ft./ 36,414.32 sq.m.	20,950,180	1995
6.	11 Lorong Siram 1, Desa Siram, 12100 Butterworth, Penang	3 ½ Storey Terrace Light Industrial Building	Freehold	1,861.48 sq. ft./ 173 sq.m.	Shop Lot Vacant 29 years, 5,610 sq. ft./ 521.18 sq.m.	260,834	1992
7.	11A Lorong Siram 1, Desa Siram, 12100 Butterworth, Penang	Corner unit 3 ½ Storey Terrace Light Industrial Building	Freehold	2,593.16 sq. ft./ 241 sq.m.	Shop Lot Vacant 29 years, 8,282 sq. ft./ 769.41 sq.m.	360,885	1992



Properties Of The Group (Cont'd) as at 30 June 2024

No	Location	Description	Tenure	Land Area	Existing Use, Age of building And Built-up Area	Net carrying amount @ 30/06/2024 RM	Year of Acquisition/ Valuation
8.	4 Jalan Sungai Kayu Ara 32/37, Sekysen 32, 40460 Shah Alam, Selangor	Industrial Land with Factory	Freehold	105,803 sq. ft.	Rental, 20 years, 35,075.45 sq. ft./ 3,259.80 sq.m.	4,071,996	2003
9.	1586 (PT 2984), Mukim 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang	Industrial Land with warehouse	60 years expiring on 10-06-2053	108,889 sq. ft./ 10,117 sq.m.	Warehouse 14 years, 103,899 sq. ft./ 9,653 sq.m.	3,436,747	2010
10.	1500, Mukim 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang	Industrial Land with Factory	60 years expiring on 24-05-2055	11.02 acres	Factory & Office 28 years, 290,748 sq. ft./ 27,011 sq.m.	14,023,051	2001
11.	Nhon Trach 3 Industrial Park, Nhon Trach District, Dong Vai Province, Vietnam	Industrial Land with Factory	47 years expiring on 01-04-2051	171,772.80 sq.m.	Factory & Office, 20 years, 171,772.80 sq.m.	35,635,137	2004
12.	5,7,9 Jalan Nagasari 1, Taman Nagasari, Prai, Penang	Double Storey Terrace House	Freehold	1119.04 sq. ft./ 104 sq.m. per unit	Hostel, 9 years	484,000	2014
13.	4, Jalan Sungai Ara 32/37, Sekysen 32, 40460 Shah Alam, Selangor	Auto- Warehouse	Freehold	105,803 sq. ft.	Vacant Warehouse 5 years 25,616 sq. ft./ 2,379 sq.m.	3,569,957	2020
14.	Lot 41346 Section 20, Bandar Serendah, District of Ulu Selangor, Selangor	Residential land	Freehold	28.01 Hectares	Vacant	45,000,000	2022
15.	Lot 41347 Section 20, Bandar Serendah, District of Ulu Selangor, Selangor	Residential land	Freehold	19.07 Hectares	Vacant	17,000,000	2022
	Total					145,712,233	



Analysis of Shareholdings

as at 30 September 2024

Total number of issued shares : 286,449,368 ordinary shares Voting right : One vote per ordinary share

DISTRIBUTION OF SHAREHOLDERS

Size of holdings	No. of shareholders	No. of shares	%
Less than 100	26	814	-
100 to 1,000	464	310,660	0.11
1,001 to 10,000	1,981	9,177,284	3.20
10,001 to 100,000	712	22,627,150	7.90
100,001 shares to less than 5% of issued shares	108	61,921,114	21.62
5% and above of issued shares	2	192,412,346	67.17
TOTAL	3,293	286,449,368	100.00

LIST OF SUBSTANTIAL SHAREHOLDERS AS SHOWN IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders				
	Direct	%	Deemed	%
Benua Handal Sdn. Bhd.	163,827,346	57.19	_	_
Quintet Luxembourg for Samarang Ucits	28,585,000	9.98	-	-
– Samarang Asian Prosperity				
Tsai Yung Chuan	-	-	163,827,346 ^(N1)	57.19
Tsai Chia Ling	838,400	0.29	163,827,346 ^(N1)	57.19
Tsai Cheng Hsun	-	-	163,827,346 ^(N1)	57.19
Tsai Chia Wen	-	-	163,827,346 ^(N1)	57.19

Notes :

N1 Deemed interested by virtue of Section 8 of the Companies Act, 2016 held through Benua Handal Sdn. Bhd.

LIST OF DIRECTORS' SHAREHOLDINGS AS SHOWN IN THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Directors				
	Direct	%	Deemed	%
T : V Cl			4.62.027.246(N1)	F7.40
Tsai Yung Chuan	-	-	163,827,346 ^(N1)	57.19
Tsai Chang Hsiu-Hsiang	-	-	-	-
Tsai Chia Ling	838,400	0.29	163,827,346 ^(N1)	57.19
Tsai Cheng Hsun	-	-	163,827,346 ^(N1)	57.19
Lim Chien Ch'eng	6,019,650	2.10	1,765,314 ^(N2)	0.62
Ang Seng Oo	-	-	-	-
Low Yeaw Seng	-	-	-	-
Sharmin Fazlina Binti Mohd Shukor	-	-	-	-

Notes:

N2 Deemed interested by virtue of Section 8 of the Companies Act, 2016 held through Indra Cempaka Sdn. Bhd.



N1 Deemed interested by virtue of Section 8 of the Companies Act, 2016 held through Benua Handal Sdn. Bhd.

Analysis of Shareholdings (Cont'd) as at 30 September 2024

LIST OF TOP 30 SHAREHOLDERS

	Name	Shareholdings	%
1	BENUA HANDAL SDN BHD	163,827,346	57.192427
2	HSBC NOMINEES (ASING) SDN BHD	28,585,000	9.979076
	QUINTET LUXEMBOURG FOR SAMARANG UCITS - SAMARANG ASIAN PROSPERITY	, ,	
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LIM CHIEN CH'ENG (PB)	5,983,400	2.088816
4	YAYASAN GURU TUN HUSSEIN ONN	5,004,500	1.747080
5	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SU MING YAW	4,120,900	1.438614
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	2,982,804	1.041302
7	NEOH CHOO EE & COMPANY, SDN. BERHAD	2,488,400	0.868705
8	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG SILING (CEB)	2,180,000	0.761042
9	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SU MING KEAT	1,850,000	0.645838
10	INTER-PACIFIC EQUITY NOMINEES (TEMPATAN) SDN BHD INDRA CEMPAKA SDN BHD (P8011)	1,765,314	0.616274
11	CHIN CHIN SEONG	1,760,000	0.614419
12	AMBANK (M) BERHAD PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN (SMART)	1,575,000	0.549835
13	BAGHLAF ALZAFER GROUP LTD	1,500,000	0.523653
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	1,407,296	0.491290
15	CHIN CHIN SEONG	1,336,700	0.466644
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH WIN KEE (8106483)	1,254,800	0.438053
17	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANDREW LIM ENG GUAN (7000817)	1,230,000	0.429395
18	WONG YOON TET	1,079,000	0.376681
19	KENANGA NOMINEES (TEMPATAN) SDN BHD TEH KIAK SENG	959,000	0.334789
20	TSAI CHIA LING	838,400	0.292687
21	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR EASTSPRING INVESTMENTSSMALL-CAP FUND	776,000	0.270903
22	AFFIN HWANG NOMINEES (ASING) SDN BHD DBS VICKERS SECS (S) PTE LTD FOR LITTLE RAIN ASSETS LIMITED	750,000	0.261826
23	DYNAQUEST SDN. BHD.	750,000	0.261826
24	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN (SS2/PIV)	725,000	0.253099
25	KOO GIT LOO @ CHIU GIT LOO	651,100	0.227300
26	AFFLUENCE CAPITAL HOLDINGS SDN BHD	642,000	0.224123
27	SU MING YAW	628,300	0.219341
28	WONG YOON CHYUAN	563,000	0.196544
29	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOALKEY SYSTEM SDN BHD (MY14 61)	495,000	0.172805
30	LEE KOK HIN	485,600	0.169524



PROXY FORM

CDS ACCOUNT NO.

						-				-									
*I/We(Full Name in Blo	ck Letters)	(*NRIC	C/Pa	sspo	ort/C	Com	pan	ıyNo))
of		(Ad	ldres	 s)															
being a * member / members of th					poin [.]	t:													
Full Name in Block Letters	NRIC/Passport	NRIC/Passport No.						Proportion of Shareholdings											
										١	Vo.	of Sł	nare	es.			%		
Address																			
Email Address																			
Telephone No.																			
*and/or																			
Full Name in Block Letters	NRIC/Passport No.						Proportion of Shareholdings												
										١	Vo.	of Sł	nare	es			%		
Address																			
Email Address																			
Telephone No.																			

Number of Shares Held

or failing whom, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the 28th Annual General Meeting ("AGM") of the Company to be held at the Conference Room of Chin Well Holdings Berhad at No. 1586, MK. 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang on Wednesday, 27 November 2024 at 11.00 am and at any adjournment thereof.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1	To re-elect Ms. Tsai Chia Ling as a Director of the Company		
2	To re-elect Mr. Tsai Cheng Hsun as a Director of the Company		
3	To approve the payment of Directors' fees to Non-Executive Directors		
4	To approve the payment of Directors' fees to Executive Directors		
5	To approve the payment of Directors' benefits		
6	To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company		
7	Authority for Directors to Allot and Issue New Shares		
8	Proposed Continuation of Datin Sharmin Fazlina Binti Mohd Shukor in office as Independent Director		
9	Proposed Renewal of Share Buy-Back		

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

Signature of Member(s)/Common Seal

Notes:

- For the purpose of determining a member who shall be entitled to attend the AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a General Meeting Record of Depositors as at 20 November 2024. Only a depositor whose name appears on the Record of Depositors as at 20 November 2024 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her
- A proxy may but need not be a member of the Company.

 For a proxy to be valid, the original proxy form duly completed must be deposited at the registered office of the Company at 51-21-A

 Menara BHL Bank, Jalan Sultan Ahmad Shah, 10050 George Town, Penang not less than 48 hours before the time appointed for holding
 the meeting or any adjournment thereof, or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll. 3. The instrument appointing a proxy transmitted by facsimile or electronic mail will not be accepted unless the original copy is received at the registered office not less than 24 hours before the time appointed for meeting.
- A member shall be entitled to appoint of up to a maximum of 2 proxies to attend and vote instead of him at the same meeting and where 4. a member appoints 2 proxies to vote at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholding to be represented by each proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least 1 proxy but not more than 2 proxies in respect of each securities account it holds which is credited with the shares of the Company. The appointment of 2 proxies in respect of a particular securities account shall be invalid unless the authorised nominee specifies 5
- the proportion of its shareholding to be represented by each proxy.

 Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies it may appoint in respect of each omnibus account it 6. holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA. In the case of a corporate member, the proxy form must be executed under the corporation's common seal or under the hand of an officer
- or attorney duly authorised.

^{*} Strike out whichever is not desired.

 Fold this flap for sealing		
2 nd fold here		
	stamp	
The Company Secretary CHIN WELL HOLDINGS BERHAD		
199501042347 (371551-T)		
51-21-A, Menara BHL Bank Jalan Sultan Ahmad Shah		
10050 George Town, Penang		

1st fold here



199501042347 (371551-T)

1586, MK 11, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam, Penang, Malaysia.

Section: 604-507 5858 (14 lines)

6: 604-507 3355, 604-507 3366, 604-507 3322

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www.chinwell.com.my