



Chin Well
HOLDINGS BERHAD
199501042347 (371551-T)

Sustain **Growth,** **Empower** Tomorrow



ANNUAL REPORT 2025



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29TH

Annual General Meeting



27 November 2025
(Thursday)



11.00 am



Conference Room of
Chin Well Holdings Berhad
at No. 1586, MK 11,
Lorong Perusahaan Utama 1,
Bukit Tengah Industrial Park,
14000 Bukit Mertajam, Penang

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CORPORATE INFORMATION

BOARD OF 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)

Ong Eng Choon

(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

Ong Eng Choon (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

Citibank Berhad
CTBC Bank Co., Ltd (Ho Chi Minh
City Branch)
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
OCBC Bank (Malaysia) Berhad
Saigon Thuong Tin Commercial Joint
Stock Bank
Standard Chartered Bank Malaysia
Berhad
United Overseas Bank (Malaysia) Bhd.
Vietnam Joint Stock Commercial
Bank for Industry and Trade
Vietnam Technological and
Commercial Joint Stock Bank

SOLICITOR

Ghazi & Lim

STOCK EXCHANGE LISTING

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



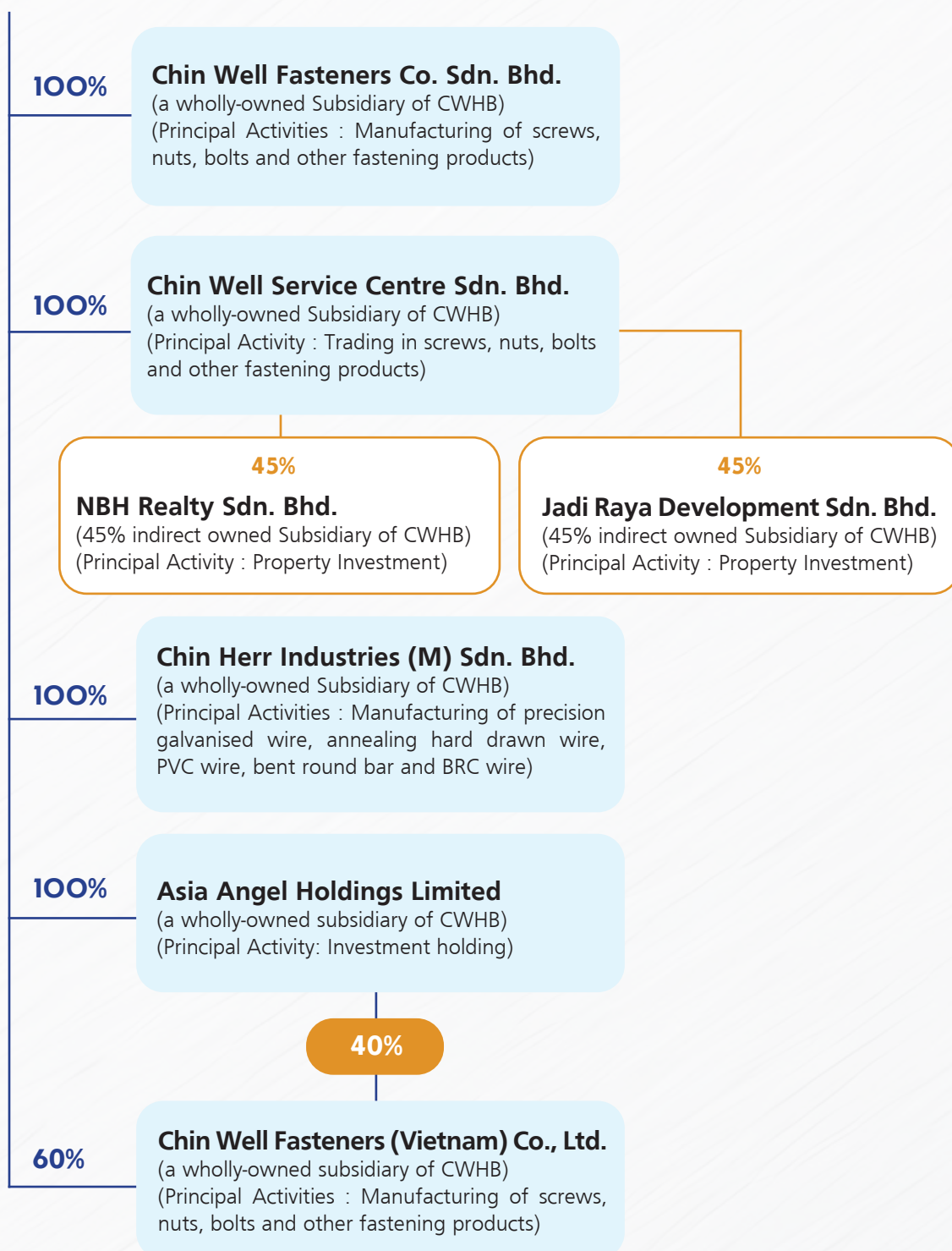
CORPORATE STRUCTURE

AS AT 30 JUNE 2025



Chin Well
HOLDINGS BERHAD
199501042347 (371551-T)

CHIN WELL HOLDINGS BERHAD ("CWHB")
(Principal Activity : Investment holding)



NOTICE OF ANNUAL GENERAL MEETING



Chin Well
HOLDINGS BERHAD
199501042347 (371551-T)

NOTICE IS HEREBY GIVEN THAT the 29th 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 Thursday, 27 November 2025 at 11.00 am, for the following purposes:-

AGENDA

As Ordinary Business :

- | | | |
|----|---|------------------------------|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and Auditors thereon. | Please refer to Note 8 |
| 2. | To re-elect Madam Tsai Chang Hsiu-Hsiang, 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. | Ordinary Resolution 1 |
| 3. | To re-elect Mr. Lim Chien Ch’eng, 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. | Ordinary Resolution 2 |
| 4. | To re-elect Mr. Ong Eng Choon, a Director who retires in accordance with Article 118 of the Company’s Constitution and who, being eligible, offers himself for re-election. | Ordinary Resolution 3 |
| 5. | 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 2025. | Ordinary Resolution 4 |
| 6. | 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 2025. | Ordinary Resolution 5 |
| 7. | To approve the payment of Directors’ Benefits up to an amount of not exceeding RM80,000.00 payable to the Directors of the Company for the financial year ending 30 June 2026. | Ordinary Resolution 6 |
| 8. | 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. | Ordinary Resolution 7 |

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

As Special Business :

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

9. **AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Ordinary Resolution 8**
- “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.”
10. **PROPOSED CONTINUATION OF DATIN SHARMIN FAZLINA BINTI MOHD SHUKOR IN OFFICE AS INDEPENDENT DIRECTOR** **Ordinary Resolution 9**
- “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 on or before 30 September 2026.”
11. **PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY** **Ordinary Resolution 10**
- “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:
- (a) the aggregate number of CWHB Shares which may be purchased or held by the Company shall not exceed 10% of the total number of issued shares of the Company (“**Proposed Share Buy-Back**”), subject to the restriction that the issued shares of the Company does not fall below the minimum share capital requirements of the Main LR of Bursa Securities that the Company continues to maintain a shareholding spread that is in compliance with the Main LR after the share purchase;
 - (b) the maximum funds to be allocated by the Company for the purpose of purchasing the CWHB Shares under the Proposed Share Buy-Back shall not exceed the retained profits of the Company;

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

As Special Business : (Cont'd)

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

- (c) the authority conferred by this resolution to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until;
 - (i) the conclusion of the next AGM of the Company at which such resolution was passed at the which time the authority would lapse unless by ordinary resolution passed at the next AGM, the authority is renewed, either 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.

12. 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 2025

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

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 2025. Only a depositor whose name appears on the Record of Depositors as at 20 November 2025 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 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 2025 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 to Agenda 4 – 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 2025.
10. **Agenda 5 and Agenda 6 – Directors' Fees**
The Ordinary Resolution 4 and 5, 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 2025 in accordance with Section 230(1) of the Companies Act 2016.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

NOTES ON ORDINARY BUSINESS (CONT'D)

11. **Agenda 7 – Directors’ Benefits**

The Ordinary Resolution 6, 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.

12. **Agenda 8 – 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 9 – Authority to issue shares pursuant to Companies Act 2016**

The Ordinary Resolution 8, 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.

14. **Agenda 10 – Proposed continuation as Independent Director**

The Ordinary Resolution 9 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 on or before 30 September 2026. 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 on or before 30 September 2026.

15. **Agenda 11 – Proposed Share Buy-Back Authority**

The Ordinary Resolution 10, 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 2025, 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)

- 1) No individuals are standing for election as Directors at the forthcoming 29th Annual General Meeting of the Company.
- 2) The Ordinary Resolution 8 tabled under Special Business as per the Notice of 29th Annual General Meeting of the Company dated 29 October 2025 is a renewal of general mandate granted by shareholders of the Company at the last Annual General Meeting held on 27 November 2024.

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” or “the Company”) Group (“Chin Well Group” or “the Group”) for the financial year ended 30 June 2025 (“FY2025”).

This MD&A should be read in conjunction with the Audited Financial Statements of the Group for FY2025 as set out in this Annual Report.

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 (formerly known as KLSE) 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, screw 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 (44%), Malaysia (29%), North America (18%), Asian countries (6%), Vietnam (1%) and others (2%).

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

In 2025, the European industrial fastener market is experiencing robust growth driven by demand from the automotive, infrastructure, and renewable energy sectors. This upward trajectory is expected to continue in the coming years. Similarly, the US fasteners market also showed signs of gradual recovery in 2025, driven by demand in the automotive, construction, and aerospace sectors. However, the fasteners manufacturers worldwide remain under pressure to lower prices while simultaneously enhancing product quality and performance in order to meet the industrial requirements. In addition, fluctuating wire rod prices continue to pose a significant challenge for fasteners manufacturers as they directly impact both the product selling prices and its profit margins.

On domestic front, according to the report of Bank Negara, the Malaysian economy expanded by 4.4% in the second quarter of 2025 (1Q 2025: 4.4%), driven by robust domestic demand such as higher household spending and stronger private as well as public investment. In the external sector, export growth was slower weighed down by weaker commodities-related exports. The external environment remains challenging affected by lingering uncertainty surrounding the US tariffs and therefore, the full impact of which will take time to materialize. Nonetheless, Malaysia economy remains on solid footing, supported by resilient domestic demand, sustained global demand for electrical and electronic goods, and a well-diversified export structure.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Economy Overview (Cont'd)

The Malaysia industrial fasteners market is closely linked to the manufacturing and construction sectors where fasteners are vital components in various industries. Growth in manufacturing and construction activities, alongside with the demand for durable and reliable fasteners is expected to drive market growth in the coming years. With Malaysia's industrial base continuing to expand, the market for industrial fasteners is projected to continue growing in the year ahead.

Although demands for fasteners and wire in local market showed signs of recovery throughout FY2025, stiff price competition from imported fasteners has pressured the domestic manufacturers to lower their prices in order to remain competitive thereby reducing their profit margins.

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 benefitting from computerised inventory and automated warehousing system;
- Providing one stop supply with wide range of products; and
- Develop competencies and skills that increase job efficiency and effectiveness resulting in higher productivity.

Highlights of the Group's Financial Information for Past 5 Financial Years

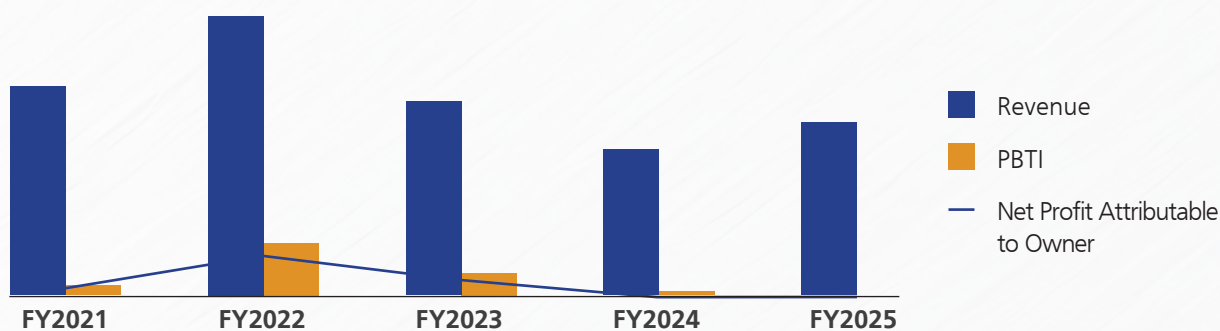
	FY2025	FY2024 (Restated)	FY2023 (Restated)	FY2022	FY2021
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	376,369	343,248	456,452	657,838	491,655
(Loss)/Profit before interest & tax	(3,758)	10,840	52,088	123,080	36,138
Finance cost	58	64	445	874	3,391
Net (loss)/profit attributable to ordinary shareholders	(4,627)	8,667	38,823	95,989	23,393
Shareholders' equity	626,091	660,967	669,516	665,176	580,431
Total Assets	701,572	741,093	753,204	797,460	714,891
Borrowings	Nil	Nil	5,427	37,825	89,357
Debts/Equity ratio (%)	Nil	Nil	0.8%	5.7%	15.4%
Earnings per share (sen)	-1.62	3.03	13.55	33.51	8.11
Net assets per share (RM)	2.19	2.31	2.34	2.33	2.01
Dividend per share (sen)	1.05	1.76	5.51	13.40	3.30

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Share Performance

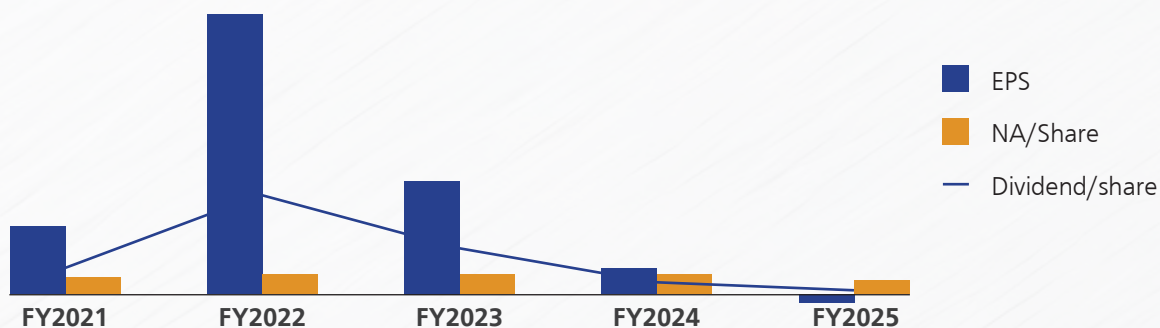
Share performance	FY2025	FY2024	FY2023	FY2022	FY2021
Year high (RM per share)	1.25	1.49	1.87	1.98	1.58
Year low (RM per share)	0.80	1.17	1.26	1.16	0.935
Year close (RM per share)	0.81	1.22	1.32	1.70	1.21
Trading volume('000)	12,352,600	11,881.20	39,822,100	35,694.30	35,294.10
Market capitalization as of year end 30 June (RM'000)	232,015,078	349,468,229	378,115,806	486,970,726	360,943,844

Revenue, Profit before Tax & Interest, Net Profit Attributable to the Owner of the Parent (RM'000)



	FY2021	FY2022	FY2023	FY2024	FY2025
Revenue	491,655	657,838	456,452	343,248	376,369
(Loss)/Profit before Tax & Interest	36,138	123,080	52,088	10,840	(3,758)
Net Profit/(Loss) Attributable to Owner of the Parent	23,393	95,989	38,823	8,667	(4,627)

Earnings Per Share, Net Assets Per Share & Dividend Per Share (Sen)



	FY2021	FY2022	FY2023	FY2024	FY2025
Earnings Per Share	8.11	33.51	13.55	3.03	-1.62
Net Assets Per Share	2.01	2.33	2.34	2.31	2.19
Dividend Per Share	3.30	13.40	5.51	1.76	1.05

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

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 FY2025 as compared with FY2024:

	FY2025 RM'000	FY2024 (Restated) RM'000	Change %
Revenue	376,369	343,248	↑ 9.65%
Other income	5,051	7,544	↓ 33.05%
Administrative expenses	(21,414)	(18,010)	↑ 18.90%
Selling and distribution expenses	(8,491)	(7,153)	↑ 18.71%
Finance income	4,079	7,015	↓ 41.85%
(Loss)/Profit Before Tax	(3,817)	10,776	↓ 135.42%

In FY2025, the Group recorded an increase of 9.65% in revenue to RM376.37 million as compared to RM343.25 million recorded in the immediate preceding year. Despite the higher revenue, the Group registered a loss before tax of RM3.82 million in FY2025 as compared to a profit before tax of RM10.78 million achieved in the corresponding period of preceding financial year. The financial performance for FY2025 reflects the challenging environment faced by the Group in the highly competitive fasteners and wire industry. The decline global wire rod prices has exerted downward pressure on the selling prices of fasteners and wire products and consequently eroded the Group's profit margins. Besides the unfavourable global market sentiments, the Group's results were further impacted by the unrealised foreign exchange losses and the provision for inventories written down in the current financial year.

Other income reduced by 33.05% to RM5.05 million in FY2025 mainly due to the lower of foreign exchange gain cushioned by the higher fair value gain on the short-term fund placed with licensed financial institutions.

The administrative expenses for FY2025 at RM21.41 million represented 18.90% increase as compared to RM18.01 million in FY2024. This is mainly due to the unrealised foreign exchange losses resulting from the strengthening of MYR against USD and Euro in current financial year. In addition, there was some reversal of expenses overprovided in the immediate preceding financial year.

Selling and distribution expenses for FY2025 at RM8.49 million was 18.71% higher as compared to RM7.15 million in FY2024. Such increase is mainly attributable to higher export sales in the current financial year. The export sales of RM265.70 million in FY2025 indicating 10.34% or RM24.90 million higher as compared to the export sales in FY2024.

The finance income consists of distribution income and interests income derived from the cash in bank and the deposit placed in the investment funds. The drop in finance income is mainly due to lower interest rates in FY2025.

The Group registered a loss before tax of RM3.82 million in FY2025 as compared to a profit before tax of RM10.78 million in the preceding financial year due to the factors discussed above. For FY2025, the Fasteners and Wire Divisions recorded a loss before tax of RM4.58 million and RM1.22 million respectively which was partially cushioned by the profit before tax of RM1.99 million from the investment holding companies.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

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

The financial position of the Company remained healthy as at 30 June 2025. Key items of the financial position of the Company as at 30 June 2025 and 30 June 2024 which reflect the significant changes in financial position and liquidity as extracted from the Consolidated Audited Financial Statements are discussed below:

Inventories

As at 30 June 2025, the inventories reduced by 18.36% to RM232.06 million from RM284.25 million in the immediate preceding financial year. The Group has reduced the purchase of raw materials in current financial year as a precautionary steps against the fluctuating wire rod prices during the year.

Trade receivables

As at 30 June 2025, trade receivables reduced by 12.60% to RM40.89 million due to better collections from customers and the more caution credit controls undertaken by the Group to mitigate credit risks.

Other investments

Other investments as at 30 June 2025 amounting to RM124.95 million represented the increase of 60.57% investment deposits placed in various financial institutions for higher interest earnings while maintaining the liquidity of the funds.

Equity Attributable to Shareholders

Equity attributable to the owners of the Company as at 30 June 2025 stood at RM626.09 million as compared to RM660.97 million as at 30 June 2024 after taking into account the loss after tax of RM4.63 million netting the dividends declared amounting to RM5.04 million in FY2024. During FY2025, the Company purchased a total of 11,000 of its own shares from open market for a total consideration of RM9,037.

Capital Expenditure Requirements and Capital Structure

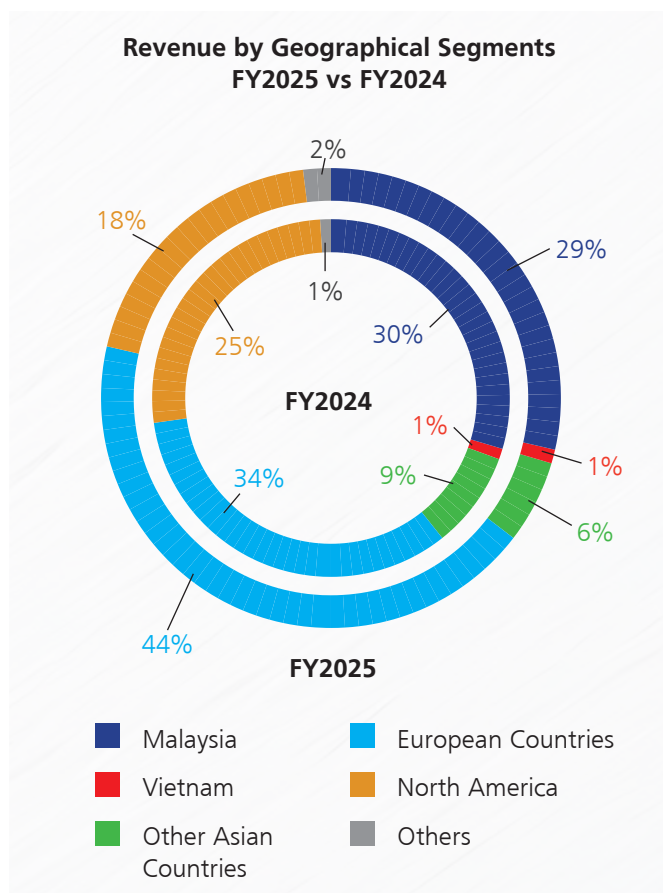
For FY2025, the Group incurred capital expenditures (CAPEX) of RM6.17 million as compared to RM5.32 million in FY2024. Amid uncertain economic conditions, the Group exercised prudence in its CAPEX. The CAPEX in the current financial year was primarily directed towards the replacement and restoration of machinery and equipment.

The capital structure as at 30 June 2025 in which the Group financed its overall operations comprising different sources of funds is as follows:

	30.06.2025 RM'000	30.06.2024 RM'000	Change %
Equity			
Share Capital	177,929	177,929	-
Treasury Share	(18,896)	(18,886)	↑ 0.05%
Reserves	467,057	501,924	↓ 6.95%
Total	626,091	660,967	↓ 5.28%

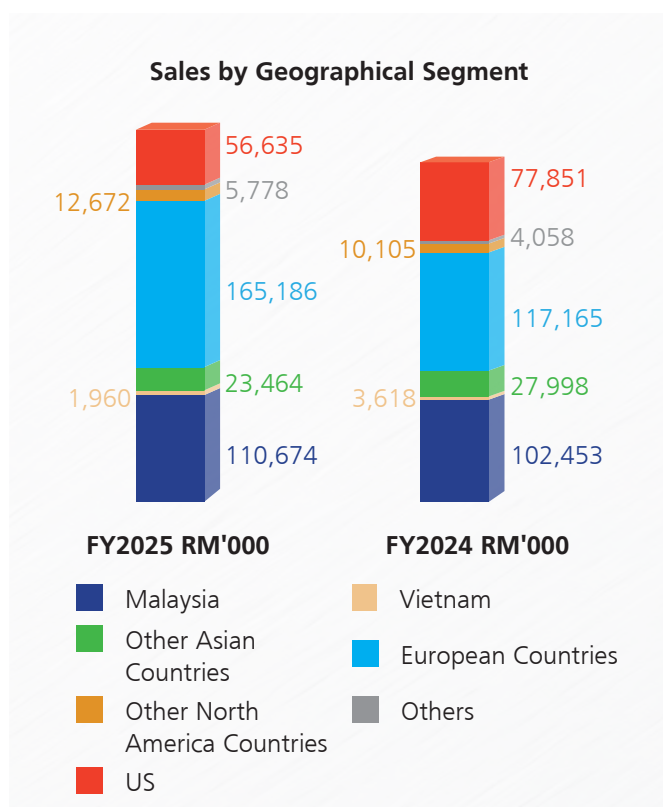
MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Review of Operating Activities of Principal Business Segments



For FY2025, the Group sold approximately 29.41% of its products domestically whilst the remaining 70.59% were exports to foreign countries. Europe and North America remained the two largest market destinations of the Group and they had contributed about 43.89% and 18.41% respectively to the Group's total revenue in FY2025.

The exports to the European surged by 40.99% to RM165.19 million while the exports to the US declined by 27.25% in current financial year. The orders from the US declined in the current year as some of the customers had overstocked their inventory prior to the US election leading to cashflow constraint for additional purchase. In addition, the demand from the US was also impacted by uncertainties arising from the US tariff pressures and the worldwide macroeconomic conditions. Other external factors such as inflationary pressures, geopolitical tension and conflicts between the nations also significantly impacting the global trade, economic contraction and substantial decline in the demand for fasteners products. In addition, intensified price competition in the fasteners and wire markets has adversely affected the Group's performance.



	FY2025 RM'000	FY2024 RM'000	Change %
Revenue			
Fasteners Division	270,199	258,388	↑ 4.57%
Wire Division	106,170	84,860	↑ 25.11%
Investment Holdings	-	-	
Group Revenue	376,369	343,248	↑ 9.65%
(Loss)/Profit before tax			
Fasteners Division	(4,582)	12,144	↓ 137.73%
Wire Division	(1,221)	(2,607)	↓ 53.16%
Investment Holdings	1,986	1,239	↑ 60.29%
Group (Loss)/Profit Before Tax	(3,817)	10,776	↓ 135.42%

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Fasteners Products

For FY2025, the Fasteners Division recorded total revenue of RM270.20 million, representing an increase of 4.57% as compared to FY2024, underpinned by higher exports to European countries. However, the Division's performance was not aligned with the revenue growth, as it posted a loss before tax of RM4.58 million for the year. The recovery of the global fasteners market was slower than expected, weighed down by ongoing global economic uncertainties, while demand for fastener products remained weak. Exports to the US declined by 27.25% to RM56.64 million during the year as some of the customers had slowdown their purchases in order to clear their overstock resulting from over-purchase prior to the US tariff commencement. Coupled with the fall in global wire rod prices, intensified price competition further compressed the Division's profit margins. In addition, the provision for stocks written down of RM10.39 million and the strengthening of MYR against USD further diminished profitability in the current financial year.

Wire Products

Wire division posted total revenue of RM106.17 million in FY2025 representing an increase of 25.11% as compared to FY2024. The result of the Division showed an improvement with its loss before tax narrowing from RM2.60 million in FY2024 to RM1.22 million supported by higher revenue generated in current financial year.

Business Risks

Moving forward, the volatile international wire rod price remains as the biggest threat which will impact the Group's financial performance 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 the price is low. Despite the fluctuation of the raw material prices, 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 Group is export-oriented with approximately 71% of its total revenue derived from the export market. Therefore, the stability of the global political climate and economy conditions will have significant impact on the Group's performance. The unfavourable global political conflicts such as escalating tension between US-China and the ongoing Ukraine-Russia war may continue to weigh on the global economic activities and adversely impact the demands of the Group's products. For instance, the US tariff and influx of cheap imports may continue to intensify the supply-demand imbalance thereby impacting the fasteners market. Given the uncertain market conditions, it is always the Group's intention to leverage on its competitive strength by focusing on production efficiency, widening its product range, upgrading product quality and enhancing delivery lead time efficiency. These initiatives will equip us to remain competitive and resilient in the industry in facing unexpected challenges ahead.

Ongoing regulatory changes to address environmental concerns will continue to pose challenges for the Group. As announced by the Prime Minister in Budget 2025, Malaysia is expected to implement a carbon tax in 2026 as part of its cross-border commitment to achieve net-zero emissions by 2050 and to align with global climate regulations, including the Carbon Border Adjustment Mechanism (CBAM), which will be fully enforced in the EU next year. The first phase of Malaysia's carbon tax implementation will primarily impact the iron, steel, and energy industries.

The aim of carbon tax is to encourage companies to adopt lower-emission practice thereby reduce potential punitive tariff when exporting to markets such as EU. However, the uncertainties surrounding the carbon tax such as the tax rates, carbon pricing mechanisms, carbon markets and the related regulations are concerns to the local companies. As an effort to address these concerns, 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. Certain production processes had been adjusted to minimise the electricity consumption and reduce waste generation. Some of the old machineries and equipments had been replaced with the more energy efficient machineries. The utilisation of the solar power are able to secure some carbon credits which is expected to offset against the carbon tax in future after the establishment of the related regulations and mechanism by the Malaysia government.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Forward-looking Statement

The market outlook for the next financial year is expected to be challenging. On-going geopolitical conflicts, unresolved tension between US-China relations and impending recession in major markets had adversely affected the global economic sentiment. In addition, US tariff pressures have created further headwinds for the global economy by disrupting the global supply chain, increasing cost for business and causing market volatility. Notwithstanding the challenges, the imposition 95% tariff on the China fasteners products by the US is anticipated to benefit the Group from the diversion of export from China. The Group also expects stronger demand for its fastener products in the second half of the coming financial year. The expansion of the customer base and the resume of the orders from the US customers after clearance of their overstock are foreseen to contribute positively to the revenue of the Group.

The rollout of infrastructure projects nationwide in Malaysia will stimulate demand for fasteners products and benefiting the Group. The Group will stay abreast with the upcoming projects, ensure its strength and capabilities are well-communicated to the potential customers or business partners to capitalise on the increased demand. 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. The Group will remain caution and prudent in its business strategies amid global economic uncertainties. 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.

Although the Group did not secure any profit in FY2025, but CWHB has declared a dividend of 1.05 sen per share to shareholders as an appreciation to their support towards the Group.

Appreciation

On behalf of the Board of Directors and management, we would like to express our gratitude to our stakeholders, business partners and all the employees for their relentless supports and efforts. The Board will continue to strive towards enhancing value for all our shareholders and we hope to count on your constant support in the year ahead.



DIRECTORS' PROFILE

TSAI YUNG CHUAN

Managing Director

Aged 68 | 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 directorships in public companies and other listed issuers.

TSAI CHANG HSIU-HSIANG

Executive Director

Aged 68 | 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 directorships in public companies and other listed issuers.

LIM CHIEN CH'ENG

Non-Independent Non-Executive Chairman

Aged 72 | 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 Baru.

He is also the Independent Non-Executive Chairman of P.I.E Industrial Berhad and Independent Non-Executive Director of Greatech Technology Berhad, all are public companies listed on Bursa Securities. Save as disclosed, he does not have any other directorships in public companies and other listed issuers.

DIRECTORS' PROFILE (CONT'D)

ONG ENG CHOON

Independent Non-Executive Director

Aged 73 | Male | Malaysian

He was appointed to the Board of CWHB on 15 January 2025. He is the Chairman of Nominating Committee, Chairman of Audit Committee and a member of Remuneration Committee. Mr. Ong is a Chartered Accountant (Malaysia), a Fellow Member of the Chartered Association of Certified Accountants, an Associate Member of the Institute of Chartered Secretaries and Administrators and a Fellow Member of the Chartered Tax Institute of Malaysia. He was an Senior Advisor of Tax at BDO in Malaysia's Northern Practice Office. He has more than 50 years of collective experience in taxation with the Malaysia Inland Revenue Board (MIRB), a Big 5 tax practice and a mid-sized firm. He has extensive tax experience in cross border transactions, corporate restructuring, initial Public Offerings (IPOs), representing tax payers in the area of tax audits and in criminal and civil tax investigation work.

He is also the Independent Non-Executive Director of Eng Kah Corporation Berhad, a public company listed on Bursa Securities. Save as disclosed, he does not have any other directorships in public companies and other listed issuers.

LOW YEAW SENG

Independent Non-Executive Director

Aged 67 | 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 directorships in public companies and other listed issuers.

DATIN SHARMIN FAZLINA BINTI MOHD SHUKOR

Independent Non-Executive Director

Aged 46 | 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 and Melbourne. 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 directorships in public companies and other listed issuers.

DIRECTORS' PROFILE (CONT'D)

TSAI CHIA LING

Executive Director

Aged 46 | 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 also 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 other directorships in public companies and other listed issuers.

TSAI CHENG HSUN

Executive Director

Aged 45 | 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 of Business (Public Relations) from the Queensland University of Technology in 2013. He has more than 13 years' experience in fasteners related field. 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 directorships 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 59 to 60 of the Audit Committee Report of this Annual Report 2025. 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 FY2025:

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 FY2025.

KEY MANAGEMENT PROFILE

TSAI CHIA WEN

Marketing Manager – Chin Well Fasteners (Vietnam) Co. Ltd.

Aged 36 | 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 directorships in public companies and listed issuers.

TENG CHUNG CHIEN

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

Aged 68 | 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 fasteners 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 in 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 directorships in public companies and listed issuers.

CHU KIM TEIK

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

Aged 59 | Male | Malaysian

He completed his STPM qualification in Chung Ling High School, Penang in 1986. He has more than 30 years experience mainly focused in sales and marketing. He joined the Group 30 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 holds 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 directorships 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 2025 ("FY2025") 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 FY2025, 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 of Directors ("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 conducts 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

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.

The Board met five (5) times during the FY2025. 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
Low Yew Seng	5/5 meetings
Ang Seng Oo (Deceased on 04.01.2025)	3/3 meetings
Ong Eng Choon (Appointed on 15.01.2025)	2/2 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 the FY2025.

Directors Trainings

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

During FY2025, 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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	Budget 2025 Sales Tax Amendments & Service Tax Expansion
Tsai Cheng Hsun	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Ong Eng Choon	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Datin Sharnin Fazlina Binti Mohd Shukor	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) Insights from the UK on Navigating Digital Transformation Enhancing AMLA Compliance- Key Practices for Legal Professionals Construction law 101 Series: Understanding the Basics and Key Principles (1st Series) Construction law 101 Series: Understanding the Basics and Key Principles (4th Series) Strata Management Strata Management Tribunal
Lim Chien Ch'eng	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Low Yaw Seng	Updates for Secretarial Practitioners E invoices and its latest updates Budget 2025 and latest Tax Cases & Recovery Mandatory Accreditation Programme Part II: Leading for Impact (LIP) Recent Development in Malaysia's Service Tax Regime: Legal Framework and Expanded Scope

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

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 background 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
Ong Eng Choon	Chairman	Independent Non-Executive
Datin Sharmin Fazlina Binti Mohd Shukor	Member	Independent Non-Executive
Low Yeaw Seng	Member	Independent Non-Executive

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

Board Composition (Cont'd)

The Nominating Committee met twice during the FY2025 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
- b) Reviewed and assessed the contributions of individual Directors and Independent Directors
- 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
- e) Reviewed and assessed the Continuing Education Programmes and the Directors' training needs
- f) Reviewed and assessed the Board skills matrix and Boardroom Diversity
- g) Reviewed and assessed the effectiveness of the Company's the Environmental, Social and Governance (ESG) and Sustainability matters
- h) Reviewed and assessed the Independent Director whose tenure was more than 9 years
- i) Assessed the candidates for the position of an Independent Non-Executive Director

The Nominating Committee always adhere to the Directors' Fit and Proper Policy of the Company in regards of the appointment and assessment of Directors. A set of criteria by way of questionnaires with independent and fit and proper elements that suit the Company's objectives and strategic goals is applied 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 on 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 examine 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, independency 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 proper for appointment of Director, mix of skills, time commitment, competencies, experiences and other qualities which are relevant to the business of the Group.

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 2025, 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

Board Composition (Cont'd)

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 independency. On annual basis, the Independent Directors are required to carry out a self-assessment evaluations 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 ("Datin Sharmin Fazlina") 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 on or before 30 September 2026 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 to hold office until on or before 30 September 2026. In view of her tenure is more than nine (9) years, the Board would seek shareholders' approval through a two-tier voting process at the forthcoming 29th 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 2025, none of the Independent Directors of the Company had cumulatively served more than twelve (12) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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
Ong Eng Choon	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 the 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. The respective Director is required to abstain from deliberation and voting on decisions in respect of his individual remuneration. However, all the Directors' fees and benefits must be approved by the shareholders at the AGM.

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 are 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 FY2025 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 FY2025 within the successive bands of RM50,000 are as follows:

Remuneration Band	Number of top five(5) senior management
RM600,001 to RM 650,000	1
RM400,001 to RM 450,000	1
RM250,001 to RM 300,000	3

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit Committee

Members of the Audit Committee and their meeting attendance during the FY2025 are as follows:-

Name	Designation	Directorate	Number of Meetings Attended
Ang Seng Oo (Deceased on 04.01.2025)	Chairman	Independent Non-Executive	3/3
Ong Eng Choon (Appointed on 15.01.2025)	Chairman	Independent Non-Executive	2/2
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' interest.

The Company outsourced its internal audit functions to external consulting firms. The Internal Auditors assists the Audit Committee in discharging its duties and responsibilities. The Internal Auditors is 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 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 to 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 54 to 56 of this Annual Report provide an overview of the state of internal controls within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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 FY2025, the 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 be subject to a five-year rotation and cooling-off period. This is to ensure the objectivity, independence and the integrity of the audit opinion.

For the FY2025, 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 questionnaire. 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 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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 required.
- 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 enquire 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' enquiries. 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 1 October 2025

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 FY2025, there were no proceeds raised by the Company from any corporate proposal.

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

The RRPT entered by the Group during the financial year are enclosed in Note 32 of the financial statements in pages 117 to 118 of this Annual Report.

Audit and Non-audit Fees

For FY2025, the fees payable for external audit services by the Company and the Group was RM51,000 and RM149,500 respectively. The Company and the Group also paid RM3,000 and RM5,000 respectively for 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,
- 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 1 October 2025.

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 2025. 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 2024 to 30 June 2025 and the scope of this report includes of our major subsidiaries, Chin Well Fasteners Co. Sdn. Bhd. (“CWF”) and Chin Herr Industry Sdn. Bhd. (“CHI”) in Malaysia and Chin Well Fasteners (Vietnam) Co. Ltd. in 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 statement 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 is 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 advise the Sustainability Management Committee (“SMC”) when necessary. SMC consists of the management members from the major subsidiaries. They are responsible for the sustainability reporting, setting and improvement of 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 purpose. General Manager of the respective subsidiaries will assess and identify the key material sustainability matter. Team from operations in the relevant departments will assist in collecting sustainability data.

In FY2025, 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.

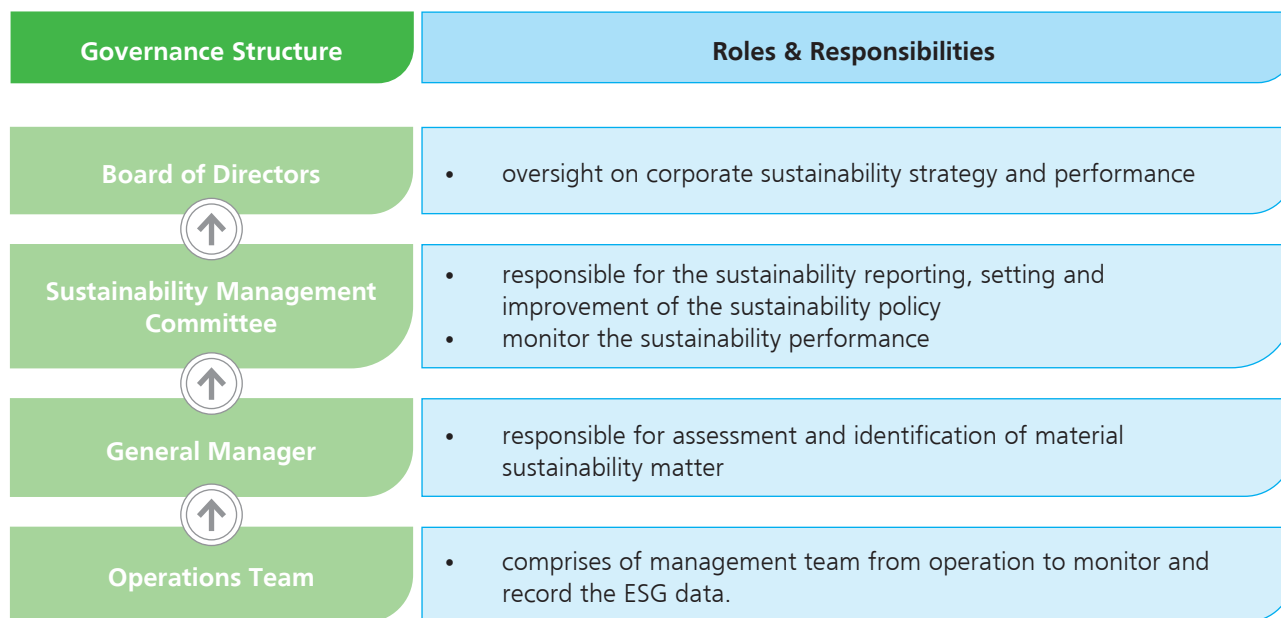
All data contained within this statement has been sourced internally and compiled by SMC. The report had been reviewed by our external auditor. Overall, the information reported in this Statement is fairly presented. However, no external assurance had been obtained at this juncture.

SUSTAINABILITY REPORT (CONT'D)

GOVERNANCE (CONT'D)

Sustainability Governance Structure (Cont'd)

The diagram below illustrates our sustainability governance structures along with their roles and responsibilities.



Board Diversity and Independence

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

As at 30 June 2025, 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 comprises 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 have at least 30% of the women directors. As at 30 June 2025, 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.

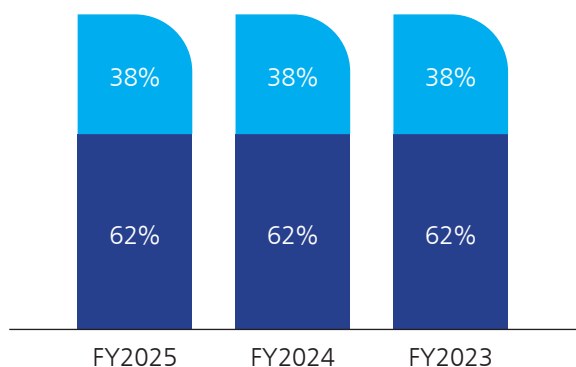
SUSTAINABILITY REPORT (CONT'D)

GOVERNANCE (CONT'D)

Board Diversity and Independence (Cont'd)

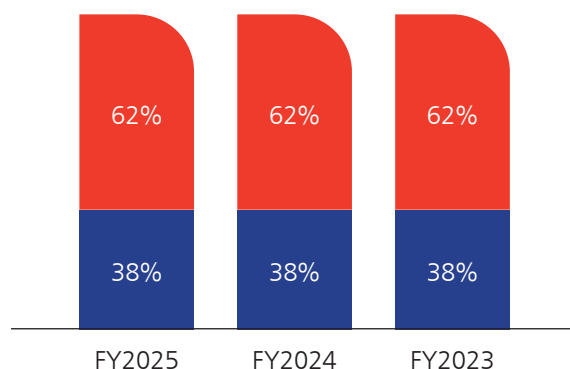
BOARD OF DIRECTOR (BY GENDER)

Male Female



BOARD OF DIRECTOR (BY AGE)









Between 30-50 Above 50



Policies of Good Corporate Governance

The Group has in place the following good corporate governance policies which are published in the Company's website to ensure the adherence of the Good Corporate Governance:

Policy of Good Corporate Governance

 <p>Board Charter and Term of Reference</p>	 <p>Code of Business Conduct and Ethics</p>
 <p>Director Fit & Proper Policy</p>	 <p>Whistleblowing Policy</p>
 <p>Director Conflict of Interest Policy</p>	 <p>Anti-Bribery and Corruption Policy</p>
 <p>Director Remuneration Policy</p>	 <p>Corporate Disclosure Policy</p>

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 to the existing staff and will be conducted for the new employees to create awareness of the risk and implication of fraud, bribery and corruption. Regular refresher briefing was conducted to remind 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% its employee is 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. Annual refresher briefing to remind the staff of the Anti-corruption policy of the Company;
4. Vendor acknowledge that 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;
5. 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;
6. Code of Business Ethics to regulate the behavior of its staff, management and directors;
7. Policy under the Whistleblower Protection Act 2010 to protect the whistleblower; and
8. Revise or update relevant internal standard operating procedures on bribery and how to prevent or avoid it;

Periodical review will be carried out to assess the status and effectiveness of the implementation of the adequate procedures in the respective subsidiaries to ensure it is aligned with the changes in law, business and operational environment. In FY2025, the internal auditors have reviewed the effectiveness of the anti-bribery and corruption procedures in two major subsidiaries in Malaysia. Enhancement has been made 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. During the current financial year, internal auditor has reviewed the effectiveness of the Whistle Blowing Policy in the two major subsidiaries in Malaysia. In FY2025, there was no-known whistle blowing case in the Group.

Conflict of Interest Policy

Conflict of interest 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.

SUSTAINABILITY REPORT (CONT'D)

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 summarized 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	<ul style="list-style-type: none"> • Customer satisfaction • Customer complaint
	Customer feedback/survey	As needed	
	Product exhibition	Adhoc	
	Product quality audit by customer	As needed	
 Suppliers	Face to face interaction	As needed	<ul style="list-style-type: none"> • Quality of goods /service supplied • Timely delivery • Competitive pricing • Consistent supply • Anti-bribery and corruption
	Supplier visit	Adhoc	
	Supplier appraisal	As needed	
 Government & Authorities	Regulatory requirement	On-going	<ul style="list-style-type: none"> • Compliance
	On-going interaction	As needed	
	Meeting	As needed	
	Reports	Periodically	

SUSTAINABILITY REPORT (CONT'D)

GOVERNANCE (CONT'D)

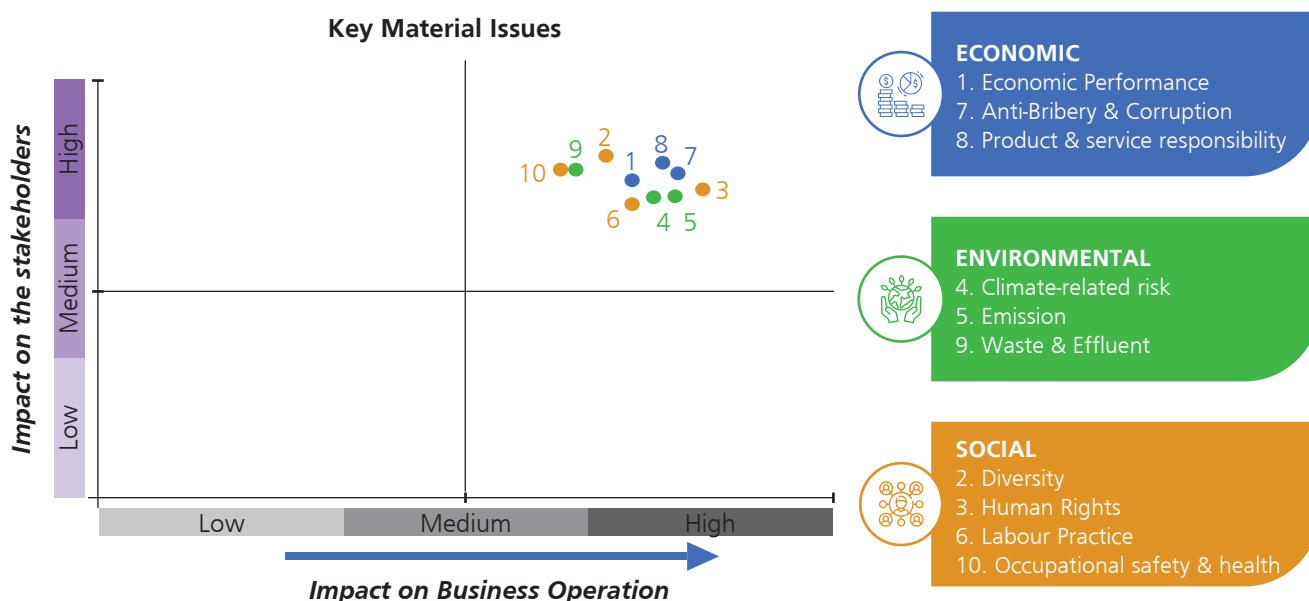
Stakeholders Identified (Cont'd)

Stakeholder group	Engagement method	Frequency of engagement	Sustainability material matter
 Employees	Management meeting	Regularly	<ul style="list-style-type: none"> • Career development and training opportunity • Workplace health and safety • Work-life balance
	Performance appraisals	Annually	
	Training programme	As needed	
 Local Communities	Donation and financial aid	Regularly	<ul style="list-style-type: none"> • Community development • Social and environmental issue
 Investors	Quarterly Financial Result Announcement	Quarterly	<ul style="list-style-type: none"> • Financial performance • Corporate governance • Regulatory compliance
	Media and investor briefing	Regularly	
	Company's website	On-going	
	Annual General Meeting	Annually	

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 business operation of the reporting subsidiaries and the Y-axis denotes the issues material to the stakeholders. The issues on the top right are considered as 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.



SUSTAINABILITY REPORT (CONT'D)

GOVERNANCE (CONT'D)

Material Sustainability Matters (Cont'd)

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 increase 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.

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:

Results	Linkage to UN SDGs	Linkage to Material Topics
<ul style="list-style-type: none"> Zero reported case of corruption Enable a safe and conducive work environment 	 <p>Peace, Justice and Strong Institutions</p>	<ul style="list-style-type: none"> Corporate Governance Diversity Labour Practice & Standard
<ul style="list-style-type: none"> Zero incidents of health & safety non-compliance, zero fatalities Employee engagement activities such as festive celebrations serve to maintain a conducive work environment Donation to under privilege and community and contribute toward their wellbeing 	 <p>Good Health and Well-being</p>	<ul style="list-style-type: none"> Health and Safety Labour Practices and Standard Community Investment
<ul style="list-style-type: none"> Zero human rights violations during the reporting period Zero incident of non-compliance with regard to labour matter Diverse workforce ethnicity composition 10,449 training hours with an average of 10.67 hours per employee to support talent development Continuous drive to improve economy performance RM376,369 million in revenue 	 <p>Decent Work and Economic Growth</p>	<ul style="list-style-type: none"> Economic performance Diversity Labour Practice and Standard Corporate Governance Health and Safety
<ul style="list-style-type: none"> Measuring Scope and emissions data Continuous exploration on innovation process to manage waste more efficiently Installation of solar panels and saving of energy consumption Replace old machines to energy efficient machines 	 <p>Responsible Consumption and Production</p>	<ul style="list-style-type: none"> Climate Change & Emissions Waste Management Energy Management Water and Effluents
	 <p>Climate Action</p>	
	 <p>Life on Land</p>	
<ul style="list-style-type: none"> Strong female representation on the Board at 37.5% Continuous focus on managing and enhancing employee welfare 	 <p>Gender Equality</p>	<ul style="list-style-type: none"> Diversity Health and Safety Labour Practice and Standard.

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US:



ECONOMIC PILLAR

Economic Performance

For the FY2025, the Group operated amid a challenging market environment which includes lackluster average selling prices, volatile raw materials prices, uncertain global market conditions impacting demand as well as foreign exchange rate fluctuations. As a result, the Group sank to a loss before taxation of RM3.82 million as compared with a profit before taxation of RM10.78 million recorded in FY 2024.

In terms of our economic value to our shareholders, 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. In the current financial year, although the Group has not recorded any profit, it has declared an interim dividend of 1.05 sen per share amounting to RM3.0 million as an appreciation to the shareholders.

The Group continues to be cautious in its spending on capital expenditure in view of the economic uncertainties. Approximately RM6.17 million had been spent for fixed assets in the current reporting year mainly to replace and restore the machineries and equipment to enable the Group to continue its sustainability through its existing production capacity and increases 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 customer's demand. 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 standard quality of our products and do not manufacture banned products. We have in place ISO 9001 certification, ISO 14001 certificate, environmental management system, testing and calibration laboratories and system to ensure we continuously add value to our customer by providing them 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 FY2025, 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 deliver on time and provide good after sales service. Although our customers reach span the world, we have managed to maintain good relationship with them across a multitude of platforms such as through direct inquiry, dedicated servicing of specific customers, company's website and trade exhibitions which we had participated in. Beside visit, we always maintain close relationship with our customers via phone calls, digital mode such as WhatsApp's, 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 survey 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 in had been achieved by the reporting subsidiaries in the current reporting year. With the result of the survey, we understand our strength and weakness 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.

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



ECONOMIC PILLAR (CONT'D)

Subsidiary	Customer Satisfaction Rating (maximum 5 points)			
	Target Rating	FY2023	FY2024	FY2025
CWF	4.0	3.89	3.97	3.99
CHI	4.0	3.96	3.54	3.45
CWFV	5.0	4.85	4.90	4.75

Subsidiary	Number of Customer Complaint			
	Target	FY2023	FY2024	FY2025
CWF	0	24	15	24
CHI	0	6	5	5
CWFV	0	13	10	7

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 comprises of regular meetings, emails and phone calls. These meetings are crucial for us to gather feedback, exchange ideas, 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 standard. We conduct sampling check on the goods delivered to ensure the goods supplied are in accordance to the Group's materials requirements. The suppliers are also expected to comply with the local regulations in regards of environmental standard, maintain fair social practice and good ethical standards.

Our major suppliers are requested to acknowledge on their awareness and commitment on the Company's Anti-bribery and Corruption policy on annual basis. Moving forward, the Group aims to screen more on the supplier's environmental and social aspect.

In FY2025 approximately 64% of the total purchases are from overseas due to the lack of supply in Malaysia for the wire rod that are required for our products. In addition, CWFV located in Vietnam did not import their materials from Malaysia.

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



ENVIRONMENTAL PILLAR

In tandem with the economic and population growth, human activities contributing 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 cost the financial loss to the world but also the loss of human life. During FY2025, CWF has achieved for its ISO 14001 qualification. Presently, our environmental management and practices are governed by the Environmental Policy as shown below:

ENVIRONMENTAL POLICY

As a leading manufacturer of high-quality industrial fasteners serving customers around the world, Chin Well shall promote an environmentally-friendly culture with employees and on-site contractors. We are committed to go through a process of continual improvement in environmental performance in all business activities, while protecting and enhancing the quality of life and productivity and preventing adverse impacts in the area of air, water and noise.

In line with this policy, and working towards the achievement of environmental objectives, Chin Well shall :-

- Comply with relevant environmental legislation & regulations and other requirements concerned with all operations to constantly improve its environmental performance.
- Reuse and recycle materials where feasible. Minimize the generation of any hazardous and other wastes, and dispose of wastes using safe and responsible methods.
- Encourage the continual improvement and prevention of air, water and noise pollution in its surface operation.
- Provide employees with safe and healthy working environment by continual improvement in environmental quality.



Climate Change

The World Economic Forum's Global Risks Report 2025 highlights the severe short term and long-term global risks over the two years and ten years period. The extreme weather events are anticipated to become even more of a concern than they already are, with this risk being top ranked in the 10-year risk list. In addition, pollution, critical change to earth systems, biodiversity loss and ecosystem collapse and natural resource shortages are also been identified among the severe global risks. These risks are all driven by the impacts of climate change.

As outlined in our Environmental Policy, we are committed to mitigating climate change through proactive measures to minimize the produce of hazardous waste and continual improvement in reduce the air, water and noise pollution wherever feasible. Various energy and water saving action had been implemented as detailed in Energy Consumption and Water Management sections.

Emission

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 steel fasteners manufactured from Cradle-to-Gate (C2G). A detailed assessment of the carbon footprint, including emissions from energy consumption, transportation, raw materials 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. During the current financial year, some of the old dated machineries had been replaced with the more energy efficient machineries to reduced energy consumption. Production processes has been adjusted to enhance its efficiency, reduce the usage of materials and lower its generation of production waste while maintaining its product quality.

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



ENVIRONMENTAL PILLAR (CONT'D)

Emission (Cont'd)

The total carbon emissions for Fasteners Division in FY2025 compared with FY2024 is prepared below.

Subsidiary	Total Carbon Emissions Scope 1 & Scope 2	
	Metric tonnes of CO ₂	Metric tonnes of CO ₂
	FY2024	FY2025
CWF	6,169	6,375
CWFV	22,608	29,302

Note:

Scope 1: Direct emissions from owned/controlled operations

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

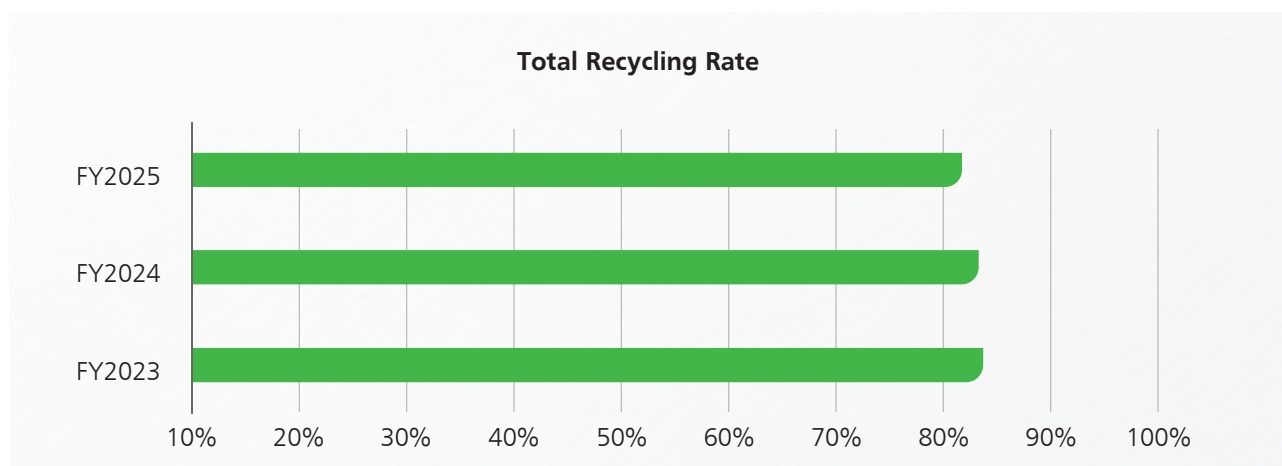
Subsidiary	Carbon Emission per kg	
	FY2024	FY2025
CWF	0.46	0.46
CWFV	1.32	1.32

Higher total carbon emissions are recorded in FY2025 mainly due to higher production output in the current financial year. Nevertheless, the carbon emission per output showed that the emission per kg is consistent in FY2025 and FY2024.

Waste & Effluent

We handle effluents and waste in line with Environmental Quality Regulations 2009 and ISO 14001. 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 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 FY2025, the recycling rate of the hazardous generated of the Group is appended below.



SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



ENVIRONMENTAL PILLAR (CONT'D)

Waste & Effluent (Cont'd)

The recycling rate recorded in FY2025 was slightly 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 check by Department of Environment (DOE) to ensure we comply with the environmental requirements. During FY2025, 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.

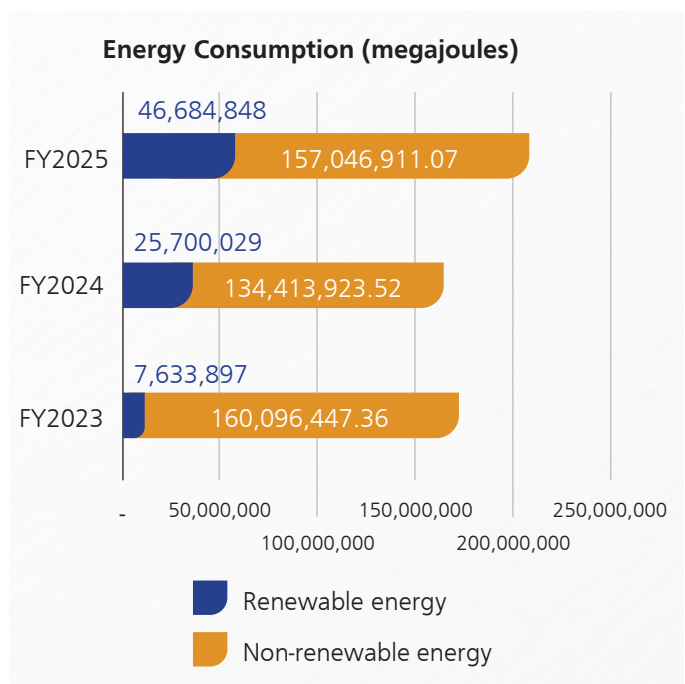
Energy Consumption

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 recognize that optimizing energy consumption across the Group will not only result in cost saving but also reduce the damage to the environment. Therefore, we are committed to ensure energy is not wasted and the consumption is at its optimum level for our operations. Production processes has been reviewed to ensure energy isn’t being wasted and some of the old machineries has been replaced with the more energy efficient machines. Besides closely monitoring our energy usage, we are implementing simple measures in our operations such as encourage 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 bring substantial difference to our environmental footprint.

As part of our Group effort in pursuit of renewal energy initiatives, the Group installed solar panels in all its major production plants. The electricity consumption of the Group recorded a decline noticeably after the utilization of solar energy. The Group aims to save on its utilities cost and at the same time contribute towards a more sustainable and low carbon community.

Renewable energy reflected in the graph above includes of solar energy and the non-renewable energy refer to electricity and gas consumed by the Group during the respective reporting year. The total energy consumption increased in the current reporting year is due to the increase in production output.



SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



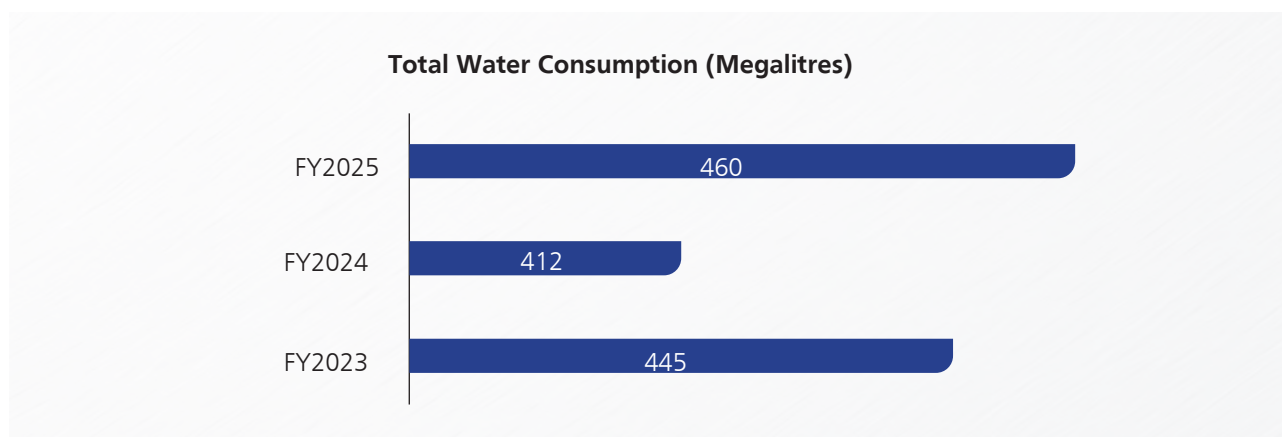
ENVIRONMENTAL PILLAR (CONT'D)

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 wastage. As part of our effort to increase water usage efficiency, we continuously monitor and track our water consumption.

In the current reporting year, CWFV implemented reuse of water in their production processes to reduce its fresh water consumption.

The chart below provides the information on the Group's water consumption during the FY2025 as compared to previous reporting years:



The increase in water consumption in the current year under review mainly attributable to the higher production volume.

Environmental Monitoring and Compliance

The Group is aware of the importance of compliance with the environmental regulations and hence always commit 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 of discharge or release industrial effluent or mixed effluent into inland waters Environmental Quality (Industrial Effluent) Regulations 2009, P.U.(A) 434/2009 is always complied to.

CWFV and CWF had been qualified for ISO 14001:2015 in FY2024 and FY2025 respectively. 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. In this regards, environmental policy, environmental objective had been developed and strictly adhered to.

SUSTAINABILITY REPORT (CONT'D)

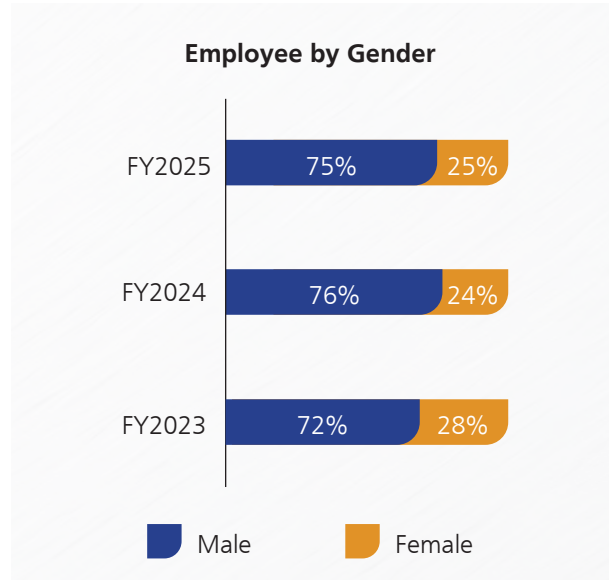
WHAT IS MATERIAL TO US: (Cont'd)



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 individual and disabilities. The Group employs disable employee who is fit to their job. The Group comply 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.

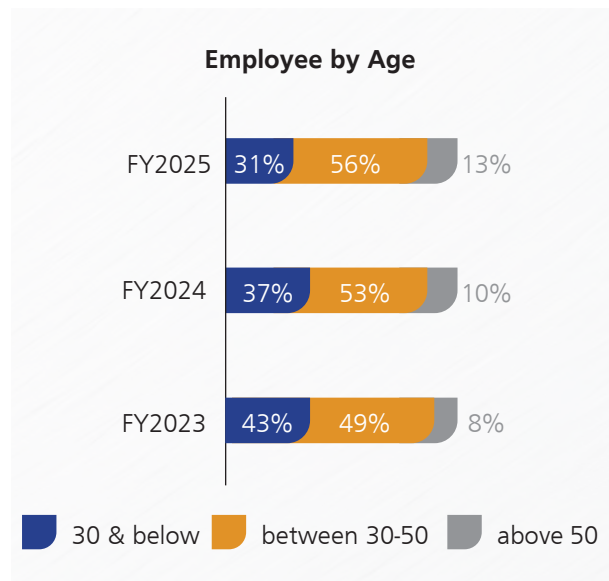
The majority of the employee are male mainly due to the nature of the work in the production plants is more suitable for male.



Upholding Human Rights

In regards to upholding human rights, our Group always supports international accepted human rights principles such as those related to child labour and human trafficking. We are in compliance with the prevailing Labour 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 to protect the rights of the employees. Nevertheless, we have not received any reports of human rights violation by the Group in the current reporting year.



SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (CONT'D)

Employee Wellbeing

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

Beside remuneration, CWF also give 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 employee and free white rice are given on regular basis.

Staff activities such as bowling competition, festival celebration and gathering with food provided in promoting 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 on the employees training needs to determine the training that are 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.



	FY2025	FY2024	FY2023
Total Training hours as a Group	10,449	11,456	11,550
Average training hours per employee	10.67	10.93	8.71

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

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (CONT'D)

Training Programmes

In FY2025, the Group conducted various training programme internally as well as externally cover various areas and some of them are outlined below:

Safety

- Health and safety training for employees and management representatives
- First aid training
- Food safety training
- Occupational Health Conference 2024
- Department's Safe Operating Procedure
- Internal Safety Audit

Risk Management

- New Requirement of OSHA 1994 and its Impact to the Industries in Managing Risk

ISO

- ISO14001 Environmental Awareness
- ISO 9001:2015 & ISO14001:2015 Internal Auditor
- ISO 9001:2015 Quality Management System
- Awareness of Implementation ISO 14001:2015 & Stage 2 Audit Preparation
- Code for Schedule
- Awareness of General Waste, Recycle Waste and Schedules Waste Management
- Scheduled Waste Handling and Storage

Industry Specific

- Training in using crane
- Training on using air compressors
- Chemical Safety & Spillage Response Training
- Overhead Crane Safety
- Introduction of Company's Products & Process Flow

Health & Wellbeing

- Noise Exposure and Hearing Conservation

Accounting & Taxation

- Budget 2025
- Preparing for Implementation of IFRS S1 & S2
- Sales Tax Amendments & Service Tax Expansion

Environmental

- Environmental Policy and Environmental Objective
- Seminar Akta Kualiti Alam Sekeliling (Pindaan 2024) Impak & Implikasi Terhadap Industri
- Seminar Pengurusan Buangan Terjadual Premis Yang Ditetapkan dan Sistem ESWIS V2

Human Resources Management

- Mastering Foreign Worker Management in Malaysia
- Forum Khas JTK/KWSP/Socso/LHDN
- Introductory Training to Company Rules, Safety, Health and Anti-Bribery Policy
- Seminar Perakuan Penginapan: Menuju Perumahan Pekerja Yang Lebih Konduktif Bersama Jabatan Tenaga Kerja dan Pihak Berkuasa Tempatan

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (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 minimize 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 machineries 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 machineries are properly functioning and are well maintained. All workers have to wear safety shoes and ear plug 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:

- First aid training
- Health and safety training for employees and management representatives
- Occupational disease examination
- Periodic health examination
- Evacuation drill

In addition, various training in regards to health and safety as disclosed in the employee training session has been conducted during the current reporting period.

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 FY2025, the Group had contributed monetary donations for the amount of RM20,299 to non-profit organizations in Malaysia and Vietnam.

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



Common Sustainability Matters	Unit of Measurement	FY2025	FY2024	FY2023
Anti-corruption				
C1 (a) Percentage of employees who have received training on anticorruption 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	20,299	86,000	78,878
C2 (b) Total number of beneficiaries of the investment in communities	Number	2	5	8
Diversity				
C3 (a) Percentage of employees by gender and age group, for each employee category				
By Gender				
Management – Male	%	70	67	67
Management - Female	%	30	33	33
Executive – Male	%	66	58	63
Executive - Female	%	34	42	37
Non-Executive – Male	%	67	70	67
Non-Executive – Female	%	33	30	33
General Worker – Male	%	80	83	83
General Worker - Female	%	20	17	17

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (CONT'D)

Common Sustainability Matters	Unit of Measurement	FY2025	FY2024	FY2023
By Age				
Management – Under 30	%	0	0	0
Management – Between 30-50	%	39	22	22
Management – Above 50	%	61	78	78
Executive – Under 30	%	0	5	5
Executive – Between 30-50	%	62	76	76
Executive – Above 50	%	38	19	19
Non-Executive – Under 30	%	24	16	16
Non-Executive – Between 30-50	%	54	57	58
Non-Executive – Above 50	%	22	27	26
General Worker – Under 30	%	45	32	32
General Worker – Between 30-50	%	52	53	53
General Worker – Above 50	%	3	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 – Above 50	%	13	13	13
Energy management				
C4 (a) Total energy consumption	Megajoules	203,731,759	166,531,774	167,730,345
Health and Safety				
C5 (a) Number of work-related fatalities	Number	Nil	Nil	Nil
C5 (b) Lost time incident rate	%	1.68	2.20	0.96
C5 (c) Number of employees trained on health and safety standards	Number	809	1,058	892

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (CONT'D)

Common Sustainability Matters	Unit of Measurement	FY2025	FY2024	FY2023
Labour Practice and Standards				
C6 (a) Total hours of training by employee category				
Director	Hours	141	218	66
Management	Hours	216	1,149	136
Executive	Hours	1,548	357	460
Non-Executive	Hours	2,445	5,298	5,909
General Worker	Hours	6,241	4,651	5,045
C6 (b) Percentage of employees that are contractors or temporary staff				
	%	2.53	Nil	Nil
C6 (c) Total number of employee turnover by employee category				
Director	Number	Nil	Nil	Nil
Management	Number	Nil	Nil	Nil
Executive	Number	2	5	2
Non-Executive	Number	30	17	6
General Worker	Number	420	319	167
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				
	%	36	27	27
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	460	412	445
Waste management				
C10 (a) Total waste generated, and a breakdown of the following:				
(i) total waste diverted from disposal	Metric tonnes	14,558	12,073	13,718
(ii) total waste directed to disposal	Metric tonnes	2,842	2,149	2,422
(iii) recycling rate	%	84	85	85

SUSTAINABILITY REPORT (CONT'D)

WHAT IS MATERIAL TO US: (Cont'd)



SOCIAL PILLAR (CONT'D)

Common Sustainability Matters	Unit of Measurement	FY2025	FY2024	FY2023
Emissions management				
C11 (a) Scope 1 emissions in tonnes of CO ₂ e (for fasteners division only)	Metric tonnes of CO ₂	2,384	2,188	NA
C11 (b) Scope 2 emissions in tonnes of CO ₂ e (for fasteners division only)	Metric tonnes Of CO ₂	33,293	26,590	NA
C11 (c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes of CO ₂	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 were 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 emerged 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 its 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 2025, the internal auditors have conducted reviews on the Anti-bribery and Corruption policy and procedures implemented in the two major subsidiaries in Malaysia. In Vietnam, the internal auditor had reviewed the inventory management 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.

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;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL CONTROL (CONT'D)

- Surveillance Audit will be conducted annually to ensure the compliance of the MS ISO 9001:2015 and ISO 14001 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 Board;
- 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 director 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 2025. 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 1 October 2025.

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 2025 are as follows:

Name	Designation	Directorate	Number of Meetings Attended
Ong Eng Choon (Appointed on 15.01.2025)	Chairman	Independent & Non-executive	2/2
Datin Sharmin Fazlina Binti Mohd Shukor	Member	Independent & Non-Executive	5/5
Low Yeaw Seng	Member	Independent & Non-Executive	5/5
Ang Seng Oo (Deceased on 04.01.2025)	Chairman	Independent & Non-Executive	3/3

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 2025 are summarized as follows:

1. Financial Reporting

- a. On 28 August 2024, the Committee reviewed the unaudited consolidated financial results for the 4th quarter of the financial year ended 30 June 2024 and recommended to the Board for approval.
- b. On 24 October 2024, the Committee reviewed the Company’s annual audited financial statements for the financial year ended 30 June 2024 and recommended to the Board for approval.
- c. On 27 November 2024, 26 February 2025 and 28 May 2025 respectively, the Committee reviewed the unaudited consolidated financial results for the 1st, 2nd and 3rd quarters of the financial year ending 30 June 2025 and recommended to the Board for approval.

2. External Audit

- a. On 28 August 2024, 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 2024. On the same day, the External Auditors also presented their audit findings together with the Group’s results to the Committee.
- b. On 02 October 2024, the Committee deliberated the External Audit Completion Memorandum in relation to relevant disclosures in the annual audited financial statements together with the management letter for the financial year ended 30 June 2024.
- c. On 02 October 2024, 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 2024.
- d. On 02 October 2024, 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 ending 30 June 2025.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK (CONT'D)

2. External Audit (Cont'd)

- e. On 28 May 2025, the External Auditors tabled to the Committee the External Audit Plan for the financial year ending 30 June 2025 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.

3. Internal Audit

- a. On 29 May 2024, the Committee reviewed with the internal auditors, the internal audit plan for the financial year ending 30 June 2025 to ensure adequate coverage of key functional areas and activities of the Group in Malaysia.
- b. On 26 February 2025, the Committee reviewed the internal audit report in relation to the audit findings on the inventory management of the subsidiary in Vietnam, audit recommendations provided by the internal auditors and management responses to those findings and recommendations.
- c. On 26 February 2025, the Committee reviewed the internal audit reports in relation to the audit findings on the effectiveness of the design and internal control system of Anti-Bribery and Anti-Corruption procedures of two major subsidiaries in Malaysia. Audit recommendations provided by the internal auditors and management responses to those findings and recommendations.
- d. On 26 February 2025, the Committee reviewed with the internal auditors, the progress reports on the status of implementation by the Management pursuant to the audit recommendations.
- e. On 28 May 2025, the Committee reviewed the Risk Assessment Report tabled by the internal auditors.
- f. On 28 May 2025, the Committee reviewed with the internal auditors, the internal audit plan for the financial year ending 30 June 2026 to ensure adequate coverage of key functional areas and activities of the Group in Malaysia.
- g. On 28 May 2025, the Committee carried out an assessment on the adequacy of the scope, function and 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 2026.

4. Related Party Transaction

- a. The Committee reviewed the recurrent related party transactions of revenue or trading nature on quarterly basis during the Committee meetings.
- b. On 28 August 2024, 27 November 2024, 26 February 2025 and 28 May 2025, the Committee reviewed the recurrent related party transactions entered by the respective subsidiaries and ensure that the RRPT amounts are within the threshold in the shareholders' mandate and/or Main Market Listing Requirements of Bursa Securities.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF WORK (CONT'D)

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

- a. On 28 August 2024, 02 October 2024, 27 November 2024, 26 February 2025 and 28 May 2025, 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 Chin Well Fasteners (Vietnam) Co., Ltd. (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 has 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	<ol style="list-style-type: none"> 1. Lim Chien Ch'eng is the Non-Independent Non-Executive Chairman of Chin Well Holdings Berhad (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 2. 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. 3. Tsai Chia Ling is the Executive Director and major 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. 	<p>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.</p> <p>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.</p>

AUDIT COMMITTEE REPORT (CONT'D)

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

Potential COI	Nature and Extent of Interest of Interested Directors and Major Shareholders	Measures taken to address COI or potential COI
	<p>4. Tsai Yung Chuan is the Managing Director and major shareholder of CWHB by virtue of his shareholdings in BHSB, a major 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</p> <p>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</p> <p>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. 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</p> <p>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</p>	
<p>Director is a Partner of Messrs. Ghazi & Lim, a legal firm engaged by the Group</p>	<p>1. 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</p>	<p>The legal work that is above RM50,000 will be subject to review and approval by Audit Committee</p>

AUDIT COMMITTEE REPORT (CONT'D)

6. Annual Report

- a. On 02 October 2024, the Committee reviewed and recommended the following contents of the annual report for financial year ended 30 June 2024 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 2025, KFF PLT had reviewed the internal control system of Anti-Bribery and Anti-Corruption procedures of two major subsidiaries in Malaysia and had assisted the Committee in identifying areas for improvements, analyzing the issues and made 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 report 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 inventory 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 2025 was RM 22,014.

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 2025

The directors hereby submit their report with the audited financial statements of the Group and of the Company for the financial year ended **30 June 2025**.

PRINCIPAL ACTIVITIES

The principal activity of the Company consist 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
(Loss)/Profit for the financial year	<u>(4,701,164)</u>	<u>15,583,760</u>
Attributable to:		
Owners of the Company	<u>(4,626,698)</u>	<u>15,583,760</u>
Non-controlling interests	<u>(74,466)</u>	<u>-</u>
	<u>(4,701,164)</u>	<u>15,583,760</u>

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **30 June 2025** 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 interim dividend of RM0.0176 per ordinary share amounting to RM5,041,509 in respect of the financial year ended 30 June 2024 on 30 August 2024 and paid on 25 November 2024.

On 27 August 2025, the Company has declared a single tier interim dividend of RM0.0105 per ordinary share amounting to RM3,007,603 in respect of the financial year ended 30 June 2025 and payable on 21 November 2025. 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 2026.

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

DIRECTORS' REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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 11,000 units of its issued ordinary shares from the open market for a total consideration of RM9,037, including transaction costs of RM127. The average price paid for the shares repurchased was approximately RM0.81 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(6) of the Companies Act 2016.

As at 30 June 2025, the Company held 13,094,800 treasury shares out of its total 299,533,168 issued ordinary shares. Further relevant details are disclosed in Note 14 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**

Low Yeaw Seng

Datin Sharmin Fazlina Binti Mohd Shukor

* **Tsai Cheng Hsun**

Ong Eng Choon (appointed on 15.1.2025)

Ang Seng Oo (ceased on 4.1.2025)

Directors of the subsidiaries:

Chan Moi Moi @ Anna Tjandra

Tsai Chia-Wen

Teng Chung-Chien

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

DIRECTORS' REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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:

	Number of ordinary shares			Balance at 30.6.2025
	Balance at 1.7.2024	Bought	Sold	
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	163,827,346	1,545,000	-	165,372,346
² Tsai Chia Ling	163,827,346	1,545,000	-	165,372,346
² Tsai Cheng Hsun	163,827,346	1,545,000	-	165,372,346

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

² Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Benua Handal 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 RM	SUBSIDIARIES RM	GROUP RM
Directors' fees	360,000	-	360,000
Salaries, allowances and bonus	68,000	6,030,655	6,098,655
Defined contribution plan	4,000	273,793	277,793
Social security contribution and employment insurance scheme	506	3,472	3,978
Benefits-in-kind	-	22,000	22,000
	432,506	6,329,920	6,762,426

DIRECTORS' REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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 RM13,505 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 there were no bad debts to be written off and that adequate provision had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records 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:

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

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

- (i) any charge on the assets of the Group and of the Company 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.

DIRECTORS' REPORT (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the directors:

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The details of the significant events during the financial year are disclosed in Note 36 to the financial statements.

AUDITORS

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

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 30 June 2025 are as follows:

	GROUP	COMPANY
	RM	RM
Statutory audit	149,500	51,000
Assurance related and non-audit services	5,000	3,000
Total	154,500	54,000

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

Penang,

Date: 13 October 2025

Tsai Chang Hsiu-Hsiang

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 73 to 129 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 2025** and of their financial performance and cash flows for the financial year then ended.

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

Tsai Yung Chuan

Tsai Chang Hsiu-Hsiang

Date: 13 October 2025

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 73 to 129 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
 the abovenamed at Penang, this **13th**)
 day of **October 2025**.)

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 2025** 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 73 to 129.

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 2025**, 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 (CONT'D)**TO THE MEMBERS OF CHIN WELL HOLDINGS BERHAD**

REGISTRATION NO. 199501042347 (371551-T)

(INCORPORATED IN MALAYSIA)

Key Audit Matters (Cont'd)

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
<p>Valuation of inventories (Note 8 to the financial statements)</p> <p>The Group holds significant amount of inventories as at 30 June 2025 which exposes the Group to a risk that the inventories may become slow moving or obsolete and eventually non-saleable or selling below their carrying amount.</p> <p>The Group measures inventories at the lower of cost and net realisable value. Identifying and determining the appropriate write down of the inventories to net realisable value requires judgement by the management.</p> <p>We focused on this area as it involves estimation uncertainty by the management in determining the accuracy of inventories written down and in assessing the adequacy of inventories not stated at the lower of cost and net realisable value.</p>	<p>Our audit procedures in relation to the valuation of inventories are as follows:</p> <ul style="list-style-type: none"> • Obtained an understanding of: <ul style="list-style-type: none"> - the Group's inventory management process; - how the Group identifies and assesses inventories write-downs; and - how the Group makes the accounting estimates for inventories write-downs. • Attended the year end physical inventory counts and paid attention to the physical condition of the inventories. • Reviewed the costing method used by the Group and assessed whether it is consistent with prior year. • Reviewed the valuation of inventories in accordance with <i>MFRS 102 Inventories</i>. • Evaluated the appropriateness of the methodology applied in determining the cost of inventories and critically assessing the calculation. • Reviewed the consistency of the application of management's methodology in determining and estimating the inventories written down from year to year. • Reviewed management's assessment on the allowance for slow moving/obsolete inventories. • Reviewed and tested the reliability of the aging report of inventories provided by management. • Reviewed and tested the net realisable value of inventories on a sampling basis. • Evaluated the reasonableness and adequacy of the inventories written down recognised for identified exposures.
<p>Revenue recognition (Note 22 to the financial statements)</p> <p>The Group's revenue is mainly derived from the manufacturing and sale of fastening products and wire products.</p> <p>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.</p>	<p>Our audit procedures in relation to the revenue recognition are as follows:</p> <ul style="list-style-type: none"> • 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 non-sales invoices references and evaluated the nature of the transactions to determine whether they were <i>bona fide</i> transactions.

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF CHIN WELL HOLDINGS BERHAD

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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF CHIN WELL HOLDINGS BERHAD

REGISTRATION NO. 199501042347 (371551-T)

(INCORPORATED IN MALAYSIA)

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

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

- 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.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF CHIN WELL HOLDINGS BERHAD

REGISTRATION NO. 199501042347 (371551-T)

(INCORPORATED IN MALAYSIA)

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

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. 03298/04/2027 J
Chartered Accountant

Penang

Date: 13 October 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	117,124,858	126,991,441	1	1
Investment properties	5	66,987,293	67,075,685	-	-
Right-of-use assets	6	1,424,043	1,884,470	-	-
Investment in subsidiaries	7	-	-	263,051,296	263,051,296
		<u>185,536,194</u>	<u>195,951,596</u>	<u>263,051,297</u>	<u>263,051,297</u>
Current assets					
Inventories	8	232,060,200	284,248,747	-	-
Trade receivables	9	40,891,095	46,788,809	-	-
Other receivables, deposits and prepayments	10	15,912,245	17,685,359	4,845,893	4,500
Current tax assets		8,224,346	7,401,535	134,329	72,630
Other investments	11	124,952,167	77,818,105	40,691,529	29,856,368
Cash and bank balances	12	93,995,699	111,198,988	2,213,806	7,375,236
		<u>516,035,752</u>	<u>545,141,543</u>	<u>47,885,557</u>	<u>37,308,734</u>
TOTAL ASSETS		<u>701,571,946</u>	<u>741,093,139</u>	<u>310,936,854</u>	<u>300,360,031</u>
EQUITY AND LIABILITIES					
Share capital	13	177,929,384	177,929,384	177,929,384	177,929,384
Treasury shares	14	(18,895,524)	(18,886,487)	(18,895,524)	(18,886,487)
Foreign currency translation reserve	15	(17,315,518)	7,883,746	-	-
Retained profits	16	484,372,537	494,040,744	151,454,040	140,911,789
		<u>626,090,879</u>	<u>660,967,387</u>	<u>310,487,900</u>	<u>299,954,686</u>
Non-controlling interests		1,835,332	1,909,798	-	-
Total equity		<u>627,926,211</u>	<u>662,877,185</u>	<u>310,487,900</u>	<u>299,954,686</u>

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

STATEMENTS OF FINANCIAL POSITION (CONT'D)

AS AT 30 JUNE 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current liabilities					
Provision for severance allowance	17	3,258,837	3,442,463	-	-
Lease liabilities	6	1,011,197	1,469,513	-	-
Deferred tax liabilities	18	7,137,261	8,284,939	-	-
		11,407,295	13,196,915	-	-
Current liabilities					
Trade payables	19	20,334,628	20,404,533	-	-
Other payables and accruals	20	38,335,076	41,360,359	448,954	405,345
Contract liabilities	21	2,390,836	1,537,608	-	-
Lease liabilities	6	458,316	443,067	-	-
Current tax liabilities		719,584	1,273,472	-	-
		62,238,440	65,019,039	448,954	405,345
Total liabilities		73,645,735	78,215,954	448,954	405,345
TOTAL EQUITY AND LIABILITIES		701,571,946	741,093,139	310,936,854	300,360,031

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

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	GROUP		COMPANY	
		2025 RM	(Restated) 2024 RM	2025 RM	(Restated) 2024 RM
Revenue	22	376,369,380	343,247,551	15,010,161	25,364,280
Cost of sales		<u>(359,306,735)</u>	<u>(321,289,367)</u>	<u>-</u>	<u>-</u>
Gross profit		17,062,645	21,958,184	15,010,161	25,364,280
Other income	23	5,051,309	7,544,203	1,049,528	573,111
Administrative expenses		(21,414,460)	(18,010,459)	(906,960)	(606,127)
Selling and distribution expenses		(8,490,623)	(7,152,919)	-	-
Allowance for expected credit losses on trade receivables:					
- Addition		(539,770)	(907,023)	-	-
- Reversal		493,326	392,710	-	-
Operating (loss)/profit		(7,837,573)	3,824,696	15,152,729	25,331,264
Finance income	24	4,079,099	7,014,994	551,348	861,357
Finance costs	25	<u>(58,173)</u>	<u>(64,029)</u>	<u>-</u>	<u>-</u>
(Loss)/Profit before tax	26	(3,816,647)	10,775,661	15,704,077	26,192,621
Taxation	27	<u>(884,517)</u>	<u>(2,179,121)</u>	<u>(120,317)</u>	<u>(193,774)</u>
(Loss)/Profit for the financial year		(4,701,164)	8,596,540	15,583,760	25,998,847
Other comprehensive (loss)/ income, net of tax:					
Item that will be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		<u>(25,199,264)</u>	<u>(15,178,859)</u>	<u>-</u>	<u>-</u>
Total comprehensive (loss)/ income for the financial year		<u>(29,900,428)</u>	<u>(6,582,319)</u>	<u>15,583,760</u>	<u>25,998,847</u>

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

STATEMENTS OF COMPREHENSIVE INCOME (CONT'D)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
(Loss)/Profit attributable to:					
Owners of the Company		(4,626,698)	8,666,713	15,583,760	25,998,847
Non-controlling interests		(74,466)	(70,173)	-	-
		<u>(4,701,164)</u>	<u>8,596,540</u>	<u>15,583,760</u>	<u>25,998,847</u>
Total comprehensive (loss)/ income attributable to:					
Owners of the Company		(29,825,962)	(6,512,146)	15,583,760	25,998,847
Non-controlling interests		(74,466)	(70,173)	-	-
		<u>(29,900,428)</u>	<u>(6,582,319)</u>	<u>15,583,760</u>	<u>25,998,847</u>
Earnings per share attributable to owners of the Company (sen)					
- Basic/Diluted	28	<u>(1.62)</u>	<u>3.03</u>		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

NOTE	Attributable to owners of the Company						Total Equity RM
	Share Capital RM	Treasury Shares RM	Foreign Currency Translation Reserve RM	Retained Profits RM	Total RM	Non-controlling Interests RM	
2025							
	177,929,384	(18,886,487)	7,883,746	494,040,744	660,967,387	1,909,798	662,877,185
	Balance at beginning						
	Total comprehensive loss for the financial year						
			(25,199,264)	(4,626,698)	(29,825,962)	(74,466)	(29,900,428)
	Transactions with owners of the Company:						
29	-	-	-	(5,041,509)	(5,041,509)	-	(5,041,509)
14	-	(9,037)	-	-	(9,037)	-	(9,037)
	Total transactions with owners of the Company						
	-	(9,037)	-	(5,041,509)	(5,050,546)	-	(5,050,546)
	177,929,384	(18,895,524)	(17,315,518)	484,372,537	626,090,879	1,835,332	627,926,211
	Balance at end						

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		Attributable to owners of the Company						Total Equity RM
		Share Capital RM	Treasury Shares RM	Foreign Currency Translation Reserve RM	Retained Profits RM	Non- controlling Interests RM	Total RM	
2024								
	Balance at beginning	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	-	-	(15,178,859)	8,666,713	(6,512,146)	(70,173)	(6,582,319)
	<i>Transactions with owners of the Company:</i>							
29	Dividends	-	-	-	(2,033,954)	(2,033,954)	-	(2,033,954)
14	Purchase of treasury shares	-	(2,564)	-	-	(2,564)	-	(2,564)
	Total transactions with owners of the Company	-	(2,564)	-	(2,033,954)	(2,036,518)	-	(2,036,518)
	Balance at end	177,929,384	(18,886,487)	7,883,746	494,040,744	660,967,387	1,909,798	662,877,185

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	----- Distributable -----			Total Equity RM
		Share Capital RM	Treasury Shares RM	Retained Profits RM	
2025					
Balance at beginning		177,929,384	(18,886,487)	140,911,789	299,954,686
Total comprehensive income for the financial year		-	-	15,583,760	15,583,760
<i>Transactions with owners of the Company:</i>					
Dividends	29	-	-	(5,041,509)	(5,041,509)
Purchase of treasury shares	14	-	(9,037)	-	(9,037)
Total transactions with owners of the Company		-	(9,037)	(5,041,509)	(5,050,546)
Balance at end		177,929,384	(18,895,524)	151,454,040	310,487,900
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
<i>Transactions with owners of the Company:</i>					
Dividends	29	-	-	(2,033,954)	(2,033,954)
Purchase of treasury shares	14	-	(2,564)	-	(2,564)
Total transactions with owners of the Company		-	(2,564)	(2,033,954)	(2,036,518)
Balance at end		177,929,384	(18,886,487)	140,911,789	299,954,686

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/Profit before tax	(3,816,647)	10,775,661	15,704,077	26,192,621
Adjustments for:				
Accretion of interest on lease liabilities	58,173	64,029	-	-
Allowance for expected credit losses on trade receivables:				
- Addition	539,770	907,023	-	-
- Reversal	(493,326)	(392,710)	-	-
Depreciation of:				
- property, plant and equipment	10,389,550	11,896,191	-	-
- investment properties	88,392	88,393	-	-
- right-of-use assets	460,427	420,554	-	-
Dividend income	-	-	(15,010,161)	(25,364,280)
Distribution income	(1,139,478)	(1,463,039)	(344,480)	(650,539)
Gain on disposal of property, plant and equipment	(19,600)	(30,497)	-	-
Interest expenses	-	82,502	-	-
Interest income	(2,939,621)	(5,551,955)	(206,868)	(210,818)
Inventories written down				
- Addition	10,986,770	2,230,260	-	-
- Reversal	(376,157)	(230,355)	-	-
Net fair value gain on short-term funds with licensed financial institutions	(2,605,525)	(1,399,068)	(1,049,528)	(32,861)
Property, plant and equipment written off	65,948	3	-	-
Provision for severance allowance	259,233	217,348	-	-
Unrealised loss/(gain) on foreign exchange	1,412,321	(801,446)	193,001	(540,250)
Operating profit/(loss) before working capital changes	12,870,230	16,812,894	(713,959)	(606,127)
Changes in:				
Inventories	28,079,727	(9,893,276)	-	-
Receivables	5,424,772	(6,931,293)	(4,841,393)	-
Payables	1,684,941	3,764,400	43,609	4,000
Contract liabilities	931,802	62,955	-	-
Cash generated from/(used in) operations, balance carried forward	48,991,472	3,815,680	(5,511,743)	(602,127)

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

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	NOTE	GROUP		COMPANY	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash generated from/(used in) operations, balance brought forward		48,991,472	3,815,680	(5,511,743)	(602,127)
Interest paid		-	(82,502)	-	-
Income tax paid		(3,274,011)	(4,298,680)	(182,016)	(161,265)
Income tax refunded		-	1,141,685	-	39,010
Net cash from/(used in) operating activities		45,717,461	576,183	(5,693,759)	(724,382)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		2,939,621	5,551,955	206,868	210,818
Dividends received from a subsidiary		-	-	15,010,161	25,364,280
Net changes in other investments		(45,830,763)	(7,710,359)	(9,441,153)	(20,495,051)
Proceeds from disposal of property, plant and equipment		19,600	30,500	-	-
Purchase of property, plant and equipment		(6,172,109)	(5,320,775)	-	-
Net changes in fixed deposits with licensed banks		(11,757,638)	12,028,212	-	-
Net cash (used in)/from investing activities		(60,801,289)	4,579,533	5,775,876	5,080,047
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(5,041,509)	(2,033,954)	(5,041,509)	(2,033,954)
Purchase of treasury shares		(9,037)	(2,564)	(9,037)	(2,564)
Net changes in onshore foreign					
Net changes in trust receipts	A	-	(5,427,342)	-	-
Repayment of lease liabilities	A	(501,240)	(458,290)	-	-
Net changes in subsidiaries' balances	A	-	-	-	(2,331,013)
Net cash used in financing activities		(5,551,786)	(7,922,150)	(5,050,546)	(4,367,531)
NET DECREASE IN CASH AND BANK BALANCES, BALANCES CARRIED FORWARD					
		(20,635,614)	(2,766,434)	(4,968,429)	(11,866)

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

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
NET DECREASE IN CASH AND BANK BALANCES, BALANCE BROUGHT FORWARD	(20,635,614)	(2,766,434)	(4,968,429)	(11,866)
Effects of foreign exchange rates changes	(2,682,812)	(565,940)	(193,001)	540,250
CASH AND BANK BALANCES AT BEGINNING	71,158,285	74,490,659	7,375,236	6,846,852
CASH AND BANK BALANCES AT END	47,839,859	71,158,285	2,213,806	7,375,236
Represented by:				
Fixed deposits with licensed banks	46,155,840	41,243,293	-	-
Short term money market deposits	3,802,153	8,975,034	-	262,031
Cash in hand and at banks	44,037,706	60,980,661	2,213,806	7,113,205
	93,995,699	111,198,988	2,213,806	7,375,236
Less: Fixed deposits with maturity more than three months	(46,155,840)	(40,040,703)	-	-
	47,839,859	71,158,285	2,213,806	7,375,236

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

STATEMENTS OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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				
2025				
Lease liabilities, representing total liability arising from financing activity	1,912,580	(501,240)	58,173	1,469,513
2024				
Borrowings	5,427,342	(5,427,342)	-	-
Lease liabilities	590,169	(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
COMPANY				
2024				
Net amount due from/(to) subsidiaries, representing total liability arising from financing activity	2,331,013	(2,331,013)	-	-

¹ Others consist of non-cash movement as follows:

	GROUP	
	2025	2024
	RM	RM
Accretion of interest on lease liabilities	58,174	64,029
Additions of lease liabilities	-	1,716,672
	58,174	1,780,701

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

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

1. GENERAL INFORMATION

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 13 October 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company consist 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 ("MFRSs"), 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

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.

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.

2.4 Adoption of 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 amendments to MFRSs that are mandatory for the current financial year:

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 101 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current

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

Initial application for the above amendments to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

2. BASIS OF PREPARATION (CONT'D)

2.5 Standards/Amendments to MFRSs Issued But Not Yet Effective

The following are accounting standards/amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and for the Company:

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 – Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements to MFRS Accounting Standards - Volume II
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

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 upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

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

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

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

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.

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.

(ii) Inventories

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 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

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

3.2 Key sources of estimation uncertainty (Cont'd)

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

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 in the future.

The information about the ECL on the Group's trade receivables is disclosed in Note 33.3.1 to the financial statements.

(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).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

4. PROPERTY, PLANT AND EQUIPMENT GROUP

	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Tools and implements RM	Office equipment RM	Furniture and fittings RM	Electrical installation RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2025											
At cost											
Balance at beginning	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
Additions	-	-	257,900	4,810,830	108,605	135,583	460	-	114,456	744,275	6,172,109
Disposals	-	-	-	(198,000)	(51,000)	(24,200)	-	-	-	-	(273,200)
Written offs	-	-	-	(6,421,020)	-	(26,483)	-	-	-	-	(6,447,503)
Reclassification	-	-	3,467,446	-	-	-	-	79,352	-	(3,546,798)	-
Exchange differences	-	(1,698,219)	(6,300,357)	(16,146,534)	(1,623,849)	(213,155)	-	-	(191,480)	(102,666)	(26,276,260)
Balance at end	133,741	30,647,832	104,209,850	289,751,549	22,252,985	10,358,783	564,941	3,447,709	4,314,265	954,059	466,635,714
Accumulated depreciation											
Balance at beginning	-	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
Current charge	-	358,478	2,463,157	6,464,749	290,058	529,415	4,150	85,940	193,603	-	10,389,550
Disposals	-	-	-	(198,000)	(51,000)	(24,200)	-	-	-	-	(273,200)
Written offs	-	-	-	(6,355,072)	-	(26,483)	-	-	-	-	(6,381,555)
Exchange differences	-	(681,648)	(2,953,297)	(15,153,546)	(1,540,451)	(208,102)	-	-	(156,022)	-	(20,693,066)
Balance at end	-	13,102,566	46,712,229	251,116,377	21,528,435	9,879,469	540,846	2,921,590	3,709,344	-	349,510,856
Carrying amount	133,741	17,545,266	57,497,621	38,635,172	724,550	479,314	24,095	526,119	604,921	954,059	117,124,858

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)
GROUP (CONT'D)**

	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Tools and implements RM	Office equipment RM	Furniture and fittings RM	Electrical installation RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2024											
At cost											
Balance at beginning	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	503,869,079
Additions	-	-	408,611	1,782,873	619,208	183,795	1,849	-	267,381	2,057,058	5,320,775
Disposals	-	-	-	-	-	(6,950)	-	-	(374,492)	-	(381,442)
Written offs	-	-	-	(215,622)	-	(375,904)	-	-	-	-	(591,526)
Exchange differences	-	(956,654)	(3,547,593)	(9,094,123)	(890,852)	(120,076)	-	-	(104,243)	(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	-	-	-	-	-	(6,950)	-	-	(374,489)	-	(381,439)
Written offs	-	-	-	(215,619)	-	(375,904)	-	-	-	-	(591,523)
Exchange differences	-	(364,280)	(1,574,692)	(8,376,761)	(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	18,920,315	59,582,492	41,348,027	989,401	878,199	27,785	532,707	719,526	3,859,248	126,991,441

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)****COMPANY**

	Office equipment	
	2025	2024
	RM	RM
At cost	<u>1,600</u>	<u>1,600</u>
Accumulated depreciation	<u>1,599</u>	<u>1,599</u>
Carrying amount	<u>1</u>	<u>1</u>

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
	RM	RM	RM
GROUP			
2025			
Leasehold land	<u>17,545,265</u>	<u>358,479</u>	<u>(1,016,571)</u>
2024			
Leasehold land	<u>18,920,315</u>	<u>869,081</u>	<u>(592,374)</u>

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.

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

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%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****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			
2025			
At cost	64,856,710	4,419,607	69,276,317
Accumulated depreciation			
Balance at beginning	-	2,200,632	2,200,632
Current charge	-	88,392	88,392
Balance at end	-	2,289,024	2,289,024
Carrying amount	64,856,710	2,130,583	66,987,293
2024			
At cost	64,856,710	4,419,607	69,276,317
Accumulated depreciation			
Balance at beginning	-	2,112,239	2,112,239
Current charge	-	88,393	88,393
Balance at end	-	2,200,632	2,200,632
Carrying amount	64,856,710	2,218,975	67,075,685

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****5. INVESTMENT PROPERTIES (CONT'D)****(i) 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	
	2025	2024
	RM	RM
Rental income from income generating properties	938,200	938,800
Direct operating expenses:		
- Rental income generating	162,500	165,545
- Non-rental income generating	118,935	110,996

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

	GROUP	
	2025	2024
	RM	RM
Within one year	938,500	754,200
More than one year and less than five years	675,000	250,400
	1,613,500	1,004,600

- (ii) The fair value of investment properties for disclosure purpose are disclosed in Note 34.2 to the financial statements

Material accounting policy information

Investment properties are initially measured at cost, including transaction costs. Cost includes expenditures that are directly attributable to the acquisition of the investment properties.

Investment properties are subsequent to initial recognition, stated 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****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.

Right-of-use assets

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

	Forklifts	
	2025	2024
	RM	RM
Balance at beginning	1,884,470	588,352
Additions	-	1,716,672
Depreciation	(460,427)	(420,554)
Balance at end	<u>1,424,043</u>	<u>1,884,470</u>

Lease liabilities

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

	Forklifts	
	2025	2024
	RM	RM
Balance at beginning	1,912,580	590,169
Additions	-	1,716,672
Accretion of interest	58,173	64,029
Payments	(501,240)	(458,290)
Balance at end	<u>1,469,513</u>	<u>1,912,580</u>
Represented by:		
Non-current	1,011,197	1,469,513
Current	<u>458,316</u>	<u>443,067</u>
	<u>1,469,513</u>	<u>1,912,580</u>

The maturity analysis of lease liabilities is disclosed in Note 33.4 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

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

The following are the amounts recognised in profit or loss:

	GROUP	
	2025	2024
	RM	RM
Accretion of interest on lease liabilities	58,173	64,029
Depreciation expense of right-of-use assets	460,427	420,554
Expenses relating to lease of low-value assets	6,528	5,477
Expenses relating to short-term leases	46,000	97,980
Total amount recognised in profit or loss	571,129	588,040
Total cash outflows for leases	553,768	561,747

Material accounting policy information

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying assets are available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. 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 over 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

7. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2025	2024
	RM	RM
Unquoted shares, at cost	221,551,296	221,551,296
Unquoted redeemable non-cumulative preference shares, at cost	41,500,000	41,500,000
	263,051,296	263,051,296

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****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
	2025 %	2024 %	
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.

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.

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.

Material accounting policy information

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

7. INVESTMENT IN SUBSIDIARIES (CONT'D)

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

The details of the material NCI are as follows:

	Jadi	NBH	Total
2025			
NCI percentage of ownership interest and voting interest (%)	55	55	
Carrying amount of NCI (RM)	<u>(32,357)</u>	<u>1,867,689</u>	<u>1,835,332</u>
Loss allocated to NCI (RM)	<u>(30,991)</u>	<u>(43,475)</u>	<u>(74,466)</u>
2024			
NCI percentage of ownership interest and voting interest (%)	55	55	
Carrying amount of NCI (RM)	<u>(1,366)</u>	<u>1,911,158</u>	<u>1,909,792</u>
Loss allocated to NCI (RM)	<u>(29,262)</u>	<u>(40,911)</u>	<u>(70,173)</u>

The summarised financial information of material NCI presented below is the amount before inter-company elimination:

	Jadi RM	NBH RM
2025		
Assets and liabilities		
Non-current assets	17,000,000	45,000,000
Current assets	166	5,538
Non-current liabilities	-	(436,422)
Current liabilities	<u>(17,058,996)</u>	<u>(41,173,330)</u>
Net (liabilities)/assets	<u>(56,830)</u>	<u>3,395,786</u>
Results		
Net loss, representing total comprehensive loss for the financial year	<u>(56,347)</u>	<u>(79,046)</u>
Net cash (used in)/generated from:		
Operating activities	(56,347)	(79,046)
Financing activities	<u>35,292</u>	<u>76,242</u>
Net changes in cash and bank balances	<u>(21,055)</u>	<u>(2,804)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****7. INVESTMENT IN SUBSIDIARIES (CONT'D)****7.1 Subsidiaries with material non-controlling interests ("NCI") (Cont'd)**

	Jadi RM	NBH RM
2024		
Assets and liabilities		
Non-current assets	17,000,000	45,000,000
Current assets	21,221	8,342
Non-current liabilities	-	(436,422)
Current liabilities	(17,023,704)	(41,097,088)
Net assets	<u>(2,483)</u>	<u>3,474,832</u>
Results		
Net loss, representing total comprehensive loss for the financial year	<u>(53,204)</u>	<u>(74,383)</u>
Net cash (used in)/generated from:		
Operating activities	(53,204)	(74,383)
Financing activities	<u>32,640</u>	<u>47,744</u>
Net changes in cash and bank balances	<u>(20,564)</u>	<u>(26,639)</u>

8. INVENTORIES

	GROUP	
	2025	2024
	RM	RM
At cost		
Raw materials	57,014,600	80,586,579
Work-in-progress	24,499,559	31,245,199
Finished goods	76,862,223	98,844,617
Indirect materials	44,990,069	48,380,791
Trading goods	323,734	87,389
	203,690,185	259,144,575
At net realisable value ("NRV")		
Finished goods	28,250,942	24,931,760
Trading goods	119,073	172,412
	28,370,015	25,104,172
	232,060,200	284,248,747

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****8. INVENTORIES (CONT'D)**

	GROUP	
	2025	2024
	RM	RM
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	348,696,122	319,289,462
Inventories written down:		
- Addition	10,986,770	2,230,260
- Reversal	(376,157)	(230,355)

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 NRV.

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.

NRV represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

9. TRADE RECEIVABLES

	GROUP	
	2025	2024
	RM	RM
Trade receivables	65,225,008	71,539,898
Less: Allowance for ECL		
Balance at beginning	(24,751,089)	(24,478,745)
Current year	(539,770)	(907,023)
Reversal	493,326	392,710
Exchange differences	463,620	241,969
Balance at end	(24,333,913)	(24,751,089)
	40,891,095	46,788,809

The normal credit terms granted to trade receivables range from **7 to 120 days** (2024: 7 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****9. TRADE RECEIVABLES (CONT'D)**

The currency profile of trade receivables is as follows:

	GROUP	
	2025	2024
	RM	RM
Ringgit Malaysia ("RM")	25,403,156	26,185,578
United States Dollar ("USD")	10,963,064	14,152,172
Euro ("EUR")	4,065,287	6,190,631
Vietnam Dong ("VND")	459,588	217,447
Singapore Dollar ("SGD")	-	42,981
	40,891,095	46,788,809

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Sundry receivables	663,092	2,407,059	-	-
Refundable deposits	283,285	284,928	4,500	4,500
Non-refundable deposits	4,841,393	301,707	4,841,393	-
Prepayments	1,538,604	1,225,015	-	-
Down payment for purchase of raw materials	6,846,323	7,768,565	-	-
VAT receivables	1,739,548	5,698,085	-	-
	15,912,245	17,685,359	4,845,893	4,500

The non-refundable deposits of the Group and of the Company is paid to a third party for the acquisition of 3 parcels of freehold land pursuant to the Sale and Purchase Agreement dated 9 June 2025 as disclosed in Note 36 (i) to the financial statements.

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
RM	6,387,777	7,610,371	4,845,893	4,500
USD	3,900,518	2,823,595	-	-
EUR	142,160	330,700	-	-
VND	5,190,105	6,618,986	-	-
Chinese Yen ("CNY")	291,685	301,707	-	-
	15,912,245	17,685,359	4,845,893	4,500

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

11. OTHER INVESTMENTS

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets at fair value through profit or loss ("FVTPL")				
Short-term funds with licensed financial institutions				
- Balance at beginning	77,818,105	67,154,171	29,856,368	8,677,917
- Addition	97,946,487	52,710,159	19,941,153	28,495,051
- Disposal	(52,115,724)	(44,999,800)	(10,500,000)	(8,000,000)
- Distribution income	1,139,478	1,463,039	344,480	650,539
- Fair value adjustments	2,605,525	1,399,068	1,049,528	32,861
- Exchange differences	(2,441,704)	91,468	-	-
	124,952,167	77,818,105	40,691,529	29,856,368

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.

The currency profile of other investments is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
RM	95,036,515	68,216,570	40,691,529	29,856,368
USD	29,915,652	9,601,535	-	-
	124,952,167	77,818,105	40,691,529	29,856,368

12. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	46,155,840	41,243,293	-	-
Short-term money market deposits	8,209,930	8,975,034	547,825	262,031
Cash in hand and at banks	39,629,929	60,980,661	1,665,981	7,113,205
	93,995,699	111,198,988	2,213,806	7,375,236

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 **4.20% to 6.00%** (2024: 3.40% to 5.90%) per annum and **3 month to 12 months** (2024: 1 month to 12 months) respectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****12. CASH AND BANK BALANCES (CONT'D)**

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	
	2025	2024	2025	2024
	RM	RM	RM	RM
Effective interest rates per annum (%)	1.28 to 2.69	1.25 to 2.65	2.62	2.65
Tenure (day)	1	1	1	1

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

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
RM	12,692,054	13,308,414	550,286	264,237
USD	23,195,480	44,507,470	1,663,520	7,110,999
EUR	8,875,006	11,191,704	-	-
VND	49,232,318	42,151,115	-	-
SGD	841	40,285	-	-
	93,995,699	111,198,988	2,213,806	7,375,236

13. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025	2024	2025	2024
	Unit	Unit	RM	RM
Issued and fully paid with no par value	299,533,168	299,533,168	177,929,384	177,929,384

14. 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 27 November 2024.

During the financial year, the Company purchased **11,000** (2024: 2,000) of its issued ordinary shares from the open market at an average price of **RM0.81** (2024: RM1.24) per share. The total consideration paid for the share buy back was **RM9,037** (2024: RM2,564), including transaction costs of **RM127** (2024: RM84). 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 **13,094,800** (2024: 13,083,800) ordinary shares as treasury shares out of its total issued ordinary shares. The number of outstanding ordinary shares in issue after deducting the treasury shares as at the end of the reporting period was **286,438,368** (2024: 286,449,368) ordinary shares.

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

15. FOREIGN CURRENCY TRANSLATION RESERVE**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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****16. 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.

17. PROVISION FOR SEVERANCE ALLOWANCES

The Group's Vietnam subsidiary provides severance allowances 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.

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

	GROUP	
	2025	2024
	RM	RM
Balance at beginning	3,442,463	3,457,990
Recognised in profit or loss	259,233	217,347
Exchange differences	(442,859)	(232,874)
	3,258,837	3,442,463

18. DEFERRED TAX LIABILITIES

	GROUP	
	2025	2024
	RM	RM
Balance at beginning	8,284,939	8,985,417
Recognised in profit or loss	(1,057,278)	(503,378)
	7,227,661	8,482,039
Over provision in prior year	(90,400)	(197,100)
Balance at end	7,137,261	8,284,939

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

	GROUP	
	2025	2024
	RM	RM
Property, plant and equipment	8,437,689	8,734,224
Investment properties	436,422	436,422
Unabsorbed capital allowances	(1,286,372)	(468,914)
Unused tax losses	(40,060)	(65,176)
Right-of-use assets	341,770	452,273
Lease liabilities	(352,683)	(459,019)
Provisions	(399,505)	(344,871)
	7,137,261	8,284,939

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****19. TRADE PAYABLES**

The currency profile of trade payables is as follows:

	GROUP	
	2025	2024
	RM	RM
RM	4,353,665	4,156,391
USD	3,450,708	2,115,884
EUR	109,605	117,195
VND	12,420,650	14,015,063
	<u>20,334,628</u>	<u>20,404,533</u>

The credit terms extended by trade payables range from **7 to 90 days** (2024: 7 to 90 days).

Included in the trade payables is an amount of **RM Nil** (2024: RM644,002) due to the companies in which certain directors of the Company have financial interests. It is unsecured and non-interest bearing.

20. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Sundry payables	32,470,856	35,189,303	-	-
Accruals	5,864,220	6,171,056	448,954	405,345
	<u>38,335,076</u>	<u>41,360,359</u>	<u>448,954</u>	<u>405,345</u>

Included in the sundry payables of the Group is an amount of **RM32,108,695** (2024: RM32,047,351) 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		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
RM	28,533,244	38,636,529	448,954	405,345
USD	7,591,570	483,994	-	-
EUR	224,456	100,893	-	-
VND	1,985,806	2,138,943	-	-
	<u>38,335,076</u>	<u>41,360,359</u>	<u>448,954</u>	<u>405,345</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

21. CONTRACT LIABILITIES

	GROUP	
	2025 RM	2024 RM
Balance at beginning	1,537,608	1,504,564
Revenue recognised during the financial year	(23,151,584)	(16,233,368)
Deposits received during the financial year	23,916,111	16,295,880
Exchange differences	88,701	(29,468)
	2,390,836	1,537,608

The currency profile of contract liabilities is as follows:

	GROUP	
	2025 RM	2024 RM
RM	135,007	8,900
USD	2,116,243	1,291,249
EUR	139,586	237,438
VND	-	21
	2,390,836	1,537,608

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 **RM3,175,257** (2024: RM1,611,540).

22. REVENUE

22.1 Disaggregation of revenue information

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Types of revenue				
Sales of goods, representing total revenue from contracts with customers	376,369,380	343,247,551	-	-
Dividend income, representing total other revenue	-	-	15,010,161	25,364,280
Total revenue	376,369,380	343,247,551	15,010,161	25,364,280

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

22. REVENUE (CONT'D)

22.1 Disaggregation of revenue information (Cont'd)

	GROUP	
	2025	2024
	RM	RM
Geographical markets		
Europe	165,185,763	117,165,243
Malaysia	110,673,890	102,452,657
United States of America	56,634,916	77,850,554
Other Asia Pacific countries	23,464,265	27,997,705
Other North America countries	12,672,209	10,104,916
Australia	5,778,460	3,806,914
Vietnam	1,959,877	3,618,528
Others	-	251,034
	<u>376,369,380</u>	<u>343,247,551</u>
Total revenue from contracts with customers		
	<u>376,369,380</u>	<u>343,247,551</u>
Timing of revenue recognition		
Revenue recognised at a point in time, representing total revenue from contracts with customers	<u>376,369,380</u>	<u>343,247,551</u>

22.2 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.

22.3 Contract balances

	GROUP	
	2025	2024
	RM	RM
Trade receivables (Note 9)	40,891,095	46,788,809
Contract liabilities (Note 21)	<u>(2,390,836)</u>	<u>(1,537,608)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

23. OTHER INCOME

	GROUP		COMPANY	
	2025	(Restated) 2024	2025	(Restated) 2024
	RM	RM	RM	RM
Fair value gain on short term funds with licensed financial institutions	2,605,525	1,399,068	1,049,528	32,861
Gain on disposal of property, plant and equipment	19,600	30,497	-	-
Realised gain on foreign exchange	1,412,167	4,125,000	-	-
Rental income	938,200	938,800	-	-
Unrealised gain on foreign exchange	-	801,446	-	540,250
Others	75,817	249,392	-	-
	5,051,309	7,544,203	1,049,528	573,111

24. FINANCE INCOME

	GROUP		COMPANY	
	2025	(Restated) 2024	2025	(Restated) 2024
	RM	RM	RM	RM
Distribution income	1,139,478	1,463,039	344,480	650,539
Interest income from licensed financial institutions	2,939,621	5,551,955	206,868	210,818
	4,079,099	7,014,994	551,348	861,357

25. FINANCE COSTS

	GROUP	
	2025	(Restated) 2024
	RM	RM
Accretion of interest on lease liabilities	58,174	64,029

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****26. (LOSS)/PROFIT BEFORE TAX**

This is arrived at:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
After charging:				
Auditors' remuneration				
- Statutory audit				
- Grant Thornton Malaysia PLT ("GTM PLT")				
- current year	149,500	137,500	51,000	42,000
- under provision in prior year	43,000	-	43,000	-
- other auditors				
- current year	63,861	70,922	-	-
Assurance related and non-audit services:				
- GTM PLT	3,000	3,000	3,000	3,000
- Affiliate of GTM PLT	2,000	2,000	-	-
Depreciation of:				
- property, plant and equipment	10,389,550	11,896,191	-	-
- investment properties	88,392	88,393	-	-
- right-of-use assets	460,427	420,554	-	-
Directors' fees				
- executive directors	180,000	180,000	180,000	180,000
- non-executive directors	180,000	180,000	180,000	180,000
Expenses relating to lease of low-value assets	6,528	5,477	-	-
Expenses relating to short-term leases	46,000	97,980	-	-
Inventories written down:				
- Addition	10,986,770	2,230,260	-	-
- Reversal	(376,157)	(230,355)	-	-
Property, plant and equipment written off	65,948	3	-	-
* Staff costs	46,139,419	41,729,825	72,506	7,800
Unrealised loss on foreign exchange	1,412,321	-	193,001	-
* Staff costs				
- Salaries, allowances, bonus, wages and incentive	44,416,291	40,118,937	68,000	7,800
- Defined contribution plan ("EPF")	1,384,171	1,359,968	4,000	-
- Social security contribution ("SOCSO") and employment insurance scheme ("EIS")	338,957	250,920	506	-
	46,139,419	41,729,825	72,506	7,800

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

26. (LOSS)/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:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Executive directors of the Company:				
Directors' emoluments				
- Salaries, allowances and bonus	6,094,655	6,172,702	64,000	4,000
- EPF	277,793	277,793	4,000	-
- SOCSO and EIS	3,978	3,153	506	-
	6,376,426	6,453,648	68,506	4,000
- Benefits-in-kind	22,000	19,500	-	-
	6,398,426	6,473,148	68,506	4,000
Non-executive directors of the Company:				
Directors' emoluments				
- Allowances	4,000	3,800	4,000	3,800
Executive directors of the subsidiaries:				
Directors' emoluments				
- Salaries, allowances and bonus	770,711	725,540	-	-
- SOCSO and EIS	855	843	-	-
	771,566	726,383	-	-
- Benefits-in-kind	5,300	-	-	-
	776,866	726,383	-	-
Total directors' remuneration	7,179,292	7,203,331	72,506	7,800

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****27. TAXATION**

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Based on results for the financial year				
- Current tax				
- Malaysian income tax	(537,000)	(1,585,000)	(128,000)	(211,000)
- Foreign tax	(1,620,665)	(1,298,119)	-	-
	(2,157,665)	(2,883,119)	(128,000)	(211,000)
Deferred tax relating to the origination and reversal of temporary differences	1,057,278	503,378	-	-
	(1,100,387)	(2,379,741)	(128,000)	(211,000)
Over provision in prior year				
- Current tax	125,470	3,520	7,683	17,226
- Deferred tax	90,400	197,100	-	-
	215,870	200,620	7,683	17,226
	(884,517)	(2,179,121)	(120,317)	(193,774)

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	
	2025	2024	2025	2024
	RM	RM	RM	RM
(Loss)/Profit before tax	(3,816,647)	10,775,661	15,704,077	26,192,621
Income tax at Malaysian statutory tax rate of 24%	915,995	(2,586,159)	(3,768,978)	(6,286,229)
Effect of tax rate in foreign jurisdiction	236,489	251,080	-	-
Income not subject to tax	625,326	335,776	3,854,325	6,224,974
Expenses not deductible for tax purposes	(2,825,302)	(603,698)	(213,347)	(149,745)
Effects of expenses qualified for double deduction	31,135	128,472	-	-
Utilisation of unrecognised unused tax losses and unabsorbed allowances	(43,536)	23,241	-	-
Utilisation of previously unrecognised deferred tax assets	1,832	75,391	-	-
Balance carried forward	(1,058,061)	(2,383,585)	(128,000)	(211,000)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****27. TAXATION (CONT'D)**

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Balance brought forward	(1,058,061)	(2,383,585)	(128,000)	(211,000)
Deferred tax assets not recognised	(42,326)	(3,844)	-	-
	(1,100,387)	(2,379,741)	(128,000)	(211,000)
Over provision in prior year	215,870	200,620	7,683	17,226
	(884,517)	(2,179,121)	(120,317)	(193,774)

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	
	2025	2024
	RM	RM
Unused tax losses	1,276,553	1,095,155
Other deductible temporary differences	626,358	457,631
	1,902,911	1,552,786

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

	GROUP	
	2025	2024
	RM	RM
Unused tax losses	1,443,470	1,622,812
Unabsorbed capital allowances	5,359,884	1,856,242

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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

27. TAXATION (CONT'D)

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

	GROUP	
	2025	2024
	RM	RM
YA 2032	385,209	385,209
YA 2033	684,574	684,574
YA 2034	25,372	25,372
YA 2035	166,917	527,657
YA 2036	181,398	-
	<u>1,443,470</u>	<u>1,662,812</u>

28. 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	
	2025	2024
	RM	RM
(Loss)/Profits attributable to owners of the Company (RM)	<u>(4,626,698)</u>	<u>8,666,713</u>
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	<u>(13,085,085)</u>	<u>(13,082,438)</u>
Weighted average number of ordinary shares at 30 June	<u>286,448,083</u>	<u>286,450,730</u>
Basic earnings per share (sen)	<u>(1.62)</u>	<u>3.03</u>

(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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****29. DIVIDENDS**

	2025	2024
	RM	RM
In respect of financial year ended 30 June 2024:		
- Single tier interim dividend of RM0.0176 per ordinary share	5,041,509	-
In respect of financial year ended 30 June 2023:		
- Single tier interim dividend of RM0.0071 per ordinary share	-	2,033,954
	5,041,509	2,033,954

On 27 August 2025, the Company has declared a single tier interim dividend of RM0.0105 per ordinary share amounting to RM3,007,603 in respect of the financial year ended 30 June 2025 and payable on 21 November 2025. 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 2026.

30. 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:

- (i) Fastening products : Manufacturing and trading of screws, nuts, bolts and other fastening products.
- (ii) Wire products : Manufacturing of precision galvanised wire, annealing wire, bright wire, hard drawn wire, PVC wire, bent round bar and grill mesh.
- (iii) Investment holding : Investment holding and property investment.

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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****30. SEGMENTAL INFORMATION (CONT'D)****By Business Segments**

	Fastening products RM	Wire products RM	Investment holding RM	Eliminations RM	Note	Total RM
2025						
Revenue						
External sales	270,199,402	106,169,978	-	-		376,369,380
Inter-segment sales	-	-	15,010,161	(15,010,161)	A	-
Total revenue	<u>270,199,402</u>	<u>106,169,978</u>	<u>15,010,161</u>	<u>(15,010,161)</u>		<u>376,369,380</u>
Results						
Segment result	(7,043,627)	(1,595,113)	801,167	-		(7,837,573)
Finance income						4,079,099
Finance costs						<u>(58,173)</u>
Loss before tax						(3,816,647)
Taxation						<u>(884,517)</u>
Loss for the financial year						<u>(4,701,164)</u>
Assets						
Segment assets	460,660,367	106,700,245	125,986,988	-		693,347,600
Current tax assets						<u>8,224,346</u>
Total assets						<u>701,571,946</u>
Liabilities						
Segment liabilities	28,485,911	4,733,618	32,569,361	-		65,788,890
Deferred tax liabilities						7,137,261
Current tax liabilities						<u>719,584</u>
Total liabilities						<u>73,645,735</u>
Other segment information						
Additions to non- current assets	2,865,066	3,307,043	-	-	B	6,172,109
Depreciation of:						
- property, plant and equipment	7,717,967	2,671,583	-	-		10,389,550
- investment properties	88,392	-	-	-		88,392
- right-of-use assets	280,154	180,273	-	-		460,427
Non-cash income other than depreciation	11,168,730	27,822	(1,628,178)	-	C	9,568,374

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

30. SEGMENTAL INFORMATION (CONT'D)

By Business Segments (Cont'd)

	Fastening products RM	Wire products RM	Investment holding RM	Eliminations RM	Note	Total RM
(Restated)						
2024						
Revenue						
External sales	258,388,185	84,859,366	-	-		343,247,551
Inter-segment sales	-	-	25,364,280	(25,364,280)	A	-
Total revenue	<u>258,388,185</u>	<u>84,859,366</u>	<u>25,364,280</u>	<u>(25,364,280)</u>		<u>343,247,551</u>
Results						
Segment result	6,814,829	(3,165,632)	175,499	-		3,824,696
Finance income						7,014,994
Finance costs						<u>(64,029)</u>
Profit before tax						10,775,661
Taxation						<u>(2,179,121)</u>
Profit for the financial year						<u>8,596,540</u>
Assets						
Segment assets	510,163,440	107,667,187	115,860,977	-		733,691,604
Current tax assets						<u>7,401,535</u>
Total assets						<u>741,093,139</u>
Liabilities						
Segment liabilities	32,024,829	4,167,873	32,464,841	-		68,657,543
Deferred tax liabilities						8,284,939
Current tax liabilities						<u>1,273,472</u>
Total liabilities						<u>78,215,954</u>
Other segment information						
Additions to non- current assets	4,905,794	414,981	-	-	B	5,320,775
Depreciation of:						
- property, plant and equipment	9,108,335	2,787,856	-	-		11,896,191
- investment properties	88,393	-	-	-		88,393
- right-of-use assets	270,326	150,228	-	-		420,554
Non-cash income other than depreciation	1,179,339	83,634	(915,734)	-	C	347,239

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****30. SEGMENTAL INFORMATION (CONT'D)**

Notes to segmental information:

- A Inter-segment revenues are eliminated on consolidation.
- B Additions to non-current assets consist of total costs incurred to acquire property, plant and equipment and investment 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:

	GROUP	
	2025	2024
	RM	RM
Accretion of interest on lease liabilities	58,173	64,029
Allowance for ECL on trade receivables:		
- Addition	539,770	907,023
- Reversal	(493,326)	(392,710)
Gain on disposal of property, plant and equipment	(19,600)	(30,497)
Inventories written down:		
- Addition	10,986,770	2,230,260
- Reversal	(376,157)	(230,355)
Net fair value gain on short term funds with licensed financial institutions	(2,605,525)	(1,399,068)
Property, plant and equipment written off	65,948	3
Unrealised gain on foreign exchange	1,412,321	(801,446)
	<u>9,568,374</u>	<u>347,239</u>

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 22.1 to the financial statements. Segment assets are based on the geographical location of assets.

	Non-current assets	
	2025	2024
	RM	RM
Malaysia	147,940,644	149,676,009
Vietnam	37,595,550	46,275,587
	<u>185,536,194</u>	<u>195,951,596</u>

Information about major customers

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****31. CAPITAL COMMITMENTS**

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Contracted but not provided for:				
- Freehold land	43,572,533	-	43,572,533	-
- Buildings	5,750	537,244	-	-
- Office equipment	243,651	571,795	-	-
- Plant and machinery	1,506,231	1,123,858	-	-
	45,328,165	2,232,897	43,572,533	-

32. RELATED PARTY DISCLOSURES**(i) Identity of related parties**

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. Bhd.	: 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

32. 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		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Purchase of goods from:				
- Jinn Her Enterprise Co., Ltd.	1,136,615	520,015	-	-
- Jiu Yang Metal Industry Sdn. Bhd.	1,067,918	4,758,740	-	-
Gross dividend income from a subsidiary	-	-	15,010,161	25,364,280
Payments on behalf by:				
- Amal Pintas Sdn. Bhd.	50,191	36,173	-	-
- Sunergy Sdn. Bhd.	11,153	8,038	-	-

(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 as follows:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fees	360,000	360,000	360,000	360,000
Short-term employee benefits	7,581,159	7,652,556	68,506	7,800
EPF	308,176	308,176	4,000	-
	8,249,335	8,320,732	432,506	367,800
Analysed as:				
- Directors	7,539,292	7,563,331	432,506	367,800
- Other key management personnel	710,043	757,401	-	-
	8,249,335	8,320,732	432,506	367,800

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

33. FINANCIAL INSTRUMENTS

33.1 Categories of financial instruments

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

	Carrying amount RM	FVTPL RM	AC RM
GROUP			
2025			
Financial assets			
Trade receivables	40,891,095	-	40,891,095
Other receivables and refundable deposits	946,377	-	946,377
Other investments	124,952,167	124,952,167	-
Cash and bank balances	93,995,699	-	93,995,699
	<u>260,785,338</u>	<u>124,952,167</u>	<u>135,833,171</u>
Financial liabilities			
Trade payables	20,334,628	-	20,334,628
Other payables and accruals	38,335,076	-	38,335,076
	<u>58,669,704</u>	<u>-</u>	<u>58,669,704</u>
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
	<u>238,497,889</u>	<u>77,818,105</u>	<u>160,679,784</u>
Financial liabilities			
Trade payables	20,404,533	-	20,404,533
Other payables and accruals	41,360,359	-	41,360,359
	<u>61,764,892</u>	<u>-</u>	<u>61,764,892</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****33. FINANCIAL INSTRUMENTS (CONT'D)****33.1 Categories of financial instruments (Cont'd)**

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

	Carrying amount RM	FVTPL RM	AC RM
COMPANY			
2025			
Financial assets			
Refundable deposits	4,500	-	4,500
Other investments	40,691,529	40,691,529	-
Cash and bank balances	2,213,806	-	2,213,806
	<u>42,909,835</u>	<u>40,691,529</u>	<u>2,218,306</u>
Financial liability			
Accruals	448,954	-	448,954
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
	<u>37,236,104</u>	<u>29,856,368</u>	<u>7,379,736</u>
Financial liability			
Accruals	405,345	-	405,345

33.2 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.

33.3 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 and cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

33.3.1 Trade receivables

The Group extends credit terms to customers that range between **7 to 120 days** (2024: 7 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.

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:

	Gross RM	Allowance for ECL RM	Net RM
GROUP			
2025			
Not past due	28,263,815	(21,322)	28,242,493
1 to 30 days past due	11,023,080	(19,422)	11,003,658
31 to 60 days past due	1,310,002	(18,866)	1,291,136
More than 60 days past due	1,227,700	(873,892)	353,808
	13,560,782	(912,180)	12,648,602
Individually impaired	23,400,411	(23,400,411)	-
	65,225,008	(24,333,913)	40,891,095

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****33. FINANCIAL INSTRUMENTS (CONT'D)****33.3 Credit risk (Cont'd)****33.3.1 Trade receivables (Cont'd)**

	Gross RM	Allowance for ECL RM	Net RM
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)	-
	<u>71,539,898</u>	<u>(24,751,089)</u>	<u>46,788,809</u>

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

By Country	2025		2024	
	RM	%	RM	%
Malaysia	25,403,156	62.1	26,185,578	56.0
Europe	4,383,708	10.7	8,919,459	19.0
North America	6,544,994	16.0	5,059,074	10.8
Other Asia Pacific countries	2,759,655	6.8	4,618,063	9.9
Australia	1,339,994	3.3	1,789,973	3.8
Vietnam	459,588	1.1	216,662	0.5
	<u>40,891,095</u>	<u>100.0</u>	<u>46,788,809</u>	<u>100.0</u>

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 **RM12,648,602** (2024: RM11,320,974) 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Credit risk (Cont'd)

33.3.2 Other receivables

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

33.3.3 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.

33.3.4 Fixed deposits with licensed banks, cash and bank balances

The Group and the Company consider their financial asset with the licensed banks to 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.

33.4 Liquidity risk

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

The table below summarises the maturity profile of the Group'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				
2025				
<i>Non-derivative financial liabilities</i>				
Trade payables	20,334,628	20,334,628	20,334,628	-
Other payables and accruals	38,335,076	38,335,076	38,335,076	-
Lease liabilities	1,469,513	1,550,630	501,240	1,049,390
	60,139,217	60,220,334	59,170,944	1,049,390

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****33. FINANCIAL INSTRUMENTS (CONT'D)****33.4 Liquidity risk (Cont'd)**

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM
2024				
<i>Non-derivative financial liabilities</i>				
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
	<u>63,677,472</u>	<u>63,816,762</u>	<u>62,266,132</u>	<u>1,550,630</u>

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

33.5 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:

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets	<u>54,365,770</u>	<u>50,218,327</u>	<u>547,825</u>	<u>262,031</u>

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 nor 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.

33.6 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

33. FINANCIAL INSTRUMENTS (CONT'D)

33.6 Foreign currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and of the Company's (loss)/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.

	2025		2024	
	Equity RM	(Loss)/Profit before tax RM	Equity RM	Profit before tax RM
GROUP				
RM/USD - strengthened 10%	(6,397,688)	(6,468,904)	(6,837,689)	(6,884,762)
- weakened 10%	6,397,688	6,468,904	6,837,689	6,884,762
RM/VND - strengthened 10%	(20,019,202)	(3,465,467)	(25,381,021)	(2,447,070)
- weakened 10%	20,019,202	3,465,467	25,381,021	2,447,070
RM/EUR - strengthened 10%	(702,428)	(924,247)	(428,159)	(563,367)
- weakened 10%	702,428	924,247	428,159	563,367
RM/SGD - strengthened 10%	(64)	(84)	6,328	8,326
- weakened 10%	64	84	(6,328)	(8,326)
VND/USD - strengthened 10%	952,494	1,253,282	154,536	203,337
- weakened 10%	(952,494)	(1,253,282)	(154,536)	(203,337)
VND/EUR - strengthened 10%	(230,709)	(303,564)	(857,426)	(1,128,192)
- weakened 10%	230,709	303,564	857,426	1,128,192
COMPANY				
RM/USD - strengthened 10%	(126,428)	(166,352)	(540,436)	(711,100)
- weakened 10%	126,428	166,352	540,436	711,100

33.7 Equity price risk

Equity 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****33. FINANCIAL INSTRUMENTS (CONT'D)****33.7 Equity price risk (Cont'd)****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.

	GROUP		COMPANY	
	2025	2024	2025	2024
	RM	RM	RM	RM
Increase/Decrease in (loss)/ profit before tax and equity	1,249,522	778,181	406,915	298,564

34. FAIR VALUE MEASUREMENT**34.1 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.

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	Level 2	Level 3	Total	Carrying amount
	RM	RM	RM	RM	RM
GROUP					
2025					
Financial asset					
Other investments	124,952,167	-	-	124,952,167	124,952,167
2024					
Financial asset					
Other investments	77,818,105	-	-	77,818,105	77,818,105

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****34. FAIR VALUE MEASUREMENT (CONT'D)****34.1 Fair value measurement of financial instruments (Cont'd)**

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
COMPANY					
2025					
Financial asset					
Other investments	<u>40,691,529</u>	-	-	<u>40,691,529</u>	<u>40,691,529</u>
2024					
Financial asset					
Other investments	<u>29,856,368</u>	-	-	<u>29,856,368</u>	<u>29,856,368</u>

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.

34.2 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:

- (i) With reference to valuation report by external independent qualified property valuer using the market 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**30 JUNE 2025****34. FAIR VALUE MEASUREMENT (CONT'D)****34.2 Fair value measurement of non-financial assets (Cont'd)**

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

	Level 1	Level 2	Level 3	Total	Carrying amount
	RM	RM	RM	RM	RM
GROUP					
2025					
Non-financial asset					
Investment properties	<u>-</u>	<u>-</u>	<u>92,700,000</u>	<u>92,700,000</u>	<u>66,987,293</u>
2024					
Non-financial asset					
Investment properties	<u>-</u>	<u>-</u>	<u>92,700,000</u>	<u>92,700,000</u>	<u>67,075,685</u>

35. 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.

36. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

- (i) On 9 June 2025, the Company has entered into a Sales and Purchase Agreement with a third party to acquire 3 parcels of freehold land for a total purchase consideration of RM48,413,926 to be satisfied via cash. The transaction has been completed on 12 September 2025.
- (ii) On 2 April 2025, the US government announced a reciprocal tariff on imported goods from all countries, effective 5 April 2025. This announcement does not have an impact on the Group, as its imports fall within the scope of taxation under Section 232 of the Trade Expansion Act of 1962 ("Section 232").

On 3 June 2025, the US government announced to raise the existing Section 232 tariffs on steel and aluminum products from 25% to 50%, effective 4 June 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30 JUNE 2025

36. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR (CONT'D)

At this juncture, the management does not expect the Section 232 tariff will have a material impact on the Group's business operations or financial performance as the Group's direct export to US is less than 15% of its total revenue. However, the revision of Section 232 tariff by the US and retaliation tariffs by certain countries may lead to dysfunctional global trade environment such as supply chain disruptions, increase in operational costs and other global macroeconomics conditions such as rising inflation, higher unemployment rates, lower disposable income and etc. These put adverse implications on the global economy and may have a material adverse impact on the business and financial performance of business worldwide.

The management is aware that these tariffs may have a direct or indirect implication to its business operations and will continue to monitor the situation closely and take appropriate and timely measures to address the potential implications that may arise from the revised tariff rate.

37. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with current year's presentation as follows:

- (i) Reclassification of distribution income generated from the investment in short-term funds from other income to finance income as the income is generated from financial assets; and
- (ii) Reclassification of commitment fees from finance cost to administrative expenses as the amount is not a direct finance interest cost relating to any borrowings or loan facilities.

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

		As previously stated	Effects of restatement	As restated
	NOTE	RM	RM	RM
GROUP				
Consolidated statement of comprehensive income				
For the financial year ended 30 June 2024				
Other income	(i)	9,007,242	(1,463,039)	7,544,203
Finance income	(i)	5,551,955	1,463,039	7,014,994
Administrative expenses	(ii)	(17,927,957)	(82,502)	(18,010,459)
Finance cost	(ii)	(146,531)	82,502	(64,029)

COMPANY

Statement of comprehensive income

For the financial year ended 30 June 2024

Other income	(i)	1,223,650	(650,539)	573,111
Finance income	(i)	210,818	650,539	861,357

PROPERTIES OF THE GROUP

AS AT 30 JUNE 2025

No	Location	Description	Tenure	Land Area	Existing Use, Age of building And Built-up Area	Net carrying amount @ 30/06/2025 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, 28 years 700 sq. ft./ 65.03 sq.m. per block	234,475	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, 32 years 1,242. sq. ft./ 115.38 sq.m. per unit	227,870	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, 32 years 1,514. sq. ft./ 140.65 sq.m. per unit	54,518	1990
4.	105, Lebu 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, 32 years 18,897.75 sq. ft./ 1,400 sq.m.	369,034	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, 28 years, 391,963.63 sq. ft./ 36,414.32 sq.m.	20,274,822	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 30 years, 5,610 sq. ft./ 521.18 sq.m.	251,971	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 30 years, 8,282 sq. ft./ 769.41 sq.m.	348,658	1992

PROPERTIES OF THE GROUP (CONT'D)

AS AT 30 JUNE 2025

No	Location	Description	Tenure	Land Area	Existing Use, Age of building And Built-up Area	Net carrying amount @ 30/06/2025 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, 21 years, 35,075.45 sq. ft./ 3,259.80 sq.m.	4,017,631	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 15 years, 103,899 sq. ft./ 9,653 sq.m.	3,318,238	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 29 years, 290,748 sq. ft./ 27,011 sq.m.	13,696,959	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, 21 years, 171,772.80 sq.m.	30,029,143	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, 10 years	472,000	2014
13.	4, Jalan Sungai Ara 32/37, Sekysen 32, 40460 Shah Alam, Selangor	Auto-Warehouse	Freehold	105,803 sq. ft.	Vacant Warehouse 6 years 25,616 sq. ft./ 2,379 sq.m.	3,435,836	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
16.	PT 2984, Lorong Perusahaan Utama 1, Bukit Tengah Industrial Park, 14000 Bukit Mertajam	Warehouse	60 years expiring on 10-06-2053	2.5 acres	Warehouse/1 year 5311.9 sq. m.	3,432,772	2025
	Total					142,163,927	

ANALYSIS OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2025

Total number of issued shares : 286,438,368 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	806	-
100 to 1,000	427	281,525	0.10
1,001 to 10,000	1,857	8,580,127	3.00
10,001 to 100,000	689	22,135,150	7.72
100,001 shares to less than 5% of issued shares	108	60,955,514	21.28
5% and above of issued shares	2	194,485,246	67.90
TOTAL	3,109	286,438,368	100.00

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

Substantial Shareholders	No. of ordinary shares			
	Direct	%	Deemed	%
Benua Handal Sdn. Bhd.	165,985,246	57.95	-	-
Quintet Luxembourg for Samarang Ucits – Samarang Asian Prosperity	28,500,000	9.95	-	-
Tsai Yung Chuan	-	-	165,985,246 ^(N1)	57.95
Tsai Chia Ling	838,400	0.29	165,985,246 ^(N1)	57.95
Tsai Cheng Hsun	-	-	165,985,246 ^(N1)	57.95
Tsai Chia Wen	-	-	165,985,246 ^(N1)	57.95

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	No. of ordinary shares			
	Direct	%	Deemed	%
Tsai Yung Chuan	-	-	165,985,246 ^(N1)	57.95
Tsai Chang Hsiu-Hsiang	-	-	-	-
Tsai Chia Ling	838,400	0.29	165,985,246 ^(N1)	57.95
Tsai Cheng Hsun	-	-	165,985,246 ^(N1)	57.95
Lim Chien Ch'eng	6,019,650	2.10	1,765,314 ^(N2)	0.62
Ong Eng Choon	-	-	-	-
Low Yeaw Seng	-	-	-	-
Sharmin Fazlina Binti Mohd Shukor	-	-	-	-

Notes :

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

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

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 30 SEPTEMBER 2025

LIST OF TOP 30 SHAREHOLDERS

	Name	Shareholdings	%
1.	BENUA HANDAL SDN BHD	165,985,246	57.9480
2.	HSBC NOMINEES (ASING) SDN BHD QUINTET LUXEMBOURG FOR SAMARANG UCITS - SAMARANG ASIAN PROSPERITY	28,500,000	9.9498
3.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LIM CHIEN CH'ENG (PB)	5,983,400	2.0889
4.	YAYASAN GURU TUN HUSSEIN ONN	5,004,500	1.7471
5.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SU MING YAW	4,120,900	1.4387
6.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	2,979,804	1.0403
7.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FONG SILING (CEB)	2,500,000	0.8728
8.	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SU MING KEAT	1,850,000	0.6459
9.	BERJAYA EQUITY NOMINEES (TEMPATAN) SDN BHD INDRA CEMPAKA SDN BHD (P8011)	1,765,314	0.6163
10.	CHIN CHIN SEONG	1,760,000	0.6144
11.	AMBank (M) BERHAD PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN (SMART)	1,575,000	0.5499
12.	BAGHLAF ALZAFER GROUP LTD	1,500,000	0.5237
13.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	1,404,296	0.4903
14.	CHIN CHIN SEONG	1,336,700	0.4667
15.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH WIN KEE	1,254,800	0.4381
16.	NEOH CHOO EE & COMPANY, SDN. BERHAD	1,252,400	0.4372
17.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANDREW LIM ENG GUAN	1,230,000	0.4294
18.	KENANGA NOMINEES (TEMPATAN) SDN BHD TEH KIAK SENG	1,217,000	0.4249
19.	WONG YOON TET	1,079,000	0.3767
20.	FONG SILING	1,000,000	0.3491
21.	TSAI CHIA LING	838,400	0.2927
22.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN KONG HAN	725,000	0.2531
23.	WONG YOON CHYUAN	713,000	0.2489
24.	AFFLUENCE CAPITAL HOLDINGS SDN. BHD.	650,000	0.2269
25.	SU MING YAW	628,300	0.2193
26.	KOO GIT LOO @ CHIU GIT LOO	589,000	0.2056
27.	LEE KOK HIN	527,800	0.1843
28.	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	518,300	0.1809
29.	CHEE SAI MUN	499,800	0.1745
30.	LO KEE LENG	478,000	0.1669



PROXY FORM

Number of Shares Held	CDS ACCOUNT NO.												

*I/We.....(*NRIC/Passport/CompanyNo.....)
 (Full Name in Block Letters)

of
 (Address)

being a * member / members of the abovenamed Company, hereby appoint:

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

*and/or

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

or failing whom, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the 29th 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 Thursday, 27 November 2025 at 11.00 am and at any adjournment thereof.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1	To re-elect Madam Tsai Chang Hsiu-Hsiang as a Director of the Company		
2	To re-elect Mr. Lim Chien Ch’eng as a Director of the Company		
3	To re-elect Mr. Ong Eng Choon as a Director of the Company		
4	To approve the payment of Directors’ fees to Non-Executive Directors		
5	To approve the payment of Directors’ fees to Executive Directors		
6	To approve the payment of Directors’ benefits		
7	To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company		
8	Authority for Directors to Allot and Issue New Shares		
9	Proposed Continuation of Datin Sharmin Fazlina Binti Mohd Shukor in office as Independent Director		
10.	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.

Signed this day of 2025.

.....
 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 2025. Only a depositor whose name appears on the Record of Depositors as at 20 November 2025 shall be entitled to attend the AGM or appoint proxies to attend and/or vote on his/her behalf.
- A proxy may but need not be a member of the Company.
- 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 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.
- 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 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 the proportion of its shareholding to be represented by each proxy.
- Where a member is an Exempt Authorized Nominee which holds ordinary shares of the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies it may appoint in respect of each omnibus account it holds. An Exempt Authorised Nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provision of subsection 25A(1) of SICDA.
- In the case of a corporate member, the proxy form must be executed under the corporation’s common seal or under the hand of an officer or attorney duly authorised.

* Strike out whichever is not desired.

Fold this flap for sealing

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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


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CHIN WELL HOLDINGS BERHAD

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