MSM INTERNATIONAL LIMITED
(Company Registration No.: 200918800R)

ANNUAL REPORT 2025

BRIGHT IDEA, GREEN FUTURE

Cover Rationale

Engineering a Brighter Tomorrow

Whether through OEM solutions for electric vehicle infrastructure, cleanroom installations for high-requirement healthcare and biotech, or full-suite services in commercial kitchens, MSM's work lights the way for safer and more efficient environments. The satellite signifies our commitment to delivering reliable and innovative solutions across diverse sectors. The lightbulb, rooted in the Earth and glowing with warmth and promise, reflects our role in bringing ideas to life to power real-world progress.

This year's theme reinforces our responsibility and ambition to support real-world transformation in industries that matter.

Our Business

Established since 1980s, MSM International Limited ("MSM") is an integrated metal engineering company, offering a comprehensive suite of services spanning design, product development, prototyping, tool & die fabrication, production and assembly.

Through its 270,000 sq ft of specialised production space in Malaysia, MSM provides solutions to customers in Asia and Europe across the semiconductor, healthcare, food & beverage and hospitality industries.

MSM's business activities are segmented as follows:

- OEM contract manufacturing
- Kitchen appliances, equipment and related services
- Cleanroom and laboratories

The Group operates a total of six showroom outlets occupying approximately 29,000 sq ft of floor space in Malaysia.

MSM was listed on the Singapore Exchange Catalist on 7 May 2010.

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This annual report has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**").

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 83 Clemenceau Avenue, #10-01 UE Square, Singapore 239920, telephone (65) 6590 6881.

Letter to Shareholders

Dear Shareholders,

During the financial year ended 31 March 2025 ("FY2025"), we took steps to strengthen our core businesses, deepen customer engagements, while positioning ourselves to participate in emerging growth sectors, such as renewable energy, electric vehicle (EV) support systems and advanced laboratory infrastructure.

FINANCIAL REVIEW

We recorded revenue of RM82.3 million in FY2025, a 9.0% decrease compared to RM90.4 million a year ago. This reflected softer performance from the kitchen appliances, equipment and related services ("**F&B**") segment and the cleanroom and laboratories segment, amid stronger revenue contribution from our Original Equipment Manufacturing ("**OEM**") segment.

The OEM segment delivered a 5.4% increase in revenue to RM35.1 million, from RM33.3 million in FY2024, driven by increased activity in the production of parts for electrical switchgear systems to the energy sector.

The F&B segment posted revenue of RM32.9 million, a 11.8% decrease compared to RM37.4 million in FY2024, amid lower business activities from chain-store customers.

The cleanroom and laboratories segment contributed revenue of RM14.2 million, a 27.9% fall from RM19.7 million in FY2024, reflecting a normalisation of business activity following the completion of several major projects that had been postponed to FY2024 from prior financial years.

Cost of sales fell 13.5% to RM60.7 million, from RM70.1 million a year ago, in line with the decrease in business activities in the F&B and cleanroom and laboratories segments.

Gross profit rose 6.6% to RM21.6 million, from RM20.3 million in FY2024, while gross profit margin expanded to 26.3%, from 22.4% a year ago. This took into consideration the absence of the low-margin projects completed in FY2024 for cleanroom and laboratories segments.

Other income decreased by 22.8% to RM1.0 million in FY2025, from RM1.3 million in the previous financial year, as a result of no further insurance claim in FY2025.

We recorded other gains and losses, net of RM14.1 million, compared to RM0.6 million in FY2024. These were primarily due to gains of RM16.0 million and RM0.1 million from the disposal of total 21% stake in associated company, Cosmos Technology International Berhad ("**Cosmos**") and the disposal of a wholly owned subsidiary corporation, PT Mulia Sinergi Metalindo ("**PT Mulia**") respectively. These gains were offset by a RM1.7 million fair value loss arising from our investment in the remaining 6% shareholding interest in Cosmos.

Administrative expenses rose modestly by 4.2% to RM15.1 million, from RM14.5 million in FY2024, mainly on the back of higher staff salaries.

We also recorded a RM2.6 million share of loss from associated companies, attributed to Cosmos' performance.

Income tax expenses fell to RM0.4 million in FY2025, from RM0.5 million a year ago, in the absence of higher taxes incurred by former subsidiary corporation, PT Mulia in FY2024.

Taking the above in consideration, we recorded a marked improvement in net profit attributable to shareholders of RM11.1 million in FY2025, compared to RM0.4 million in FY2024.

Letter to Shareholders (Cont'd)

REVIEW OF OPERATIONS

Our OEM division remains our key growth contributor. We received increased orders from key existing customers that supply electrical switchgear systems to the power generation industry during the year. In addition, we successfully expanded further into the Australia market for electricity and battery enclosure products.

The healthcare sector also contributed a sustained demand to our OEM business. We remain the main supplier of medical furniture for healthcare and hospital customers, and leveraged strong working relationships and robust track record to benefit from hospital expansion and refurbishment projects across Malaysia. On the other hand, demand from the semiconductor sector was relatively subdued, amid geopolitical tensions and trade uncertainties.

In the F&B segment, we strategically pivoted from direct customer engagements towards a more upstream business-to-business (B2B) model. In FY2025, we have been progressively moving away from single-outlet operators towards commercial and institutional customers such as distributors, dealers, industrial kitchens and canteens for corporations, institutions and hospitals. While topline contribution moderated in FY2025 as a result, this has allowed us to reduce overheads and improve operational efficiency. The F&B segment's performance was also affected by fewer new malls, and consequently fewer F&B outlets, opening in Malaysia during the year.

For our cleanroom and laboratories segment, we saw that demand was driven predominantly by the healthcare sector, particularly from laboratory facilities in FY2025, while we had taken on more factory-based cleanroom installations in prior years. For instance, we secured a project from Duopharma Group, a key supplier of COVID-19 vaccines in Malaysia, for a laboratory installation project in March 2025. Completion of this project is slated mid-2026. We are also executing a project for the installation of a laboratory with Biosafety Level 3 (BSL-3) requirement for virus research in a state Hospital, leveraging our well-known position as one of the few BSL-3 contractors in Malaysia.

LOOKING AHEAD

We enter the current 2026 financial year ("**FY2026**") with a cautiously optimistic outlook, as the year looks to present a wide range of opportunities across all our business segments.

For our OEM segment, we expect to see healthy demand for our services, driven by opportunities across energy, infrastructure and healthcare, while semiconductor-related activity is expected to remain stable. We are seeing sustained demand for electrical switchgear products including both enclosures and electrical components from our key customers who support Malaysia's power grid expansion, and have recently secured purchase orders for delivery in the latter half of the calendar year.

We also expect to begin supplying steel stands and enclosures for EV chargers to a new customer in Malaysia, alongside continuing engagement with our Australian energy customer. With EV adoption gaining pace in Malaysia through incentives, subsidies and investments into charging infrastructure, we expect this to translate into demand for charging-related hardware products in the coming years.

We are also actively pursuing OEM projects linked to cross-border transport and data infrastructure, including tenders for electrical enclosures for the Johor-Singapore RTS project, hydropower projects in Selangor, and participation in data centre-related fabrication contracts in Johor. These segments offer promising potential for healthier margins and align with our strengths in high-specification metal engineering and enclosure systems.

Importantly, the recent introduction of higher US tariffs on China-origin goods is accelerating the trend of Chinese manufacturers setting up or expanding their presence or production facilities in Malaysia. We expect this shift to create downstream opportunities for us, both through our participation in their supply chains and through contract manufacturing partnerships that enable us to support part of their production process in Malaysia before exporting to the US.

In the healthcare space, as both government and private hospitals expand capacity and undergo regular upgrades of ageing infrastructure, we see continued growing demand for medical-grade furniture and fittings. We are well positioned to capitalize on this, given our established competitive advantage as a trusted provider of hospital solution.

Letter to Shareholders (Cont'd)

LOOKING AHEAD (CONT'D)

While expansion by chain-store F&B operators has slowed amid post-pandemic normalisation, we are actively expanding our offerings to serve schools, factories, hospitals, and university canteens, where demand for kitchen design, outfitting, and installation services is rising. This reflects our strategic pivot from smaller, labour-intensive servicing jobs towards more scalable B2B engagements, allowing us to better deliver our full-suite solutions with greater efficiency. While the pace of mall expansion is likely to moderate in FY2026, we expect demand to come from tourism-driven retail and hospitality activities under the Visit Malaysia 2026 campaign. A continued societal emphasis on food underpins long-term demand for quality commercial kitchens and equipment, positioning us well to serve a broader customer base within the F&B ecosystem.

Our cleanroom and laboratories segment has evolved into a key growth driver, in support of healthcare, pharmaceutical, and semiconductor industries seeking highly controlled environments for their operations. With a specialised workforce comprising local mechanical and electrical engineers and the ability and track record to deliver BSL-3 laboratory environments, we remain one of the few Malaysia companies equipped to meet rising demand for medical-grade cleanroom installations for medical research. With more multinational companies establishing advanced manufacturing and research & development facilities in Malaysia, we expect to see long-term demand from both private and public sectors. Additionally, with government and private hospitals expanding capacity and upgrading aging healthcare facilities to meet the increasing needs of patients, we foresee continuous growth in demand for various type of medical laboratories.

In the year ahead, we will remain vigilant of challenges. Inflation, wage policy changes, and increasing competition from cross-border manufacturers like China, could exert pressure on our margins. We are proactively mitigating these through a disciplined approach to cost control, selective project bidding, and fostering long-term customer partnerships.

APPRECIATION

The results and progress of the past year reflect our people's dedication and teamwork. I am grateful to all the staff and management of MSM for staying focused on delivering good work amid the challenges.

My thanks to my fellow Directors for their support and guidance, and to our shareholders, customers and business partners for your continued trust. With the same commitment and drive, I believe that MSM will be able to build on this momentum to bring greater value to all our stakeholders.

Chan Kee Sieng
Executive Chairman

Board of Directors

CHAN KEE SIENG

Executive Chairman

Age 73

Mr Chan is one of the co-founders of the MSM Group and has over four decades of experience in the OEM contract manufacturing and kitchen equipment industries. Throughout the years of his career, Mr Chan had garnered extensive industry knowledge and wide business contacts from working as an engineering technician to setting up family companies such as Ban Seng Trading Co. which dealt in trading and supply of cooking oil and gas, and eventually Chan Brother Trading Co., a steel trading company, before setting up the flagship subsidiary of MSM Group.

He was appointed as Director of the Company on 30 October 2009 and was last re-elected on 29 July 2022. Mr Chan is presently responsible for charting the Group's business direction as well as corporate and strategic developments of the Group. Mr Chan also holds directorships in Triumphant Hope Sdn. Bhd., Widewin Strategy Sdn. Bhd. and Chan Strategy Sdn. Bhd..

Mr Chan is the father of the Executive Director and Chief Executive Officer, Mr Chan Wen Chau, and elder brother to a substantial shareholder, Mr Chan Kit Moi.

CHAN WEN CHAU

Executive Director and Chief Executive Officer

Age 50

Mr Chan has been spearheading the expansion and growth of the Group and is responsible for the overall business and strategic development, corporate planning, operations and management of the Group. He possesses over 10 years of extensive experience in the OEM contract manufacturing and kitchen equipment industries and has been closely involved in all levels of operation of the Group. Mr Chan was appointed as Director of the Company on 8 October 2009 and was last re-elected on 28 July 2023.

Mr Chan holds directorships in Triumphant Hope Sdn. Bhd. and Widewin Strategy Sdn. Bhd..

Mr Chan holds a Bachelor of Engineering (Mechanical Engineering) from the University of Portsmouth in the United Kingdom.

CHIN CHEE CHOON

Lead Independent Director

Age 51

Mr Chin was appointed as the Lead Independent Director of the Company on 26 July 2024. He has more than 25 years of collective experience in Assurance and Auditing, Corporate Governance, Internal Audit, Risk Management and Advisory and IPO as Reporting Accountants. He is currently a Partner with Forvis Mazars LLP Singapore, a leading international audit, tax and advisory firm. He also serves as an Independent Director of Southern Alliance Mining Ltd.

Mr Chin was formerly an Audit Partner and Head of Advisory at CLA Global TS Holdings Pte. Ltd. (formerly Nexia TS Holdings Pte. Ltd.), and held various positions at PwC Singapore and Deloitte Singapore. He holds a Bachelor of Accounting from the University of South Australia (1997) and a Postgraduate Diploma in Organisational Leadership from the University of Oxford (2015). He is a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountants and a Certified Internal Auditor with the Institute of Internal Auditors. Additionally, he is a member of the Singapore Institute of Directors, the Institute of Singapore Chartered Accountants, and the Institute of Internal Auditors.

Board of Directors (Cont'd)

LEE KEAN CHEONG

Independent Director

Age 57

Mr Lee was appointed as Independent Director of the Company on 15 November 2018 and was last re-elected on 26 July 2024. He has more than 26 years of experience in external and internal auditing, financial accounting, management consultancy and advisory.

Mr Lee is the Managing Partner of KCLee & Partners, an accounting firm in Malaysia and Director of Ideal Earnings Sdn. Bhd., a consulting firm in Malaysia. He is a Member of the Malaysian Institute of Accountants and a Member of CPA Australia. He is currently serving on the board of Bursa Malaysia listed corporations, SLP Resources Berhad, and Pentamaster Corporation Berhad as Independent Director. He holds a Master of Commerce from the University of New South Wales and Bachelor of Commerce of Murdoch University, Australia.

WONG KOK SEONG

Non-Independent Non-Executive Director

Age 55

Mr Wong was appointed as Independent Director of the Company on 24 November 2009 and was re-designated as Non-Independent Non-Executive Director on 26 July 2024. He has more than 33 years of experience in external and internal auditing, financial accounting, management consultancy, taxation, due diligence and project implementation.

Mr Wong is the Managing Partner of Hasnan THL Wong & Partners, an accounting firm in Malaysia. He is a Member of the Malaysian Institute of Accountants and a Fellow of the Association of Chartered Certified Accountants. He is currently serving on the boards of Bursa Malaysia-listed corporations, M N C Wireless Berhad as Independent Director and Chairman of the Board and PNE PCB Berhad, Fitters Diversified Berhad, PDZ Holdings Berhad and Computer Forms (Malaysia) Berhad as their Independent Director and Chairman of the Audit Committee.

He holds a Master of Business Administration from the Open University, United Kingdom.

Key Management

LAI KHAR KHEI

Financial Controller

Age 34

Ms Lai, who is not related to any director and staff, joined the Group on 1 January 2024 as Financial Controller. She is responsible for the management of the Group's financial accounts, cash flow, corporate finance, financial reporting, risk management evaluation, audit, tax compliance, human resource management and administration.

Possessing more than 12 years of professional experience specialising in accounting and audit services, Ms Lai has held various accounting and audit positions in the past. Prior to joining the Company, she has been involved in provision of assurance services in public listed companies as well as small and medium enterprises.

Ms Lai is a member of the Association of Chartered Certified Accountants (ACCA). She holds a Bachelor of Commerce (Financial Accounting) from Tunku Abdul Rahman University of Management and Technology.

CHAN WEN YEE

General Manager

Age 41

Mr Chan is the son of Mr Chan Kit Moi (substantial shareholder), nephew of Mr Chan Kee Sieng (Executive Chairman and substantial shareholder) and cousin of Mr Chan Wen Chau (Executive Director and CEO). He joined the Group in 2006 and is responsible for the sales and operations of OEM Contract Manufacturing segment. He has more than 15 years of experience in mechanical and sheet metal manufacturing.

Mr Chan holds a Bachelor Degree in Mechanical & Manufacturing engineering from the Liverpool John Moores University, United Kingdom.

CHAN CHOI HAR

General Manager

Age 59

Ms Chan, who is not related to any director and staff, is the General Manager of MSM Kitchen Sdn. Bhd. (MSM Kitchen) and is responsible for the sales, marketing and securing of new customers and also the management of MSM Kitchen. She joined the Group in 1987 and has achieved more than 30 years of sales experience in kitchen equipment industries.

Ms Chan holds a Certificate in Human Resource Management from the Centre of Advanced Management Studies and Entrepreneurial Training (Amset), and a Certificate in Business Studies from Advance Tutorial Centre, Malaysia.

ONG SENG JOO

General Manager

Age 51

Mr Ong, who is not related to any director and staff, joined the Group as General Manager of OMS Technology Sdn. Bhd. (MSM OMS) in November 2008. He is responsible for the management of day-to-day operations, sales and marketing of MSM OMS.

He possesses extensive experience in the designing and building of cleanrooms, biotech facilities, animal research facilities, as well as strong expertise in project and site management, and sales and marketing.

Mr Ong holds a Certificate in Technology (Mechanical Engineering) from Tunku Abdul Rahman College, Malaysia.

Key Management (Cont'd)

TUNG WAI LOON

General Manager

Age 47

Mr Tung, who is not related to any director and staff, joined the Group in 1998 and was appointed as Factory Manager since 2007, then promoted to General Manager on 1 March 2014. He is responsible for the sales, marketing and securing of new customers and also the management of FIC Kitchen Technology Sdn. Bhd. (FIC Kitchen). Mr Tung possesses more than 25 years of factory and general management experience in the OEM contract manufacturing industry and kitchen equipment industry.

Mr Tung holds a Diploma in Electrical and Electronic Engineering from Institute Teknologi Pertama, Malaysia, as well as a Certificate in Programmable Logic Controller and a Certificate in Laser and Holography, both from Master Academy, Malaysia.

Corporate Information

Board of Directors

CHAN KEE SIENG
Executive Chairman

CHAN WEN CHAU
Executive Director and Chief Executive Officer

CHIN CHEE CHOON
Lead Independent Director

LEE KEAN CHEONG
Independent Director

WONG KOK SEONG
Non-Independent Non-Executive Director

Audit Committee

Chin Chee Choon
Chairman

Lee Kean Cheong

Wong Kok Seong

Nominating Committee

Lee Kean Cheong
Chairman

Chin Chee Choon

Wong Kok Seong

Remuneration Committee

Lee Kean Cheong
Chairman

Chin Chee Choon

Wong Kok Seong

Company's Sponsor

UOB Kay Hian Private Limited
83 Clemenceau Avenue, #10-01
UE Square
Singapore 239920

Company Secretary

Nor Hafiza Alwi

Registered Office

77 Robinson Road, #06-03
Robinson 77
Singapore 068896
Tel +65 6538 0779
Fax +65 6438 7926

Independent Auditor

CLA Global TS
Public Accounting Corporation
80 Robinson Road, #25-00
Singapore 068898

Director-in-charge:
Lee Tze Shiong
(Appointment with effect from financial year ended 31 March 2022)

Share Registrar

B.A.C.S. Private Limited
77 Robinson Road, #06-03
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Singapore 068896
Tel +65 6538 0779
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Report on Corporate Governance

The Board of Directors ("**Board**") of MSM International Limited (the "**Company**", together with its subsidiaries, the "**Group**") recognises the importance of corporate governance in ensuring greater transparency, protecting the interests of its shareholders as well as strengthening investors' confidence in its Management and financial reporting and is, accordingly, committed to maintaining a high standard of corporate governance within the Group. This Corporate Governance Report describes the Group's corporate governance practices for the financial year ended 31 March 2025 ("**FY2025**") with specific reference made to the Principles and Provisions of the Code of Corporate Governance 2018 (the "**Code**"), which forms part of the continuing obligations of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

The Board confirmed that for FY2025, the Company has adhered to the Principles of the Code, and the Provisions of the Code (except where otherwise explained). In areas where the Company's practices vary from any Provisions of the Code, the Company has stated herein the Provision of the Code from which it has varied, and appropriate explanations are provided for the variation, and how the practices the Company had adopted are consistent with the intent of the relevant Principle of the Code. The Company will continue to assess its needs and implement appropriate practices accordingly.

BOARD MATTERS
THE BOARD'S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Company is headed by an effective Board to lead and control the Company. The Board has the overall responsibility for corporate governance, strategic direction and investments of the Company. Each individual Director is obliged to act in good faith and exercise independent judgment in the best interests of shareholders of the Company at all times and hold management accountable for performance.

The Board's principal functions include:

- Determining, reviewing and approving the annual budgets, major investments, divestments, funding proposals, corporate strategies and directions of the Group;
- Overseeing the business and affairs of the Group, establishing the strategies and financial objectives to be implemented by the Management, and monitoring the performance of the Management; and
- Reviewing the Group's financial performance, risk management processes and systems, financial and human resource requirements and corporate governance practices.

The Board has put in place a code of conduct and ethics, which set out a code of conduct and ethical standards for Directors and staff to adhere to, and sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors who face a conflict of interest recuse themselves from discussions and decisions involving the issues of conflict.

To assist the Board in the execution of its responsibilities, Board Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**"), have been constituted with clear written terms of reference. Matters which are delegated to the Board Committees are reported to and monitored by the Board. Further details of AC, NC and RC are set out in Principles 10, 4 and 6, respectively.

In FY2025, the Board conducted two regular scheduled meetings. Ad-hoc meetings are convened when circumstances require. Directors with multiple board representations have ensured that sufficient time and attention were given to the affairs of the Company in FY2025. Directors are free to discuss and voice their concerns on any matter raised at the Board and/or Board Committees meetings. Telephonic and videoconferencing meetings of the Board are allowed under the Company's Constitution. All Directors are provided with the agenda and a set of the Board papers prior to the Board meetings. These are issued in advance to give the Directors sufficient time to better understand the matters to be discussed and to obtain further clarifications or explanations at the Board meeting where necessary. The Company and the Board acknowledge that an unimpeded flow of relevant information in a timely manner is crucial for the Board to be effective in discharging its duties and responsibilities.

Report on Corporate Governance (Cont'd)

The attendance of the Directors at meetings of the Board and Board Committees held in FY2025 are as follows:

Directors	Board		Audit Committee		Nominating Committee		Remuneration Committee	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Chan Kee Sieng	6	4	2	2*	3	0	1	0
Chan Kit Moi#	6	3	2	1*	3	0	1	0
Chan Wen Chau	6	6	2	2*	3	3*	1	1*
Leow Wee Kia Clement#	6	3	2	1	3	3	1	1
Wong Kok Seong	6	6	2	2	3	3	1	1
Lee Kean Cheong	6	6	2	2	3	3	1	1
Chin Chee Choon##	6	3	2	1	3	0	1	0

* *Executive Directors were present at the Board Committees meetings by invitation.*
\# *Retired as a Director of the Company on 26 July 2024.*
\## *Appointed as a Director of the Company on 26 July 2024.*

The Board has identified, without limitation, the following matters that require its approval:

- Declaration of dividends and other returns to shareholders of the Company;
- Major corporate policies on key areas of operation;
- Major funding proposals or bank borrowings;
- Corporate or financial restructuring and share issuances;
- Mergers and acquisitions;
- Material acquisitions and disposals;
- Interested person transactions; and
- Appointment of new Directors.

Directors understand the Company's business as well as their directorship duties, and have appropriate experience and expertise to manage the Group's business. All Directors are regularly updated on changes in the Company's policies and business. Newly appointed Directors will be given appropriate orientation/briefings by the Management on the business activities of the Group, its strategic directions and the Company's corporate governance policies and practices.

The Directors of the Company are provided with briefings from time to time and are kept updated on segmental business operation, strategic and business development of the Group as well as relevant new laws and regulations, including directors' duties and responsibilities, corporate governance matters and developing trends and financial reporting standards, so as to enable them to properly discharge their duties as members of the Board or Board Committees.

The Directors are encouraged to attend other trainings, conferences and seminars which may have a bearing on their duties and contributions to the Board, organised by the professional bodies, regulatory institutions and corporations at the Company's expense.

During FY2025, the Directors have received briefing and updates which include:
- Developments in the Singapore Financial Reporting Standards (International) briefed by the independent auditors, CLA Global TS Public Accounting Corporation;
- Updates on the business and strategic developments of the Group's businesses briefed by the Management; and
- Update on regulatory changes of the Companies Act and Catalist Rules by the Company Sponsor and the Company Secretary.

Report on Corporate Governance (Cont'd)

The Directors are provided with updates and/or briefings from time to time by professional advisers, independent and internal auditors, the management of the Company ("**Management**"), Continuing Sponsor and Company Secretary, as the case may be, in areas such as corporate governance practices, risk management matters, changes and updates in financial reporting standards and regulatory requirements and directors' duties and responsibilities.

The Board is provided with complete, accurate, and adequate information in a timely manner to enable them to fulfill their responsibilities. Such information includes background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, and internal financial statements. Such information is provided to the Directors to enable them to keep abreast of the Group's operational and financial performance and position, and to facilitate more-informed decision-making. Board members also have a separate and independent access to the Management and Company Secretary at all times. Board members may, at the Company's expense, obtain independent professional advice as and when necessary in furtherance of their duties.

The Company Secretary will attend all Board meetings to ensure that Board procedures are followed and applicable rules and regulations, including the requirements of the Companies Act 1967 and the Catalist Rules are complied with. Under the direction of the Chairman, the Company Secretary's other responsibilities include ensuring good information flows within the Board and its Committees, and between Management and Non-Executive Directors and assisting with professional development as required. The appointment and the removal of the Company Secretary is a matter for the Board as a whole.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board had the appropriate mix of expertise and experience and collectively possess the necessary core competencies for effective functioning and informed decision-making. Each Director has been appointed based on the strength of his calibre, experience, skillset and knowledge of corporate strategy which bring a valuable range of experience and expertise to contribute to the development of the Group's strategies and the performance of its business. The profiles of the Directors are found in the "Board of Directors" section of this annual report.

The Board members as of the date of this report are:

Chan Kee Sieng	Executive Chairman
Chan Wen Chau	Executive Director and Chief Executive Officer
Chin Chee Choon	Lead Independent Director
Lee Kean Cheong	Independent Director
Wong Kok Seong	Non-Independent Non-Executive Director

The Board provides diversity of expertise, experiences and knowledge in areas such as accounting, finance, strategic planning, business management, risk management and industry knowledge. This diversity facilitates constructive debate on the business activities of the Company and enables Management to benefit from a diverse and objective set of perspectives on issues that are brought before the Board.

The size, composition and diversity of the Board are reviewed by the NC. The NC annually reviews the skills and competencies of the Board members, to ensure that each member has the appropriate mix of expertise, skills and attributes to discharge his responsibilities effectively.

Report on Corporate Governance (Cont'd)

The Board, in concurrence of the NC, is of the view that the current Directors possess the necessary competencies to provide the Management with a diverse and objective perspective on issues so as to lead and govern the Company effectively.

As at the date of this Report, the Company has formalised and adopted a Board Diversity Policy ("**Policy**") that addresses diversity in terms of experience, skills, gender, age, tenure, and qualities, as well as any other relevant aspects of diversity. The Policy also sets out the approach which the Company takes towards diversity on its Board. The Company believes in diversity and values the benefits diversity can bring to the Board in its deliberations and the Board's effectiveness – in particular, it believes that a balance and mix of skills, experiences and individual attributes of Board members which shape the composition and promote the effectiveness of the Board as a whole and that of the Board committees, will support the Company's achievement of strategic objectives and long-term sustainable development and success.

The Board observes and applies the Policy to ensure that the Board will have an appropriate level of diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company. In this regard, the Board, supported by the NC, encourages the emergence of diverse candidates by ensuring that the Board is made up of a diversity of candidates (including consideration of a diversity of skills, knowledge, experience, gender, ethnicity and age). The Company continues to be receptive to achieving greater gender diversity and representation on the Board to complement the core competencies of the Board as a whole.

As this is an on-going process, the Board has not set a specific target for board diversity. The Board will seek to incorporate diversity aspects as and when the opportunity arises, instead of adhering to a fixed timeline for diversity targets. The Board will ensure that it has the flexibility to improve its diversity without compromising board efficiency. The NC will deliberate and determine, from time to time, the need for progressive renewal of the Board composition and bearing in mind the salient factors set out under the Code and all other relevant provisions and make its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.

The Board is of the opinion that its current board size of five Directors is appropriate and provides sufficient diversity of expertise and knowledge, to lead and govern the Company effectively considering the scope and nature of its operations. The NC, having conducted its reviews, was satisfied that members of the Board possess the relevant core competencies in areas accounting, finance, strategic planning, business management, risk management and industry knowledge. In particular, the Executive Chairman and Executive Directors of the Company, possess good industry knowledge while the Independent Directors, who are mostly professionals in their own fields, are able to take a broader view of the Group's activities, contribute their valuable experiences and provide independent judgment during Board deliberations.

The Board diversity of the current Board as at date of this report is as follows:

Age Group

Age Group	Number of Directors	Percentage (%)
50 – 59	4	80%
60 – 69	0	0%
70 - 79	1	20%
Total	**5**	**100%**

Report on Corporate Governance (Cont'd)

Gender Diversity

Gender	Number of Directors	Percentage (%)
Male	5	100%
Female	0	0%
Total	**5**	**100%**

Board Independence

	Number of Directors	Percentage (%)
Non-Independent Director	3	60%
Independent Director	2	40%
Total	**5**	**100%**

Directors' Tenure of Service

Chan Kee Sieng	16 years 9 months
Chan Wen Chau	16 years 9 months
Chin Chee Choon	1 year
Lee Kean Cheong	7 years 8 months
Wong Kok Seong	16 years 8 months

Details of the Directors' qualifications, background and working experience and principal commitments are set out on pages 5 to 6 of this annual report. As the Group's activities continue to grow, the NC will continuously review the composition of the Board so that it will have the necessary competency to be effective.

The NC also determines and ensures the independence of each Director annually. The NC adopts the Catalist Rule 406(3)(d) and the Code's definition of what constitutes an "independent" director in its review. The NC has reviewed and confirmed the independence of the Independent Directors in accordance with the Catalist Rules and the Code. The Independent Directors have also confirmed their independence in accordance with the Catalist Rules and the Code. The Independent Directors will assist to develop strategies and goals for the Group and regularly assess the performance of the Management.

Provision 2.2 of the Code recommends that independent directors make up a majority of the Board where the Chairman is not independent and Provision 2.3 of the Code recommends that non-executive directors make up a majority of the Board.

In the case of the Company, the Chairman is not independent as he is part of the Management team and the Executive Chairman and the CEO are immediate family members. The Board currently comprises five Directors of whom two are Executive Directors, two are Independent Directors and one Non-Independent Non-Executive Director. This composition meets with the requirement of the Catalist Rules but not with Provision 2.2 of the Code. Non-executive Directors make up majority of the Board and all members of the Board Committees, and there are adequate safeguards and checks in place to ensure that decision making process by the Board is independent. Although the Independent Directors are not in a majority, the Board has always discussed important issues robustly and has always been able to reach a consensus on the votes without having to rely on any majority votes to decide nor having an individual or small group of individuals dominate the Board's decision-making process. The Board is of the view that the Board's composition has an appropriate level of independence to enable it to make decisions in the best interests of the Company, consistent with the intent of Principle 2 of the Code.

Each of the NC members who is an Independent Director has abstained from participating in the assessment and review of his own independence status.

To date, none of the Independent Directors and Non-Executive Non-Independent Director of the Company have been appointed as a Director of the Company's principal subsidiaries. The Board and the Management are of the view that the current board structures in the principal subsidiaries are well organised and constituted. The Board and Management will from time to time review the board structures of the principal subsidiaries and make an appropriate corporate decision of considering the appointment of an Independent Directors and Non-Executive Non-Independent Director into the principal subsidiaries.

The Independent Directors and Non-Executive Non-Independent Director have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgment with a view to the best interests of the Company.

When necessary, the Independent Directors and Non-Executive Non-Independent Director will meet without the presence of the Executive Directors to review any matters that must be raised privately before providing feedback to the Chairman of the Board. During FY2025, the Independent Directors and Non-Executive Non-Independent Director had met during the Board Committees meetings without the presence of the Executive Directors and had presented a report on Board Committees' discussion and recommendations to the Chairman and the Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The roles of the Chairman and Chief Executive Officer (the "**CEO**") are separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

Mr Chan Kee Sieng is the Executive Chairman of the Company and one of its co-founders. He leads the Board and is responsible for the Management of the Group. The Executive Chairman is in charge of charting the business direction as well as corporate planning and strategic developments of the Group. The Executive Chairman encourages Board's interaction with the Management, facilitates effective contribution of Non-Executive Directors, encourages constructive relationships among the Directors and promotes high standards of corporate governance. In addition, the Executive Chairman ensures that the Directors receive accurate, timely and clear information and there is effective communication with shareholders of the Company.

Mr Chan Wen Chau, the CEO and Executive Director of the Company, is the son of Mr Chan Kee Sieng. He is responsible for the overall business and strategic development, corporate planning, operations and Management of the Group.

The Board has appointed Mr Chin Chee Choon as the Lead Independent Director ("**Lead ID**") since 26 July 2024 to provide leadership in situations including those where Executive Chairman may be conflicted. Mr Chin Chee Choon is available to address shareholders' concerns when contacted through the normal channels if the Executive Chairman, CEO or Financial Controller ("**FC**") has failed to provide a satisfactory resolution or when such contact is inappropriate.

Report on Corporate Governance (Cont'd)

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC's primary roles are to create a formal and transparent process for the appointments and re-nominations of members of the Board, to assess the effectiveness of the Board as a whole and the contribution of each individual Director to the effectiveness of the Board as well as to affirm annually the independence of the Directors.

The NC is regulated by a set of written terms of reference and the NC's members meet at least once a year.

The NC comprises the following members, all of whom are Non-Executive Directors and the majority of whom, including the NC Chairman, are independent. The Lead Independent Director is a member of the NC:

Lee Kean Cheong	Chairman
Chin Chee Choon	Member
Wong Kok Seong	Member

The principal functions of the NC as stipulated in its terms of reference are as follows:

(a) Reviews and makes recommendations to the Board on all Board appointments and re-appointments (including alternate directors, if any);

(b) Reviews the Board structure, size and composition and makes recommendations to the Board with regards to any adjustments that are deemed necessary;

(c) Reviews the Board's succession plans for Directors, in particular, the Executive Chairman and CEO;

(d) Determines on an annual basis, if a Director is independent;

(e) Deciding the process and criteria for evaluation of the performance of the Board, its Board committees and Directors;

(f) Assesses the effectiveness of the Board and the contribution of each Director; and

(g) Reviews training and professional development programmes for the Board.

For new appointments to the Board, the NC will consider the current size, composition and diversity of the Board, and decide if the candidate's background, expertise and knowledge will complement the skills and competencies of the existing Directors on the Board. The candidate must be a person of integrity and able to commit sufficient time and attention to the affairs of the Company, especially if he is serving on multiple Boards.

If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new Director, the NC, in consultation with the Board, will determine the selection criteria and select the appropriate candidate for the position. The Board is also advised by the Sponsor on the appointment of Directors as required under Catalist Rule 226(2)(d).

In its search and nomination process for a new Director, other than through formal search via external search consultants, if required, the NC will also tap on to the resources of the Directors' personal contacts and their recommendations for potential candidates. The NC will shortlist and interview potential candidates with the appropriate profile to assess his/her suitability before nominating the most suitable candidate to the Board for approval and appointment as a Director. The NC will ensure that the new Directors are aware of their duties and obligations.

Report on Corporate Governance (Cont'd)

The NC is charged with the responsibility of re-nomination having regard to the Director's contribution and performance (e.g. attendance, preparedness, participation and candour) including, if applicable, as an Independent Director. Subject to the NC's satisfactory assessment, the NC would recommend the proposed re-appointment of the Director to the Board for its consideration and approval. All Directors submit themselves for re-nomination and re-election at regular intervals at least once every 3 years. One-third of the Directors will retire at the Company's annual general meeting ("**AGM**") each year. In addition, newly appointed Directors are required to submit themselves for re-nomination and re-election at the next AGM following his appointment. Each member of the NC has abstained from voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director.

At the forthcoming AGM, Mr Chan Kee Sieng and Mr Chan Wen Chau will be retiring by rotation pursuant to Article 107 of the Company's Constitution and Mr Chin Chee Choon will be retiring pursuant to Article 117 of the Company's Constitution. All of them, being eligible for re-election, have offered themselves for re-election. The Board and the NC have evaluated the overall contributions and performance of Mr Chan Kee Sieng, Mr Chan Wen Chau and Mr Chin Chee Choon and their participation at Board meetings. The Board has accepted the NC's recommendation for their re-election to the Board.

Mr Chan Kee Sieng will, upon re-election as Director of the Company, remain as Executive Chairman of the Company.

Mr Chan Wen Chau will, upon re-election as Director of the Company, remain as Executive Director and Chief Executive Officer of the Company.

Mr Chin Chee Choon will, upon re-election as Director of the Company, remain as the Lead Independent Director as well as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees.

Each Director who is subject to retirement and re-election has abstained from deliberating and voting on any resolution in respect of his re-nomination as a Director.

The disclosure of information on the Directors seeking re-election can be found on pages 29 to 36 of the Annual Report.

Please refer to the Notice of AGM for the resolutions put forth for their proposed re-elections.

The following table sets out the dates of each Directors' initial appointment and last re-election as well as their directorships:

Name of Director	Date of Initial Appointment	Date of Last Re-election	Present Directorship in Listed Companies	Past (preceding 3 years) Directorship in Listed Companies	Other Principal Commitments, if any
Chan Kee Sieng	30/10/2009	29/07/2022	Nil	Nil	Nil
Chan Wen Chau	08/10/2009	28/07/2023	Nil	Nil	Nil
Chin Chee Choon	26/07/2024	–	Southern Alliance Mining Ltd.	Allied Technologies Limited Versalink Holdings Limited	Audit and Assurance Partner with Forvis Mazars LLP
Lee Kean Cheong	15/11/2018	26/07/2024	Pentamaster Corporation Berhad SLP Resources Berhad	Teo Guan Lee Corporation Berhad	Managing Partner of KCLee & Partners Director of Ideal Earnings Sdn Bhd

Report on Corporate Governance (Cont'd)

Name of Director	Date of Initial Appointment	Date of Last Re-election	Present Directorship in Listed Companies	Past (preceding 3 years) Directorship in Listed Companies	Other Principal Commitments, if any
Wong Kok Seong	24/11/2009	26/07/2024	PNE PCB Berhad M N C Wireless Berhad Fitters Diversified Berhad PDZ Holdings Berhad Computer Forms (Malaysia) Berhad	Graphjet Technology	Managing Partner of Hasnan THL Wong & Partners

Please refer to the "Board of Directors" section in the annual report for the profile of the Directors.

The NC has taken cognizance of the Code with regard to the fixing of the maximum number of board representations a Director may hold on other listed companies. Having reviewed the attendance of the Directors, their contributions at meetings of the Board and Board Committees, and their time commitment to the affairs of the Company, the NC believes that it would not be necessary to put a maximum limit on the number of listed company board representations each Director may hold. However, the NC would continue to review from time to time, the Directors' board representations and other principal commitments to ensure that Directors continue to meet the demands of the Group and are able to discharge their duties adequately.

The NC has reviewed the time spent and attention given by each of the Directors to the Company's affairs, and is satisfied that all Directors have discharged their duties adequately for FY2025.

There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code or the Catalist Rules that would otherwise deem him not to be independent.

The Company does not have any alternate directors appointed on the Board.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Board and NC strive to ensure that Directors on the Board possess the experience, knowledge and skills critical to the Group's business so as to enable the Board to make sound and well-considered decisions.

The NC has implemented a process for evaluating the performance and effectiveness of the Board as a whole and its Board Committees, as well as the performance and contribution of each individual Director to the effectiveness of the Board.

Annually, the Directors will complete a board assessment checklist individually to facilitate the NC in its assessment of the performance and effectiveness of the Board as a whole as well as its Board Committees in its monitoring role and the attainment of the strategic objectives set by the Board. The performance is assessed based on criteria including the size, composition, processes of the Board, Board's access to information, strategic planning and accountability.

Each Director will also complete a self-assessment checklist individually to facilitate the NC in its assessment of the performance of the individual Directors based on factors which include their attendance, preparation and participation in the Board or Board Committees meetings, the quality of their intervention as well as their industry and business knowledge.

Each member of the NC has abstained from discussions and voting on any resolutions in respect of the assessment of his performance or re-nomination as a Director. Evaluations of individual Directors aim to assess whether that individual has contributed effectively and demonstrated commitment to the role (including commitment of time for the meetings of Board and Board Committees, and any other duties).

The Chairman of the NC evaluates the assessment and shares the results with the rest of the Board members. Areas where the performance and effectiveness of the Board could be enhanced and recommendations for improvement are then submitted to the Board for discussion and implementation.

The Chairman of the NC, in consultation with its members, also acts on the results of the performance evaluation, and where appropriate, propose new members to be appointed to the Board or seek the resignation of existing Directors.

The NC has performed the assessment for FY2025 and is of the view that the performance and effectiveness of the individual Directors, the Board Committees and the Board as a whole were satisfactory and the Board has met its performance objectives.

No external facilitator was used in the evaluation process.

REMUNERATION MATTERS
PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC comprises the following members. All members of the RC are Non-Executive Directors, the majority of whom, including the RC Chairman, are independent:

Lee Kean Cheong	Chairman
Chin Chee Choon	Member
Wong Kok Seong	Member

The principal functions of the RC as stipulated in its terms of reference are as follows:

- review and recommend to the Board a framework of remuneration for the Directors and key management personnel, and determine specific remuneration packages for each Executive Director and key management personnel, with the recommendations of the RC submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind, shall be covered by the RC and the RC shall ensure all aspects of remuneration, including termination terms are fair; and

- perform an annual review of the remuneration of employees of the Group who are related to the Directors and CEO to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. They will also review and approve any bonuses, pay increases and/or promotions for these employees.

Report on Corporate Governance (Cont'd)

If necessary, the RC will seek expert advice inside and/or outside the Company on remuneration of all Directors. Each member of the RC has abstained from voting on any resolutions in respect of his remuneration package or that of employees related to him.

No remuneration consultants were engaged by the Company in FY2025.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

As part of its review, the RC ensures that remuneration packages of the Directors and key management personnel are comparable within the industry as well as with similar companies. The RC considers the Group's relative performance and the contributions and responsibilities of the individual Directors in its review and recommendation of the remuneration of the Directors and key management personnel and ensure the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Group and for the long term success of the Group.

Policy in respect of Executive Directors and Key Management Personnel

Executive Directors do not receive directors' fees. Executive Directors are paid a basic salary pursuant to their respective service agreements which are reviewed and approved by the Board. The notice period of each Executive Director is fixed at a period of 6 months and each Executive Director may, in lieu of the 6 months' notice or part thereof, terminate the service agreement by paying an amount equivalent to 6 months' of his last drawn salary. The Executive Directors' service agreements do not contain onerous removal clauses.

The Group advocates a performance-based remuneration system that is highly flexible and responsive to the market and linked to the performance of the Group as well as the individual employee to ensure the interest of the shareholders and other stakeholders are aligned and promotes the long-term success of the Group. The total remuneration mix comprises annual fixed cash and annual performance incentive. The annual fixed cash component comprises the annual basic salary plus any other fixed allowances while the annual performance incentive is tied to the performance of the Group and the individual employee.

The Company has no share-based compensation scheme or long-term scheme involving the offer of shares or options.

The Company does not use contractual provisions to allow the Company to reclaim the incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Policy in respect of Non-Executive Directors' remuneration

Non-Executive Directors do not have service agreements with the Company. They are compensated based on fixed directors' fees, which are determined by the Board based on their contribution, taking into consideration factors such as the effort, time spent and responsibilities of these Directors. The Chairman of each Board Committee is paid a higher fee as compared with members of the Board Committee in view of the higher responsibilities carried by that office. The directors' fees are subject to approval by the shareholders of the Company at each AGM. Non-Executive Directors do not receive any other remuneration from the Company.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The annual reviews of the compensation are carried out by the RC to ensure that the remuneration of the Executive Directors and key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. The performance of the CEO (together with other key management personnel) is reviewed periodically by the NC and the Board. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Executive Directors do not receive directors' fees but are remunerated as members of Management. The remuneration package of the Executive Directors and key management personnel comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance. The RC takes into consideration the financial performance of the Group and criteria such as leadership, people development, commitment and teamwork in assessing the individual's performance. This is designed to align the remuneration package with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group.

The RC has reviewed and is satisfied that the aforementioned performance conditions for the Executive Directors and key management personnel have been met in FY2025.

The level and mix of remuneration of the Directors and key management personnel of the Company for FY2025 are as follows:

Name	Salary and Other Benefits S$'000 (%)	Bonus S$'000 (%)	Directors' Fees S$'000 (%)	Total S$'000
Executive Directors				
Chan Kee Sieng	200 (95%)	10 (5%)	–	210
Chan Kit Moi#	77 (100%)	–	–	77
Chan Wen Chau	199 (95%)	10 (5%)	–	209
Non-Executive Directors				
Leow Wee Kia Clement#	–	–	16 (100%)	16
Chin Chee Choon##	–	–	24 (100%)	24
Lee Kean Cheong	–	–	9 (100%)	9
Wong Kok Seong	–	–	10 (100%)	10
Key Management Personnel Below S$250,000				
	Salary and Other Benefits %	**Bonus %**	**Directors' Fees %**	**Total %**
Chan Choi Har	94%	6%	–	100%
Ong Seng Joo	95%	5%	–	100%
Chan Wen Yee	91%	9%	–	100%
Tung Wai Loon	93%	7%	–	100%
Lai Khar Khei	93%	7%	–	100%

Retired as a Director of the Company on 26 July 2024.
Appointed as a Director of the Company on 26 July 2024.

Report on Corporate Governance (Cont'd)

After reviewing the industry practice and analysing the advantages and disadvantages in relation to the disclosure of remuneration of each key management personnel, the Company is of the view that such disclosure would be prejudicial to its business interest given the highly competitive environment. As such, the Company has not disclosed exact details of the remuneration of each key management personnel but instead presented the information in bands of S$250,000, and the respective breakdowns of their remuneration in percentages.

The aggregate annual remuneration paid to all the above mentioned key management personnel of the Group for FY2025 was S$380,000.

There are no termination, retirement and post-employment benefits that were granted to the Directors, CEO and key management personnel in FY2025.

Remuneration of Employees who are Substantial Shareholders or are Immediate Family Members of a Director, CEO or the Substantial Shareholder

Mr Chan Wen Yee is the son of Mr Chan Kit Moi (substantial shareholder), nephew of Mr Chan Kee Sieng (Executive Chairman and substantial shareholder) and cousin of Mr Chan Wen Chau (Executive Director and CEO). Mr Chan Wen Yee's remuneration was less than S$100,000 during FY2025.

Save as disclosed above, there is no employee of the Group who is a substantial shareholder of the Company or an immediate family member of a Director, CEO or the substantial shareholder and was paid more than S$100,000 during FY2025.

ACCOUNTABILITY AND AUDIT
RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board is responsible for providing a balanced and understandable assessment of the Company's performance, position and prospects. Financial reports and other price sensitive information are disseminated to shareholders through announcements via SGXNET and press releases. The Group releases announcement of its financial results in accordance with the requirements of the Catalist Rules. Management provides the Board with management accounts on a monthly basis. Such reports serve to keep the Board informed of, on a balanced and understandable basis, the performance, position and prospects of the Group and enable the Board to discharge its duties efficiently.

The Company does not have a Risk Management Committee. However, the Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The Management reviews all control policies and procedures and highlights all significant matters to the AC as well as the Board.

The AC will review, at least annually, the reports submitted by the independent and internal auditors relating to the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems. Any material non-compliance or failures in internal controls and recommendation for improvement are reported to the AC. A copy of the report is also issued to the relevant department for its follow-up action. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

The AC will also review the effectiveness of the actions taken by the Management on the recommendations made by the independent and internal auditors in this respect.

For FY2025, the Company has received the confirmation from the internal auditors (Wensen Consulting Asia (S) Pte. Ltd.) that the Company's internal controls system in place are adequate to address the financial, operational, compliance, and information technology risks of the Company. Throughout their audit, they did not identify any significant weaknesses in the internal control systems and none of the significant ineffectiveness has come to their attention after carried out internal audit.

For the financial year under review, the CEO and FC have provided their confirmation and assurance to the Board on the integrity of the financial statements for the Group, that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances, and the Company's risk management and internal controls systems are adequate and effective (the "**Assurance**").

Based on the internal controls established and maintained by the Company, the Assurance provided by the CEO and FC, the work performed by the internal and independent auditors and reviews performed by the Management and the various Board Committees, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal controls in place are adequate and effective in addressing the financial, operational, compliance and information technology risks as at 31 March 2025.

The system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. The Company is also consistently seeking to improve its internal controls and to adopt the recommendations which were highlighted by the internal and independent auditors to further safeguard the Company's assets.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC currently comprises the following members, all of whom are Non-Executive Directors and the majority of whom, including the AC Chairman, are independent:

Chin Chee Choon	Chairman
Lee Kean Cheong	Member
Wong Kok Seong	Member

All members of the AC have accounting and related financial management expertise and experience.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and cooperation of the Management, full discretion to invite any persons including a Director or an employee of the Group to attend its meeting, and reasonable resources to enable it to discharge its functions properly. None of the AC members were previous partners or directors of the Company's existing auditing firm or auditing corporation of the Company: (a) within the previous 2 years commencing on the date of their ceasing to be a partner or director of the auditing firm or corporation, and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC assists the Board in discharging its responsibility to safeguard the assets of the Company, maintain adequate accounting records, and develop and maintain effective systems of internal control, with the overall objective of ensuring that the Management creates and maintains an effective control environment in the Group. The AC will provide a channel of communication between the Board, the Management and the independent auditor on matters relating to audit.

Report on Corporate Governance (Cont'd)

The principal functions of the AC as stipulated in its terms of reference are as follows:

- Review the scope and results of the audit and its cost effectiveness;
- Review the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance;
- Make recommendations to the Board on the appointment, re-appointment and removal of the independent auditor, and approving the remuneration and terms of engagement of the independent auditor;
- Review with the independent auditor on the audit plan, audit report and their evaluation of the system of internal accounting controls, letter to Management and the Management's response;
- Review the half yearly and annual, and quarterly, if applicable, financial statements and results announcements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards, the Catalist Rules and any other relevant statutory or regulatory requirements;
- Review the internal control procedures and ensure co-ordination between the independent auditor and the Management, and review the assistance given by the Management to the independent auditor, and discuss problems and concerns, if any, arising from audits, and any matters which the independent auditor may wish to discuss (in the absence of the Management, where necessary);
- Review and discuss with the independent auditor any suspected fraud or irregularities, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response;
- Review the adequacy and effectiveness of the Company's internal controls, operational, compliance and information technology controls and risk management policies and systems established by the Management;
- Review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules;
- Review potential conflicts of interest (if any);
- Review with the internal auditors on the internal audit plans and their evaluation of the adequacy of the internal controls and accounting system before submission of the results of such review to the Board for approval prior to the incorporation of such results in the annual report;
- Review and establish procedures for receipt, retention and treatment of complaints received by the Group regarding, inter alia, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on the Group;
- Review key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where the findings are material, announced immediately via SGXNET;
- Review the assurance from the CEO and FC on the financial records and financial statements;
- Review the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- Undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- Generally to undertake such other functions and duties, as may be required by statute or the Catalist Rules, or by such amendments as may be made thereto from time to time.

The AC is guided by the terms of reference which stipulate its principal functions. The AC meets regularly with the Management and the independent auditors to review auditing and risk management matters and discuss accounting implications of any major transactions including significant financial reporting issues. It also reviews the internal audit functions to ensure that an effective system of control is maintained in the Group.

On a half-yearly basis, the AC also reviews the interested person transactions and the financial results announcements before their submission to the Board for approval.

The AC is kept abreast by the Management, the Company Secretary, the Sponsor and the independent auditors of changes to accounting standards, Catalist Rules and other regulations (as the case may be) which could have an impact on the Group's business and financial statements.

The independent auditors present to the AC the audit plan and updates relating to any change of accounting standards which have a direct impact on financial statements during the AC meetings.

The AC meets with the independent auditors and internal auditors, at least once annually, and more frequently, when required, with at least one of the meetings conducted without the presence of Management. The AC had in FY2025 met the independent and internal auditors once without the presence of Management.

The AC reviews the independence and objectivity of independent auditor annually. During the financial year under review, the AC has reviewed the independence of CLA Global TS Public Accounting Corporation ("**CLA Global TS**") including the volume of all non-audit services provided to the Group, and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the independent auditors.

The AC constantly bears in mind the need to maintain a balance between the independence and objectivity of the independent auditors and the work carried out by the independent auditors based on value for money consideration. During the financial year under review, the aggregate amount of fees paid/payable to the independent auditors for the audit and non-audit services amounted to S$75,000 and S$3,510 respectively. The non-audit services rendered by the independent auditors to the Group in FY2025 were not substantial.

The Group has appointed different auditors for its overseas subsidiaries. The Board and AC have reviewed that the appointment of different auditors for its overseas subsidiaries and were satisfied that the appointment of different auditors would not comprise the standard and effectiveness of the audit of the Group. The Company is in compliance with Rules 712, 715 and 716 of the Catalist Rules with regard to the appointment of the independent auditors for the Company and its subsidiaries.

The AC has recommended, and the Board has approved the nomination for the re-appointment of CLA Global TS as independent auditors of the Company at the forthcoming AGM.

The Group has outsourced its internal audit function to Wensen Consulting Asia (S) Pte. Ltd., a qualified professional firm which meets the standards set by internationally recognised professional bodies including the International Professional Practices Framework issued by The Institute of Internal Auditors. The outsourced internal audit function is headed by the Executive Director, who is assisted by an audit team comprising of the Engagement Director, Managers and Consultants. The Executive Director is a Practicing Member of the Institute of Singapore Chartered Accountants (ISCA), a member of the Malaysian Institute of Accountants (MIA) and a Fellow Member of the Association of Chartered Certified Accountants (FCCA), with more than 20 years of experience in auditing while other team members are accounting graduates with a minimum qualification of a degree obtained from overseas and/ local universities. The AC is responsible for the hiring, removal and evaluation of the accounting or auditing firm or corporation which the internal audit function of the Company is outsourced to.

The main objective of the internal audit function is to assist the Group in evaluating and assessing the effectiveness of internal controls and consequently to highlight the areas where control weaknesses exist, if any, and thus improvements could be made. The internal audit function is independent and it reports directly to the AC on audit matters and to the CEO on administrative matters. The internal auditor assists the Board in monitoring and managing risks and internal controls of the Group.

Report on Corporate Governance (Cont'd)

The AC also reviews and approves the internal auditor's plan of each financial year to ensure that the scope of the plan is adequate and covers the review of the system of internal controls of the Group, including financial, operational, compliance and information technology controls. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC, and has appropriate standing within the Company. The internal auditor will report their audit findings and recommendations to the AC.

The Management together with the Board will review all audit reports and findings from internal auditors and independent auditors during the AC meetings.

During FY2025, the internal auditors had reviewed and carried out the audit on areas pertaining to sales and collection and credit control management.

The AC had reviewed the adequacy of the internal audit function and is satisfied that the team is independent, effective and adequately resourced.

The Company has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report on misconduct or wrongdoing relating to the Company and its officers. The AC has reviewed the whistleblowing policy that the Group has established. The Company publicly discloses through its website at https://www.msmmgroup.com/pdf/Whistleblower-policy-for-MSMIL.pdf and clearly communicates with employees, the existence of the whistleblowing policy, which contains:

(a) procedures for raising such concerns;
(b) clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within the Company in a responsible and effective manner;
(c) the arrangements and processes to facilitate independent investigation of such concerns and for appropriate follow-up action;
(d) confidentiality clauses that protect identification of the whistleblower; and
(e) protection to whistleblower against any detrimental and unfair treatment.

In compliance with Catalist Rule 1204(18B), the Company:

(a) has designated the AC Chairman and AC members to investigate whistleblowing reports made in good faith;
(b) ensures that the identity of the whistleblower is kept confidential;
(c) discloses its commitment to ensure protection of the whistleblower against detrimental or unfair treatment in the Company's whistleblowing policy which is available on the Company's website; and
(d) has designated the AC to be responsible for the oversight and monitoring of whistleblowing.

The AC is satisfied that arrangements are in place to ensure independent investigation of such matters and for appropriate follow-up actions to be taken.

For FY2025, there were no complaints, concerns or issues received by the AC.

SHAREHOLDER RIGHTS AND ENGAGEMENT
SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and untestable assessment of its performance, position and prospects.

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Board believes in regular, timely and effective communication with shareholders. The Company does not practice selective disclosure. In line with continuous obligations of the Company pursuant to the Catalist Rules, it is the Board's policy that shareholders are kept informed of all important developments concerning the Group that will or expect to have an impact on the Company or the Group through timely dissemination of information via SGXNET announcements, press releases, annual reports and various other announcements made whenever necessary. The Company also maintains a website at http://www.msmmgroup.com through which the shareholders can access to information about the Group. The website provides the business profile, corporate announcements, press releases, annual reports and other information of the Group.

Shareholders are encouraged to attend the AGM and/or general meetings to stay informed of the Company's goals and strategies and to ensure a high level of accountability by the Management. They are also given the opportunity and time to air their views and ask the Directors or Management questions regarding the Company.

The Company's Constitution allows all shareholders to appoint proxy(ies) to attend general meetings and vote on their behalf. Voting in absentia and by mail, electronic mail or facsimile may be possible at the Directors' discretion to approve or implement, subject to the security measures as may be deemed necessary or expedient to ensure that the integrity of the information and authentication of the identity of shareholder(s) is not compromised. Separate resolutions are tabled on each substantially separate issue at general meetings unless the issues are interdependent and linked so as to form one significant proposal and if such, the explanatory notes are set out in the notices of general meetings to explain the reasons and its material implications.

Printed copy of the notice of AGM (the "**Notice**") will be sent to the shareholders but printed copy of the Company's annual report ("**AR**") will not be sent to shareholders, instead, it will be sent to shareholders by electronic means via publication on the Company's website at the URL http://www.msmmgroup.com/ and made available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). Shareholders are able to request for the AR in physical copy by completing the annual report print copy request form ("**Request Form**") which is sent together with the Notice. Please refer to and read the instructions set out in the Request Form carefully.

The Board welcomes questions from shareholders either informally or formally before or at the AGM. The Chairman of the respective AC, RC and NC are available at the meeting to answer those questions relating to the work of the respective Board Committees. The Company's independent auditors are also present to assist the Directors in addressing any relevant queries by shareholders. All Directors, Management, Company Secretary, independent auditors and the Company's sponsor attended the Company's AGM in respect of FY2024.

In addition, if the need arises, the Company may organise media/analyst briefings to enable a better appreciation of the Group's performance and developments, which will also act as platforms to solicit and understand the view of shareholders and investors.

The Company's independent auditors are also present to assist the Directors in addressing any relevant queries by shareholders. While there is no limit imposed on the number of proxy votes for nominee companies, the Constitution of the Company allow each shareholder to appoint up to two (2) proxies to attend general meetings. The Board will review the Company's Constitution from time to time, and where an amendment to the Company's Constitution is required to align the relevant provisions with the requirements of the Catalist Rules, shareholders' approval will be obtained.

All resolutions put forth at the general meetings of the Company are put to vote by way of poll, and their detailed results including the total number and the respective percentage of votes cast for and against each resolution will be announced via the SGXNET.

The Company Secretary prepares minutes of the general meetings which include substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and the Management. These minutes are subsequently approved by the Board. On receipt of any request from shareholders, the minutes will also be made available to them at the registered office of the Company during office hours. The minutes of the AGM in respect of FY2025 will be published to the SGXNET and on the corporate website of the Company within one month from the AGM date.

Report on Corporate Governance (Cont'd)

The Group does not have a fixed dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's profitability, cash position, cash flow in relation to operating activities, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Board has not declared dividends for the FY2025 as the Company has deemed it more appropriate to retain the cash in the Group for its future growth plans.

The Company does not have a dedicated investor relations team. The FC is responsible for the Company's communication with shareholders. The public can provide feedback to the FC via electronic mail at msm.agm@msmmgroup.com or the Company's registered address at 77 Robinson Road #06-03 Robinson 77 Singapore 068896.

MANAGING STAKEHOLDERS RELATIONSHIPS
ENGAGEMENT WITH STAKEHOLDERS

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company's engagement with all stakeholders will be set out in detail in the Sustainability Report to be published annually on the Company's corporate website and SGXNET. The Company takes a strategic and pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Its key stakeholders include shareholders, investors, suppliers, customers, employees, government and regulators and the community. To understand stakeholders' expectations, the Company engages and fosters trusted relationships through listening to their views and responding to their concerns.

Additionally, the Company maintains a corporate website at http://www.msmmgroup.com to communicate and engage with stakeholders through the contact information of the Company which can be found on the website. The Company's announcements, financial results and annual reports are also made available on the Company's website.

The forthcoming AGM in respect of FY2025 ("**2025 AGM**") will be convened and held physically at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 on 25 July 2025. Shareholders will be able to raise questions and vote in person at the 2025 AGM. Arrangements relating to the attendance and voting at the 2025 AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM and Proxy Form.

OTHER CORPORATE GOVERNANCE MATTERS

Dealings in Securities

The Company has adopted an internal code on dealings in securities. The Company and the Group's Directors and officers who have access to price-sensitive, financial or confidential information, or unpublished price-sensitive information on the Group, are not permitted to deal in the Company's securities during the periods commencing one month before the announcement of the Group's half year and full year financial results and ending on the date of announcement of such results. In addition, the Company, its Directors and officers are advised not to deal in the Company's securities for a short term considerations and are expected to observe the insider trading laws at all times even when dealing in the Company's securities within the permitted trading periods. Directors and officers are to consult with the FC/company secretary before trading in Company's securities and to confirm annually that they have complied with and not in breach of the internal code on dealings in securities. The Board is kept informed when a Director trades in the Company's securities.

Interested Person Transactions

The Company has established procedures to ensure that all transactions with interested persons are reported on in a timely manner to the AC and that the transactions are carried out on normal commercial terms and shall not be prejudicial to the interests of the Company and its minority shareholders. When a potential conflict of interest arises, the Director concerned neither takes part in discussions nor exercises any influence over other Board members.

The Company does not have a general mandate for interested person transactions ("**IPT**"). There were no discloseable IPTs in FY2025.

Material Contracts

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder of the Company, either still subsisting at the end of the financial year, or if not then subsisting, which were entered into since the end of the previous financial year.

Non-Sponsorship Fees

In FY2025, there were non-sponsorship fees paid to UOB Kay Hian Private Limited.

Sustainability Management

The Sustainability Report will be prepared in accordance with the sustainability reporting requirements of the Catalist Rule 711A and in line with the Global Reporting Initiatives ("**GRI**"). We are also guided by the recommendations of the Taskforce on Climate-related Financial Disclosures ("**TCFD**") in our climate-related disclosures. The report will highlight the key economic, environmental, social and governance (ESG) factors such as economic performance, environmental compliance and occupational health and safety. More details and information will be available in the full report that will be published by 31 July 2025.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION – APPENDIX 7F TO THE CATALIST RULES

Pursuant to Catalist Rule 720(5), the information as set out in Appendix 7F to the Catalist Rules relating to Mr Chan Kee Sieng, Mr Chan Wen Chau and Mr Chin Chee Choon, being the Directors who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below:

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
Date of Appointment	30/10/2009	08/10/2009	26/07/2024
Date of last re-appointment	29/07/2022	28/07/2023	–
Age	73	50	52
Country of principal residence	Malaysia	Malaysia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr Chan Kee Sieng as the Executive Chairman of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.	The re-election of Mr Chan Wen Chau as the Executive Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.	The re-election of Mr Chin Chee Choon as the Lead Independent Director of the Company was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his expertise, performance, overall contributions, and competencies in fulfilling his responsibilities.
Whether appointment is executive, and if so, the area of responsibility	Executive role. Responsible for charting the Group's business direction as well as corporate and strategic developments of the Group.	Executive role. Responsible for the overall business and strategic development, corporate planning, operations and management of the Group.	Non-Executive role.
Job Title (e.g. Lead ID, AC Chairman, AC Member, etc)	Executive Chairman	Executive Director and CEO	Lead Independent Director, Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees.

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
Professional qualifications	N/A	Bachelor of Engineering (Mechanical Engineering) from the University of Portsmouth in the United Kingdom	Public Accountant and Fellow Chartered Accountant of Singapore of the Institute of Singapore Chartered Accountants Certified Internal Auditor of the Institute of Internal Auditors Member of the Singapore Institute of Directors Post Graduate Diploma in Organisational Leadership, the University of Oxford Bachelor in Accounting, University of South Australia
Working experience and occupation(s) during the past 10 years	Chairman and Director of MSM International Limited	Director and CEO of MSM International Limited	Audit and Assurance Partner with Forvis Mazars LLP from 2021 to current Advisory Leader and Audit Partner with CLA Global TS Holdings Pte. Ltd. (formerly known as Nexia TS Holdings Pte. Ltd.) from 2007 to 2021
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 187,000 ordinary shares of the Company. Chan Kee Sieng holding 50% of shares in the capital of Triumphant Hope Sdn. Bhd. ("**Triumphant Hope**") and he deemed to has an interest in the shares of 76,955,933 ordinary shares held by Triumphant Hope.	Direct interest of 2,785,186 ordinary shares of the Company and deemed interest of 1,500,000 ordinary shares of the Company.	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Chan Kee Sieng is the father of the Executive Director and CEO, Mr Chan Wen Chau and elder brother of the substantial shareholder, Mr Chan Kit Moi.	Mr Chan Wen Chau is the son of the Executive Chairman, Mr Chan Kee Sieng and nephew of the substantial shareholder, Mr Chan Kit Moi.	No
Conflict of Interests (including any competing business)	No	No	No

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships#			
Past (for the last 5 years)	None	Marc16 Equipment Manufacturing Sdn Bhd	Allied Technologies Limited Versalink Holdings Limited Accessglobal Pte. Ltd.
Present	MSM Metal Industries Sdn Bhd MSM Equipment Manufacturer Sdn Bhd MSM Kitchen Sdn Bhd Toyomi Engineering Sdn Bhd Triumphant Hope Sdn Bhd FIC Kitchen Technology Sdn Bhd Chan Strategy Sdn Bhd Widewin Strategy Sdn Bhd	MSM Metal Industries Sdn Bhd MSM Equipment Manufacturer Sdn Bhd MSM Kitchen Sdn Bhd OMS Technology Sdn Bhd MCI Etech Sdn Bhd Triumphant Hope Sdn Bhd Widewin Strategy Sdn Bhd MSM Metal (S) Pte Ltd Flexacon Automation System Sdn Bhd MSM R Kitchen Sdn Bhd	Southern Alliance Mining Ltd. ForvisMazars LLP
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

Report on Corporate Governance (Cont'd)

		Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No.
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	Yes. I was a Non-executive Chairman and Independent Director of Allied Technologies Limited ("**Allied**") from February 2019 to July 2022. In March 2019, the auditors, Ernst & Young LLP, has highlighted certain key concerns and observations during the course of their audit for financial year ended 31 December 2018 to the Board of Directors. A Notice of Compliance was issued by Singapore Exchange Regulations in May 2019 and subsequently PricewaterhouseCoopers Risk Services Pte Ltd ("**PwC**") was appointed as special auditors to perform a review and the key findings were announced in April 2022. As I was only appointed in February 2019, I was not involved in matters stated above and as an independent director, was not involved in the management or the operations of Allied, thus, I was not a subject of the abovementioned review.

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?			
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Report on Corporate Governance (Cont'd)

	Mr Chan Kee Sieng	Mr Chan Wen Chau	Mr Chin Chee Choon
Disclosure applicable to the appointment of Director only			
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable as this is for re-election of a director.	Not applicable as this is for re-election of a director.	Not applicable as this is for re-election of a director.

Financial **Statements**

Directors' Statement
For the financial year ended 31 March 2025

The directors present their statement to the members together with the audited financial statements of MSM International Limited (the "Company") and its subsidiary corporations (the "Group") for the financial year ended 31 March 2025 and the balance sheet of the Company as at 31 March 2025.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 46 to 106 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Chan Kee Sieng
Chan Wen Chau
Chin Chee Choon (Appointed on 26 July 2024)
Lee Kean Cheong
Wong Kok Seong

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable 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.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		**Holdings in which director is deemed to have an interest**	
	At 31.3.2025	**At 1.4.2024**	**At 31.3.2025**	**At 1.4.2024**
Company				
(No. of ordinary shares)				
Chan Kee Sieng[(1)]	187,000	187,000	76,955,933	76,955,933
Chan Wen Chau[(2)]	2,785,186	2,785,186	1,500,000	1,500,000

(1) The deemed interests of Chan Kee Sieng arise from his shareholdings in the holding corporation, Triumphant Hope Sdn. Bhd..

(2) The 1,500,000 shares in the deemed interests of Chan Wen Chau arise from shares held by the nominee, Phillip Securities Pte Ltd.

Directors' Statement (Cont'd)

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

	Holdings registered in name of director		**Holdings in which director is deemed to have an interest**	
	At 31.3.2025	**At 1.4.2024**	**At 31.3.2025**	**At 1.4.2024**
Holding Corporation				
- Triumphant Hope Sdn. Bhd.				
(No. of ordinary shares)				
Chan Kee Sieng	150	150	–	–

By virtue of Section 7 of the Singapore Companies Act 1967 (the "Act"), Chan Kee Sieng is deemed to have interests in the shares of all the subsidiary corporations, at the beginning and at the end of the financial year.

The directors' interests in the ordinary shares of the Company as at 21 April 2025 were the same as those as at 31 March 2025.

SHARE OPTIONS

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiary corporations.

There were no unissued shares of the Company or its subsidiary corporations under option at the end of the financial year.

AUDIT COMMITTEE

The members of the Audit Committee at the end of the financial year were as follows:

Chin Chee Choon (Chairman)
Wong Kok Seong
Lee Kean Cheong

All members of the Audit Committee were independent and non-executive directors except for Wong Kok Seong who was a non-independent and non-executive director.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967 and the Code of Corporate Governance. In performing those functions, the Audit Committee carried out the following:

- Review the scope and results of internal audit procedures with the internal auditor;
- Review the audit plan and results of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- Review the assistance given by the Company's management to the independent auditor;

Directors' Statement (Cont'd)

AUDIT COMMITTEE (CONT'D)

- Review the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 March 2025 before their submission to the Board of Directors, as well as the independent auditor's report on the balance sheet of the Company and the consolidated financial statements of the Group;

- Review transactions falling within the scope of Chapter 9 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules");

- Review the half yearly and annual results announcement and annual financial statements before submission to the Board of Directors for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Catalist Rules and any other relevant statutory or regulatory requirements;

- Review the independence and objectivity of the independent auditor; and

- Make recommendations to the Board of Directors on the appointment, re-appointment and removal of independent auditor, and approve the remuneration and terms of engagement of the independent auditor.

The Audit Committee has recommended to the Board of Directors that the independent auditor, CLA Global TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

....
Chan Kee Sieng
Director

....
Chan Wen Chau
Director

7 July 2025

Independent Auditor's Report

to the Members of MSM International Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of MSM International Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 46 to 106.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics Applicable to Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Independent Auditor's Report to the Members of MSM International Limited (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Valuation of trade receivables (Refer to notes 2.9, 3.1(a), 13 and 31(b) to the financial statements) As at 31 March 2025, the carrying amount of trade receivables was RM26,446,000 (2024: RM22,239,000), net of loss allowance of RM209,000 (2024: RM1,897,000). These trade receivables accounted for approximately 39% (2024: 45%) of the Group's total current assets. During the financial year ended 31 March 2025, no loss allowance was recognised (2024: recognised loss allowance of RM213,000) and the Group recognised a reversal of loss allowance of RM134,000 (2024: RM777,000) in profit and loss. With reference to SFRS(I) 9 *Financial Instruments*, an entity shall measure expected credit losses ("ECL") on trade receivables in a way that reflects a range of possible outcomes, considering past events, current conditions and future economic conditions. In determining the ECL allowance for trade receivables, management conducted debtor specific assessment for credit impaired debtors ("non-performing receivables") and uses provision matrix to measure the lifetime ECL for trade receivables that are other than non-performing receivables. Management considers historical loss experience of the respective customers, their transactions, and receipts with the Group during the financial year and estimates of the collectability amount and timing for each customer. Trade receivables are categorised for potential write-off when the counterparty fails to make contractual payments more than 365 days past due and it is expected the outstanding balances will be uncollectible. We focused on this area due to the significant degree of management judgement involved in estimating the ECL and in consideration of the significance of trade receivables to the Group.	In obtaining sufficient audit evidence, the following procedures were carried out: • Obtained an understanding on management's process, evaluated management's assessment and determination of the expected credit losses of the Group's trade receivables which are past due but not impaired as at the financial year end. • Assessed the reliability of the trade receivables aging report by reviewing the aging of trade receivables on a sampling basis. • Evaluated management's assessment of the application of SFRS(I) 9 on the recognition of loss allowance for ECL on trade receivables and assessed the appropriateness of the Group's ECL policy. • Evaluated management's assumptions and inputs used in the computation of ECL and assessed the reasonableness of management's assumptions used. • Assessed the recoverability of long outstanding trade receivables by comparing management's assumptions used in estimating the amounts and timing of the collection of outstanding debts to (1) historical patterns of receipts for the respective trade debtors, including review of historical default rate of debtors to assess the reasonableness and appropriateness of loss rate applied by the management; (2) subsequent receipts and any other evidence to support the recoverability of trade receivables; and (3) considerations of impact of uncertainty of market condition on the collectability of outstanding balances from trade debtors. • Reviewed the adequacy of the disclosures made in the consolidated financial statements.

Independent Auditor's Report to the Members of MSM International Limited (Cont'd)

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Net realisable value of inventories (Refer to notes 2.15, 3.1(b) and 14 to the financial statements) The Group's inventories as at 31 March 2025 amounting to RM9,405,000 (2024: RM9,315,000) represented approximately 14% (2024: 19%) of the Group's total current assets. Inventories are measured at lower of cost and net realisable value. Management applied judgements in determining the net realisable value of inventories on an item-by-item basis by considering the following factors: - slow-moving and obsolete as a result of a reduction in customer's demand; - destroyed or damaged inventories; - prevailing market conditions that would affect future demand and anticipated selling prices; and - possibility to have alternative use of the slow moving and obsolete inventories and the cost efficiency in conversion of these inventories into other products. The management assessed that no inventories is required to be written down/written off during the financial year ended 31 March 2025. We focused on this area due to the significant degree of judgements involved in the assessment of the process, methods and assumptions used by management to determine the net realisable value of inventories.	In obtaining sufficient audit evidence, the following procedures were carried out: • Evaluated management's process and reviewed the reasonableness of management's assessment on the net realisable value of the inventories. • Enquired with management any obsolete or slow-moving inventories and inspected the condition of the inventories during the observation of physical inventories count. • Discussed the basis of written down/written off inventories with management and assessed the reasonableness and the assumptions used by management. • On sampling basis, checked and tested the net realisable value of inventories to subsequent selling price of the inventories or to the available latest selling prices.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

Independent Auditor's Report to the Members of MSM International Limited (Cont'd)

Responsibility of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, 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, 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report to the Members of MSM International Limited (Cont'd)

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

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, related safeguards.

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 current financial year and are therefore the key audit matters. We describe these matters in our auditor's 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 our opinion, the accounting and other records required by the Act to be kept by the Company and by a subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Lee Tze Shiong.

CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
7 July 2025

Consolidated Statement of Comprehensive Income
For the financial year ended 31 March 2025

	Note	2025 RM'000	2024 RM'000
Revenue	4	82,277	90,418
Cost of sales		(60,678)	(70,148)
Gross profit		21,599	20,270
Other income			
- Interest from bank deposits		33	35
- Others	5	980	1,277
Other gains and losses, net			
- Reversal of loss allowance on financial assets, net	31(b)	134	564
- Others	6	14,009	16
Expenses			
- Selling and distribution		(3,976)	(3,786)
- Administrative		(15,110)	(14,497)
- Finance	9	(3,597)	(3,618)
		14,072	261
Share of (loss)/profit of associated companies	21	(2,575)	607
Profit before income tax		11,497	868
Income tax expense	10	(377)	(467)
Net profit for the financial year		11,120	401
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange loss arising from translation of foreign operations		(7)	(10)
Other comprehensive loss for the financial year, net of tax		(7)	(10)
Total comprehensive income for the financial year		11,113	391
Net profit attributable to:			
Equity holders of the Company		11,111	377
Non-controlling interests		9	24
		11,120	401
Total comprehensive income attributable to:			
Equity holders of the Company		11,104	367
Non-controlling interests		9	24
		11,113	391
Earnings per share for profit attributable to equity holders of the Company (RM cents per share)			
- Basic and diluted	11	10.54	0.36

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

Balance Sheets
As at 31 March 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
ASSETS					
Current Assets					
Cash and bank balances	12	16,563	7,416	107	67
Trade and other receivables	13	27,788	23,165	29,326	12,768
Inventories	14	9,405	9,315	–	–
Other current assets	15	8,542	7,973	–	–
Other investment	16	4,925	–	4,925	–
Income tax recoverable		1,199	1,136	–	–
		68,422	49,005	34,358	12,835
Non-Current Assets					
Property, plant and equipment	17	43,436	38,776	–	–
Investment properties	19	5,482	5,541	–	–
Investments in subsidiary corporations	20	–	–	19,654	19,654
Investments in associated companies	21	–	14,429	–	5,056
		48,918	58,746	19,654	24,710
Total Assets		117,340	107,751	54,012	37,545
LIABILITIES					
Current Liabilities					
Trade and other payables	22	16,967	14,603	3,915	5,803
Borrowings	23	30,435	31,229	–	–
Lease liabilities	24	2,408	2,404	–	–
		49,810	48,236	3,915	5,803
Non-Current Liabilities					
Borrowings	23	18,946	20,971	–	–
Lease liabilities	24	4,218	5,291	–	–
Deferred income tax liabilities	25	143	143	–	–
		23,307	26,405	–	–
Total Liabilities		73,117	74,641	3,915	5,803
NET ASSETS		44,223	33,110	50,097	31,742
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	26	30,158	30,158	30,158	30,158
Currency translation reserve		(56)	(132)	–	–
Retained earnings		13,113	2,085	19,939	1,584
		43,215	32,111	50,097	31,742
Non-controlling interests	20	1,008	999	–	–
Total Equity		44,223	33,110	50,097	31,742

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

Consolidated Statement of Changes in Equity
For the financial year ended 31 March 2025

	← Attributable to equity holders of the Company			→		
	Share capital	Currency translation reserve	Retained earnings*	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025						
Beginning of financial year	30,158	(132)	2,085	32,111	999	33,110
Net profit for the financial year	–	–	11,111	11,111	9	11,120
Other comprehensive loss for the financial year	–	(7)	–	(7)	–	(7)
Total comprehensive (loss)/income for the financial year	–	(7)	11,111	11,104	9	11,113
Transfer upon disposal of a subsidiary corporation	–	83	(83)	–	–	–
End of financial year	30,158	(56)	13,113	43,215	1,008	44,223
2024						
Beginning of financial year	30,158	(122)	1,708	31,744	975	32,719
Net profit for the financial year	–	–	377	377	24	401
Other comprehensive loss for the financial year	–	(10)	–	(10)	–	(10)
Total comprehensive (loss)/income for the financial year	–	(10)	377	367	24	391
End of financial year	30,158	(132)	2,085	32,111	999	33,110

* Retained earnings of the Group are distributable, except for accumulated retained earnings of associated companies amounting to RM NIL (2024: RM6,319,000), and accumulated distribution and impact on dilution of interest in associated companies amounting to RM NIL (2024: RM6,368,000).

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

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2025

	Note	2025 RM'000	2024 RM'000
Cash flows from operating activities			
Net profit		11,120	401
Adjustments for:			
- Income tax expense	10	377	467
- Depreciation of property, plant and equipment	7	3,374	3,402
- Depreciation of investment properties	7	59	59
- Gain on disposal of property, plant and equipment	6	369	(145)
- Gain on disposal of associated companies	6	(16,008)	–
- Gain on disposal of a subsidiary corporation	6	(121)	–
- Fair value loss on financial asset, at FVPL	16	1,693	–
- Share of loss/(profit) of associated companies	21	2,575	(607)
- Interest income		(33)	(35)
- Interest expense	9	3,597	3,618
- Unrealised currency translation gain		(7)	(10)
		6,995	7,150
Changes in working capital			
- Trade and other receivables		(4,587)	1,890
- Inventories		(475)	727
- Other current assets		(572)	(2,790)
- Trade and other payables		2,500	616
- Bills payable		(643)	(607)
Cash generated from operations		3,218	6,986
Interest paid		(1,866)	(1,800)
Interest received		33	35
Income tax paid		(440)	(413)
Net cash provided by operating activities		945	4,808
Cash flows from investing activities			
Additions to property, plant and equipment		(7,803)	(1,683)
Proceeds from disposal of property, plant and equipment		1,010	876
Proceeds received from disposal of associated companies	21	21,244	–
Proceeds received from disposal of a subsidiary corporation, net of cash disposed of		337	–
Net provided by/(used in) investing activities		14,788	(807)
Cash flows from financing activities			
Increase in short-term bank deposits pledged		(33)	(35)
Drawdown of bank borrowings		739	–
Repayment of bank borrowings		(2,637)	(2,520)
Repayment of lease liabilities		(2,679)	(3,583)
Interest paid		(1,731)	(1,818)
Net cash used in financing activities		(6,341)	(7,956)
Net increase/(decrease) in cash and cash equivalents		9,392	(3,955)
Cash and cash equivalents			
Beginning of financial year		(4,263)	(308)
End of financial year	12	5,129	(4,263)

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

Consolidated Statement of Cash Flows (Cont'd)

Reconciliation of liabilities arising from financing activities

	Beginning of financial year RM'000	Principal and interest payments RM'000	Non-cash changes: Additions RM'000	Non-cash changes: Interest expense RM'000	End of financial year RM'000
2025					
Borrowings	23,703	(3,923)	739	1,286	21,805
Lease liabilities	7,695	(3,124)	1,610	445	6,626
2024					
Borrowings	26,223	(3,870)	–	1,350	23,703
Lease liabilities	8,140	(4,051)	3,138	468	7,695

Notes to the Financial Statements
For the financial year ended 31 March 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

MSM International Limited (the "Company") is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited ("SGX-ST"), which is incorporated and domiciled in Singapore. The address of its registered office is 77 Robinson Road, #06-03 Robinson 77, Singapore 068896. The principal place of business of the subsidiary corporations is located at Lot 1909, Jalan KPB 5, Kawasan Perindustrian Kampung Baru Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiary corporations are disclosed in Note 20 to the financial statements.

The Company's holding corporation is Triumphant Hope Sdn. Bhd., incorporated in Malaysia.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below. The financial statements are presented in Malaysian Ringgit ("RM") and all values are rounded up to the nearest thousand ("RM'000") except as otherwise indicated.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

Interpretations and amendments to published standards effective for annual periods beginning on or after 1 January 2024

On 1 April 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the identifiable net assets acquired is recorded as goodwill.

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting (Cont'd)

(a) Subsidiary corporations (Cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interests and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting (Cont'd)

(c) Associated companies (Cont'd)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income.

Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in an associated company includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

2.3 Investments in subsidiary corporations and associated companies

Investments in subsidiary corporations and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between the disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Revenue recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised goods and service to the customer, which is when the customer obtains control of the goods and services. A performance obligation may be satisfied at a point in time or overtime. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) *Sale of goods – Standard kitchen equipment and metal parts*

Revenue from sale of goods is recognised at the point in time when the Group has delivered the products to its customers and the customers have obtained control of the products.

(b) *Revenue from services - Design, consultancy and installation works*

Revenue from services are satisfied over a period of time as the customer simultaneously receives and consumes the benefits over the duration of the contract. The Group's performance of these services does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenue is recognised over time by reference to the Group's progress towards completing the contract. The measure of progress is determined based on the proportion of contract costs incurred to date relative to the estimated total contract costs. The customer is invoiced on a milestone payment schedule for fixed-price contracts. If the value of the service transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods or service transferred, a contract liability is recognised.

Costs incurred in fulfilling a contract with a customer, are recognise only if (a) these costs relate directly to a contract or to an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (c) the costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently recognised to profit or loss as cost of sales when they are used. An impairment loss is recognised in profit or loss to the extent that the carrying amount of these costs incurred in fulfilling a contact exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Rental income*

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment

(a) *Measurement*

(i) *Land and buildings*

Land and buildings are initially recognised at cost. Freehold land is subsequently carried at cost less accumulated impairment losses. Buildings and leasehold land are subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) *Other property, plant and equipment*

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(b) *Depreciation*

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold land and buildings	over the leased term ranged from 60 to 99 years/50 years
Plant and machinery	5 to 10 years
Renovation and signboard	10 years
Motor vehicles	5 years
Computer, office equipment, fixtures, furniture and fittings	5 to 10 years
Showroom equipment	3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “Other gains and losses, net - Others”.

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.7 Investment properties

Investment properties comprise freehold land, leasehold land and office buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated using a straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Leasehold land	57 years
Leasehold land and buildings	86/50 years

Freehold land is not depreciated.

The residual values, useful lives and depreciation method of investment properties are reviewed and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in profit or loss when the changes arise.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Impairment of non-financial assets

Property, plant and equipment
Right-of-use assets
Investment properties
Investments in subsidiary corporations and associated companies

Property, plant and equipment, right-of-use assets, investment properties and investments in subsidiary corporations and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.8 Impairment of non-financial assets (Cont'd)

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2.9 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

<u>At initial recognition</u>

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

<u>At subsequent measurement</u>

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents and trade and other receivables.

The subsequent measurement categories is depending on the Group's business model for managing the asset and the cash flow characteristics of the asset.

- Amortised cost

  Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (Cont'd)

(a) Classification and measurement (Cont'd)

<u>At subsequent measurement (Cont'd)</u>

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses". Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and arises principally from the Group's receivables from customers. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history; and
- High credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other financial assets at amortised cost, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Financial guarantee

The Company has issued corporate guarantees to banks for bank borrowings of its subsidiary corporations. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiary corporations fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15 *Revenue from Contracts with Customers*; and

(b) the amount of expected loss allowance computed using the impairment methodology under Note 2.9 to the financial statements.

2.12 Borrowings

Borrowings are presented as current liabilities unless, at the end of the reporting period, the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Covenants that the Group is required to comply with on or before the end of the reporting period are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.13 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.14 Leases

(a) *When the Group is the lessee*

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identifiable asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(i) *Right-of-use assets*

The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payment made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

(ii) *Lease liabilities*

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments, less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.14 Leases (Cont'd)

(a) When the Group is the lessee (Cont'd)

(iii) Short-term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(iv) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

(b) When the Group is the lessor

Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as an income in profit or loss when earned.

2.15 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but exclude borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

2.16 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situation in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.16 Income taxes (Cont'd)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax assets is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.18 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and Malaysian Employees Provident Fund, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Short-term compensated absences

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.19 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Malaysian Ringgit ("RM"), which is the functional currency of the Company.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income within "finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in profit or loss within "Other gains and losses, net – Others".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Notes to the Financial Statements (Cont'd)

2. MATERIAL ACCOUNTING POLICIES (CONT'D)

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors who are responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash at bank and on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.22 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital amount.

2.23 Government grant

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expense.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

(a) *Expected credit losses on trade and other receivables*

The Group's trade receivables arise from its different revenue segments – sale of OEM contract manufacturing products, kitchen appliances, equipment and related services and cleanroom and laboratories products.

The Group determines ECL of trade receivables by making debtor specific assessment for credit impaired debtors. Debtors that are individually determined to be credit impaired ("non-performing receivables") at the financial year end relate to debtors who are in significant financial difficulties, default on payments more than 365 days, and/or legal enforcement action undertaken by the Group. In such instances, management measured the ECL of the non-performing receivable at its maximum exposure to the Group as at reporting date. The Group uses a provision matrix to measure the lifetime ECL for trade receivables that are other than non-performing receivables. The Group considers historical loss experience for the respective customers, its transactions, and receipts with the Group during the financial year and estimates of the amount and timing of the collectability of respective customers. Trade receivables have been categorised for potential write-off when the counterparty fails to make contractual payments more than 365 days past due and expected the outstanding balances to be uncollectible. A loss allowance of RM209,000 (2024: RM1,897,000) (Note 13) for trade receivables have been recognised as at 31 March 2025.

Notes to the Financial Statements (Cont'd)

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

3.1 Critical accounting estimates and assumptions (Cont'd)

(a) *Expected credit losses on trade and other receivables (Cont'd)*

The Group generally measured the loss allowance of other receivables at an amount equal to 12-month ECL by taking into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the receivables in estimating the probability of default. When the credit quality deteriorates and the resulting credit risk of other receivables increase significantly since its initial recognition, the 12-month ECL would be replaced by lifetime ECL. A loss allowance of RM5,949,000 (2024: RM5,949,000) (Note 13) for other receivables have been recognised as at 31 March 2025.

The Group's credit risk exposure for trade and other receivables are set out in Note 31(b) to the financial statements. The carrying amounts of trade and other receivables at the balance sheet date is disclosed in Note 13 to the financial statements.

(b) *Valuation of inventories*

Inventories are measured at lower of cost and net realisable value. A review is made periodically and management applied judgement in determining the net realisable value of inventories by considering the following factors:

- slow-moving or obsolete as a result of a reduction in customer's demand
- destroyed or damaged inventories
- prevailing market conditions that would affect future demand and anticipated selling prices
- alternative use of the slow moving and obsolete inventories and the cost efficiency in conversion of these inventories to other products

The Group has assessed that no inventories is required to be written down or written off during the financial years ended 31 March 2025 and 2024.

The carrying amounts of inventories at the balance sheet date is disclosed in Note 14 to the financial statements.

(c) *Useful lives of plant and machinery*

The cost of plant and machinery are depreciated on a straight–line basis over their estimated useful lives which management estimates the useful lives of these assets to be within 5 to 10 years.

Changes in the expected level of usage and technological development could impact the economic useful lives of these assets; therefore, future depreciation charges could be revised. Management reviews the residual values and useful lives of plant and machinery at each balance sheet date in accordance with the accounting policies in Note 2.5 to the financial statements. The estimation of the residual values and useful lives involves significant judgements.

The carrying amounts of the Group's plant and machinery at the balance sheet date is disclosed in Note 17 to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

3.1 Critical accounting estimates and assumptions (Cont'd)

(d) Impairment of investment in subsidiary corporations

Investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. In determining the recoverable value, an estimate of expected future cash flows from each investment or CGU and an appropriate discount rate is required to be made. An impairment exists when the carrying amount of an investment or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use.

Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the investment or CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Actual results may ultimately differ from the estimates and key assumptions utilised in the calculations. Accordingly, there may be material adjustments to the carrying amounts.

The carrying amount of the Company's investments in subsidiary corporations at balance sheet date is disclosed in Note 20 to the financial statements.

3.2 Critical judgements in applying the entity's accounting policies

Deferred income taxes

The Group recognises deferred income tax assets on carried forward capital allowances and reinvestment allowances to the extent there are sufficient estimated future taxable profits and/or taxable temporary differences against which these allowances can be utilised and that the Group is able to satisfy the continuing ownership test. Significant management judgement is required in determining the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

If the tax authority regards the group entities is not satisfying and/or meeting certain statutory requirements in their respective countries of incorporation, the deferred income tax asset will have to be written off as income tax expense and unrecognised tax losses will be forfeited.

The total carrying amount of recognised capital allowances, reinvestment allowances and other temporary differences of the Group and the unrecognised tax losses, capital allowances and reinvestment allowances of the Group at balance sheet date is disclosed in Note 25 to the financial statements.

Notes to the Financial Statements (Cont'd)

4. REVENUE

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following revenue streams:

	Sales of goods	Revenue from services	
	At a point in time RM'000	Overtime RM'000	Total RM'000
2025			
OEM contract manufacturing	30,595	4,529	35,124
Kitchen appliances, equipment and related services	32,931	–	32,931
Cleanroom and laboratories	834	13,388	14,222
	64,360	17,917	82,277
2024			
OEM contract manufacturing	27,612	5,721	33,333
Kitchen appliances, equipment and related services	37,355	–	37,355
Cleanroom and laboratories	1,647	18,083	19,730
	66,614	23,804	90,418

5. OTHER INCOME - OTHERS

	Group	
	2025 RM'000	2024 RM'000
Rental income		
- Investment properties (Note 19)	96	92
- Property, plant and equipment	862	593
Insurance claim	–	415
Others	22	177
	980	1,277

6. OTHER GAINS AND LOSSES, NET – OTHERS

	Group	
	2025 RM'000	2024 RM'000
Currency exchange loss – net	(58)	(129)
(Loss)/Gain on disposal of property, plant and equipment	(369)	145
Gain on disposal of associated companies (Note 21)	16,008	–
Gain on disposal of a subsidiary corporation	121	–
Fair value loss on financial asset, at FVPL (Note 16)	(1,693)	–
	14,009	16

Notes to the Financial Statements (Cont'd)

7. EXPENSES BY NATURE

	Group	
	2025 RM'000	2024 RM'000
Changes in inventories	(476)	727
Commission	115	73
Depreciation of property, plant and equipment (Note 17)	3,374	3,402
Depreciation of investment properties (Note 19)	59	59
Directors' fees	199	235
Employee compensation (Note 8)	15,273	14,672
Exhibitions	121	69
Fees on audit services paid/payable to:		
- Auditor of the Company	226	226
- Other auditors	197	238
Freight and forwarding	242	282
Fuel and gas	980	798
Insurance	632	661
Professional fees	1,059	1,069
Purchases of inventories	44,050	53,300
Rental expense – short-term and low value leases	960	1,174
Subcontractors' cost	6,378	5,370
Travelling and transportation	1,383	1,186
Upkeep, repair and maintenance	1,954	1,918
Utilities	1,427	1,343
Others	1,611	1,629
Total cost of sales, selling and distribution, and administrative expenses	79,764	88,431

8. EMPLOYEE COMPENSATION

	Group	
	2025 RM'000	2024 RM'000
Salaries, wages and bonuses	13,732	12,965
Employer's contribution to defined contribution plans	808	738
Other short-term benefits	733	969
	15,273	14,672

Notes to the Financial Statements (Cont'd)

9. FINANCE EXPENSES

	Group 2025 RM'000	Group 2024 RM'000
Interest expense		
- Bank overdraft	786	710
- Bank loans	1,286	1,350
- Bills payable	1,080	1,090
- Lease liabilities (Note 18(c))	445	468
	3,597	3,618

10. INCOME TAX EXPENSE

	Group 2025 RM'000	Group 2024 RM'000
Tax expense attributable to profit is made up of:		
Profit for the financial year:		
- Current income tax - Malaysia	392	274
(Over)/under provision in prior financial years:		
- Current income tax	(15)	193
	377	467

The income tax expense on the Group's profit before income tax differs from the theoretical amount that would arise using the Malaysia standard rate of income tax is as follows:

	Group 2025 RM'000	Group 2024 RM'000
Profit before income tax	11,497	868
Share of loss/(profit) of associated companies, net of tax	2,575	(607)
Profit before income tax and share of loss/(profit) of associated companies	14,072	261
Tax calculated at Malaysia income tax rate of 24% (2024: 24%)	3,377	63
Effects of:		
- Different tax rates in other countries	(1,273)	111
- Expenses not deductible for tax purposes	106	1,378
- Income not subject to tax	(2,846)	(1,012)
- Tax incentives	–	(110)
- Utilisation of previously unrecognised tax losses and allowances	(238)	(320)
- Deferred tax assets not recognised	1,266	164
- (Over)/under provision of tax in prior financial years	(15)	193
Tax expense	377	467

Notes to the Financial Statements (Cont'd)

11. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares during the current and prior financial year.

	2025	2024
Net profit attributable to equity holders of the Company (RM'000)	11,111	377
Weighted average number of ordinary shares outstanding for basic profit per share ('000)	105,391	105,391
Basic and diluted earnings per share (RM cents per share)	10.54	0.36

12. CASH AND BANK BALANCES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash at bank and on hand	15,364	6,250	107	67
Short-term bank deposits	1,199	1,166	–	–
	16,563	7,416	107	67

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2025 RM'000	2024 RM'000
Cash and bank balances (as above)	16,563	7,416
Less: Short-term bank deposits pledged	(1,199)	(1,166)
Bank overdrafts (Note 23)	(10,235)	(10,513)
Cash and cash equivalents per consolidated statement of cash flows	5,129	(4,263)

Short-term bank deposits are pledged in relation to the security granted for certain borrowings (Note 23(a)) to the financial statements.

Notes to the Financial Statements (Cont'd)

13. TRADE AND OTHER RECEIVABLES

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Trade receivables – non-related parties	26,655	24,136	–	–
Less: Loss allowance - non-related parties (Note 31(b))	(209)	(1,897)	–	–
Trade receivables - net	26,446	22,239	–	–
Other receivables				
- Non-related parties	7,291	6,738	5,949	5,949
- Then-associated company	–	137	–	–
- Subsidiary corporations	–	–	29,326	12,768
	7,291	6,875	35,275	18,717
Less: Loss allowance - non-related parties (Note 31(b))	(5,949)	(5,949)	(5,949)	(5,949)
Other receivables - net	1,342	926	29,326	12,768
	27,788	23,165	29,326	12,768

The non-trade amounts due from then-associated company and subsidiary corporations are unsecured, interest-free and repayable on demand.

14. INVENTORIES

	Group 2025 RM'000	Group 2024 RM'000
Raw materials	2,634	2,302
Work-in-progress	3,239	2,849
Finished goods	3,532	4,164
	9,405	9,315

The cost of inventories recognised as an expense and included in "cost of sales" amounted to RM43,574,000 (2024: RM54,027,000).

15. OTHER CURRENT ASSETS

	Group	
	2025	2024
	RM'000	RM'000
Deposits	1,790	2,032
Prepayments	6,752	5,941
	8,542	7,973

16. OTHER INVESTMENT

	Group	
	2025	2024
	RM'000	RM'000
Financial asset, at FVPL		
Beginning of financial year	–	–
Additions	6,618	–
Fair value losses (Note 6)	(1,693)	–
End of financial year	4,925	–

	Group	
	2025	2024
	RM'000	RM'000
Current		
Listed securities:		
- Equity securities - Malaysia	4,925	–

The instrument above is measured at fair value through profit or loss and classified as current assets based on its nature.

Notes to the Financial Statements (Cont'd)

17. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Leasehold land and buildings RM'000	Plant and machinery RM'000	Renovation and signboard RM'000	Motor vehicles RM'000	Computer, office equipment, fixtures, furniture and fittings RM'000	Construction work-in-progress RM'000	Total RM'000
Group								
2025								
Cost								
Beginning of financial year	5,318	24,302	29,220	4,408	3,883	2,407	1,428	70,966
Additions	–	751	6,562	566	144	424	966	9,413
Written off	–	(30)	(353)	–	–	–	–	(383)
Disposals	–	–	(3,936)	–	–	–	–	(3,936)
End of financial year	5,318	25,023	31,493	4,974	4,027	2,831	2,394	76,060
Accumulated depreciation								
Beginning of financial year	–	5,312	19,873	2,503	2,558	1,944	–	32,190
Depreciation charge (Note 7)	–	753	1,621	437	373	190	–	3,374
Written off	–	(30)	(353)	–	–	–	–	(383)
Disposals	–	–	(2,557)	–	–	–	–	(2,557)
End of financial year	–	6,035	18,584	2,940	2,931	2,134	–	32,624
Net book value								
End of financial year	5,318	18,988	12,909	2,034	1,096	697	2,394	43,436

Notes to the Financial Statements (Cont'd)

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

	Freehold land RM'000	Leasehold land and buildings RM'000	Plant and machinery RM'000	Renovation and signboard RM'000	Motor vehicles RM'000	Computer, office equipment, fixtures, furniture and fittings RM'000	Construction work-in-progress RM'000	Total RM'000
Group								
2024								
Cost								
Beginning of financial year	7,414	25,364	30,577	5,513	3,771	2,763	–	75,402
Additions	–	133	98	27	406	74	1,428	2,166
Reclassified to investment properties (Note 19)*	(2,096)	–	–	–	–	–	–	(2,096)
Written off	–	(1,195)	(213)	(1,132)	–	(430)	–	(2,970)
Disposals	–	–	(1,242)	–	(294)	–	–	(1,536)
End of financial year	5,318	24,302	29,220	4,408	3,883	2,407	1,428	70,966
Accumulated depreciation								
Beginning of financial year	–	5,711	18,993	3,265	2,429	2,165	–	32,563
Depreciation charge (Note 7)	–	796	1,693	370	334	209	–	3,402
Written off	–	(1,195)	(213)	(1,132)	–	(430)	–	(2,970)
Disposals	–	–	(600)	–	(205)	–	–	(805)
End of financial year	–	5,312	19,873	2,503	2,558	1,944	–	32,190
Net book value								
End of financial year	5,318	18,990	9,347	1,905	1,325	463	1,428	38,776

* A freehold land has been reclassified to investment properties as the Group has ceased to use the freehold land as owner-occupied property.

Notes to the Financial Statements (Cont'd)

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

(a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 18(a) to the financial statements.

(b) Certain property, plant and equipment of the Group with carrying amounts of RM31,657,000 (2024: RM34,161,000), are provided as security for bank borrowings and bills payable (Note 23(a)) and lease liabilities (Note 24).

18. LEASES

Leases – The Group as a lessee

Nature of the Group's leasing activities

Leasehold land, buildings and renovation

The Group leases warehouses for storage and distribution needs.

Plant and machinery

The Group leases plant and machinery for manufacturing process and activities, which includes tools and implements used or installed with existing machineries due to wear and tear or improvements purposes and forklift used to carry inventories within the factory.

Motor vehicles

The Group leases commercial vehicles for delivery of goods or products to customers or collection of raw materials from supplier, and non-commercial vehicles for staff to carry out installation or servicing services on site or travel around to meet customers and suppliers.

Computer and office equipment

The Group leases computer equipment for its product designation work.

These leasehold land, buildings and renovation, plant and machinery, motor vehicles and computer and office equipment are recognised within Property, plant and equipment (Note 17).

The Group makes monthly lease payments for the assets above. There is no externally imposed covenant on these lease arrangements.

(a) Carrying amounts

Right-of-use assets ("ROU assets") classified within Property, plant and equipment

	Group	
	2025	**2024**
	RM'000	**RM'000**
Leasehold land and buildings	577	147
Plant and machinery	5,916	8,214
Motor vehicles	1,073	1,325
Computer and office equipment	329	146
	7,895	9,832

18. LEASES (CONT'D)

Leases – The Group as a lessee (Cont'd)

(b) Depreciation charge during the financial year

	Group	
	2025 **RM'000**	**2024** **RM'000**
Leasehold land and buildings	321	269
Plant and machinery	1,124	1,247
Motor vehicles	372	334
Computer and office equipment	76	50
	1,893	1,900

(c) Interest expense

	Group	
	2025 **RM'000**	**2024** **RM'000**
Interest expense on lease liabilities (Note 9)	445	468

(d) Lease expense not capitalised in lease liabilities

	Group	
	2025 **RM'000**	**2024** **RM'000**
Lease expense – short-term leases	960	1,174

(e) Total cash outflow for all the leases during the financial year ended 31 March 2025 for the Group was RM4,084,000 (2024: RM5,225,000).

(f) Additions of ROU assets during the financial year ended 31 March 2025 for the Group were RM1,505,000 (2024: RM3,138,000). Included in the additions of ROU assets in financial year ended 31 March 2024, is an amount of RM2,655,000 acquired in the financial year ended 31 March 2023 and finance through hire purchase in the financial year ended 31 March 2024.

Leases – The Group as a lessor

Nature of the Group's leasing activities

The Group has leased out their owned investment properties, freehold land and leasehold land and buildings to related and non-related parties for monthly lease payments. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment properties are disclosed in Note 19 to the financial statements.

Notes to the Financial Statements (Cont'd)

18. LEASES (CONT'D)

Leases – The Group as a lessor (Cont'd)

Undiscounted lease payments from the operating leases to be received after the balance sheet date are as follows:

	Group 2025 RM'000	Group 2024 RM'000
Not later than one year	363	419
Between one and five years	60	152
	423	571

19. INVESTMENT PROPERTIES

	Freehold land RM'000	Leasehold land RM'000	Leasehold land and buildings RM'000	Total RM'000
Group				
2025				
Cost				
Beginning and end of financial year	2,096	3,690	903	6,689
Accumulated depreciation				
Beginning of financial year	–	795	353	1,148
Depreciation charge (Note 7)	–	46	13	59
End of financial year	–	841	366	1,207
Net book value				
End of financial year	2,096	2,849	537	5,482
2024				
Cost				
Beginning of financial year	–	3,690	903	4,593
Reclassified from property, plant and equipment (Note 17)	2,096	–	–	2,096
End of financial year	2,096	3,690	903	6,689
Accumulated depreciation				
Beginning of financial year	–	749	340	1,089
Depreciation charge (Note 7)	–	46	13	59
End of financial year	–	795	353	1,148
Net book value				
End of financial year	2,096	2,895	550	5,541

19. INVESTMENT PROPERTIES (CONT'D)

Investment properties are leased to related and non-related parties under operating leases (Note 18).

All investment properties are mortgaged to secure bank loans (Note 23(a)).

The following amounts are recognised in profit or loss:

	Group	
	2025 RM'000	2024 RM'000
Rental income (Note 5)	96	92
Direct operating expenses arising from:		
- Investment property that generated rental income	(21)	(21)
- Investment property that did not generate rental income	(47)	(50)

At the balance sheet date, the details of the Group's investment properties are as follows:

Location	Description	Existing use	Tenure	Unexpired term of lease 2025	Unexpired term of lease 2024
Lot 1861, Kawasan Perindustrian Kg Baru Balakong, 43300 Seri Kembangan, Selangor	Vacant land	Industrial	Leasehold land	48	49
Lot 1867, Kawasan Perindustrian Kg Baru Balakong, 43300 Seri Kembangan, Selangor	Vacant land	Industrial	Freehold land	–	–
No. 14 Jalan Kencana 30 Taman Kencana, 56100 Kuala Lumpur	Factory with 3-storey office	Commercial	Leasehold land and building	59	60

MSM Metal Industries Sdn Bhd ("MSM Metal"), a wholly-owned subsidiary of the Company, has entered into a deed of revocation with Plustech Engineering and Construction Sdn Bhd ("Plustech") on 17 March 2025 to terminate the Sale and Purchase Agreement for its properties located at Lot 1861, H.S.(M) 13710, Mukim Cheras, 43200 Cheras, Selangor ("Lot 1861") and Lot 1867, Kawasan Perindustrian Kg Baru Balakong, 43300 Seri Kembangan, Selangor.

At the same date, MSM Metal has entered into a Construction Agreement with Plustech for the construction of two (2) units of factory on Lot 1861 for a total consideration of approximately RM15.0 million (Note 28(a)). Concurrently, MSM Metal also entered into a sale and purchase agreement with Pusat Pakaian Hari-Hari Sdn. Bhd. ("Hari-Hari") for the sale of one (1) unit of factory together with the land on which it is built for a consideration of RM18.0 million. For further information, please refer to the Group's announcement dated 17 March 2025.

At the balance sheet date, management's estimation of the fair value of the investment properties is approximately RM27.2 million (2024: RM25.7 million). The fair values of the Company's properties have been generally derived using the sales comparison approach which is categorised under Level 3 of the fair value hierarchy. Market values of the subject properties are assessed having regard to sales prices of comparable properties in close proximity and adjusted for differences in key attributes such as property size and location. The most significant input in this valuation approach is the reference to market evidence of selling price per square meter.

Notes to the Financial Statements (Cont'd)

20. INVESTMENTS IN SUBSIDIARY CORPORATIONS

	Company 2025 RM'000	Company 2024 RM'000
Equity investment at cost:		
Beginning and end of financial year	19,654	19,654

The Group had the following subsidiary corporations as at 31 March 2025 and 2024:

Name of subsidiary corporations	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group 2025 %	Proportion of ordinary shares held by the Group 2024 %	Proportion of ordinary shares held by non-controlling interests 2025 %	Proportion of ordinary shares held by non-controlling interests 2024 %
<u>Held by the Company</u>						
MSM Metal Industries Sdn. Bhd.[1]	Contract manufacturing of all metal products	Malaysia	100	100	–	–
MSM Equipment Manufacturer Sdn. Bhd.[1]	Contract manufacturing of kitchen equipment and sale of standard kitchen equipment	Malaysia	100	100	–	–
MSM Kitchen Sdn. Bhd.[1]	Sale and servicing of standard kitchen equipment products	Malaysia	100	100	–	–
Toyomi Engineering Sdn. Bhd.[1]	Sale and servicing of metal parts and kitchen equipment, and design consultancy and installation works	Malaysia	100	100	–	–
FIC Kitchen Technology Sdn. Bhd.[1]	Manufacturing, sale and servicing of refrigeration appliances	Malaysia	100	100	–	–
OMS Technology Sdn. Bhd.[1]	Design, consultancy and installation works for cleanrooms and laboratories	Malaysia	100	100	–	–

Notes to the Financial Statements (Cont'd)

20. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

The Group had the following subsidiary corporations as at 31 March 2025 and 2024: (Cont'd)

Name of subsidiary corporations	Principal activities	Country of business/ incorporation	Proportion of ordinary shares held by the Group		Proportion of ordinary shares held by non-controlling interests	
			2025 %	2024 %	2025 %	2024 %
Held by the Company (Cont'd)						
Flexacon Automation System Sdn. Bhd.[1]	Trading, design and supply of machine, conveyor system	Malaysia	51	51	49	49
MSM Metal (S) Pte. Ltd.[2]	Trading and servicing of metal parts and kitchen equipment	Singapore	100	100	–	–
Held by MSM Equipment Manufacturer Sdn. Bhd.						
PT. Mulia Sinergi Metalindo	Sale and service of metal parts, kitchen equipment	Indonesia	– [3]	100	–	–
MSM R Kitchen Sdn. Bhd.[1]	Trading and servicing of metal parts and kitchen equipment	Malaysia	100	100	–	–

(1) Audited by Nexia SSY PLT, Malaysia, a member firm of Nexia International.
(2) Audited by CLA Global TS Public Accounting Corporation, Singapore, a member firm of CLA Global Limited.
(3) Audited by KAP Kanaka Puradiredja, Indonesia, a member firm of Nexia International. On 16 August 2024, the Company announced the wholly-owned subsidiary corporation, MSM Equipment Manufacturer Sdn. Bhd. has disposed 100% of the issued share capital in PT Mulia Sinergi Metalindo for a cash consideration of RM600,000. The disposal has been completed and legal title of PT Mulia has been transferred to the Purchaser on 30 August 2024. The investment cost of RM375,000 has been impaired by RM374,999 in financial year ended 31 March 2019 and remain with carrying amount of RM1, now written-off.
(4) In accordance to Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiary corporations would not compromise the standard and effectiveness of the audit of the Company.

Carrying value of non-controlling interests

	Group	
	2025 RM'000	2024 RM'000
Flexacon Automation System Sdn. Bhd.	1,008	999

Notes to the Financial Statements (Cont'd)

20. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

Summarised financial information of subsidiary corporation with material non-controlling interests

Set out below are the summarised financial information for subsidiary corporation that has non-controlling interests that are material to the Group. These are presented before the intercompany elimination.

Summarised balance sheet

	Flexacon Automation System Sdn. Bhd.	
	2025	2024
	RM'000	RM'000
Current		
Assets	3,254	2,822
Liabilities	(2,425)	(1,684)
Total current net assets	829	1,138
Non-current		
Assets	3,987	3,884
Liabilities	(2,762)	(2,986)
Total non-current net assets	1,225	898
Net assets	2,054	2,036

Summarised statement of comprehensive income

	Flexacon Automation System Sdn. Bhd.	
	2025	2024
	RM'000	RM'000
Revenue	5,493	6,421
Profit before income tax	37	61
Income tax expense	(19)	(13)
Net profit representing total comprehensive income	18	48
Total comprehensive income allocated to non-controlling interests	9	24
Dividends paid to non-controlling interests	–	–

Notes to the Financial Statements (Cont'd)

20. INVESTMENTS IN SUBSIDIARY CORPORATIONS (CONT'D)

Summarised financial information of subsidiary corporation with material non-controlling interests (Cont'd)

Summarised cash flows

	Flexacon Automation System Sdn. Bhd. 2025 RM'000	2024 RM'000
Cash flows from operating activities		
Cash generated from operations	838	697
Income tax paid	(44)	(78)
Net cash provided by operating activities	794	619
Net cash (used in)/provided by investing activities	(231)	11
Net cash used in financing activities	(352)	(321)
Net increase in cash and cash equivalents	211	309
Cash and cash equivalents at beginning of financial year	1,158	849
Cash and cash equivalents at end of financial year	1,369	1,158

21. INVESTMENTS IN ASSOCIATED COMPANIES

	Group 2025 RM'000	2024 RM'000
Beginning of financial year	14,429	13,822
Add: Share of profit of associated companies	(2,575)	607
Less: Disposals of associated companies	(11,854)	–
End of financial year	–	14,429

	Company 2025 RM'000	2024 RM'000
Equity investment at cost:		
Beginning of financial year	5,056	5,056
Less: Disposals during the financial year	(5,056)	–
End of financial year	–	5,056

On 14 November 2024, the Company announced the disposal of 21% of its shareholding interests in Cosmos Technology International Berhad ("Cosmos") for an aggregate consideration of RM21,244,000. The disposal has been fully completed on 15 January 2025. Following the completion of the disposals, the Company currently holds approximately 6% shareholding interests in Cosmos. The remaining 6% shareholdings which is equivalent to 15,390,078 shares at fair value of RM6,618,000 is reclassified as Other investment under financial asset at fair value through profit or loss (Note 16).

Notes to the Financial Statements (Cont'd)

21. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

Set out below are the associated companies which are material to the Group:

Name of associated company	Principal activities	Country of business/ incorporation	% of ownership interest 2025 %	2024 %
Held by the Company				
Cosmos Technology International Berhad [1][2]	Investment holding	Malaysia	–	27
Held by Cosmos Technology International Berhad				
Cosmos Instruments Sdn. Bhd. [1][2]	Supply of industrial automation and control instruments	Malaysia	–	100
MCI Etech Sdn. Bhd. [1][2][3]	Metal engineering work for oil and gas and environmental related industries	Malaysia	–	100

[1] The financial year end of the associated company is 30 April
[2] Audited by Nexia SSY PLT, Malaysia, a member firm of Nexia International
[3] On 31 October 2024, Cosmos had entered into a conditional share sale agreement ("SSA") to dispose 100.0% equity interest in MCI Etech Sdn. Bhd. ("MCI") and the transaction was completed on 31 December 2024.

Summarised financial information for associated companies

Summarised balance sheet

	Cosmos Technology International Berhad and its subsidiary corporations 2025 RM'000	2024 RM'000
Current		
Assets	–	44,031
Liabilities	–	(10,526)
Total current net assets	–	33,505
Non-current		
Assets	–	23,269
Liabilities	–	(3,725)
Total non-current net assets	–	19,544
Net assets	–	53,049

Notes to the Financial Statements (Cont'd)

21. INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

Summarised financial information for associated companies (Cont'd)

Summarised statement of comprehensive income

	Cosmos Technology International Berhad and its subsidiary corporations	
	2025	**2024**
	RM'000	**RM'000**
Revenue	11,628	35,812
Profit before income tax	3,317	3,260
Income tax expense	(641)	(965)
Profit from continuing operations	2,676	2,295
Loss from discontinued operations	(12,214)	–
Net (loss)/profit	(9,538)	2,295
Total comprehensive (loss)/income	(9,538)	2,295
Share of (loss)/profit of associated companies	(2,575)	607

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in associated companies, is as follows:

	Cosmos Technology International Berhad and its subsidiary corporations	
	2025	**2024**
	RM'000	**RM'000**
Net assets as at 30 April	–	53,049
Carrying amount as at 31 March		
Beginning of financial year	14,429	13,822
Add: Share of (loss)/profit of associated companies	(2,575)	607
Less: Disposals during the financial year	(11,854)	–
End of financial year	–	14,429
Group's equity interest	–	27%

Notes to the Financial Statements (Cont'd)

22. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables				
- Non-related parties	10,408	9,276	–	–
Other payables				
- Non-related parties	1,523	1,008	215	104
- Subsidiary corporations	–	–	3,461	5,455
- Then-associated company	–	129	–	–
Accruals for operating expenses	4,270	3,710	239	244
Deposits received	766	480	–	–
	16,967	14,603	3,915	5,803

The non-trade amounts due to subsidiary corporations and then-associated company are unsecured, interest-free and repayable on demand.

23. BORROWINGS

	Group	
	2025 RM'000	2024 RM'000
Current		
Bank overdrafts (Note 12)	10,235	10,513
Bank loans	2,859	2,732
Bills payable	17,341	17,984
	30,435	31,229
Non-current		
Bank loans	18,946	20,971
Total borrowings	49,381	52,200

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group	
	2025 RM'000	2024 RM'000
6 months or less	48,768	51,126

23. BORROWINGS (CONT'D)

(a) Security granted

Bank overdrafts, bank loans and bills payable are secured by a legal mortgage over the Group's freehold land, leasehold land and buildings (Note 17), investment properties (Note 19), short-term bank deposits of the Group (Note 12), corporate guarantee of the Company and certain personal guarantees of the directors.

(b) Loan covenants

Under the terms of a major non-current bank borrowings, which has a carrying amount of RM2,619,000 (2024: RM2,843,000), a subsidiary corporation of the Group is required to comply with the following financial covenants:

- the gearing ratio must be not exceeding 2.5 times; and
- total shareholder fund must not less than RM1.5 million

The subsidiary corporation of the Group has complied with these covenants throughout the reporting period.

(c) Fair value of non-current borrowings

	Group	
	2025	**2024**
	RM'000	**RM'000**
Bank loans	19,056	21,350

The fair values above are determined from the cash flow analyses, discounted at market borrowing rates of an equivalent instrument at the balance sheet date which the directors expect to be available to the Group as follows:

	Group	
	2025	**2024**
	%	**%**
Bank loans	4.7	4.7

The fair values are within Level 2 of the fair values hierarchy.

24. LEASE LIABILITIES

	Group	
	2025	**2024**
	RM'000	**RM'000**
Current	2,408	2,404
Non-current	4,218	5,291
	6,626	7,695

Security granted

Lease liabilities of RM6,037,000 (2024: RM7,545,000) of the Group are effectively secured over the leased plant and machinery, motor vehicles and computer and office equipment, as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the lease liabilities.

Notes to the Financial Statements (Cont'd)

25. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Deferred income tax assets	(141)	(36)
Deferred income tax liabilities	284	179
Net deferred tax liabilities - to be settled after one year	143	143

Movement in net deferred income tax account is as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Beginning of financial year	143	143
Tax charged to profit or loss (Note 10)	–	–
End of financial year	143	143

Deferred income tax assets are recognised for tax losses, capital allowances and reinvestment allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of RM15,726,000 (2024: RM16,175,000), capital allowances of RM4,668,000 (2024: RM2,918,000) and reinvestment allowances of RM15,856,000 (2024: RM13,466,000) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses, capital allowances and reinvestment allowances in their respective countries of incorporation. The tax losses and reinvestment allowances will expire between 2029 to 2035 and 2026 to 2033 respectively while the capital allowances have no expiry date.

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Deferred income tax assets

	Lease liabilities RM'000
2025	
Beginning of financial year	(36)
Credited to profit or loss	(105)
End of financial year	(141)
2024	
Beginning of financial year	(69)
Charged to profit or loss	33
End of financial year	(36)

Notes to the Financial Statements (Cont'd)

25. DEFERRED INCOME TAXES (CONT'D)

Deferred income tax liabilities

	Accelerated tax depreciation RM'000	ROU assets RM'000	Total RM'000
2025			
Beginning of financial year	143	36	179
Charged to profit or loss	3	102	105
End of financial year	146	138	284
2024			
Beginning of financial year	144	68	212
Credited to profit or loss	(1)	(32)	(33)
End of financial year	143	36	179

No deferred tax liabilities have been recognised for withholding taxes that would be payable on unremitted earnings of the Group's subsidiary corporations (established in Malaysia) as the Group is in the position to control the timing of the remittance of earning and it is not probable that these subsidiary corporations will distribute such earnings in the foreseeable future.

26. SHARE CAPITAL

	Group and Company			
	No. of ordinary shares			
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
Beginning and end of financial year	105,391	105,391	30,158	30,158

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The newly issued shares rank pari passu in all aspects with the previously issued shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Notes to the Financial Statements (Cont'd)

27. CONTINGENT LIABILITIES

(i) Corporate guarantee

	Company 2025 RM'000	Company 2024 RM'000
Corporate guarantees provided to banks on loans held by:		
- Subsidiary corporations	76,167	75,303

The Company has issued corporate guarantees to certain banks and financial institutions for credit facilities granted to the subsidiary corporations. The Company has evaluated the fair value of the corporate guarantees and is of the view that the consequential benefit derived from its guarantees to the banks and the fair value with regard to the subsidiary corporations is minimal. The subsidiary corporations have not defaulted in the payment of borrowings in the financial years ended 31 March 2025 and 2024. As at the balance sheet date, no claims on the corporate guarantees are expected.

(ii) Financial support to subsidiary corporations

The Company has given letters of financial support to certain subsidiary corporations in the Group with net current liabilities position at the balance sheet date to enable these subsidiary corporations to operate as going concern and to meet their liabilities as and when they fall due.

28. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements, are as follows:

	Group 2025 RM'000	Group 2024 RM'000
Construction in progress – staff accommodation	126	1,092
Construction works – Factories (Note 19)	15,000	23,500
	15,126	24,592

28. COMMITMENTS (CONT'D)

(b) Operating lease commitments – where the Group is a lessee

Except for short-term and low value leases, lease payments have been recognised as right-of-use assets and lease liabilities on the balance sheet date. The Group leases photocopiers and hostel premise from non-related parties under non-cancellable operating lease agreements. These leases are assessed to be short-term and low value leases.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Not later than one year	1,116	453
Between one and five years	321	24
	1,437	477

29. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services and other expenses

	Group	
	2025	**2024**
	RM'000	**RM'000**
Sales of goods to related parties	77	23
Rental expenses paid to directors	18	(35)
Rental income received from a related party	531	315
Purchases of material from related parties	(8)	(1)

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

Outstanding balances as at 31 March 2025, arising from sale/purchase of goods and services, are unsecured and receivable/payable within 12 months from balance sheet date and are disclosed in Notes 13 and 22 to the financial statements.

Notes to the Financial Statements (Cont'd)

29. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group 2025 RM'000	Group 2024 RM'000
Salaries, bonuses and allowances	2,148	2,012
Directors' fees	199	235
Employer's contribution to defined contribution plans	172	175
Other short-term benefits	576	531
	3,095	2,953

Included in the above is total compensation to directors of the Company amounting to RM1,839,000 (2024: RM1,719,000).

30. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. For each of the strategic business units, the Board of Directors (the chief operating decision maker) reviews internal management reports on at least half-annually.

The Board of Directors comprises two independent directors and three non-independent directors. The Board of Directors considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in four primary geographic areas: Malaysia, Singapore, Indonesia and United States of America. All geographic locations are engaged in the Original Equipment Manufacturer contract manufacturing ("OEM contract manufacturing"), kitchen appliances, equipment and related services and cleanroom and laboratories.

The Board of Directors has organised the business of the Group in three business segments as set out below:

- OEM contract manufacturing;
- Kitchen appliances, equipment and related services; and
- Cleanroom and laboratories.

Except as disclosed above, no operating segments have been aggregated to form the above reportable operating segments.

30. SEGMENT INFORMATION (CONT'D)

The segment information provided to the Board of Directors for the reportable segments is as follows:

	OEM contract manufacturing RM'000	Kitchen appliances, equipment and related services RM'000	Cleanroom and laboratories RM'000	Total RM'000
2025				
Sales				
Total segment sales	35,965	33,296	14,222	83,483
Inter-segment sales	(841)	(365)	–	(1,206)
Sales to external parties	35,124	32,931	14,222	82,277
Expenses				
Purchases of inventories (Note 7)	14,229	19,621	10,200	44,050
Employee compensation (Note 8)	8,878	5,018	1,377	15,273
Adjusted EBITDA	10,738	3,379	8,645	22,762
Depreciation of property, plant and equipment and right-of-use assets	2,142	1,105	127	3,374
Finance expense	2,573	923	101	3,597
2024				
Revenue				
Total segment sales	34,543	37,958	19,730	92,231
Inter-segment sales	(1,210)	(603)	–	(1,813)
Sales to external parties	33,333	37,355	19,730	90,418
Expenses				
Purchases of inventories (Note 7)	13,353	24,107	15,840	53,300
Employee compensation (Note 8)	8,402	4,967	1,303	14,672
Adjusted EBITDA	4,867	1,446	992	7,305
Depreciation of property, plant and equipment and right-of-use assets	2,289	1,031	82	3,402
Finance expense	2,548	933	137	3,618

As the amounts of total assets and liabilities for each reportable segment is not regularly provided to Board of Directors, such information is not presented in the financial statements.

The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated statement of comprehensive income.

Notes to the Financial Statements (Cont'd)

30. SEGMENT INFORMATION (CONT'D)

The Board of Directors assesses the performance of the operating segments based on measure of earnings before interest, tax, depreciation and amortisation, share of (loss)/profit of associated companies and fair value changes on financial asset, at FVPL ("adjusted EBITDA"). Interest income, depreciation of investment properties, share of (loss)/profit of associated companies and fair value changes on financial asset, at FVPL are not allocated to segments, as this type of activity is driven by the Chief Executive Officer (CEO) and Financial Controller (FC), who manage the cash position of the Group.

A reconciliation of adjusted EBITDA to profit before income tax is provided as follows:

	Group	
	2025 RM'000	2024 RM'000
Adjusted EBITDA for reportable segments	22,762	7,305
Depreciation of property, plant and equipment	(3,374)	(3,402)
Depreciation of investment properties	(59)	(59)
Finance expense	(3,597)	(3,618)
Interest income	33	35
Share of (loss)/profit of associated companies	(2,575)	607
Fair value loss on financial asset, at FVPL	(1,693)	–
Profit before income tax	11,497	868

Geographical information

The Group's three business segments are headquartered and operated mainly in Malaysia. The operations in this area are principally in the manufacturing and sales of OEM contract manufacturing products, cleanroom and laboratories and kitchen appliances, equipment and related services.

In Singapore, the major operations is OEM contract manufacturing and kitchen appliances, equipment and related services. In Indonesia, the major operation is kitchen appliances, equipment and related services and minor operation in OEM contract manufacturing.

In other countries, the operations include the sale of OEM contract manufacturing products in Vietnam, United States of America, New Zealand and China whereas the sale of kitchen appliances and equipment in Thailand, Australia and China and the sale of cleanroom and laboratories in Philippines.

	Group	
	2025 RM'000	2024 RM'000
Revenue		
Malaysia	79,012	85,508
Singapore	2,440	1,938
Indonesia	105	1,593
Other countries	720	1,379
	82,277	90,418
Non-current assets [(1)]		
Malaysia	48,918	44,317

(1) Non-current assets exclude investments in associated companies.

31. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board of Directors then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies.

The overall business strategies of the Group, its tolerance for risk and its general risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions. In determining its risk management policies, the management ensures that an acceptable balance is made between the cost of risks occurring and the cost of managing the risks.

(a) Market risk

(i) Currency risk

The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below:

The Group mainly operates in Malaysia. Entities in the Group transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises when transactions are denominated in foreign currencies such as United States Dollar ("USD"), Singapore Dollar ("SGD"), Euro ("EUR"), Renminbi ("RMB") and Indonesia Rupiah ("IDR"). As the transactions in foreign currencies are minimal, the Group manages the foreign exchange exposure arising from future commercial transactions and recognised assets and liabilities by a policy of matching, as far as possible, receipts and payments in each individual currency.

The Company does not have any significant exposure to currency risk as the transactions in foreign currencies are minimal.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) *Currency risk (Cont'd)*

The Group's currency exposure based on the information provided to key management is as follows:

	RM	USD	SGD	EUR	RMB	IDR	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025							
Financial assets							
Cash and bank balances	16,395	75	81	4	7	1	16,563
Trade and other receivables	27,472	40	254	22	–	–	27,788
Other current assets	1,790	–	–	–	–	–	1,790
Other investment	4,925	–	–	–	–	–	4,925
Inter-companies receivables	2,888	–	–	–	–	–	2,888
	53,470	115	335	26	7	1	53,954
Financial liabilities							
Trade and other payables	15,117	525	–	–	559	–	16,201
Borrowings	49,381	–	–	–	–	–	49,381
Lease liabilities	6,626	–	–	–	–	–	6,626
Inter-companies payables	2,888	–	–	–	–	–	2,888
	74,012	525	–	–	559	–	75,096
Net financial (liabilities)/assets	(20,542)	(410)	335	26	(552)	1	(21,142)
Less: Net financial liabilities denominated in the respective entities' functional currencies	20,542	–	–	–	–	–	20,542
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	–	(410)	335	26	(552)	1	(600)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

The Group's currency exposure based on the information provided to key management is as follows: (Cont'd)

	RM	USD	SGD	EUR	IDR	Total
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2024						
Financial assets						
Cash and bank balances	7,068	107	165	4	72	7,416
Trade and other receivables	22,000	356	204	–	605	23,165
Other current assets	2,030	–	–	–	2	2,032
Inter-companies receivables	3,825	–	–	–	–	3,825
	34,923	463	369	4	679	36,438
Financial liabilities						
Trade and other payables	13,483	–	–	7	633	14,123
Borrowings	52,200	–	–	–	–	52,200
Lease liabilities	7,695	–	–	–	–	7,695
Inter-companies payables	3,825	–	–	–	–	3,825
	77,203	–	–	7	633	77,843
Net financial (liabilities)/assets	(42,280)	463	369	(3)	46	(41,405)
Less: Net financial liabilities denominated in the respective entities' functional currencies	42,280	–	–	–	–	42,280
Currency exposure of financial assets/ (liabilities) net of those denominated in the respective entities' functional currencies	–	463	369	(3)	46	875

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(i) Currency risk (Cont'd)

If the USD, SGD, EUR, RMB and IDR change against the RM by 5% (2024: 5%) respectively, with all other variables including tax rate being held constant, the effects arising from net financial liabilities/assets position will be as follows:

	Increase/(Decrease)			
	2025		2024	
	Net profit RM'000	**Equity RM'000**	**Net profit RM'000**	**Equity RM'000**
USD against RM				
- strengthened	(16)	(16)	18	18
- weakened	16	16	(18)	(18)
SGD against RM				
- strengthened	13	13	14	14
- weakened	(13)	(13)	(14)	(14)
EUR against RM				
- strengthened	1	1	*	*
- weakened	(1)	(1)	*	*
RMB against RM				
- strengthened	(21)	(21)	NA	NA
- weakened	21	21	NA	NA
IDR against RM				
- strengthened	*	*	2	2
- weakened	*	*	(2)	(2)

* Less than RM1,000
NA = Not Applicable

(ii) Price risk

The Group is exposed to equity securities price risk arising from the investment held by the Group which are classified as financial asset, at FVPL where this security is listed in Malaysia. To manage its price risk arising from investment in equity security, the Group does not plan to increase further investment in the securities and will monitor the share price from time to time.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (Cont'd)

(ii) Price risk (Cont'd)

If prices for equity securities listed in Malaysia had changed by 5% (2024: Nil) with all other variables including tax rate being held constant, the effects on net profit and equity will be as follow:

	Increase/(Decrease)			
	2025		2024	
	Net profit RM'000	Equity RM'000	Net profit RM'000	Equity RM'000
Listed in Malaysia				
- strengthened	187	187	–	–
- weakened	(187)	(187)	–	–

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's interest rate risk mainly arises from bank borrowings at variable interest rates. The Group is not exposed to changes in interest rates for fixed rate financial assets and financial liabilities. The Group manages its interest rate risk by keeping bank borrowings to the minimum required to sustain the operations of the Group.

The Group's borrowings at variable rates are denominated in RM. If the RM interest rate increase/decrease by 1% (2024: 1%) with all other variables including tax rates being held constant, the net profit and equity will be lower/higher by RM371,000 (2024: RM389,000).

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group and arises principally from the Group's receivables from customers. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history; and
- High credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet, except for corporate guarantees provided to banks on loans held by subsidiary corporations as disclosed in Note 27(i) to the financial statements.

The Group assesses concentration of credit risk by monitoring the individual profile of its trade receivables on an ongoing basis. As at 31 March 2025, the Group has concentrated credit risk on 1 debtor (2024: 2 debtors) that individually constituted 10% (2024: 13%) of total trade receivables.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

Trade receivables

The Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime expected credit loss ("ECL") to be recognised from initial recognition of the receivables.

The management made debtor specific assessment for credit impaired debtors. Debtors that are individually determined to be credit impaired ("non-performing receivables") at the financial year end relate to debtors who are in significant financial difficulties, default on payments more than 365 days, and/or legal enforcement action undertaken by the Group. In such instances, management measured the ECL of the non-performing receivable at its maximum exposure to the Group as at reporting date.

The Group uses a provision matrix to measure the lifetime ECL for trade receivables that are other than non-performing receivables. In calculating the ECL rates, the Group considers historical loss rates for each category of customers and adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of customers to settle the receivables. The Group also considers respective customers' transactions and receipts with the Group during the financial year and estimates of the amount and timing of the collectability of respective customers.

Trade receivables are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises trade receivables for potential write-off when the counterparty fails to make contractual payments more than 365 days past due. Where receivables are written-off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The movements in credit loss allowance are as follows:

	Group	
	2025	**2024**
	RM'000	**RM'000**
Beginning of financial year	1,897	2,461
(Reversal of loss allowance)/loss allowance recognised in profit or loss during the financial year on:		
- Loss allowance made	–	213
- Reversal of unutilised loss allowance	(134)	(777)
	(134)	(564)
Derecognition arising from disposal of a subsidiary corporation	(235)	–
Receivables written off as uncollectible	(1,319)	–
End of financial year (Note 13)	209	1,897

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

Trade receivables (Cont'd)

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2025 and 2024 are set out in the provision matrix as follows:

		Past due				
	Current RM'000	Within 30 to 120 days RM'000	121 to 150 days RM'000	151 to 365 days RM'000	More than 365 days RM'000	Total RM'000
2025						
OEM contract manufacturing						
Trade receivables	2,660	5,692	1,655	3,559	632	14,198
Loss allowance	–	–	–	–	19	19
Kitchen appliances, equipment and related services						
Trade receivables	1,516	5,069	317	786	307	7,995
Loss allowance	–	–	–	–	170	170
Cleanroom and laboratories						
Trade receivables	3,101	1,061	96	76	128	4,462
Loss allowance	–	–	–	–	20	20
2024						
OEM contract manufacturing						
Trade receivables	4,130	4,776	1,088	2,207	19	12,220
Loss allowance	–	–	–	–	19	19
Kitchen appliances, equipment and related services						
Trade receivables	1,952	3,067	349	1,832	1,944	9,144
Loss allowance	–	–	–	–	1,858	1,858
Cleanroom and laboratories						
Trade receivables	1,713	588	107	19	345	2,772
Loss allowance	–	–	–	–	20	20

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (Cont'd)

Trade receivables (Cont'd)

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group	
	2025 RM'000	2024 RM'000
By geographical areas		
Malaysia	26,131	21,680
Indonesia	22	119
Singapore	256	162
Australia	–	219
Other countries	37	59
	26,446	22,239

Other financial assets, at amortised cost

The Group's and the Company's other financial assets recognised at amortised cost are mainly comprised of cash and cash equivalents and other receivables, i.e. non-trade amounts due from non-related parties, subsidiary corporations and then-associated companies and deposits.

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to these receivables in estimating the probability of default of each of these other financial assets.

For the purpose of impairment assessment, loss allowance is generally measured at an amount equal to 12-month ECL as there is low risk of default and strong capability to meet contractual cash flows. When the credit quality deteriorates and the resulting credit risk of other financial assets increase significantly since its initial recognition, the 12-month ECL would be replaced by lifetime ECL.

Other financial assets are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of other receivables to engage in a repayment plan with the Group or the Company, and a failure to make contractual payments.

As at reporting date, other receivables of the Group and the Company were not subject to any material credit losses except as disclosed below.

Credit loss allowance for other receivables:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Beginning and end of financial year (Note 13)	5,949	5,949	5,949	5,949

There is no movement in credit loss allowance for other receivables for the financial years ended 31 March 2025 and 2024.

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and having an adequate amount of committed credit facilities to enable it to meet its normal operating commitments. The Group's objective is to maintain a balance between continuing of funding and flexibility through the use of bank borrowings, bank overdrafts and lease liabilities. As at balance sheet date, assets held by the Group and the Company for managing liquidity risks included cash and short-term bank deposits as disclosed in Note 12 to the financial statements.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Over 5 years RM'000
Group				
2025				
Trade and other payables	16,201	–	–	–
Borrowings	31,495	3,497	7,399	13,742
Lease liabilities	2,713	2,075	2,317	148
	50,409	5,572	9,716	13,890
2024				
Trade and other payables	14,123	–	–	–
Borrowings	32,421	3,919	8,277	15,422
Lease liabilities	2,773	2,211	3,305	259
	49,317	6,130	11,582	15,681

	Less than 1 year RM'000	Between 1 and 2 years RM'000	Between 2 and 5 years RM'000	Over 5 years RM'000
Company				
2025				
Trade and other payables	3,915	–	–	–
Corporate guarantees	76,167	–	–	–
	80,082	–	–	–
2024				
Trade and other payables	5,803	–	–	–
Corporate guarantees	75,303	–	–	–
	81,106	–	–	–

Notes to the Financial Statements (Cont'd)

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio and compliance of external imposed capital requirements which were unchanged from 31 March 2024. Gearing ratio is calculated as total borrowings (including lease liabilities) secured over the leased plant and machinery, motor vehicles and computer and office equipment, divided by total net equity. Net equity is defined as total assets minus total liabilities.

The Group's policy is to maintain gearing ratio of not exceeding 2.5 times (2024: 2.5 times).

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total borrowings	56,007	59,895	–	–
Net equity	44,223	33,110	50,097	31,742
Gearing ratio (times)	1.27	1.81	–	–

The subsidiary corporations in Malaysia are subject to external imposed capital requirements for the financial years ended 31 March 2025 and 2024. The management of the subsidiary corporations' strategy is to maintain: (i) minimum debt service coverage ratio of 1.25 times (2024: 1.25 times) and (ii) gearing ratio between 1.0 time to 2.5 times (2024: 1.2 times to 2.5 times) in accordance with respective banking facilities agreements at all times.

In the prior financial year ended 31 March 2024, a subsidiary corporation did not meet certain financial covenants and received a Letter of Notification from the bank in December 2023, stating that the bank agreed to continue extending the banking facilities until the next review. During the financial year ended 31 March 2025, the subsidiary corporation received a Letter of Notification from the bank confirming the removal of the gearing ratio clause, and amended the clause on minimum tangible net worth.

The Group is in compliance with all externally imposed capital requirements. The Company is not subject to any externally imposed capital requirements for the financial years ended 31 March 2025 and 2024.

(e) Fair value measurements

The fair value of financial instrument traded in active market (financial asset, at FVPL) is based on quoted current bid prices at the balance sheet date. This instrument is included in Level 1 fair value measurement hierarchy.

There were no transfers between levels of fair value during the financial year.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

31. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet, except for the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial assets, at FVPL	4,925	–	4,925	–
Financial assets, at amortised cost	46,141	32,613	29,433	12,835
Financial liabilities, at amortised cost	72,208	74,018	3,915	5,803

32. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2025 and which the Group has not early adopted.

(a) **Amendments to SFRS(I) 1-21:** Lack of Exchangeability (effective for annual reporting periods beginning on or after 1 January 2025)

SFRS(I) 1-21 is amended to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, SFRS(I) 1-21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

(b) **Amendments to SFRS(I) 9 and SFRS(I) 7:** Amendments to the Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026)

SFRS(I) 9 and SFRS(I) 7 are amended to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- Clarify the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

- Update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

Notes to the Financial Statements (Cont'd)

32. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (CONT'D)

(c) **Amendments to SFRS(I) 18:** Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.

(d) **SFRS(I) 19:** Subsidiaries without Public Accountability: Disclosures (effective for annual reporting periods beginning on or after 1 January 2027)

- SFRS(I) 19 allows for certain eligible subsidiaries of parent entities that report under SFRS(I) Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other SFRS(I). An eligible subsidiary applies the requirements in other SFRS(I) except for the disclosure requirements; and it applies instead the reduced disclosure requirements in SFRS(I) 19.
- SFRS(I) 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
    - it does not have public accountability; and
    - it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with SFRS(I) Accounting Standards.

The Group does not expect this standard to have an impact on its operations or financial statements.

33. SUBSEQUENT EVENT

On 27 June 2025, the Company has obtained approval from shareholders at the Extraordinary General Meeting to diversify its business to include the property business. The Company also successfully obtained approval for the proposed disposal of a property, marking its first major transaction in the property business. In addition, the Company also undertake a share consolidation exercise, whereby every four (4) existing ordinary shares will be consolidated into one (1) ordinary share.

34. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of MSM International Limited on 7 July 2025.

Statistics of Shareholdings
As at 23 June 2025

ISSUED AND FULLY PAID-UP SHARES EXCLUDING TREASURY SHARES	:	105,391,186
NUMBER OF TREASURY SHARES AND SUBSIDIARY HOLDINGS HELD	:	NIL
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE VOTE PER SHARE

SUBSTANTIAL SHAREHOLDERS

	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
Triumphant Hope Sdn. Bhd.	76,955,933	73.02	–	–
Chan Kee Sieng	187,000	0.18	76,955,933	73.02
Chan Kit Moi	130,000	0.12	76,955,933	73.02

Notes:

Mr Chan Kee Sieng and Mr Chan Kit Moi are shareholders of Triumphant Hope Sdn. Bhd. ("**Triumphant Hope**") (each holding 50% of shares in the capital of Triumphant Hope and they are deemed to have an interest in the shares held by Triumphant Hope.

Shareholdings Held in the Hands of Public

Based on information available to the Company as at 23 June 2025, approximately 21.00% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Trading Limited is complied with.

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1-99	1	0.90	3	0.00
100-1,000	6	5.41	1,900	0.00
1,001-10,000	28	25.22	206,400	0.20
10,001-1,000,000	70	63.06	10,007,420	9.49
1,000,001 & ABOVE	6	5.41	95,175,463	90.31
TOTAL	**111**	**100.00**	**105,391,186**	**100.00**

Statistics of Shareholdings (Cont'd)

TWENTY LARGEST SHAREHOLDERS

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
TRIUMPHANT HOPE SDN. BHD.	76,955,933	73.02
CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	7,606,906	7.22
PHILLIP SECURITIES PTE LTD	3,965,003	3.76
CHAN WEN CHAU	2,785,186	2.64
LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	2,780,000	2.64
CHAN WEN YAW	1,082,435	1.03
CHAN WEN YEE	883,810	0.84
ONG SENG JOO	883,810	0.84
LEE KAY HUAN HOLDINGS PTE LTD	840,000	0.80
KOK SHAW TERK (GUO SHAODE)	764,000	0.72
CHOO KOK CHENG	700,000	0.66
LOW SEE WAN	631,200	0.60
UOB KAY HIAN PTE LTD	560,000	0.53
TAN SZE SENG	438,800	0.41
GERALD CHEW KIN MUN	400,000	0.38
NG SOON HOCK (HUANG SHUNFU)	399,300	0.38
EST OF CHUA KENG LOY, DEC'D	250,000	0.24
TAN LYE SENG	200,600	0.19
LIM TIONG KHENG STEVEN	200,000	0.19
LEW JIN AUN	198,000	0.19
TOTAL	**102,524,983**	**97.28**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("**AGM**") of the Company will be held at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 on **Friday, 25 July 2025 at 10.00 a.m.** for the purpose of transacting the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2025 together with the Directors' Statement and Independent Auditor's Report thereon. **Resolution 1**

2. To approve the Directors' fees of S$83,000 for the financial year ending 31 March 2026 (financial year ended 31 March 2025: S$83,000). **Resolution 2**

3. To re-elect Mr Chan Kee Sieng, a Director who is retiring pursuant to Article 107 of the Company's Constitution. **Resolution 3**
   (See Explanatory Note 1)

4. To re-elect Mr Chan Wen Chau, a Director who is retiring pursuant to Article 107 of the Company's Constitution. **Resolution 4**
   (See Explanatory Note 2)

5. To re-elect Mr Chin Chee Choon, a Director who is retiring pursuant to Article 117 of the Company's Constitution. **Resolution 5**
   (See Explanatory Note 3)

6. To re-appoint CLA Global TS Public Accounting Corporation as the Auditors of the Company and authorise the Directors to fix their remuneration. **Resolution 6**

7. To transact any other ordinary business which may be properly transacted at an AGM.

SPECIAL BUSINESS

To consider and, if thought fit, to approve the following Ordinary Resolution, with or without modifications:

8. **Authority to allot and issue shares** **Resolution 7**

   That pursuant to Section 161 of the Companies Act 1967 (the "**Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") ("**Catalist Rules**"), the Directors of the Company be authorised and empowered to:

   (I) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

   (II) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

Notice of Annual General Meeting (Cont'd)

provided that:

(a) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution), shall not exceed one hundred per cent (100%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (a) above, the percentage of the issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from the exercise of share options or vesting of share awards which are outstanding and/or subsisting at the time of the passing of this Resolution, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares;

Any adjustments made in accordance with sub-paragraphs (b)(i) or (b)(ii) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution.

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company; and

(d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

(See Explanatory Note 4)

By Order of the Board

Chan Kee Sieng
Executive Chairman
Singapore
10 July 2025

Notice of Annual General Meeting (Cont'd)

Explanatory Notes:

1. Ordinary Resolution 1 - Mr Chan Kee Sieng will, upon re-election as a Director of the Company, remain as the Executive Chairman of the Company. Detailed information on Mr Chan Kee Sieng can be found in the Annual Report 2025. Save as disclosed therein, there are no other relationships (including immediate family relationships) between Mr Chan Kee Sieng and the other Directors of the Company, the Company or its substantial shareholders.

2. Ordinary Resolution 2 - Mr Chan Wen Chau will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Executive Officer of the Company. Detailed information on Mr Chan Wen Chau can be found in the Annual Report 2025. Save as disclosed therein, there are no other relationships (including immediate family relationships) between Mr Chan Wen Chau and the other Directors of the Company, the Company or its substantial shareholders.

3. Ordinary Resolution 3 - Mr Chin Chee Choon will, upon re-election as a Director of the Company, remain as the Lead Independent Director as well as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. Mr Chin Chee Choon is considered by the Board to be independent for the purpose of Rule 704(7) of the Catalist Rules. Detailed information on Mr Chin Chee Choon can be found in the Annual Report 2025. There are no relationships (including immediate family relationships) between Mr Chin Chee Choon and the other Directors of the Company, the Company or its substantial shareholders.

4. Ordinary Resolution 7 above, is to authorise the Directors of the Company from the date of the forthcoming AGM until the next AGM of the Company to issue shares and convertible securities in the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares excluding treasury shares and subsidiary holdings of which the total number of shares issued other than on a pro-rata basis to existing shareholders shall not exceed 50% of the total number of issued shares excluding treasury shares and subsidiary holdings for such purposes as they consider would be in the interests of the Company. Rule 806(3) of the Catalist Rules currently provides for the percentage of the total number of issued shares excluding treasury shares and subsidiary holdings to be calculated on the basis of the total number of issued shares at the time that the Resolution is passed (taking into account the conversion or exercise of any convertible securities or employee share options at the time that the Resolution is passed, which were issued pursuant to previous shareholder approval), adjusted for any subsequent bonus issue, consolidation or subdivision of shares. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

Notes:

1. A printed copy of this notice of AGM (the "**Notice**") will be sent to the shareholders. Printed copy of the Company's annual report ("**AR**") will not be sent to shareholders, instead, it will be made available to shareholders by electronic means via publication on the Company's website at the URL http://www.msmmgroup.com/ and made available on the SGXNet at the URL https://www.sgx.com/securities/company-announcements. Shareholders have the right to elect whether to receive the AR in physical copy by completing the annual report print copy request form ("**Request Form**") sent together with the Notice. Please refer to and read the instructions set out in the Request Form carefully.

2. A proxy need not be a shareholder of the Company.

3. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:

   (a) if sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

   (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,

   in either case, by 10.00 a.m. on 23 July 2025 (being not less than forty-eight (48) hours before the time appointed for holding the AGM (or at any adjournment thereof)) and in default the instrument of proxy shall not be treated as valid.

Notice of Annual General Meeting (Cont'd)

Notes: (Cont'd)

4. For investors who hold shares through relevant intermediaries, including CPF and SRS investors, who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the AGM (ie. by 10.00 a.m. on 16 July 2025). CPF investors and/or SRS investors are requested to contact their respective CPF and/or SRS Operators for any queries they may have with regard to the appointment of the Chairman of the Meeting as proxy for the AGM.

5. Except for a shareholder who is a Relevant Intermediary as defined under Section 181(6) of the Act, a shareholder entitled to attend and vote at this AGM is entitled to appoint not more than two proxies to attend and vote in his stead.

6. Where a shareholder appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

7. A shareholder who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at this AGM, but each proxy must be appointed to exercise the rights attached to a different shares held by such shareholder. Where such shareholder appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

8. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

9. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

10. The appointment of a proxy(ies) shall not preclude a shareholder from attending, speaking and voting in person at the AGM. If a shareholder attends the AGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the AGM.

IMPORTANT INFORMATION

1. Attendance

The AGM is being convened and will be held physically ("**Physical Meeting**").

2. Voting

Voting on the resolutions tabled at the AGM will be by poll in accordance with the Constitution of the Company.

3. Submission of Questions in Advance

Shareholders may submit their questions in relation to the resolutions of the AGM by:

(a) email to: msm.agm@msmmgroup.com; or
(b) post to the registered office at 77 Robinson Road #06-03 Robinson 77 Singapore 068896.

When submitting questions by post or via email, shareholders should also provide the following details: (i) the shareholder's full name; (ii) the shareholder's email address; and (iii) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF/SRS and/or physical scrip), for verification purposes.

All questions must be submitted by 10.00 a.m. on 18 July 2025 ("**Cut-Off Time**").

Notice of Annual General Meeting (Cont'd)

IMPORTANT INFORMATION (CONT'D)

3. Submission of Questions in Advance (Cont'd)

The Company will endeavor to address all substantial and relevant questions received from shareholders by the Cut-Off Time and publish its response on the SGXNet at URL https://www.sgx.com/securities/company-announcements and at the Company's website at URL http://www.msmmgroup.com/ not later than 21 July 2025. Where substantial and relevant questions are unable to be answered prior to the AGM, the Company will address them at the AGM.

Verified shareholders and proxy(ies) attending the Physical Meeting will be able to ask questions in person at the AGM venue.

The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET and the Company's website and the minutes will include the responses to the questions referred to above.

Personal data privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representatives(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representatives(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representatives(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

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MSM INTERNATIONAL LIMITED
(Company Registration No.: 200918800R)
(Incorporated in the Republic of Singapore)

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:

1. Relevant intermediaries (as defined in Section 181 of the Companies Act 1967) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.

*I/We ____________________________________ (Name) _____________________ (NRIC/Passport No./Company Registration No.)

of ____ (Address)

being a *shareholder/shareholders of **MSM INTERNATIONAL LIMITED** (the "**Company**"), hereby appoint:-

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
Address		**No. of Shares**	**%**

and/or (delete as appropriate)

Name	**NRIC/Passport No.**	**Proportion of Shareholdings**	
Address		**No. of Shares**	**%**

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting ("**AGM**" or "**Meeting**") of the Company to be held at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 on Friday, 25 July 2025 at 10.00 a.m. and at any adjournment thereof. Where a shareholder appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

I/We direct my/our proxy/proxies to vote for or against the Resolutions or to abstain from voting on the Resolutions to be proposed at the AGM as hereunder indicated. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	**Ordinary Resolutions**	**For**	**Against**	**Abstain**
1.	Adoption of the Audited Financial Statements for the financial year ended 31 March 2025 together with the Directors' Statement and the Auditors' Report thereon.			
2.	Approval of the Directors' fees of S$83,000 for the financial year ending 31 March 2026.			
3.	Re-election of Mr Chan Kee Sieng as a Director of the Company.			
4.	Re-election of Mr Chan Wen Chau as a Director of the Company.			
5.	Re-election of Mr Chin Chee Choon as a Director of the Company.			
6.	Re-appointment of CLA Global TS Public Accounting Corporation as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	Authority to allot and issue shares in the capital of the Company.			

Dated this __________ day of _______________ 2025.

Total no. of Shares in	**No. of Shares**
(a) Depository Register	
(b) Register of Shareholder	

____
Signature(s) of Shareholder(s)/Common Seal of Corporate Shareholder(s)
* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF

NOTES FOR PROXY FORM

1. Except for a shareholder who is a Relevant Intermediary as defined under Section 181(6) of the Companies Act 1967 (the "**Companies Act**") a shareholder entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.

2. Where a shareholder appoints more than one proxy, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy and if no percentage is specified, the first named proxy shall be treated as representing 100 per cent of the shareholding and the second named proxy shall be deemed to be an alternate to the first named.

3. A shareholder should insert the total number of shares held. If the shareholder has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289), he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the shareholder has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the shareholders of the Company.

4. Pursuant to Section 181(1C) of the Companies Act, a shareholder who is a Relevant Intermediaries is entitled to appoint more than two proxies to attend, speak and vote at the Meeting provided that each proxy is appointed to exercise the rights attached to different shares held by the shareholder. In such an event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.

6. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such a person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act 1967.

7. This instrument appointing a proxy or proxies must:

   (a) if sent personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896; or

   (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,

   in either case, by 10.00 a.m. on 23 July 2025 (being not less than forty-eight (48) hours before the time appointed for holding the AGM (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

8. If you wish to exercise all your votes for or against the Resolutions or abstain from voting on the Resolutions as set out in the Notice of AGM, please indicate with an "X" in the spaces provided. Alternatively, please indicate the number of votes as appropriate. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the AGM. Where a shareholder appoints the Chairman of the AGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.

10. In the case of shareholders of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such shareholders are not shown to have shares entered against their names in the Depository Register 72 hours before the time appointed for holding the Meeting as certified by The Central Depository (Pte) Limited to the Company.

11. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees at least seven (7) working days before the time appointed for the holding of the AGM (ie. by 10.00 a.m. on 16 July 2025 to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

12. The appointment of a proxy(ies) shall not preclude a shareholder from attending, speaking and voting in person at the AGM. If a shareholder attends the AGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the AGM.

Personal data privacy:
By submitting this proxy form, the shareholder of the Company accepts and agrees to the personal data privacy terms as set out in the Notice of AGM dated 10 July 2025.

ANNUAL REPORT PRINT COPY REQUEST FORM

10 July 2025

Dear Shareholders,

We are pleased to enclose a printed copy of the Notice and Proxy Form of the upcoming Annual General Meeting of the Company to be held on 25 July 2025.

In line with the Company's sustainability efforts, we are implementing the use of electronic communications for the circulation of the Company's Annual Report 2025 for the financial year ended 31 March 2025 ("**AR2025**") and sincerely hope that you will join our sustainability efforts and embrace electronic communications. The AR2025 will be available for download or online viewing at the Company's corporate website http://www.msmmgroup.com/ and the SGXNet at https://www.sgx.com/securities/company-announcements from the date of this letter.

However, if you still wish to receive a printed copy of the AR2025, please complete the Request Form below and email it to msm.agm@msmmgroup.com, or mail the physical copy to the Company at 77 Robinson Road #06-03 Robinson 77 Singapore 068896 **by 18 July 2025**.

By completing, signing and returning the Request Form to us, you agree and acknowledge that we and/or our service provider may collect, use and disclose your personal data, as contained in your submitted form or which is otherwise collected from you or your authorised representative(s), for the purpose of processing and effecting your request.

Yours faithfully
For and on behalf of MSM International Limited

Nor Hafiza Alwi
Company Secretary

REQUEST FORM

To: MSM International Limited

NB: Please tick accordingly. Incomplete or incorrectly completed forms will not be processed.

☐ I/We wish to receive a printed copy of the AR2025

Investor's type (Please tick accordingly)

☐ CDP Depositor(s) ☐ Scrip Shareholder(s) ☐ CPF Investment Scheme/SRS

Name(s) of Shareholder(s) or Corporation: ____________________

NRIC/Passport Number(s): ____________________

Company Registration Number: ____________________

Mailing Address: ____________________

Signature(s): ____________________ Date: ____________________

Fold this flap for sealing

Then fold here

Please affix
postage
stamp

MSM International Limited
77 Robinson Road
#06-03 Robinson 77 Singapore 068896

1st fold here

MSM INTERNATIONAL LIMITED
Company Registration No.: 200918800R

Principal Place of Business:
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