Astino Berhad
200001020478 (523085-X)
(Incorporated in Malaysia)

Reports and financial statements
for the financial year ended 31 July 2025

Contents **Page**

Directors' report

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 31 July 2025. All values shown in this report are rounded to the nearest thousand ("RM'000") unless otherwise indicated.

Principal activities

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities and other details of the subsidiaries are disclosed in Note 7 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the financial year	34,422	13,253

Dividends

During the financial year, the Company paid a final dividend of 1 sen per share amounting to RM4,746,000 in respect of the financial year ended 31 July 2024.

At the forthcoming Annual General Meeting, a final dividend of 1 sen per ordinary share amounting to RM4,866,000 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 July 2026.

Reserves and provisions

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

Issue of shares or debentures

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

Share options

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

Bad and doubtful debts

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

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

Current assets

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

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

Valuation methods

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

Contingent and other liabilities

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

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

(ii) any contingent liability which has arisen since the end of the financial year.

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

Change of circumstances

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

Items of an unusual nature

The results of the operations of the Group and the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group or the Company for the financial year in which this report is made.

Directors

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

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

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

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

Directors' interests

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

	Number of ordinary shares					
	Direct interest				Indirect/Deemed interest	
Name of director	Balance at 1.8.2024	Bought	Sold	Balance at 31.7.2025	Balance at 1.8.2024	Balance at 31.7.2025
Ng Back Teng	39,070,451	0	0	39,070,451	55,080	55,080
Ng Hung Seh	26,155,299	0	0	26,155,299	4,822,311	4,822,311
Dato' Ng Hung Weng	2,256,536	0	0	2,256,536	0	0
Cheah Swi Chun	2,244,799	0	0	2,244,799	0	0

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than the directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of certain related party transactions as disclosed in Note 28 to the financial statements.

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

Directors' remuneration

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

	From the Company RM'000	From the subsidiaries RM'000	Total RM'000
Fees	96	0	96
Short-term employee benefits	25	3,467	3,492
Defined contribution plan	0	383	383
Estimated money value of benefits-in-kind	0	57	57
	121	3,907	4,028

Indemnity and insurance for directors and officers

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

Subsidiaries

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 7 to the financial statements.

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

Auditors

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

The details of the auditors' remuneration for the financial year are as follows:

	Group RM'000	Company RM'000
Audit fee	198	35
Non-audit fee	3	3
	201	38

Signed in accordance with a resolution of the directors dated 31 October 2025

Ng Back Teng **Ng Hung Seh**

Statement by directors

In the opinion of the directors, the financial statements set out on pages 11 to 54 give a true and fair view of the financial position of the Group and the Company as at 31 July 2025 and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed in accordance with a resolution of the directors dated 31 October 2025

Ng Back Teng

Ng Hung Seh

Statutory declaration

I, Chua Phaik See (MIA membership no.: 18687), being the officer primarily responsible for the financial management of Astino Berhad, do solemnly and sincerely declare that the financial statements set out on pages 11 to 54 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Chua Phaik See at George Town in the State of Penang on this 31 October 2025

Chua Phaik See
Chief Financial Officer

Before me

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

Independent auditors' report to the members of
Astino Berhad
200001020478 (523085-X)
(Incorporated in Malaysia)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Astino Berhad, which comprise the statements of financial position as at 31 July 2025 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 11 to 54.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31 July 2025, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Group and the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

Independent auditors' report to the members of
Astino Berhad (cont'd)
200001020478 (523085-X)
(Incorporated in Malaysia)

Key audit matter	*How our audit addressed the key audit matter*

Valuation of inventories (Refer to Notes 3 and 11 to the financial statements)
 	
The Group carries significant inventories. Management periodically reviews the inventories for potential write-downs by considering their aging profile, estimation of market price fluctuations and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.
	Our audit procedures included, among others:
	• Obtaining an understanding of:
	    • the Group's inventory management process;
	    • how the Group identifies and assesses inventory write-downs; and
	    • how the Group makes the accounting estimates for inventory write-downs.
	• Reviewing the ageing analysis of inventories and testing the reliability thereof.
	• Examining the perpetual records for inventory movements and to identify slow moving aged items.
	• Making inquiries of management regarding the action plans to clear slow moving aged and obsolete inventories.
	• Reviewing the net realisable value of major inventories.
	• Evaluating the reasonableness and adequacy of the resulting inventory write-downs recognised.

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

Information other than the financial statements and auditors' report thereon

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

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

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

Independent auditors' report to the members of
Astino Berhad (cont'd)
200001020478 (523085-X)
(Incorporated in Malaysia)

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

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

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

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

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

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

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

Other matters

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

Crowe Malaysia PLT	**Tan Lin Chun**
201906000005 (LLP0018817-LCA) & AF 1018	02839/10/2027 J
Chartered Accountants	Chartered Accountant

Date: 31 October 2025

Penang

Consolidated statement of financial position as at 31 July 2025

	Note	2025 RM'000	2024 RM'000
Non-current assets			
Property, plant and equipment	4	234,111	234,132
Investment properties	5	47,362	47,476
Right-of-use assets	6	12,897	13,995
Investment in associate	8	2,217	2,328
Other investments	9	159	200
Deferred tax assets	10	421	519
		297,167	298,650
Current assets			
Inventories	11	156,800	152,334
Receivables	12	85,957	80,417
Prepayments	13	8,545	5,156
Current tax assets		1,900	4,157
Cash and cash equivalents	14	95,739	82,274
		348,941	324,338
Current liabilities			
Payables	15	32,725	23,210
Loans and borrowings	16	7,027	7,038
Lease liabilities	17	936	1,046
Contract liabilities	18	12,515	14,308
Current tax liabilities		753	656
		53,956	46,258
Net current assets		294,985	278,080
Non-current liabilities			
Deferred tax liabilities	10	5,589	5,582
Loans and borrowings	16	8,651	15,651
Lease liabilities	17	1,812	2,605
		16,052	23,838
Net assets		576,100	552,892
Equity			
Share capital	19	138,274	138,274
Treasury shares	19	(12,511)	(6,043)
Capital reserve		30,123	30,123
Retained profits		420,214	390,538
Total equity		576,100	552,892

Consolidated statement of comprehensive income for the financial year ended 31 July 2025

	Note	2025 RM'000	2024 RM'000
Revenue	20	636,929	628,765
Cost of sales		(537,095)	(533,272)
Gross profit		99,834	95,493
Impairment losses on financial assets	21	(210)	(148)
Other income		5,383	6,778
Administrative and general expenses		(39,178)	(36,948)
Selling and distribution expenses		(18,162)	(15,423)
Finance costs		(1,002)	(770)
Share of associate's loss		(111)	(125)
Profit before tax	22	46,554	48,857
Tax expense	23	(12,132)	(11,749)
Profit for the financial year		34,422	37,108
Other comprehensive income for the financial year		0	0
Comprehensive income for the financial year		34,422	37,108
Earnings per share:	24		
- Basic (sen)		7.24	7.62
- Diluted (sen)		7.24	7.62

Consolidated statement of changes in equity for the financial year ended 31 July 2025

	Share capital RM'000	Treasury shares RM'000	Non-distributable Capital reserve RM'000	Distributable Retained profits RM'000	Total equity RM'000
Balance at 1 August 2023	138,274	(2,086)	30,123	358,296	524,607
Purchase of own shares	0	(3,957)	0	0	(3,957)
Dividend (Note 25)	0	0	0	(4,866)	(4,866)
Total transactions with owners	0	(3,957)	0	(4,866)	(8,823)
Profit (representing comprehensive income) for the financial year	0	0	0	37,108	37,108
Balance at 31 July 2024	138,274	(6,043)	30,123	390,538	552,892
Purchase of own shares	0	(6,468)	0	0	(6,468)
Dividend (Note 25)	0	0	0	(4,746)	(4,746)
Total transactions with owners	0	(6,468)	0	(4,746)	(11,214)
Profit (representing comprehensive income) for the financial year	0	0	0	34,422	34,422
Balance at 31 July 2025	138,274	(12,511)	30,123	420,214	576,100

Astino Berhad
200001020478 (523085-X)
(Incorporated in Malaysia)

Consolidated statement of cash flows for the financial year ended 31 July 2025

	Note	2025 RM'000	2024 RM'000
Cash flows from operating activities			
Profit before tax		46,554	48,857
Adjustments for:			
Amortisation and depreciation		11,072	11,296
Dividend income		(10)	(14)
Fair value losses/(gains) on financial instruments		41	(26)
Gain on disposal of investment properties		0	(209)
Gain on disposal of property, plant and equipment		(256)	(301)
Impairment losses on financial assets		210	148
Interest expense		1,002	770
Interest income		(3,244)	(3,783)
Inventories written down		10,798	10,214
Property, plant and equipment written off		13	72
Share of associate's loss		111	125
Unrealised (gain)/loss on foreign exchange		(56)	296
Operating profit before working capital changes		66,235	67,445
Changes in:			
Inventories		(15,281)	(18,234)
Receivables		(5,743)	(3,606)
Prepayments		(348)	(2,063)
Payables		9,515	(2,373)
Contract liabilities		(1,793)	788
Cash generated from operations		52,585	41,957
Interest received		3,244	3,783
Tax paid		(10,258)	(9,458)
Tax refunded		585	344
Net cash from operating activities		46,156	36,626
Cash flows for investing activities			
Acquisition of property, plant and equipment	26	(12,665)	(54,917)
Dividend received		10	14
Proceeds from disposal of investment properties		0	341
Proceeds from disposal of property, plant and equipment		256	307
Net cash for investing activities		(12,399)	(54,255)
Cash flows for financing activities			
Dividend paid	25	(4,746)	(4,866)
Drawdown of revolving credit	26	0	13,984
Interest paid		(1,013)	(765)
Payment of lease liabilities	26	(1,114)	(1,053)
Purchase of own shares	19	(6,468)	(3,957)
Repayment of revolving credits	26	(7,000)	(3,333)
Repayment of term loans		0	(4,140)
Net cash for financing activities		(20,341)	(4,130)
Currency translation differences		49	(297)
Net increase/(decrease) in cash and cash equivalents		13,465	(22,056)
Cash and cash equivalents brought forward		82,274	104,330
Cash and cash equivalents carried forward	14	95,739	82,274

Statement of financial position as at 31 July 2025

	Note	2025 RM'000	2024 RM'000
Non-current assets			
Property, plant and equipment	4	1	25
Right-of-use assets	6	63	51
Investments in subsidiaries	7	204,988	204,988
Deferred tax assets	10	72	103
		205,124	205,167
Current assets			
Receivables	12	2	2
Prepayments	13	75	113
Cash and cash equivalents	14	2,114	227
		2,191	342
Current liabilities			
Payables	15	560	804
Lease liabilities	17	63	51
Current tax liabilities		18	19
		641	874
Net current assets/(liabilities)		1,550	(532)
Net assets		206,674	204,635
Equity			
Share capital	19	138,274	138,274
Treasury shares	19	(12,511)	(6,043)
Retained profits		80,911	72,404
Total equity		206,674	204,635

Statement of comprehensive income for the financial year ended 31 July 2025

	Note	2025 RM'000	2024 RM'000
Revenue	20	18,750	15,220
Other income		34	42
Administrative and general expenses		(5,452)	(5,139)
Finance costs		(2)	(2)
Profit before tax	22	13,330	10,121
Tax expense	23	(77)	(16)
Profit for the financial year		13,253	10,105
Other comprehensive income for the financial year		0	0
Comprehensive income for the financial year		13,253	10,105

Statement of changes in equity for the financial year ended 31 July 2025

	Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Total equity RM'000
Balance at 1 August 2023	138,274	(2,086)	67,165	203,353
Purchase of own shares	0	(3,957)	0	(3,957)
Dividend (Note 25)	0	0	(4,866)	(4,866)
Total transactions with owners	0	(3,957)	(4,866)	(8,823)
Profit (representing comprehensive income) for the financial year	0	0	10,105	10,105
Balance at 31 July 2024	138,274	(6,043)	72,404	204,635
Purchase of own shares	0	(6,468)	0	(6,468)
Dividend (Note 25)	0	0	(4,746)	(4,746)
Total transactions with owners	0	(6,468)	(4,746)	(11,214)
Profit (representing comprehensive income) for the financial year	0	0	13,253	13,253
Balance at 31 July 2025	138,274	(12,511)	80,911	206,674

Astino Berhad
200001020478 (523085-X)
(Incorporated in Malaysia)

Statement of cash flows for the financial year ended 31 July 2025

	Note	2025 RM'000	2024 RM'000
Cash flows for operating activities			
Profit before tax		13,330	10,121
Adjustments for:			
Depreciation		106	126
Dividend income		(13,500)	(10,350)
Interest expense		2	2
Interest income		(34)	(42)
Operating loss before working capital changes		(96)	(143)
Changes in:			
Receivables		0	(2)
Prepayments		38	(38)
Payables		(244)	229
Cash (absorbed by)/generated from operations		(302)	46
Interest received		34	42
Tax paid		(47)	(56)
Tax refunded		0	3
Net cash (for)/from operating activities		(315)	35
Cash flows from investing activities			
Acquisition of property, plant and equipment	26	0	(3)
Dividends received		13,500	10,350
Subscription for shares in subsidiary		0	(3,000)
Net cash from investing activities		13,500	7,347
Cash flows for financing activities			
Dividend paid	25	(4,746)	(4,866)
Interest paid		(2)	(2)
Payment of lease liabilities	26	(82)	(76)
Purchase of own shares	19	(6,468)	(3,957)
Net cash for financing activities		(11,298)	(8,901)
Net increase/(decrease)in cash and cash equivalents		1,887	(1,519)
Cash and cash equivalents brought forward		227	1,746
Cash and cash equivalents carried forward	14	2,114	227

1. General information

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

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 7.

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

The consolidated financial statements set out on pages 11 to 14 together with the notes thereto cover the Company and its subsidiaries ("Group") and the Group's interest in an associate. The separate financial statements of the Company set out on pages 15 to 18 together with the notes thereto cover the Company solely.

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

The financial statements were authorised for issue in accordance with a resolution of the directors dated 31 October 2025.

2. Basis of preparation of financial statements

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

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

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 16 *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to MFRS 101 *Non-current Liabilities with Covenants*	1 January 2024
Amendments to MFRS 107 and MFRS 7 *Supplier Finance Arrangements*	1 January 2024

Except for the Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*, the initial application of the above MFRSs did not have any significant impacts on the financial statements. The Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current* allow the Group to classify its revolving credit obligation as non-current when it has the right at the end of the reporting period to roll over the obligation for at least twelve months after the reporting period, even if it would otherwise be due within a shorter period. The classification is applied retrospectively.

2. Basis of preparation of financial statements (cont'd)

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

MFRS (issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred
Amendments to MFRS 121 *Lack of Exchangeability*	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

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

<u>MFRS 18 *Presentation and Disclosure in Financial Statements*</u>

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

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

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

3. Material accounting policy information

3.1 Critical accounting estimates and judgements

Key sources of estimation uncertainty

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

3. Material accounting policy information (cont'd)

3.1 Critical accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

Valuation of inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews involve judgements and estimation uncertainty in forming expectations about future sales and demands. Any changes in these accounting estimates will result in revisions to the valuation of inventories (Note 11).

Impairment of receivables

The Group recognises loss allowance for expected credit losses on receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of receivables (Note 12).

Critical Judgements Made in Applying Accounting Policies

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

3.2 Business combinations

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

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

3. Material accounting policy information (cont'd)

3.2 Business combinations (cont'd)

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

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

(b) the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed.

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

3.3 Basis of consolidation

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

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

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

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

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

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

3. Material accounting policy information (cont'd)

3.5 Investment properties

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

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

3.6 Right-of-use assets and lease liabilities

(a) Short-term leases and leases of low-value assets

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

(b) Right-of-use assets

Right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of lease liabilities.

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

(c) Lease liabilities

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

3.7 Investments in subsidiaries

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

3.8 Investment in associate

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

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

3. Material accounting policy information (cont'd)

3.9 Inventories

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

3.10 Contract assets and contract liabilities

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

3.11 Financial instruments

(a) Financial assets

<u>Financial assets through profit or loss</u>

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes include interest income.

<u>Financial assets at amortised cost</u>

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

(b) Financial liabilities

<u>Financial liabilities through profit or loss</u>

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes include interest expense.

<u>Financial liabilities at amortised cost</u>

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

3. Material accounting policy information (cont'd)

3.11 Financial instruments (cont'd)

(c) Equity

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

(d) Financial Guarantee Contracts

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

(The rest of this page is intentionally left blank)

4. Property, plant and equipment

Group

	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Scaffolding[a] RM'000	Capital work-in-progress RM'000	Total RM'000
Cost								
Balance at 1 August 2023	72,096	86,728	103,075	16,785	26,469	2,874	670	308,697
Additions	60,160	0	2,814	1,751	1,062	0	1,162	66,949
Disposals/Write-offs	0	0	(326)	(153)	(628)	0	(14)	(1,121)
Transfer from inventories (net)	0	0	0	0	0	(129)	0	(129)
Reclassifications	0	0	421	0	0	0	(421)	0
Balance at 31 July 2024	132,256	86,728	105,984	18,383	26,903	2,745	1,397	374,396
Additions	0	0	1,902	261	1,763	0	5,698	9,624
Disposals/Write-offs	0	0	(198)	(3,114)	(1,078)	0	0	(4,390)
Transfer to inventories (net)	0	0	0	0	0	(37)	0	(37)
Reclassifications	0	0	0	2	0	0	(2)	0
Balance at 31 July 2025	132,256	86,728	107,688	15,532	27,588	2,708	7,093	379,593
Accumulated depreciation								
Balance at 1 August 2023	0	16,137	77,310	12,545	24,292	1,356	0	131,640
Depreciation	0	1,779	5,214	1,247	1,059	616	0	9,915
Disposals/Write-offs	0	0	(296)	(122)	(625)	0	0	(1,043)
Transfer to inventories	0	0	0	0	0	(248)	0	(248)
Balance at 31 July 2024	0	17,916	82,228	13,670	24,726	1,724	0	140,264
Depreciation	0	1,779	5,013	1,322	999	536	0	9,649
Disposals/Write-offs	0	0	(188)	(3,111)	(1,078)	0	0	(4,377)
Transfer to inventories	0	0	0	0	0	(54)	0	(54)
Balance at 31 July 2025	0	19,695	87,053	11,881	24,647	2,206	0	145,482

4. Property, plant and equipment (cont'd)

Group

	Freehold land RM'000	Buildings RM'000	Plant, machinery, tools and equipment RM'000	Furniture, fittings and office equipment RM'000	Motor vehicles RM'000	Scaffolding[a] RM'000	Capital work-in-progress RM'000	Total RM'000
Balance at 1 August 2023	72,096	70,591	25,765	4,240	2,177	1,518	670	177,057
Balance at 31 July 2024	132,256	68,812	23,756	4,713	2,177	1,021	1,397	234,132
Balance at 31 July 2025	132,256	67,033	20,635	3,651	2,941	502	7,093	234,111

[a] *Held for operating leases*

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

4. Property, plant and equipment (cont'd)

Company

	Furniture, fittings and office equipment RM'000
Cost	
Balance at 1 August 2023	314
Additions	3
Balance at 31 July 2024 / 31 July 2025	317
Accumulated depreciation	
Balance at 1 August 2023	242
Depreciation	50
Balance at 31 July 2024	292
Depreciation	24
Balance at 31 July 2025	316
Carrying amount	
Balance at 1 August 2023	72
Balance at 31 July 2024	25
Balance at 31 July 2025	1

5. Investment properties

Group

	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost			
Balance at 1 August 2023	43,399	5,707	49,106
Disposals	0	(132)	(132)
Balance at 31 July 2024 / 31 July 2025	43,399	5,575	48,974
Accumulated depreciation			
Balance at 31 July 2023	0	1,384	1,384
Depreciation	0	114	114
Balance at 31 July 2024	0	1,498	1,498
Depreciation	0	114	114
Balance at 31 July 2025	0	1,612	1,612

5. Investment properties (cont'd)

	Freehold land RM'000	Buildings RM'000	Total RM'000
Carrying amount			
Balance at 1 August 2023	43,399	4,323	47,722
Balance at 31 July 2024	43,399	4,077	47,476
Balance at 31 July 2025	43,399	3,963	47,362
Fair value			
Estimated fair value at 31 July 2024	98,725	6,350	105,075
Estimated fair value at 31 July 2025	98,725	6,350	105,075

The fair values of investment properties as at 31 July 2024 were measured based on appraisals performed by independent professional valuers using the market comparison approach. The appraised values were derived from observable prices per square foot for comparable properties in similar locations (i.e. Level 2). Using the same approach, management estimated the fair values of investment properties as at 31 July 2025 by reference to those 2024 appraisals as well as the current conditions of the properties and other relevant market information.

The Group leases certain investment properties under an operating lease for 1 year. The undiscounted lease payments to be received are as follows:

	2025 RM'000	2024 RM'000
Within 1 year	1,738	1,330

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

6. Right-of-use assets

Group

	Leasehold land RM'000	Buildings RM'000	Total RM'000
Balance at 1 August 2023	10,703	3,606	14,309
Remeasurement of lease liabilities	0	953	953
Depreciation	(174)	(1,093)	(1,267)
Balance at 31 July 2024	10,529	3,466	13,995
Remeasurement of lease liabilities	0	211	211
Depreciation	(174)	(1,135)	(1,309)
Balance at 31 July 2025	10,355	2,542	12,897

6. Right-of-use assets (cont'd)

Company

	Building RM'000
Balance at 1 August 2023	51
Additions	76
Depreciation	(76)
Balance at 31 July 2024	51
Remeasurement of lease liabilities	94
Depreciation	(82)
Balance at 31 July 2025	63

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

7. Investments in subsidiaries

Company

	2025 RM'000	2024 RM'000
Unquoted shares - at cost	204,988	204,988

The details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest 2025	Effective ownership interest 2024	Principal activity
Astino (Malaysia) Colour Steel Sheet Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Metal Industries Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Southern Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of metal roof sheets and other building related products
Astino Agro-House Multi System Sdn. Bhd.	Malaysia	100%	100%	Design, construction, manufacture and sale of poultry house and equipment system

7. Investments in subsidiaries (cont'd)

The details of the subsidiaries are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest 2025	Effective ownership interest 2024	Principal activity
Astino Netting Sdn. Bhd.	Malaysia	100%	100%	Manufacture and sale of insect screen
Astino Scaffolding Sdn. Bhd.	Malaysia	100%	100%	Manufacture, sale and renting of scaffolding
Ooi Joo Kee & Brothers Sdn. Bhd.	Malaysia	100%	100%	Investment holding

8. Investment in associate

Group

	2025 RM'000	2024 RM'000
Unquoted shares - at cost	4,060	4,060
Share of post-acquisition changes in net assets	(1,843)	(1,732)
	2,217	2,328

The details of the associate are as follows:

Name of associate	Principal place of business/ Country of incorporation	Effective ownership interest 2025	Effective ownership interest 2024	Principal activity
Richhill Capital Sdn. Bhd.	Malaysia	35%	35%	Investment holding

The summarised financial information of the associate is as follows:

	2025 RM'000	2024 RM'000
Non-current assets	6,367	6,680
Current assets	8	13
Current liabilities	(43)	(43)
Net assets	6,332	6,650
Loss (representing comprehensive income)	(318)	(359)

8. Investment in associate (cont'd)

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

	2025 RM'000	2024 RM'000
Net assets	6,332	6,650
Effective ownership interest	35%	35%
Carrying amount	2,217	2,328

9. Other investments

Group

	2025 RM'000	2024 RM'000
Quoted shares - at fair value	159	200

10. Deferred tax assets and deferred tax liabilities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Balance at 1 August	(5,063)	(5,189)	103	52
Deferred tax income/ (expense) relating to origination and reversal of temporary differences	103	48	(32)	51
Deferred tax liabilities (under)/over provided in prior year	(208)	78	1	0
Balance at 31 July	(5,168)	(5,063)	72	103
Disclosed as:				
- Deferred tax assets	421	519	72	103
- Deferred tax liabilities	(5,589)	(5,582)	0	0
	(5,168)	(5,063)	72	103
In respect of:				
- Deductible/(Taxable) temporary differences of:				
- Inventories	3,218	3,165	0	0
- Financial instruments	1,102	1,362	72	103
- Lease liabilities	655	792	15	12
- Property, plant and equipment	(9,499)	(10,028)	0	0
- Investment properties	(137)	(137)	0	0
- Right-of-use assets	(610)	(751)	(15)	(12)
- Unused capital allowances	5	436	0	0
- Unused tax losses	98	98	0	0
	(5,168)	(5,063)	72	103

11. Inventories

Group

	2025 RM'000	2024 RM'000
Raw materials	137,657	131,092
Finished goods	19,143	21,242
	156,800	152,334
Recognised in profit or loss:		
- Inventories recognised as cost of sales	535,595	532,655
- Amount written down	10,798	10,214

12. Receivables

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Trade receivables:				
- Related parties[(a)]	515	774	0	0
- Related parties[(b)]	0	187	0	0
- Unrelated parties	85,733	79,942	0	0
	86,248	80,903	0	0
- Loss allowance	(999)	(1,090)	0	0
	85,249	79,813	0	0
Other receivables	6	0	2	2
Deposits	702	604	0	0
	85,957	80,417	2	2

[(a)] *Being companies in which certain directors have substantial financial interests*
[(b)] *Being companies in which close family members of certain directors have substantial financial interests*

Trade receivables

The credit terms of trade receivables range from 30 to 90 days.

13. Prepayments

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Prepaid cost of property, plant and equipment (Note 26)	3,041	0	0	0
Prepaid operating expenses	5,504	5,156	75	113
	8,545	5,156	75	113

14. Cash and cash equivalents

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances:				
- Interest earning	49,848	43,534	2,114	227
- Non-interest earning	391	339	0	0
	50,239	43,873	2,114	227
Term deposits with licensed banks	45,500	38,401	0	0
	95,739	82,274	2,114	227

The effective interest rates of interest earning bank balances and term deposits as at 31 July 2025 ranged from 0.05% to 3.65% (2024 : 2.50% to 5.45%) per annum. The term deposits have maturity periods ranged from 1 to 3 months (2024 : 2 to 3 months).

15. Payables

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables	15,386	6,725	0	0
Other payables	6,097	4,386	136	227
Accruals	5,226	6,083	424	577
Accrued cost of property, plant and equipment (Note 26)	6,016	6,016	0	0
	32,725	23,210	560	804

Trade and other payables

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

16. Loans and borrowings

Group

	2025 RM'000	2024 RM'000
Unsecured		
Revolving credits	15,678	22,689
Disclosed as:		
- Current liabilities	7,027	7,038
- Non-current liabilities	8,651	15,651
	15,678	22,689

The effective interest rate of loans and borrowings as at 31 July 2025 ranged from 4.23% to 4.43% (2024 : 4.40%) per annum.

16. Loans and borrowings (cont'd)

Having complied with specified covenants and conditions, the Group has the rights to roll over the revolving credit obligations on a monthly basis for 5 years, with each rolled over principal amount being reduced by RM583,000 (2024 : RM583,000) per month. Hence, the facilities are effectively repayable as follows:

	2025 RM'000	2024 RM'000
Within 1 year	7,027	7,038
1 to 5 years	8,651	15,651
	15,678	22,689

17. Lease liabilities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current	936	1,046	63	51
Non-current	1,812	2,605	0	0
	2,748	3,651	63	51

The incremental borrowing rates applied to lease liabilities as at 31 July 2025 ranged from 3.17% to 5.04% (2024 : 3.17% to 5.04%) per annum.

18. Contract liabilities

Group

	2025 RM'000	2024 RM'000
Balance at 1 August	14,308	13,520
Revenue recognised from opening contract liabilities	(9,862)	(10,263)
Excess of consideration over revenue recognised	8,069	11,051
Balance at 31 July	12,515	14,308

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

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

19. Share capital

	2025 RM'000	2024 RM'000
Issued and fully paid		
493,411,000 ordinary shares with no par value	138,274	138,274

19. Share capital (cont'd)

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company.

Treasury shares

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

	2025		2024	
	Number of ordinary shares '000	Cost RM'000	Number of ordinary shares '000	Cost RM'000
Balance at 1 August	10,888	6,043	4,147	2,086
Shares purchased	10,934	6,468	6,741	3,957
Balance at 31 July	21,822	12,511	10,888	6,043
Average unit cost for the year (RM)		0.592		0.587

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

	2025 Number of ordinary shares '000	2024 Number of ordinary shares '000
Balance at 1 August	482,523	489,264
Shares purchased	(10,934)	(6,741)
Balance at 31 July	471,589	482,523

20. Revenue

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers:				
Recognised at a point in time				
Sale of goods	634,552	627,827	0	0
Recognised over time				
Rendering of services	0	0	5,250	4,870
	634,552	627,827	5,250	4,870

20. Revenue (cont'd)

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Other sources of revenue:				
- Dividend income	0	0	13,500	10,350
- Operating lease income	2,377	938	0	0
	2,377	938	13,500	10,350
	636,929	628,765	18,750	15,220

The information on the disaggregation of revenue by geographical market is disclosed in Note 29 to the financial statements. Information about other disaggregation of revenue from contracts with customers has not been disclosed as the Group generates the revenue principally from selling metal building related products, whereas the Company derives the revenue mainly from rendering management services to subsidiaries.

Sales of goods

Revenue from sale of goods is recognised at a point in time when the Group satisfies a performance obligation by transferring a promised goods to a customer. An asset is transferred as and when the customer obtains control of that asset, which coincides with the delivery of goods and acceptance by the customer.

There is no significant financing component in the revenue arising from sale of goods as the sales are made on the normal credit terms not exceeding twelve (12) months.

Rendering of services

Rendering of services represents management fees charged to subsidiaries. The Company recognise the management fees in the period in which the services are rendered.

Dividend income

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

Operating lease income

Operating lease income is recognised on a straight-line basis over the lease term.

21. Impairment losses on financial assets

Group

	2025 RM'000	2024 RM'000
Trade receivables from contracts with customers	(210)	(148)

22. Profit before tax

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax is arrived at after charging:				
Auditors' remuneration				
- Current year	201	170	38	37
- Prior year	30	0	0	0
Depreciation of investment properties	114	114	0	0
Depreciation of property, plant and equipment	9,649	9,915	24	50
Depreciation of right-of-use assets	1,309	1,267	82	76
	11,072	11,296	106	126
Direct operating expenses on investment properties	121	112	0	0
Employee benefits expense (including key management personnel compensation as disclosed in Note 27):				
- Short-term employee benefits	45,726	44,246	4,102	3,875
- Defined contribution plans	4,479	4,374	457	424
	50,205	48,620	4,559	4,299
Fair value losses on financial instruments mandatorily measured at fair value through profit or loss	41	0	0	0
Interest expense for financial liabilities not measured at fair value through profit or loss	845	604	0	0
Interest expense for lease liabilities	157	166	2	2
Lease expense relating to:				
- Short-term leases	174	30	144	144
- Leases of low-value assets (other than short-term leases)	37	38	8	7
	211	68	152	151
Loss on foreign exchange:				
- Realised	966	0	0	0
- Unrealised	0	296	0	0
Property, plant and equipment written off	13	72	0	0

22. Profit before tax (cont'd)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
and crediting:				
Dividend income	10	14	13,500	10,350
Fair value gains on financial instruments mandatorily measured at fair value through profit or loss	0	26	0	0
Gain on disposal of investment properties	0	209	0	0
Gain on disposal of property, plant and equipment	256	301	0	0
Gain on foreign exchange:				
- Realised	0	491	0	0
- Unrealised	56	0	0	0
Interest income for financial assets measured at amortised cost	3,244	3,783	34	42
Operating lease income from:				
- Investment properties	1,591	1,638	0	0
- Others	2,377	938	0	0

23. Tax expense

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Tax based on results for the year:				
- Current tax	11,839	12,395	35	69
- Deferred tax	(103)	(48)	32	(51)
	11,736	12,347	67	18
Tax under/(over) provided in prior year:				
- Current tax	188	(520)	11	(2)
- Deferred tax	208	(78)	(1)	0
	12,132	11,749	77	16

23. Tax expense (cont'd)

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

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Applicable tax rate	24.00	24.00	24.00	24.00
Non-deductible expenses	2.11	1.47	0.81	0.72
Non-taxable income	(0.90)	(0.20)	(24.31)	(24.54)
Average effective tax rate	25.21	25.27	0.50	0.18

24. Earnings per share

Group

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

	2025	2024
Profit for the financial year (RM'000)	34,422	37,108
Number of shares in issue at 1 August ('000)	482,523	489,264
Effect of shares purchased ('000)	(7,009)	(2,269)
Weighted average number of shares in issue ('000)	475,514	486,995
Basic earnings per share (sen)	7.24	7.62

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

25. Dividends

Group and Company

	2025	2024
	RM'000	RM'000
<u>Based on 486,617,150 ordinary shares:</u>		
Final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2023	0	4,866
<u>Based on 474,614,950 ordinary shares:</u>		
Final single tier dividend of 1 sen per share in respect of the financial year ended 31 July 2024	4,746	0
	4,746	4,866

At the forthcoming Annual General Meeting, a final dividend of 1 sen per ordinary share amounting to RM4,866,000 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for as a liability in the financial year ending 31 July 2026.

26. Notes to statements of cash flows

Acquisition of property, plant and equipment

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cost of property, plant and equipment acquired (Note 4)	9,624	66,949	0	3
Cost prepaid in current year (Note 13)	3,041	0	0	0
Cost prepaid in prior year	0	(6,016)	0	0
Cost accrued in current year (Note 15)	0	(6,016)	0	0
Net cash disbursed	12,665	54,917	0	3

Revolving credits

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 August	22,689	12,016
Drawdown	0	13,984
Repayments	(7,000)	(3,333)
Other changes	(11)	22
Balance at 31 July (Note 16)	15,678	22,689

Lease liabilities

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Balance at 1 August	3,651	3,751	51	51
Remeasurement from reassessment or lease modifications	211	953	94	76
Payments	(1,114)	(1,053)	(82)	(76)
Balance at 31 July (Note 17)	2,748	3,651	63	51

The rest of this page is intentionally left blank)

26. Notes to statements of cash flows (cont'd)

The total cash outflow for leases is as follows:

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Operating activities				
Lease expense recognised in profit or loss (Note 22)	211	68	152	151
Financing activities				
Interest portion of lease liabilities (Note 22)	157	166	2	2
Principal portion of lease liabilities	1,114	1,053	82	76
	1,482	1,287	236	229

27. Key management personnel compensation

	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Directors of the Company:				
- Fees	96	96	96	96
- Other short-term employee benefits	3,492	3,655	25	27
- Defined contribution plans	383	537	0	0
	3,971	4,288	121	123
Directors of subsidiaries:				
- Short-term employee benefits	2,485	2,890	0	0
- Defined contribution plans	472	548	0	0
	2,957	3,438	0	0
Total directors' remuneration	6,928	7,726	121	123

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

	Group 2025 RM'000	Group 2024 RM'000
Directors of the Company	57	57
Directors of subsidiaries	37	37
	94	94

28. Related party disclosures

The subsidiaries are disclosed in Note 7.

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

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Disposal of property, plant and equipment to director	0	115	0	0
Dividends declared from subsidiaries	0	0	13,500	10,350
Management fees charged to subsidiaries	0	0	5,250	4,870
Purchase of goods from other related party[(a)]	0	1	0	0
Purchase of property, plant and equipment from subsidiary	0	0	0	3
Rental charged by subsidiary	0	0	144	144
Rental charged by other related party[(a)]	192	180	84	78
Rental charged by other related parties[(b)]	1,080	1,040	0	0
Sale of goods to other related parties[(a)]	2,310	1,791	0	0
Sale of goods to other related parties[(c)]	617	901	0	0
Subscription for shares in subsidiary	0	0	0	3,000

[(a)] *Being companies in which certain directors have substantial financial interests*
[(b)] *Being key management personnel of the Group who are also close family members of certain directors*
[(c)] *Being companies in which close family members of certain directors have substantial financial interests*

29. Segment reporting

Group

Operating segments

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

29. Segment reporting (cont'd)

Geographical information

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

	External revenue 2025 RM'000	External revenue 2024 RM'000
Malaysia	616,705	618,903
Indonesia	16,333	4,879
Philippines	3,439	1,995
Others	452	2,988
	636,929	628,765

Major customers

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

30. Contractual commitments

Group

	2025 RM'000	2024 RM'000
Acquisition of property, plant and equipment	60,309	20,412

(The rest of this page is intentionally left blank)

31. Financial instruments

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

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

31.1 Financial risk management policies

Credit risk

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

(i) Credit risk concentration profile

The Group determines credit risk concentration in terms of counterparties and geographical areas. As at 31 July 2025, the Group did not have any major credit risk concentration relating to any individual customer or counterparty. The credit risk concentration profile by geographical areas of trade receivables is disclosed under Note 29.

(ii) Maximum exposure to credit risk

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

In addition, the Group’s maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM27,690,000 (2024 : RM26,334,000), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Group’s financial statements since their fair values on initial recognition were not material.

(iii) Assessment of impairment losses

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

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

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

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Credit risk (cont'd)

(iii) Assessment of impairment losses (cont'd)

Trade receivables

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach. Such lifetime expected credit losses are calculated using a provision matrix based on historical observed default rates (adjusted for forward-looking estimates).

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

Allowance for impairment losses

The changes in the loss allowance are as follows:

	Group	
	2025 RM'000	2024 RM'000
Balance at 1 August	1,090	942
Impairment losses	210	148
Write-offs	(301)	0
Balance at 31 July	999	1,090

The following table details the credit exposure and loss allowances recognised for trade receivables. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

Group

	Gross amount RM'000	Lifetime individual allowance RM'000	Lifetime collective allowance RM'000	Carrying amount RM'000
2025				
Not past due	84,265	0	(79)	84,186
1 to 30 days past due	921	0	(3)	918
31 to 60 days past due	97	0	(2)	95
61 to 90 days past due	27	0	(19)	8
More than 90 days past due	153	0	(111)	42
Credit-impaired	785	(785)	0	0
	86,248	(785)	(214)	85,249

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Credit risk (cont'd)

(iii) Assessment of impairment losses (cont'd)

Trade receivables (cont'd)

Allowance for impairment losses (cont'd)

Group

	Gross amount RM'000	Lifetime individual allowance RM'000	Lifetime collective allowance RM'000	Carrying amount RM'000
2024				
Not past due	78,724	0	(36)	78,688
1 to 30 days past due	824	0	(3)	821
31 to 60 days past due	207	0	(4)	203
61 to 90 days past due	49	0	(1)	48
More than 90 days past due	99	0	(46)	53
Credit-impaired	1,000	(1,000)	0	0
	80,903	(1,000)	(90)	79,813

The average credit loss rates were based on the payment profile of revenue over a period of 36 (2024 : 36) months and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Term deposits with licensed banks, cash and bank balances

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

Financial guarantee contracts

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

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

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:
- the subsidiary is unlikely to repay its obligation to the bank in full; or
- the subsidiary is having a deficit in equity and is continuously loss making.

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

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Credit risk (cont'd)

Financial guarantee contracts (cont'd)

Allowance for impairment losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

Liquidity risk

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

Maturity analysis

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

The Group	Effective interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000	1 to 5 years RM'000	Over 5 years RM'000
2025						
Non-derivative financial liabilities						
Payables	-	32,725	32,725	32,725	0	0
Loans and borrowings	4.23 - 4.43	15,678	15,678	7,027	8,651	0
Lease liabilities	3.17 - 5.04	2,748	3,024	1,044	1,980	0
		51,151	51,427	40,796	10,631	0
2024						
Non-derivative financial liabilities						
Payables	-	23,210	23,210	23,210	0	0
Loans and borrowings	4.40	22,689	22,689	7,038	15,651	0
Lease liabilities	3.17 - 5.04	3,651	4,080	1,200	2,520	360
		49,550	49,979	31,448	18,171	360

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Maturity analysis (cont'd)

The Company	Effective interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000
2025				
Non-derivative financial liabilities				
Payables	-	560	560	560
Lease liabilities	4.87	63	64	64
		623	624	624
2024				
Non-derivative financial liabilities				
Payables	-	804	804	804
Lease liabilities	5.04	51	52	52
		855	856	856

Currency risk

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

	Group Denominated in USD	
	2025 RM'000	2024 RM'000
Receivables	1,475	0
Cash and cash equivalents	2,420	10,992
Payables	(1,462)	(130)
	2,433	10,862

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated by maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Currency risk (cont'd)

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

	Group Profit/(Loss)	
	2025 RM'000	2024 RM'000
Appreciation of USD against RM by 3% (2024 : 1%)	55	83
Depreciation of USD against RM by 3% (2024 : 1%)	(55)	(83)

Interest rate risk

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

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

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fixed rate instruments				
Cash and cash equivalents	49,848	43,534	2,114	227
Term deposits	45,500	38,401	0	0
Lease liabilities	2,748	3,651	63	51
Floating rate instruments				
Loans and borrowings	15,678	22,689	0	0

(The rest of this page is intentionally left blank)

31. Financial instruments (cont'd)

31.1 Financial risk management policies (cont'd)

Interest rate risk (cont'd)

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

	Group Profit/(Loss)	
	2025 RM'000	2024 RM'000
Increase in interest rates by 10 (2024 : 0*) basis points	(12)	0
Decrease in interest rates by 10 (2024 : 0*) basis points	12	0

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

Other price risk

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

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

The Group's quoted investments are listed on Bursa Malaysia Securities Berhad. Based on the assumption that the share prices of these investments moved in correlation with the FTSE Bursa Malaysia KLCI ("FBMKLCI"), the following table demonstrates the sensitivity of profit or loss and equity to changes in FBMKLCI that were reasonably possible at the end of the reporting period, with all other variables held constant:

	Group Profit/(Loss)	
	2025 RM'000	2024 RM'000
Increase in FBMKLCI by 4% (2024 : 4%)	6	8
Decrease in FBMKLCI by 4% (2024 : 4%)	(6)	(8)

31. Financial instruments (cont'd)

31.2 Capital risk management

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group consider its total equity and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group monitor capital using a debt-to-equity ratio, which is calculated as total interest-bearing debts divided by total equity as follows:

	Group	
	2025	2024
	RM'000	RM'000
Loans and borrowings	15,678	22,689
Lease liabilities	2,748	3,651
Total interest-bearing debts	18,426	26,340
Less: Cash and cash equivalents	(95,739)	(82,274)
Net cash	(77,313)	(55,934)
Total equity	576,100	552,892
Debt-to-equity ratio (times)	*	*

* *Not applicable as the Group's cash and cash equivalents exceed its borrowings*

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

31.3 Classification of financial instruments

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial assets				
<u>Amortised cost</u>				
Receivables (Note 12)	85,957	80,417	2	2
Cash and cash equivalents (Note 14)	95,739	82,274	2,114	227
	181,696	162,691	2,116	229

31. Financial instruments (cont'd)

31.3 Classification of financial instruments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial liabilities				
Amortised cost				
Payables (Note 15)	32,725	23,210	560	804
Loans and borrowings (Note 16)	15,678	22,689	0	0
	48,403	45,899	560	804

31.4 Gains or losses arising from financial instruments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net gains/(losses) on:				
- Financial assets at amortised costs	3,034	3,635	34	42
- Financial liabilities at fair value through profit or loss	(886)	(578)	0	0

31.5 Fair value information

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

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

Group

	Fair value of financial instruments carried at fair value			Total	Carrying
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	fair value RM'000	amount RM'000
2025					
Financial assets					
Quoted investments	159	0	0	159	159
2024					
Financial assets					
Quoted investments	200	0	0	200	200

(a) Fair value of financial instruments carried at fair value

The fair values of quoted investments are directly measured using their unadjusted closing prices in active markets.

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

31. Financial instruments (cont'd)

31.5 Fair value information (cont'd)

	Fair value of financial instruments not carried at fair value				
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
2025					
Financial liabilities					
Loans and borrowings	0	15,678	0	15,678	15,678
2024					
Financial liabilities					
Loans and borrowings	0	22,689	0	22,689	22,689

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

The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities.