



# ECOMATE HOLDINGS BERHAD

(Registration No. 202001036445 (1392766-X))  
(Incorporated in Malaysia under the Companies Act 2016)



2025

# ANNUAL REPORT



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## OVERVIEW



## CORPORATE PROFILE

Ecomate Holdings Berhad ("Ecomate Holdings" or the "the Company") was incorporated in Malaysia on 11 November 2020 under the Company Act 2016 as a private limited company. Subsequently, our Company was converted to a public limited company on 15 December 2020. Ecomate Holdings was incorporated as a special purpose vehicle to facilitate the listing of its wholly-owned subsidiary, Ecomate Sdn. Bhd. ("Ecomate"). Ecomate Holdings had successfully listed its shares on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 8 November 2021, and subsequently transferred to the Main Market of Bursa Securities on 7 July 2023.

Ecomate Holdings through its wholly-owned subsidiary, Ecomate is principally engaged in the production of ready-to-assemble ("RTA") furniture products, where it undertakes design and development, production as well as marketing and sales of living room furniture, bedroom furniture as well as other types of furniture, which may be tailored to our customer's specifications.

RTA also known as flat pack furniture is a form of furniture that requires customer to assembly. The separate components are packed for sale in cartons which also contain assembly instructions and hardware. Ecomate have a diversified network of customers from over 30 countries comprising distributors, wholesalers, retailers and e-commerce sellers.

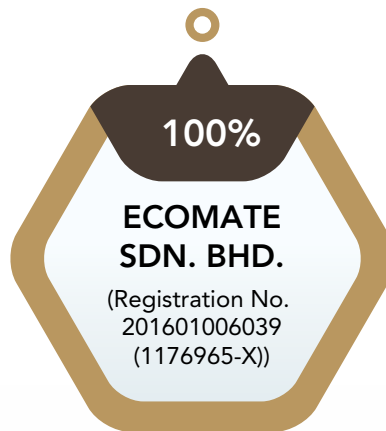
Presently, the Company's manufacturing plants are all located in Kawasan Perindustrian Bukit Bakri, Muar, Johor. The close vicinity of all plants enables the Company to facilitate administrative control and to have better control over production costs as well as quality of their products, leading to greater efficiency, economic of scale and quicker time-to-market.

# CORPORATE STRUCTURE



## ECOMATE HOLDINGS BERHAD (Registration No. 202001036445 (1392766-X))

Investment holdings and provision of management services



Manufacturing of furniture and furniture parts



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Tan Sri Datuk Hussin Bin Haji Ismail**  
Independent Non-Executive Chairman

**Jason Koh Jian Hui**  
Managing Director

**Koh Cheng Huat**  
Executive Director

**Datuk Lee Ching Yong**  
Independent Non-Executive Director

**Lim Yik Hui**  
Independent Non-Executive Director

**Goh Siow Cheng** (Appointed on 31 July 2024)  
Independent Non-Executive Director

**Lim May Wan** (Resigned w.e.f 31 July 2024)  
Independent Non-Executive Director



## AUDIT AND RISK MANAGEMENT COMMITTEE

Lim Yik Hui (Chairwoman)  
Datuk Lee Ching Yong (Member)  
Goh Siow Cheng (Member) (Appointed on 31 July 2024)  
Lim May Wan (Member) (Resigned w.e.f 31 July 2024)

## NOMINATING COMMITTEE

Goh Siow Cheng (Chairwoman) (Appointed on 31 July 2024)  
Lim May Wan (Chairwoman) (Resigned w.e.f 31 July 2024)  
Datuk Lee Ching Yong (Member)  
Lim Yik Hui (Member)

## REMUNERATION COMMITTEE

Datuk Lee Ching Yong (Chairman)  
Lim Yik Hui (Member)  
Goh Siow Cheng (Member) (Appointed on 31 July 2024)  
Lim May Wan (Member) (Resigned w.e.f 31 July 2024)

## COMPANY SECRETARIES

Ng Mei Wan (MIA 28862) SSM PC No. 201908000801  
Tan Hui Khim (LS 0009936) SSM PC No. 201908000859

## REGISTERED OFFICE

No. 7 (1<sup>st</sup> Floor), Jalan Pesta 1/1  
Taman Tun Dr. Ismail 1, Jalan Bakri  
84000 Muar, Johor  
Telephone number : +606-954 1705  
Fax number : +606-954 1707  
Email address : lsca-muar@lsca.com.my

## HEAD OFFICE

Lot PTD 7274  
Kawasan Perindustrian Bakri Batu 7 ½, Jalan Bakri  
84200 Muar, Johor  
Telephone number : +606-986 8558 / 8668  
Fax number : +606-986 8787  
Email address : info@ecomate.com.my  
Website : http://www.ecomate.com.my

## AUDITORS

Crowe Malaysia PLT [(201906000005) (LLP0018817-LCA) & AF 1018]  
Chartered Accountants  
No. 8, Jalan Pesta 1/1  
Taman Tun Dr. Ismail 1, Jalan Bakri  
84000 Muar, Johor  
Telephone number : +606-952 4328  
Fax number : +606-952 7328

## PRINCIPAL BANKERS

Alliance Bank Berhad  
AmBank Islamic Berhad  
Hong Leong Bank Berhad  
HSBC Amanah Malaysia Berhad  
HSBC Bank Malaysia Berhad  
Malayan Banking Berhad  
OCBC Bank Berhad  
Public Bank Berhad  
United Overseas Bank (Malaysia) Berhad

## SHARE REGISTRAR AND ISSUING HOUSE

Aldpro Corporate Services Sdn. Bhd.  
202101043817 (1444117-M)  
B-21-1, Level 21, Tower B  
Northpoint Mid Valley City  
No. 1 Medan Syed Putra Utara  
59200 Kuala Lumpur  
Telephone number : +603-9770 2200  
Fax number : +603-9770 2239  
Email address : admin@aldpro.com.my

## STOCK EXCHANGE LISTING

Main Market of the Bursa Malaysia Securities Berhad  
Stock Name : ECOMATE  
Stock Code : 0239

## CORPORATE MILESTONE

## • 2016 •

- Incorporation of Ecomate and commencement of operations in Factory A
- Launched living room range of furniture products
- Participate in its first ever international furniture fair trade fair in Shanghai, China to showcase our RTA furniture products
- Secured first local sales and export sales to Singapore, Australia and New Zealand



## • 2017 •

- Expanded to bedroom range of furniture products
- Secured orders from customers in USA, Belgium, India, Saudi Arabia and South Africa



## • 2018 •

- Secured orders from customers in Chile, France, Middle East and Spain
- Expanded production area of Factory A
- Commercialised operations in Factory B



## • 2019 •

- Acquired 4 parcels of leasehold land in Muar Furniture Park, Johor



## • 2020 •

- Ecomate was certified compliant to ISO 9001:2015 by VE International Certification Group of Companies
- Incorporation of Ecomate Holdings



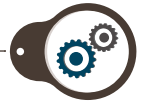
## • 2021 •

- Ecomate was certified compliant to ISO 9001:2015 by ACM-CCAS Limited
- Ecomate Holdings was successfully listed on the ACE Market of Bursa Securities on 8 November 2021 with its share price opening at 68 sen or 35 sen above its issue price of 33 sen



## • 2022 •

- Ecomate become one of the Sedex member. Being a Sedex member helps to make our business and supply chain more sustainable
- Ecomate Holdings was complied with the Bumiputera Equity Condition



## • 2023 •

- Ecomate Holdings was successfully listed on the Main Market of Bursa Securities on 7 July 2023
- Acquired 1 parcel of leasehold land in Muar Furniture Park, Johor



## • 2024 •

- Acquired a unit of single storey factory building together with two guard houses, a pump house, a prayer room, a TNB sub-station erected thereon of a leasehold industrial land held under PN 9624, Lot No 8800, Mukim Jalan Bakri, Muar, Johor



## PROFILE OF DIRECTORS

### TAN SRI DATUK HUSSIN BIN HAJI ISMAIL

*Independent Non-Executive Chairman*



**Age**  
72 Years Old



**Gender**  
Male



**Nationality**  
Malaysian



**Length of service**  
4 years 6 months



**Board meeting attendance**  
5/5

Tan Sri Datuk Hussin Bin Haji Ismail was appointed to the Board on 21 December 2020.

Tan Sri Datuk Hussin Bin Haji Ismail graduated with a Diploma in Police Science from University Kebangsaan Malaysia in 1998. He subsequently obtained a Master of Occupational Safety and Health Risk Management from Open University Malaysia in 2016.

Tan Sri Datuk Hussin Bin Haji Ismail began his career in the Royal Malaysia Police ("RMP") in 1971. During his tenure with RMP for over 39 years, he held various positions including Head of Special Branch of Perlis (1989-1992) and Officer in Charge of Police District of Shah Alam (2000-2002).

In 2002 he was appointed as the Head of Special Branch of Perak before taking on the position of Chief of Police for Terengganu in 2004. In 2006, he was appointed as the Chief of Police for Johor. In 2008 he was made the Director of Internal Security and Public Order Department in Bukit Aman. Subsequently, he was promoted to the rank of Deputy Inspector General ("DIG") in 2010 before his retirement in 2011. As DIG, his key responsibilities included assisting the Inspector General of Police ("IGP") in the process of achieving the vision, missions and objectives of the RMP. While holding the position of DIG, he also worked closely with the IGP in formulating policies and the guiding principles in ensuring the preservation of peace and security of the nation.

He is presently an Independent Non-Executive Chairman of SKP Resources Berhad and Independent Non-Executive Director of EP Manufacturing Bhd. Tan Sri Datuk Hussin Bin Haji Ismail was previously the Chairman of Koperasi Polis DiRaja Malaysia (2016-2018). Currently, he is the Deputy Chairman of Yayasan Pengaman Malaysia.

He holds directorships in several private companies.

He has no family relationship with any Director or major shareholder of the Company.

## Profile of Directors (Cont'd)

### JASON KOH JIAN HUI

*Managing Director*



**Age**  
33 Years Old



**Gender**  
Male



**Nationality**  
Malaysian



**Length of service**  
4 years 7 months



**Board meeting attendance**  
5/5

**Jason Koh Jian Hui** was appointed to the Board on 11 November 2020. He is responsible for setting the strategic direction for the Group and overseeing the overall operations of the Group. He also leads the marketing and sales efforts, including maintaining business relationships with the customers.

Jason Koh Jian Hui completed his education and obtained an International General Certificate of Secondary Education from Melaka International School in 2011.

Upon completing his studies, Jason Koh Jian Hui joined Kerapjaya Development Sdn. Bhd., a property developer which was his family business, as a director in 2011. He built his experience supporting his family through participation in business development and oversaw the completion of residential and commercial property development projects in Muar. He ceased active participation in the company in 2016 when he co-founded Ecomate with his cousin, Koh Cheng Huat.

Notwithstanding his past experience not being in furniture industry, he has accumulated useful general business management skill sets through his involvement in property development business. As a businessman, he was instrumental in growing Ecomate's furniture business into its current state.

He is presently an Executive Director of Yew Lee Pacific Group Berhad.

He holds directorship in several private companies.

## Profile of Directors (Cont'd)

### KOH CHENG HUAT

*Executive Director*



**Age**  
48 Years Old



**Gender**  
Male



**Nationality**  
Malaysian



**Length of service**  
4 years 7 months



**Board meeting attendance**  
5/5

**Koh Cheng Huat** was appointed to the Board on 11 November 2020. He is responsible for managing the design and development as well as production operations of the Group.

Koh Cheng Huat completed Penilaian Menengah Rendah in Sekolah Menengah Bakri in 1993. He has more than 20 years of experience in the furniture industry involving design and development, production as well as marketing and sales of furniture products.

In 1993, Koh Cheng Huat started his career as an apprentice in Yang Ah Kang & Sons Pte Ltd, a Singapore-based custom-made furniture and interior fittings company. In 1996, he returned to Malaysia and ventured into business with a business partner. During the period from 1996 to 2014, he pursued the following business ventures with the same business partner:

- (i) In 1996, he co-founded and became a partner at Chin Decoration and Interior Design, which was involved in interior design, where he was responsible for project management of renovation works undertaken by the firm for its clients. Chin Decoration and Interior Design ceased operations in 1998 and the partnership was subsequently terminated in 2001;
- (ii) In 1998, he co-founded and was appointed as a director of Surplus Creations Sdn. Bhd., a MDF furniture production company. As director, he oversaw product design and development as well as production activities. Surplus Creations Sdn. Bhd. primarily produced furniture for the local market. The company ceased operations in 2006, and was subsequently dissolved in 2017;
- (iii) In 2001, he co-founded and became a partner at Surplus Furniture Enterprise, which was involved in the business of spray painting of furniture products. The business ceased operations in 2006;
- (iv) In 2006, he co-founded and was appointed as director of Jian Gian Industries (M) Sdn. Bhd., a chipboard furniture manufacturer where he oversaw product design and development as well as production activities; and
- (v) In 2009, he co-founded and was appointed as director of Timber Art Design Sdn. Bhd., a chipboard furniture manufacturer, to focus primarily on the export markets. He was responsible for product design and development as well as production activities.

In 2014, he disposed his equity in Jian Gian Industries (M) Sdn. Bhd. and Timber Art Design Sdn. Bhd. to his business partner and another individual, and ceased being a director in these companies.

In 2015, he founded and was appointed as director of De Wings Sports Gallery Sdn. Bhd., a retailer of sports equipment. The company ceased operations in 2018.

In 2016, Koh Cheng Huat and his cousin, Jason Koh Jian Hui, incorporated Ecomate to pursue opportunities in the furniture production business.

He does not hold any directorship in any other public listed companies.

He holds directorship in several private companies.

## Profile of Directors (Cont'd)

### DATUK LEE CHING YONG

*Independent Non-Executive Director*



**Age**  
49 Years Old



**Gender**  
Male



**Nationality**  
Malaysian



**Length of service**  
4 years 6 months



**Board meeting attendance**  
5/5

**Datuk Lee Ching Yong** was appointed to the Board on 21 December 2020. He is also the Chairman of our Remuneration Committee and a member of our Audit and Risk Management Committee and Nominating Committee. Datuk Lee Ching Yong graduated with a Bachelor of Laws from the University of Malaya in 2001. In the same year, he commenced studies for his Master of Laws and completed a thesis titled "Towards a Single Competition Legislation for Malaysia". He was awarded the Master of Laws in 2005 from the University of Malaya.

Datuk Lee Ching Yong began his career upon graduation in 2001 as a pupil in EH Lim Lee & Partners where he supported the legal team in providing legal advice to clients of the firm. In March 2002, he was admitted as an advocate and solicitor of the High Court of Malaya upon completion of his pupillage. He subsequently joined PC Low & Co in 2002 as paralegal. He has also contributed to the publication of a book entitled "Remedi-Remedi Bagi Kemungkiran Kontrak Di Malaysia (Remedies For Breaches of Contracts in Malaysia)" authored by Cheong May Fong, which was published in 2004.

In 2004, he founded Chris Lee & Partners, a legal firm based in Muar, in which he has since been actively practicing law as Partner. As Partner, he is responsible for leading the firm and providing strategic direction.

Concurrently with his legal practice, he was appointed as Special Officer to the Chief Minister of Johor from 2008 to 2013 and was instrumental in supporting the Chief Minister of Johor in attending to issues faced by the population of Muar. In 2014, he was appointed as Muar Town Councilor, a position he held until 2018 and thereafter he returned to practice under his legal firm, Chris Lee & Partners to this day.

He does not hold any directorship in any other public listed companies.

He holds directorship in several private companies.

He has no family relationship with any Director or major shareholder of the Company.

## Profile of Directors (Cont'd)

### LIM YIK HUI

*Independent Non-Executive Director*



**Age**  
47 Years Old



**Gender**  
Female



**Nationality**  
Malaysian



**Length of service**  
4 years 6 months



**Board meeting attendance**  
5/5

**Lim Yik Hui** was appointed to the Board on 21 December 2020. She is also the Chairwoman of our Audit and Risk Management Committee and a member of our Nominating Committee and Remuneration Committee.

Lim Yik Hui graduated with a Bachelor of Business in Accounting from Charles Sturt University, Australia in 2000. In 2004, she was registered as a member of Certified Practising Accountant (Australia) and was also registered as a member of the Malaysian Institute of Accountants.

Lim Yik Hui began her career upon graduation in 2000 as an audit assistant at Ng & Co where she supported the audit team in carrying out audit assignments. She then joined Mustapha Khoo & Co in 2001 as an audit assistant where she participated in audit assignments carried out by the firm. She left Mustapha Khoo & Co in 2007 as an audit supervisor and subsequently joined SC Lim, Ng & Co as Audit Assistant Manager where she led a team of auditors on audit assignments for clients across various industries. In 2009, she joined Nam Cheong Dockyard Sdn. Bhd., a wholly owned subsidiary of Nam Cheong Limited listed on the Mainboard of Singapore Exchange (SGX), as Corporate Accountant. Her responsibilities comprised preparing consolidated financial statements, quarterly and annual results as well as financial result of annual reports. She also oversees all accounting functions of the company, including liaising with external parties such as auditors, tax agents, local authorities and statutory bodies. Since 2019, her job function was realigned to oversee group operational finance and tax matters of Nam Cheong group as a result of the group's business expansion.

She does not hold any directorship in any other public or private companies.

She has no family relationship with any Director or major shareholder of the Company.

## Profile of Directors (Cont'd)

### GOH SIOW CHENG

*Independent Non-Executive Director*



**Age**  
43 Years Old



**Gender**  
Female



**Nationality**  
Malaysian



**Length of service**  
11 months



**Board meeting attendance**  
2/2

**Goh Siow Cheng** was appointed to the Board on 31 July 2024. She is also the Chairperson of our Nominating Committee and a member of our Audit and Risk Management Committee and Remuneration Committee.

Goh Siow Cheng graduated with a Bachelor of Business (Accounting & Finance) from University of Technology Sydney, Australia. She is member of Certified Practising Accountant, Australia.

Goh Siow Cheng is currently the Group Chief Financial Officer and has been working with the Bioalpha Group since 2014. She is one of the key senior staff who is involved in the listing exercise of the Bioalpha. She has responsibly and effectively led her team to take on various corporate exercises, investment and acquisition projects for Bioalpha.

She has more than 10 years of experience in audit and assurance from a large international accounting firm where she was involved in audits for both private limited companies and public listed companies across various industries, including manufacturing, trading, property development, information technology and plantation.

She is presently an Independent Non-Executive Director of BTM Resources Berhad.

She holds directorship in a private company.

She has no family relationship with any Director or major shareholder of the Companies.

### ADDITIONAL INFORMATION

#### **Conflict of Interest**

None of the Directors has any conflict of interest with the Company.

#### **Conviction for Offence**

None of the Directors has any convictions of any offence within the past 5 years or been imposed on any public sanction or penalty by relevant regulatory bodies for the FY2025, other than traffic offences.

## KEY SENIOR MANAGERMENTS' PROFILE

### TEI KWEE LAN

General Manager

Tei Kwee Lan, a Malaysian, female, aged 45, is our General Manager. She supports our Executive Director in overseeing the finance, human resource and administration as well as logistics functions of our Group. She has more than 20 years of experience in the furniture industry.

She obtained a London Chamber of Commerce and Industry (LCCI) certificate from Tey Commercial College, Muar, in 2000.

She began her career in 2000 in Muar Cigarettes Distribution Sdn. Bhd., a distributor of tobacco products, where she briefly worked as a general clerk undertaking administration works, clerical works as well as inventory monitoring. In the same year, she joined Chuanheng Furniture Products Sdn. Bhd., a furniture manufacturing company, as an Accounts Executive overseeing and processing accounting entries, cash flow and payroll matters. In 2006, she joined Feng Yuan Industries Sdn. Bhd., a furniture manufacturing company, as an Accounts Executive overseeing and processing accounting entries, cash flow and payroll matters. She subsequently joined GET Furniture Sdn. Bhd., a furniture trading company, as an Accounts Executive in 2011. As an Accounts Executive, her role included supporting the finance department in performing accounting entries, preparing bank reconciliation, handling the accounts and performing month end closings. She left GET Furniture Sdn. Bhd. in July 2015. She did not take up employment between August 2015 and March 2016.

She joined Ecomate as Accounts and Administrative Manager in April 2016. As one of our pioneer key senior management, her role encompasses overseeing human resource and logistics. She was subsequently promoted to the position of General Manager in August 2020. Tei Kwee Lan is the spouse of Koh Cheng Huat.

She does not hold any Shares and is not deemed interested in the shareholdings of Koh Cheng Huat by virtue of Section 8 of the Act and as she is not a Director, Section 59 of the Act is not applicable.

### YAU CHWAN SHY

Chief Financial Officer

Yau Chwan Shy, a Malaysian, female, aged 47, is our Chief Financial Officer. She is responsible for the overall finance and accounting functions of our Group. She has 9 years of experience in the furniture industry.

She graduated from the University of Malaya with a Bachelor of Accounting in 2002. She became a member of the Malaysian Institute of Accountants in July 2020. She has more than 10 years of experience in the fields of finance and accounting.

She began her career upon graduation at Thong and Associates in 2002 as an Audit Assistant where she supported the firm's auditors in carrying out audit assignments on clients of the firm. Upon leaving Thong and Associates in March 2004, she joined SC Lim & Co in April 2004 as an Audit Assistant before being promoted to Audit Senior in February 2007, during which she was exposed to audit engagements for clients in various industries. In December 2007, she left SC Lim & Co and subsequently joined Home Upholstery Industries Sdn. Bhd. in January 2008 as an Accountant, where she oversaw the accounting functions of the company and was involved in the listing of its holding company, namely Homeritz Corporation Berhad. She was attached to Home Upholstery Industries Sdn. Bhd. until October 2013. She was not in employment from November 2013 until August 2017 due to family commitments.

In September 2017, she co-founded and was appointed director of Wawasan Sukses Sdn. Bhd., a laundry and dry-cleaning business. Subsequently in November 2017, she also co-founded a gymnasium partnership business, Tangkak Fitness. Together with her business partners, she was involved in the daily management and operations of these 2 businesses since their incorporation until July 2020. Since commencement of employment in Ecomate in August 2020 as Chief Financial Officer, she is no longer actively involved in the daily management and operations of these 2 businesses and therefore her contribution to our Group will not be affected. Before she joined us, our finance department was overseen by Ms Tei Kwee Lan who was supported by 2 accounts staff.

She has no family relationship with any Director or major shareholder of the Company.

## Key Management's Profile (Cont'd)

### TEY FOO YEE

Factory Manager

Tey Foo Yee, a Malaysian, male, aged 47, is our Factory Manager. He is responsible for managing the daily operations of our production activities, including our quality control efforts. He has 20 years of experience in the furniture industry.

He graduated from Stamford College in 2000 with a Bachelor of Arts in International Business Administration.

He began his career upon graduation in January 2001 in Kimble Furniture Corporation (M) Sdn. Bhd., a furniture manufacturing company, as a Marketing Executive where he was involved in promoting the company's furniture products. In May 2001, he joined T.A. Furniture Industries Sdn. Bhd. as Production Supervisor monitoring the packing activities of the company's office furniture products. In 2005, his responsibilities were expanded to include overseeing boring activities. In 2014, he was promoted to Assistant Production Manager and he was then tasked with the responsibility of overseeing furniture production activities in one of the company's factories.

He left T.A. Furniture Industries Sdn. Bhd. and joined Ecomate in June 2017 as Production Executive and was promoted to Operations Manager in September 2017. He was subsequently promoted to Factory Manager in July 2020.

He has no family relationship with any Director or major shareholder of the Company.

### TAN MEI HWA

Purchasing Manager

Tan Mei Hwa, a Malaysian, female, aged 35, is our Purchasing Manager. She is responsible for managing our procurement activities and maintaining business relationships with our suppliers. She has more than 10 years of experience in the furniture industry.

She left school during her Form 3 education at Sekolah Menengah Kebangsaan Tun Dr. Ismail, Muar, in 2006. She did not take up employment until 2010.

She began her career in 2010 as an Accounts Assistant at Poh Huat Furniture Industries (M) Sdn. Bhd., a furniture manufacturing company. As Accounts Assistant, she was involved in the processing of supplier invoices and recording of supplier payments. After a brief stint at Poh Huat Furniture Industries (M) Sdn. Bhd., she joined Li Ding Furniture Enterprise, a furniture manufacturing subcontractor, in the same year as a general clerk where she was responsible for clerical tasks. In 2013, she joined Synergy Wood Products Sdn. Bhd., a furniture parts manufacturer, as a Purchasing Assistant where she supported the purchasing department in monitoring inventory, ordering supplies and scheduling raw material deliveries. She then joined Masmi Wood Sdn. Bhd., a rubberwood furniture manufacturing company, in 2014 as a general clerk and was responsible for managing and processing purchasing, accounts and payments documentation. Between May and August 2017, she briefly joined VS Concept Furniture Sdn. Bhd., a furniture manufacturing company, as a Purchasing Executive and was tasked to manage the purchasing of raw materials.

She joined Ecomate in August 2017 as Purchasing Executive where she was tasked to identify and source for quotations from existing and potential suppliers. She was promoted to the position of Purchasing Manager in July 2020.

She has no family relationship with any Director or major shareholder of the Company.

## Key Management's Profile (Cont'd)

### **M. FAROUK BIN ABDULLAH** Quality Control Assistant Manager

M. Farouk Bin Abdullah, a Malaysian, male, aged 50, is the Group's Quality Control Assistant Manager. He has more than 20 years of experience in the furniture industry.

M. Farouk Bin Abdullah graduated with a Bachelor of Accounting from Universiti Putra Malaysia in 1999.

M. Farouk Bin Abdullah began his career upon graduation in 2000 as a Production Assistant at T.A. Furniture Industries Sdn. Bhd. where he was responsible for coordinating production workflow activities to meet sales orders. He was promoted to Production Control and Raw Material Executive in 2007 where he was tasked to manage the department as well as oversee and coordinate production schedules for furniture manufacturing. He was subsequently promoted to Production Planner in 2016 where he then began focusing on ISO matters, including documentation control as well as performing ISO audit on production activities.

Upon leaving T.A. Furniture Industries Sdn. Bhd., M. Farouk Bin Abdullah joined Ecomate in May 2019 as ISO and Document Controller and he was also tasked to spearhead the adoption of 5S Kaizen concept, a Japanese-based workplace organisation method, in production activities. He was promoted to Quality Control Assistant Manager in November 2020, where he oversees the QC processes conducted by the QC team during the pre-production, production and post-production stage respectively to ensure that the standards of quality of Ecomate's products meet the specifications before packing and shipment to its customers.

He has no family relationship with any Director or major shareholder of the Company.

### **ADDITIONAL INFORMATION**

#### **Conflict of Interest**

None of the Key Senior Management has any conflict of interest with the Company.

#### **Conviction for Offence**

None of the Key Senior Management has any convictions of any offence within the past 5 years or been imposed on any public sanction or penalty by relevant regulatory bodies for the FY2025, other than traffic offences.

# CHAIRMAN STATEMENT & MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

*Dear Valued Shareholders,*

On behalf of our Board of Directors ("Board"), it is my pleasure to present to you the Annual Report and Audited Financial Statements of Ecomate Holdings Berhad and its subsidiary ("the Group") for the financial year ended ("FYE") 28 February 2025.

## 1. OVERVIEW OF OUR GROUP'S BUSINESS AND OPERATIONS

We are one of the leading home furniture manufacturers in Malaysia. We are principally involved in the production of ready-to-assemble furniture products, where we undertake design and development, production as well as marketing and sales of living room furniture, bedroom furniture as well as other types of furniture, which may be tailored to our customer's specification.

Our ready-to-assemble furniture products comprise of:

### Living room furniture



Console tables, coffee tables, multi-function cabinets, shoe cabinets, side tables and television cabinets.

### Bedroom furniture



Bed frames, book shelves, drawer chests, dressing tables, night stands, wardrobes and writing tables

### Other furniture



Bar and wine cabinets, dining tables and kitchen cabinets

All of the Group's products are tailor-made according to customers' specifications, and exported to more than 30 countries across 6 continents - Asia, Europe, North America, Australasia, Africa and South America.

Our customers are primarily distributors, wholesalers, retailers and e-commerce sellers. We focus on the export market as it provides us access to a larger number of customers globally. This also reduces our reliance on certain market or country and allows us to diversify our business across multiple markets and countries.

To date, Ecomate with two facilities – Factory A and Factory B (together with a warehouse), operate six production lines with a total annual production capacity of 475,200 units of furniture. Presently, our Group's manufacturing plants are all located in Kawasan Perindustrian Bukit Bakri, Muar, Johor. The close vicinity of all plants enables our Group to facilitate administrative control and to have better control over our production costs as well as quality of our products, leading to greater efficiency, economic of scale and quicker time-to-market.



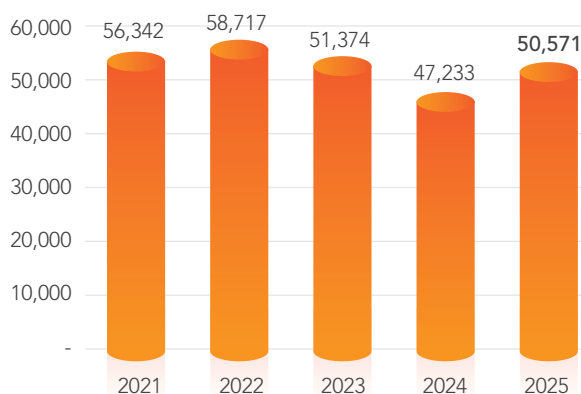
## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)

### 2. FINANCIAL PERFORMANCE REVIEW

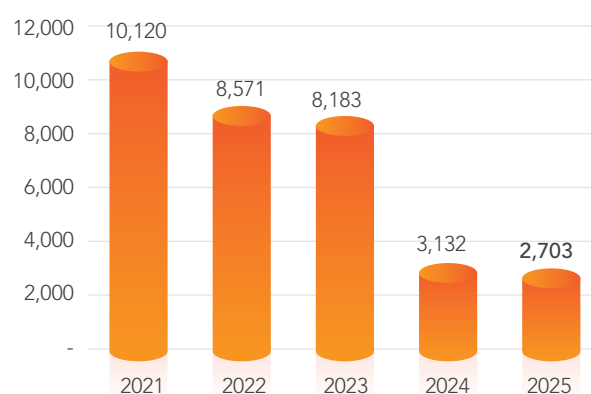
Financial Year Ended 28/29 February ("FYE")	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	56,342	58,717	51,374	47,233	50,571
Profit before tax	10,120	8,571	8,183	3,132	2,703
Profit after tax	8,520	7,092	6,168	1,508	1,470
Shareholders' equity	11,990	32,686	43,472	43,190	44,660
Net profit attributable to equity holders	8,520	7,092	6,168	1,508	1,470
Weighted average number of shares in issue ('000)*	301,000	316,170	351,495	358,026	358,026
Basic earnings per share (sen)*	2.83	2.24	1.75	0.42	0.41

\* Basic earnings per share was calculated based on weighted average number of shares in issue of 301,000,000 ordinary shares as at 28 February 2021. For comparative purpose, the basic earnings per share of the Group for the financial years 2020 to 2021 have been retrospectively adjusted to reflect the acquisition of subsidiary which was completed on 8 June 2021.

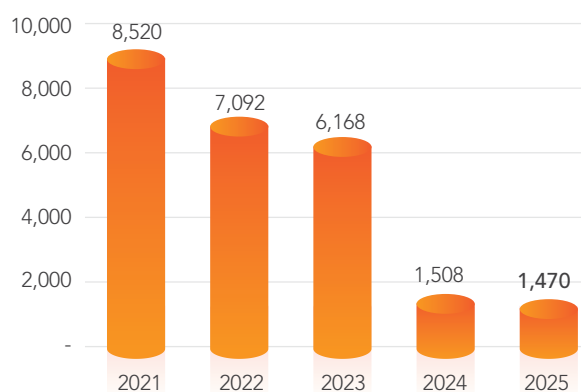
#### REVENUE (RM'000)



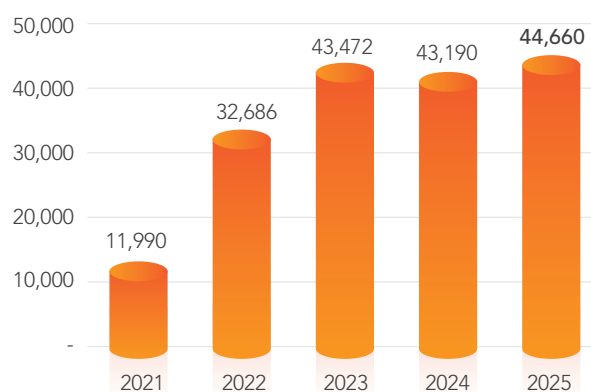
#### PROFIT BEFORE TAX (RM'000)



#### PROFIT AFTER TAX (RM'000)



#### SHAREHOLDERS' EQUITY (RM'000)



## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)

### 2. FINANCIAL PERFORMANCE REVIEW (CONT'D)

#### Revenue

In FYE 2025, the Group's total revenue increased by approximately RM3.34 million or 7.07% from RM47.23 million in FYE 2024 to RM50.57 million in FYE 2025. The increase was mainly due to increased demand in export market.

During the FYE 2025, revenue from export markets accounted for approximately RM 37.53 million or 74.22% of our total revenue while revenue from domestic markets accounted for the remaining RM13.04 million or 25.78%. In terms of revenue by region, Asia excluding Malaysia, Malaysia and Australasia were the three largest revenue contributors in FYE 2025, representing 39.13%, 25.78% and 16.90% of total revenue in FYE 2025 respectively.

#### Profit Before Tax ("PBT")

Our PBT decreased by approximately RM0.43 million or 13.70% from RM3.13 million in FYE 2024 to RM2.70 million in FYE 2025. The lower profit before tax was mainly attributable higher operating costs during the financial year.

#### Profit After Tax ("PAT")

In line with our PBT decrease, our PAT decreased from RM1.51 million in FYE 2024 to RM 1.47 million for FYE 2025. For FYE 2025, the effective tax rate was lower at 45.6% compare with the effective tax rate to 51.9% in FYE 2024. The decrease on effective tax rate was due to overprovision in deferred tax expenses in the prior years in FYE 2025.

#### Financial Position and Liquidity

	FYE 2025 (Days)
Trade receivables' turnover <sup>(1)</sup>	34
Trade payables' turnover <sup>(2)</sup>	46
Inventories' turnover <sup>(3)</sup>	122

<sup>(1)</sup> This is derived using the formula:  $(\text{Average trade receivables} / \text{Total revenue}) \times 365$  days

<sup>(2)</sup> This is derived using the formula:  $(\text{Average trade payables} / \text{Cost of sales}) \times 365$  days

<sup>(3)</sup> This is derived using the formula:  $(\text{Average inventories} / \text{Cost of sales}) \times 365$  days

Our financial position remains healthy as our Group had already geared up for its business expansion. Our average trade receivable turnover as at 28 Feb 2025 were recorded at approximately 34 days. Our normal trade terms granted to customers range from 30 to 210 days. Our Group has not encountered any major disputes with our debtors and hence no allowance for impairment was provided for as there were no doubtful receivables outstanding for FYE2025.

Our average trade payables turnover period as at 28 February 2025 was approximately 46 days, which was within credit terms granted by suppliers which ranges from cash term to 60 days.

The inventory turnover period was approximately 122 days in FYE 2025.

Our cash and cash equivalents stood at approximately RM 18.72 million as at 28 February 2025. Our total bank borrowings decreased by approximately RM 0.88 million to RM 14.12 million as at 28 February 2025 compare to FYE 2024. The decrease was mainly due to the decreased in utilisation of trade bills, which was offset by drawdown of new term loan of RM 2.97 million due to acquisition of Land PLO 67. We reported a gearing ratio of 0.3 times as at 28 February 2025.

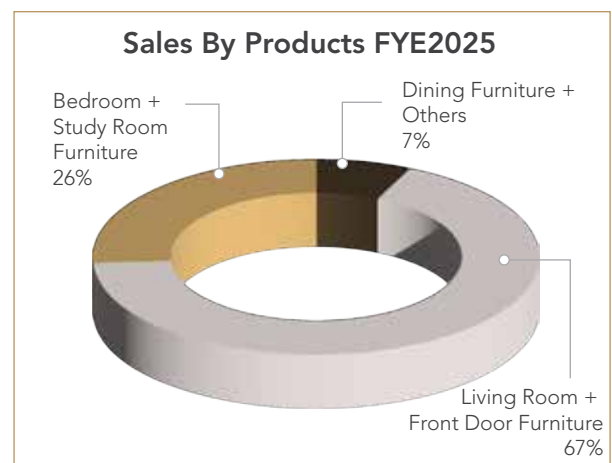
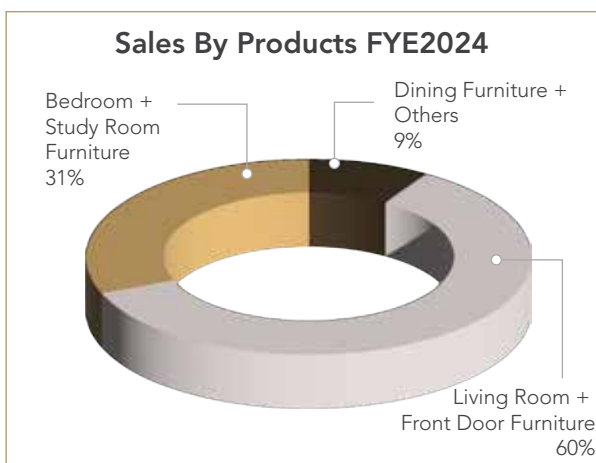
For cash flow movement, the net cash used to purchase property, plant and equipment reported at RM 5.35 million in FYE 2025.

## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)

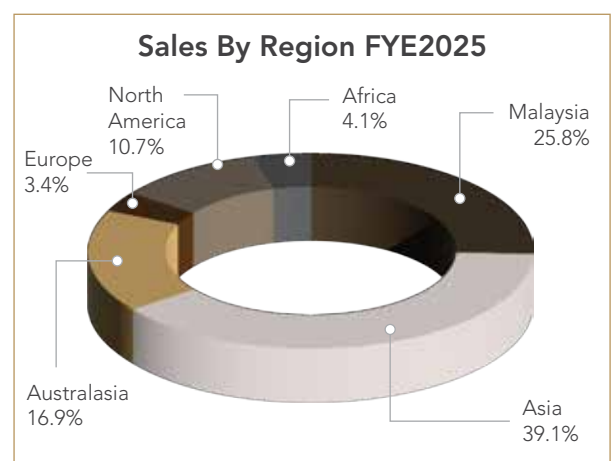
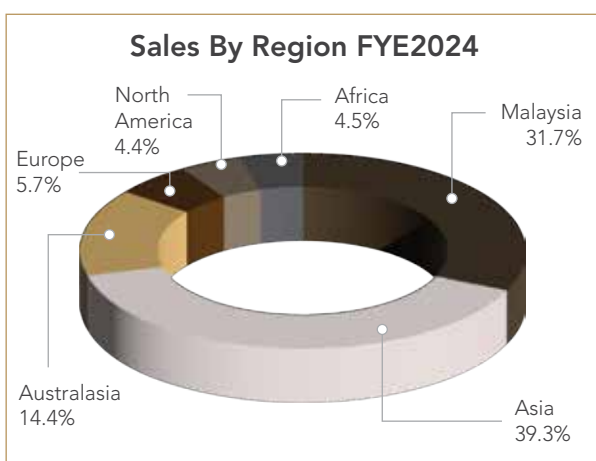
### 2. FINANCIAL PERFORMANCE REVIEW (CONT'D)

The Group remains prudent in maintaining a healthy financial position that enables us to execute our strategic plans and maximising our shareholders' value.

Sales By Products	2024		2025	
	RM'000	%	RM'000	%
Living Room Furniture	28,286	59.9	33,653	66.6
Bedroom Furniture	14,560	30.8	13,307	26.3
Others Furniture	4,387	9.3	3,611	7.1
	47,233	100.0	50,571	100.0



Sales By region	2024		2025	
	RM'000	%	RM'000	%
Asia	18,547	39.3	19,791	39.1
Malaysia	14,980	31.7	13,038	25.8
Australasia	6,817	14.4	8,544	16.9
Europe	2,672	5.7	1,705	3.4
Africa	2,129	4.5	2,061	4.1
North America	2,088	4.4	5,432	10.7
	47,233	100.0	50,571	100.0



## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)

### 3. ANTICIPATED OR KNOWN RISKS

#### Foreign Currency Exchange Risk

Our furniture products are primarily exported, with 80.3% of our revenue in FYE 2025 being derived from export sales. Our export sales are primarily denominated in USD. Our export market primarily comprises customers from the Asia (excluding Malaysia), Australasia and Europe. This inherently subjects us to foreign exchange rates risks which are affected by various factors that are beyond our control, including but not limited to political and economic climates of Malaysia and the world. Therefore, any significant change in foreign exchange rates may affect our Group's financial results.

We maintain foreign currency accounts to receive our USD sales proceeds. Additionally, we also enter into foreign currency forward exchange contracts with banking institutions to sell our USD sales proceeds at agreed exchange rates for fixed periods of time to reduce the exposure of our receivables. Our Group mitigates foreign exchange risk through natural hedging by using our USD sales proceeds to pay for our USD purchases of raw materials.

#### Dependence on availability of foreign workers

The manufacturing works for furniture is labour intensive. As a result of the shortage of local workers in Malaysia, we are dependent on foreign workers from Bangladesh and Myanmar. We are therefore vulnerable to changes in the availability and costs of employing foreign workers.

Any unfavourable changes of labour policies and visa restrictions of these countries will cause disruptions to our production activities and business operations. The supply of foreign workers in Malaysia is subject to the policies and regulations imposed by the Malaysian government from time to time. Malaysia's strict immigration policies and rules limit the inflow of foreign labour into the country. For instance, the availability of foreign workers in Malaysia is regulated through policies such as imposition of levies and quotas. As a result, we may face shortage in employing workers to meet the needs of our production activities and operations.

In addition, with increasing demand of foreign labour, especially skilled labour, we cannot assure that we can continue to attract foreign workers at the current level of wages or our current foreign workers will continue to be employed by us. Any increase in competition for foreign workers, especially skilled workers, may result in higher labour wages. Consequently, if we are unable to pass on the increase in labour costs to our customers, our financial performance will be affected.

Presently, our Group has not experienced any shortage in foreign workers which has resulted in major disruption to our productions. Further, we also have adopted automated e-machinery in our manufacturing process in order to reduce the dependence on manual labour.

#### Fluctuation in the prices of raw materials

We purchase our raw materials from a pool of local suppliers who have established track record and are able to provide a constant supply at competitive prices. The main raw materials we use in furniture production is particle boards and Medium Density Fibreboard, which accounted for approximately 44.4% of our total purchases in FYE 2025.

The price of our raw materials may fluctuate due to changes in supply and demand. Any shortage or disruption in the supply of raw materials which results in price fluctuation may adversely affect our operations and financial performance.

It is our practise to look for multiple sources of supply to maintain competitive prices. Most of our purchases of raw materials are made upon receipt of confirmed orders from our customers to minimise the impact of any adverse price fluctuations in our main raw materials. Our suppliers regularly keep us abreast of the supply condition and price trend of our raw materials to ensure that we are aware and prepared for any price fluctuation of the raw materials.

During the FYE 2025, we have not encountered any material fluctuations in the cost of our raw materials that would adversely affect our financial performance.

## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)

### 3. ANTICIPATED OR KNOWN RISKS (CONT'D)

#### Changes in political, economic, legal or social conditions

We derive a significant portion of our revenue from our export markets. During the FYE 2025, our export sales accounted for approximately 74.2% of our revenue.

Factors such as changes in political leadership, economic conditions, interest rates, business and credit conditions as well as government policies includes currency exchange rules and introduction of new regulations or changes in import quotas would affect our financial condition and results of operations. As such, we are susceptible to political, social, economic, legal and regulatory developments in these countries where we have direct business relationships with our customers.

While we take measures to mitigate such risks by keeping abreast with economic and regulatory changes in the relevant countries, there can be no assurance that any adverse changes in political, economic and regulatory conditions of the countries will not materially affect our financial performance. However, with our continuous effort to diversify our customer base, we could reduce the susceptibility of our financial performance to any political, economic and regulatory changes in a particular country.

### 4. FUTURE PROSPECTS AND OUTLOOK OF OUR GROUP

The global market seems to be uncertain due to the ongoing macroeconomic uncertainties, volatile exchange rate, geopolitical tensions and the introduction of new U.S tariffs on imports and rising global inflation. Meanwhile, the minimum wages adjustment from RM1,500 to RM1,700 from February 2025 are expected to impact our cost structure as well.

In response, the Board will regularly review the performance and progress of the Group's operations and financial performance as well as to introduce various business strategies to increase revenue in order to minimize the impact on our operating costs and continue to explore new market opportunities.

Nevertheless, the Group intends to focus on its core competency in enhancing the efficiency of the existing manufacturing activities and increase the manufacturing capacity to enable the Group to take on opportunities arising from future demand. The Group is confident that the future prospects will be favourable as the Group is targeted to commence the construction of Factory C by second quarter of year 2025. Currently, our total annual production capacity is 475,200 units, Factory C is expected to increase our annual capacity to reach a combined manufacturing capacity of approximately 712,800 units.

The Group will emphasise on living room furniture and bedroom furniture through on-going design and development efforts. To identify and adapt to the fast-changing trends and preferences, we have dedicated our marketing and sales team together with our design and development team to keep abreast of the changing market trends.

Given our track record in penetrating these foreign markets, we will continue to expand our customer base and export markets. We plan to further intensify our marketing and sales efforts to capture more sales. Furniture trade fairs are an important avenue for us to showcase our ready-to-assemble furniture products and meet new potential customers. These furniture fairs have traditionally attracted buyers from all over the world due to the scale of the events and range of exhibitors attending such events.

## Chairman Statement & Management Discussion and Analysis Statement (Cont'd)



### DIVIDEND POLICY

Presently, our Group does not have any formal dividend policy. However, it is the intention of our Board to consistently reward our shareholders.

Any declaration of interim dividends and recommendation of final dividends are at the discretion of our Board and any final dividend proposed is subject to our shareholders' approval.

### APPRECIATION

On behalf of the Board, I would like to convey my gratitude the shareholders and investing public for their trust and support in the Company, our fellow Board and Senior Management team for their continued investment of dedication, effort, expertise and experience in the various departments they lead and to our colleagues who form the members of ECOMATE family I thank you for your continued support and diligence in playing your roles on a daily basis. My sincere appreciation also goes to our business partners, clients, bankers and other associates for their continued support for the Company.

**Tan Sri Datuk Hussin Bin Haji Ismail**  
Chairman

# SUSTAINABILITY STATEMENT

## ABOUT THIS STATEMENT

Ecomate Holdings Berhad ("Ecomate") or ("the Group") is honoured to present our Sustainability Statement for the financial year 2025, outlining the Group's ongoing efforts and achievements in addressing our material sustainability matters. This Statement reflects our unwavering commitment to building a better future through responsible business practices, clearly defined objectives, and operational excellence. Through this report, we aim to provide transparent insights into our sustainability performance and progress.

### Our Key Business Activities

Ecomate's core business centers on the design, manufacture, and sale of high-quality, ready-to-assemble wood-based furniture. Our products are primarily crafted using chipboard and medium-density fibreboard ("MDF"), with an option for customisation to meet specific client requirements and market preferences.

Our home furniture offerings are broadly categorised into three main segments:

- Living Room Furniture – including TV cabinets, coffee tables, side tables, and display shelves.
- Bedroom Furniture – such as bed frames, wardrobes, dressers, and nightstands.
- Other Room Furniture – which includes study desks, bookshelves, shoe cabinets, and multifunctional storage solutions.

Our operations span the entire value chain, from product design and prototyping to manufacturing, packaging, and delivery. We serve both domestic and international markets, with a strong commitment to sustainable sourcing, efficient production practices, and responsible supply chain management.



## Sustainability Statement (Cont'd)

### ABOUT THIS STATEMENT (CONT'D)

#### Our Key Business Activities (Cont'd)

The Group's key business activities, geographical locations of those activities and contribution to revenue are summarised in the table below:

Business activity	Geographical locations	% of total revenue <sup>1</sup>
Manufacturing and sale of furniture	Malaysia	26
	Asia (excluding Malaysia)	39
	Australasia	17
	North America	11
	Africa	4
	Europe	3

<sup>1</sup> The revenue figures presented the percentage contribution of each business segment as disclosed in the Group's audited financial statements for the financial year ended 28 February 2025.

#### Reporting Guidelines, Frameworks and Standards

This Sustainability Report of Ecomate and its subsidiary has been prepared in accordance with the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad, with reference to the Sustainability Reporting Guide (3<sup>rd</sup> Edition) issued by Bursa Malaysia and National Sustainability Reporting Framework ("NSRF") by Advisory Committee on Sustainability Reporting ("ACSR").

The Report is further aligned with key principles and guidelines from the following national and international frameworks and standards:

<b>Corporate Governance and Global Sustainability Alignment</b>	<ul style="list-style-type: none"> <li>• Malaysian Code on Corporate Governance ("MCCG") by the Securities Commission Malaysia</li> <li>• United Nations Sustainable Development Goals ("UNSDGs")</li> <li>• Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations (Part of IFRS Foundation<sup>1</sup>)</li> </ul>
<b>Reporting Framework</b>	<ul style="list-style-type: none"> <li>• National Sustainability Reporting Framework ("NSRF")<sup>2</sup></li> <li>• IFRS Sustainability Disclosure Standards (S1 and S2) issued by the IFRS Foundation<sup>1</sup></li> <li>• International &lt;Integrated Reporting&gt; Framework and Integrated Thinking Principles (Part of IFRS Foundation<sup>1</sup>)</li> </ul>
<b>International Standards and Guidelines</b>	<ul style="list-style-type: none"> <li>• AccountAbility Standards <ul style="list-style-type: none"> <li>○ AA1000 AccountAbility Principles</li> <li>○ AA1000 Stakeholder Engagement Standard</li> </ul> </li> <li>• International Workshop Agreements ("IWA") <ul style="list-style-type: none"> <li>○ IWA 48:2024 – Framework for Implementing Environmental, Social and Governance ("ESG") Principles</li> <li>○ IWA 42:2022 – Net Zero Guidelines</li> </ul> </li> <li>• International Organisation for Standardisation ("ISO") <ul style="list-style-type: none"> <li>○ ISO 14064-1:2018 – Greenhouse Gases (GHG) Standard</li> <li>○ ISO 20400:2017 – Sustainable Procurement – Guidance</li> <li>○ ISO 59004:2024 – Circular Economy – Vocabulary, Principles and Guidance for Implementation</li> <li>○ ISO 59020:2024 – Circular Economy – Measuring and Assessing Circularity Performance</li> </ul> </li> </ul>

## Sustainability Statement (Cont'd)

### ABOUT THIS STATEMENT (CONT'D)

#### Reporting Guidelines, Frameworks and Standards (Cont'd)

<sup>1</sup> The Group commenced the adoption of the IFRS Sustainability Disclosure Standards in its financial year ending 28 February 2025 ("FY 2025"), marking a significant step towards aligning with global best practices in sustainability reporting. As part of this initial phase, the Group has begun applying the core principles of both IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

As of 31 December 2024, no additional IFRS Sustainability Disclosure Standards had been issued by the International Sustainability Standards Board ("ISSB").

While the Group has taken active steps to incorporate the IFRS S1 and S2 frameworks, the adoption is not yet comprehensive. The Group is progressively enhancing its reporting practices to align more fully with these standards over time, in line with internal readiness, data availability, and evolving regulatory requirements.

<sup>2</sup> The NSRF outlines Malaysia's strategic approach to adopting the IFRS S1 and S2 issued by the ISSB. The framework serves as a national baseline for consistent, comparable, and reliable sustainability reporting, aimed at enhancing investor confidence and strengthening Malaysia's global competitiveness.

Implementation of the NSRF will be phased starting from 2025, with full adoption—including mandatory disclosures of Scope 1 and Scope 2 greenhouse gas ("GHG") emissions—required by 2027 for larger entities. In addition to disclosure requirements, the NSRF also sets out the development of assurance requirements to enhance the credibility and integrity of sustainability-related information disclosed by companies.

#### Reporting Period, Scope and Basis of Scope

This Sustainability Report has been prepared for the Group and should be read in conjunction with the Group's consolidated financial statements, which are prepared in accordance with Malaysia Financial Reporting Standards ("MFRS"), issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, Practice Note 9A-A Saving and Transitional Provisions for Sustainability Statement Part A: Contents of the Sustainability Statement and Part B: Disclosure of common sustainability matters. The reporting period covers a 12-month fiscal year from 1 March 2024 to 28 February 2025, consistent with the period covered by the consolidated financial statements.

The sustainability-related financial disclosures presented in this report apply to the same reporting entity as the Group's financial statements and encompass both the Group's own operations and its broader value chain.

To support effective sustainability risk and opportunity management, the Group defines time horizons based on when such risks and opportunities are reasonably expected to occur. These time horizons also align with those used in strategic planning and decision-making:

- Short term (0 to 12 months)
- Medium term (1 to 5 years)
- Long term (beyond 5 years)

All financial data and disclosures in this report are presented in Malaysian Ringgit ("MYR"), consistent with the presentation currency used in the Group's consolidated financial statements.

#### Board of Directors' Approval

The Board of Directors has reviewed and approved this Sustainability Statement, confirming that it accurately reflects Ecomate's sustainability performance and initiatives for the reporting year. The Board accepts full responsibility for the integrity of this Statement, which is supported by robust governance practices and internal reporting processes.

#### Independent Assurance

The performance data presented in this report have been primarily derived from the Group's internal information systems and original records, ensuring a high level of accuracy and reliability in the reported information.

## Sustainability Statement (Cont'd)

### ABOUT THIS STATEMENT (CONT'D)

#### External Assurance

To reinforce our commitment to transparent and credible sustainability reporting, Ecomate engaged ASAP Advisory PLT ("ASAP"), an independent verifier, to perform a limited assurance engagement review on selected sustainability indicators disclosed in this report. The assurance was conducted in accordance with ISAE 3000 (Revised), providing independent validation of the accuracy and reliability of the reported information.

ASAP also serves as the Company's external internal auditor, primarily providing advisory on internal controls and risk governance. To mitigate any potential conflict of interest and ensure objectivity, a separate team within ASAP, independent from the internal audit engagement, was assigned to perform the sustainability assurance work<sup>(a)</sup>.

ASAP's role and independence were assessed in accordance with professional ethical requirements, and adequate safeguards were implemented to preserve assurance integrity.

(a) *The dual role of ASAP Advisory PLT has been reviewed by the Audit Committee to ensure compliance with ethical standards, and all assurance activities were conducted by personnel who were not involved in internal audit services.*

#### Forward-looking Statements

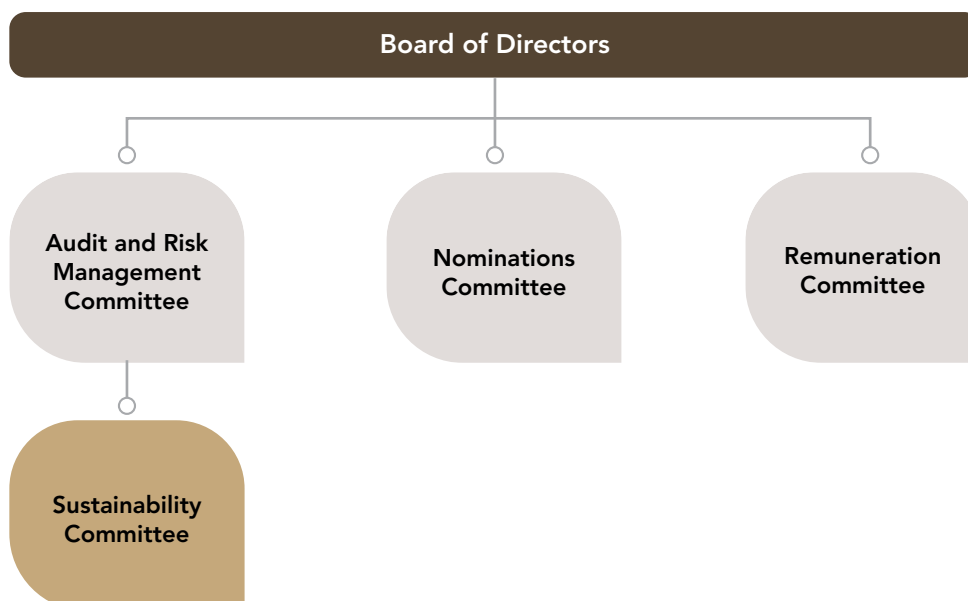
This Statement includes forward-looking statements intended to communicate Ecomate's sustainability vision, strategies, and future commitments. These statements are based on current assumptions and expectations and are not guarantees of future outcomes. Stakeholders are advised to interpret these forward-looking statements with appropriate caution.

#### Feedback

We value feedback from our stakeholders as we continuously work to improve and contribute to a more sustainable future. For any comments or information or inquiries, please contact us at: [sustainability@ecomate.com.my](mailto:sustainability@ecomate.com.my)

### SUSTAINABILITY GOVERNANCE

At Ecomate, sustainable growth is underpinned by a robust corporate governance framework that aligns our strategic objectives with our sustainability commitments. This integrated approach ensures that our business is managed responsibly, ethically, and with a long-term perspective. The Group's sustainability governance structure is outlined below to illustrate our oversight and accountability mechanisms.



## Sustainability Statement (Cont'd)

### SUSTAINABILITY GOVERNANCE (CONT'D)

#### Board of Directors

Ecomate's Board of Directors plays a pivotal role in guiding the Group's sustainability strategy and ensuring that it is aligned with our long-term corporate objectives. As the highest governance body, the Board holds ultimate responsibility for overseeing sustainability-related matters, including monitoring the progress of initiatives led by the Sustainability Committee. The Board provides final approval on key sustainability strategies and disclosures presented by the Group Managing Director, reinforcing accountability at the highest level. To further strengthen its oversight capabilities, the Board has undertaken training on ESG matters. This equips the Board members with the necessary knowledge and awareness to make informed decisions on emerging Environmental, Social, and Governance ("ESG") trends, risks, and opportunities. Through active engagement and continuous upskilling, the Board ensures that Ecomate's sustainability journey is managed with integrity, transparency, and long-term value creation in mind.

#### Audit and Risk Management Committee

The Audit and Risk Management Committee plays a vital role in supporting the Board by ensuring not only the financial integrity and regulatory compliance of the Company but also by embedding sustainability considerations into risk oversight and control frameworks. Beyond safeguarding the accuracy of financial statements and auditor independence, the Committee assesses how sustainability-related risks—such as environmental liabilities, social impacts, and governance issues—are identified, monitored, and managed. This includes ensuring that the Company's disclosure controls and internal reporting systems adequately capture non-financial data related ESG performance. By integrating sustainability risks into the broader risk management and audit processes, the Committee helps Ecomate maintain transparency, build stakeholder trust, and align with global standards on sustainable business practices.

#### Sustainability Committee

The Sustainability Committee is dedicated to driving the Group's sustainability agenda by coordinating daily activities and implementing Group-wide initiatives that embed ESG principles into every aspect of the business. This Committee ensures that sustainability is not treated as a standalone effort but is fully integrated throughout the Group's value chain—from product innovation, supply chain management, and manufacturing, through to marketing and retail operations.

By fostering collaboration across departments, the Committee helps the Group minimise its environmental footprint, promote social responsibility, and enhance corporate governance. This integrated approach supports the Group's long-term resilience, competitiveness, and reputation as a responsible business committed to sustainable development goals and the evolving expectations of stakeholders.

As part of efforts to strengthen the Group's climate strategy, the Committee is exploring the recommendation to adopt science-based emissions reduction targets in alignment with the Science Based Targets initiative ("SBTi"). This move would align the Group's decarbonisation pathway with global best practices and the goals of the Paris Agreement. To ensure strategic alignment and accountability at the highest level, the Committee proposes that this recommendation be formally reviewed and approved by the Board of Directors.

#### Sustainability Integration in Nomination and Remuneration Practices

At Ecomate, sustainability considerations are increasingly embedded in our nomination and remuneration practices to ensure alignment with long-term corporate responsibility and performance goals. The Group recognises that leadership plays a critical role in driving sustainable growth, and as such, ESG factors are considered when evaluating board composition, leadership succession, and key appointments. In addition, sustainability-related objectives and key performance indicators ("KPIs") are progressively being integrated into performance assessments and incentive structures for senior management, encouraging behaviours and decisions that support the Group's sustainability commitments. This approach ensures that the selection, development, and reward of leaders reflect not only financial performance but also their contributions toward advancing Ecomate's sustainability agenda.

## Sustainability Statement (Cont'd)

### STAKEHOLDER ENGAGEMENT

Ecomate places strong emphasis on active and transparent communication with our stakeholders, recognising it as a cornerstone of responsible and sustainable business practices. We are committed to understanding the needs, expectations, and concerns of those impacted by our operations, including our customers, employees, suppliers, shareholders, financiers, investors, government agencies, regulators, and local communities. Their feedback is instrumental in driving continuous improvement and uncovering new opportunities for growth.

In an increasingly complex and fast-evolving business landscape, stakeholder engagement is central to our sustainability journey. We understand that the long-term success of Ecomate is deeply connected to the perspectives of those who support our operations, benefit from our products and services, and share in our vision for a sustainable future.

To build strong, trust-based relationships and enhance our business resilience, we engage with stakeholders through a variety of formal and informal channels. These ongoing interactions allow us to gather valuable insights, address potential issues, and respond effectively to stakeholder needs.

The table below highlights Ecomate's key stakeholder groups, along with the engagement methods and communication channels we use to foster constructive dialogue and collaboration.

Key Stakeholders	Areas of Concern/ Interest	Engagement Approach	Our Responses
<b>Customers</b>	<ul style="list-style-type: none"> <li>Product Quality, Safety and Compliance</li> <li>Customer Service and Experience</li> </ul>	<ul style="list-style-type: none"> <li>Customer Relationship Management</li> <li>Reliable Service and On-time Delivery Furniture Exhibition</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to quality standards (i.e. ISO 9001 Quality Management Systems)</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Health and Safety</li> <li>Welfare and Remuneration</li> <li>Workplace Diversity</li> <li>Training and Career Development</li> <li>Value Equal Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Performance Appraisal</li> <li>Management and Staff Meeting</li> <li>Annual Event</li> <li>Training Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Encourage transparent communication with employees</li> <li>Ensure equal employment opportunities for all individuals without discrimination</li> <li>Provide reasonable benefits and remuneration package</li> <li>Certified with <i>Perakuan Penginapan</i> by the Department of Labour ("JTK")</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Transparent Procurement Practices</li> <li>Payment Schedule</li> <li>Anti-Bribery</li> <li>Sustainable supply of quality services and materials</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation on Performance</li> <li>Anti-Bribery Commitment</li> <li>Regular site visits</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise the establishment of transparent procurement processes</li> <li>Require suppliers to undergo Due Diligence assessment</li> <li>Completed the SEDEX (Supplier Ethical Data Exchange) audit</li> </ul>

## Sustainability Statement (Cont'd)

### STAKEHOLDER ENGAGEMENT (CONT'D)

Key Stakeholders	Areas of Concern/ Interest	Engagement Approach	Our Responses
<b>Investors</b>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Business Strategy</li> <li>Shareholder Value</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Annual General Meeting</li> <li>Financial Report</li> <li>Corporate Website</li> <li>Company Announcements</li> <li>Investor Relations activities</li> </ul>	<ul style="list-style-type: none"> <li>Provide timely updates on the Group's strategy and financial performance through investor briefings and announcements</li> <li>Uphold good governance practices across the Group, and supply chain</li> </ul>
<b>Government Agencies</b>	<ul style="list-style-type: none"> <li>Governance Compliance</li> <li>Environment Management and Compliance</li> <li>Fair Labour Practices</li> <li>Policy Matters (Public, Health and Safety)</li> <li>Anti-Bribery</li> </ul>	<ul style="list-style-type: none"> <li>Annual Report</li> <li>Meeting and Seminar</li> <li>Public Announcement</li> <li>Inspection/Audit by Local Authority</li> <li>Anti-Bribery Commitment</li> </ul>	<ul style="list-style-type: none"> <li>Full compliance with regulatory requirements</li> <li>Adoption of practices outlined in the Malaysian Code on Corporate Governance and Anti-Bribery Practices</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Impact of Business Operation</li> <li>Social Issue</li> </ul>	<ul style="list-style-type: none"> <li>Community Programmes</li> <li>Customer Relationship and Engagement</li> <li>Customer Relationship and Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Investing in welfare to enhance community well-being</li> </ul>

#### Membership Associations

The Group is also a proud member of the following reputable organisations, reflecting our commitment to industry collaboration and ethical business practices:

- Malaysian Furniture Council ("MFC") – Supporting the growth and development of Malaysia's furniture industry through active participation and advocacy.
- SEDEX – Demonstrating our dedication to ethical sourcing, transparency, and responsible supply chain management.

## Sustainability Statement (Cont'd)

### SUSTAINABILITY COMMITMENTS AND APPROACH

#### Sustainability Framework

Ecomate's sustainability framework is structured around the Economic, Environmental, Social, and Governance ("EESG") components, which are applied across our core operational areas: Corporate, Development, and Assets. This structure enables us to identify and prioritise material topics that guide the integration of sustainability across our business activities.

Refer to the summary table below for the material topics by operational area and EESG category.

	Corporate Headquarters and staff	Development Manufacturing and sale of furniture	Assets Owned and managed properties
<b>Economics</b>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Value Creation through Governance &amp; Strategy</li> <li>Investment in Human Capital</li> </ul>	<ul style="list-style-type: none"> <li>Financial Performance</li> <li>Revenue and Profit Growth</li> <li>Operational Efficiency</li> <li>Responsible Supply Chain Economics</li> <li>Sustainable Product Economics</li> </ul>	<ul style="list-style-type: none"> <li>Asset Value Optimisation</li> <li>Green Investment</li> <li>Economic Risk Management</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Energy consumption</li> <li>GHG emissions</li> <li>Water consumption</li> <li>Waste management</li> <li>Responsible procurement</li> </ul>	<ul style="list-style-type: none"> <li>Energy consumption</li> <li>GHG emissions</li> <li>Water consumption</li> <li>Waste management</li> <li>Responsible procurement</li> <li>Sustainability certifications</li> </ul>	<ul style="list-style-type: none"> <li>Energy consumption</li> <li>GHG emissions</li> <li>Water consumption</li> <li>Waste management</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>Employee health and safety</li> <li>Employee learning and development</li> <li>Diversity, equity, and inclusion</li> <li>Labour practices and standards</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety</li> <li>Worker welfare and well-being</li> <li>Community engagement</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Anti-corruption</li> <li>Risk Management</li> <li>Policies and Processes</li> <li>Enhanced sustainability reporting obligations</li> </ul>	<ul style="list-style-type: none"> <li>Health and safety policies</li> <li>Due diligence</li> <li>Procurement policies</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability-related requirements</li> <li>Quality certifications</li> </ul>

Our materiality assessment is further guided by the Six Capitals model — *financial, manufactured, human, social, natural, and governance* — as well as the UNSDGs and Bursa Malaysia's Common Sustainability Indicators<sup>1</sup>. These frameworks provide a holistic lens for evaluating value creation and sustainability impacts across our business. By integrating them into our materiality process, we ensure that our sustainability efforts are aligned with long-term business performance, stakeholder expectations, and regulatory requirements.

## Sustainability Statement (Cont'd)

### SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

Refer to the following table for an overview of the Six Capitals and how they guide our sustainability approach:

Capitals	Definition	Aspects
<b>Financial</b>	Funds available for our Group's working capital requirements from the internal operations and internal/external financing sources	<b>Financial Highlight</b> Resources to support our Group's operations and to implement other Capitals
<b>Manufactured</b>	Creating value through innovation and product quality and compliance	<b>Marketplace</b> Implementing sustainability through product quality and compliance
<b>Governance</b>	Good governance and robust internal control system and procedures	<b>Governance</b> Board engagement on strategy and sound governance of internal controls to enhance sustainability initiatives
<b>Human</b>	Skills, motivation, and alignment with our organisational goals	<b>Workplace</b> Creating a safe and supportive working environment, training and self-development
<b>Social</b>	Relations with key institutions, stakeholder groups, shared norms and values, trust and confidence and its social license to operate	<b>Community</b> Contributing to local community development
<b>Natural</b>	Renewable and non-renewable natural elements and the eco-system, used as inputs by our Group now or in the past or future, and the impacts from our Group's operations on them	<b>Environment</b> Improving our environment by utilising greener alternatives

<sup>1</sup> Bursa Malaysia's Common Sustainability Indicators provide a standardised set of ESG metrics to enhance the consistency and comparability of sustainability disclosures. Covering key economic, environmental, and social areas, these indicators guide listed issuers in aligning with global frameworks such as IFRS S1/S2, TCFD, and GRI, and are mandatory for Main and ACE Market companies.

### Material Topics

Ecomate conducts a comprehensive annual review of its material sustainability topics to ensure our priorities remain relevant, forward-looking, and aligned with stakeholder expectations. This review is overseen by the Board of Directors and supported by the Board Committees, reinforcing our strong sustainability governance framework.

The materiality assessment identifies the most significant actual and potential impacts of our operations on the economy, environment, and society—including human rights. In line with the IFRS Sustainability Disclosure Standards (S1 and S2), each topic is evaluated based on the likelihood and severity of its impact, helping us to identify key risks and opportunities.

To enhance the depth and relevance of the assessment, each topic is further analysed through multiple lenses, including the Six Capitals model, the UN SDGs, and Bursa Malaysia's Common Sustainability Indicators.

As part of our commitment to continuous improvement, the FY 2025 material topics have been refined to reflect changes in the business environment, regulatory developments, and stakeholder feedback. A summary of the management approach for each material topic is also provided, outlining the actions and controls used to manage these key sustainability areas.

Sustainability Statement  
(Cont'd)

## SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

## Material Topics (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
<b>Economic</b>				
<b>Financial Performance</b>	<p><b>Risks:</b> Economic downturns, market volatility, and financial mismanagement could threaten profitability and long-term viability.</p> <p><b>Opportunities:</b> Integrating sustainability can enhance resilience, access to capital, and stakeholder trust, driving long-term value creation.</p>	Financial	<ul style="list-style-type: none"> <li>SDG 8: Decent Work and Economic Growth</li> </ul>	N/A
Summary of management approach	Maintains financial resilience by integrating sustainability into its business strategy to drive long-term value creation and stakeholder prosperity.			
<b>Environmental</b>				
<b>Climate Change (Energy Management and Emissions)</b>	<p><b>Risks:</b> Regulatory penalties, increased costs due to carbon pricing, physical impacts of climate change, and reputational risks from poor environmental performance.</p> <p><b>Opportunities:</b> Energy efficiency, emissions reduction, and sustainable practices can lower costs, meet regulatory compliance, and improve brand reputation.</p>	Natural	<ul style="list-style-type: none"> <li>SDG 11: Sustainable Cities and Communities</li> <li>SDG 12: Responsible Consumption and Production</li> <li>SDG 13: Climate Action</li> </ul>	<ul style="list-style-type: none"> <li>B4(a) Total energy consumption</li> <li>B11(a) Scope 1 emissions in tonnes of CO<sub>2</sub>e</li> <li>B11(b) Scope 2 emissions in tonnes of CO<sub>2</sub>e</li> <li>B11(c) Scope 3 emissions in tonnes of CO<sub>2</sub>e (at least for the categories of business travel and employee commuting)</li> </ul>
Summary of management approach	Adopts a proactive environmental management approach by integrating sustainability into operations, enhancing emissions tracking, and investing in pollution control and energy efficiency initiatives.			
<b>Waste Management</b>	<p><b>Risks:</b> Environmental pollution, regulatory non-compliance, and potential fines from improper waste handling.</p> <p><b>Opportunities:</b> Efficient waste management reduces disposal costs, promotes recycling, and supports circular economy initiatives.</p>	Natural	<ul style="list-style-type: none"> <li>SDG 12: Responsible Consumption and Production</li> <li>SDG 13: Climate Action</li> </ul>	<ul style="list-style-type: none"> <li>B10 (a) Total waste generated, and a breakdown of the following: <ul style="list-style-type: none"> <li>(i) Total waste diverted from disposal</li> <li>(ii) Total waste directed to disposal</li> </ul> </li> </ul>
Summary of management approach	Practices strict regulatory compliance and collaboration with licensed contractors to minimise environmental and health impacts.			

## Sustainability Statement (Cont'd)

### SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

#### Material Topics (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
<b>Environmental (Cont'd)</b>				
<b>Water</b>	<p><b>Risks:</b> Water scarcity and pollution could disrupt operations and increase costs; regulatory restrictions may tighten.</p> <p><b>Opportunities:</b> Water efficiency and conservation can reduce costs and mitigate risks related to water supply and regulatory compliance.</p>	Natural	<ul style="list-style-type: none"> <li>SDG 6: Clean Water and Sanitation</li> <li>SDG 12: Responsible Consumption and Production</li> </ul>	B9(a) Total volume of water used
Summary of management approach	Adopts efficient water management practices and fostering a culture of responsible water use to protect local resources and support long-term sustainability.			
<b>Social</b>				
<b>Product and Service Quality</b>	<p><b>Risks:</b> Product defects or failure to meet standards can damage reputation and lead to financial losses.</p> <p><b>Opportunities:</b> High-quality products enhance customer satisfaction, market competitiveness, and support sustainable growth.</p>	Manufactured	<ul style="list-style-type: none"> <li>SDG 1: No Poverty</li> <li>SDG 9: Industry, Innovation, and Infrastructure</li> <li>SDG 12: Responsible Consumption and Production</li> <li>SDG 14: Life Below Water</li> </ul>	N/A
Summary of management approach	Maintains high product and service quality by following ISO 9001:2015 standards, regularly reviewing performance, and improving processes to meet customer needs and support business growth.			
<b>Diversity and Inclusion</b>	<p><b>Risks:</b> Lack of diversity can lead to reduced innovation, employee dissatisfaction, and reputational damage.</p> <p><b>Opportunities:</b> Diverse and inclusive workplaces foster creativity, employee engagement, and better decision-making.</p>	Human	<ul style="list-style-type: none"> <li>SDG 5: Gender Equality</li> <li>SDG 8: Decent Work and Economic Growth</li> </ul>	<ul style="list-style-type: none"> <li>B3(a) Percentage of employees by gender and age group, for each employee category</li> <li>B3(b) Percentage of directors by gender and age group</li> <li>B6(b) Percentage of employees that are contractors or temporary staff</li> <li>B6(d) Number of substantiated complaints concerning human rights violation</li> </ul>

Sustainability Statement  
(Cont'd)

## SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

## Material Topics (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
<b>Social (Cont'd)</b>				
Summary of management approach	Promotes an inclusive, fair, and respectful workplace by ensuring equal opportunities, prohibiting discrimination, and supporting diverse talent development.			
<b>Employee Management</b>	<p><b>Risks:</b> High turnover, low productivity, or poor workforce skills can impact operational efficiency and profitability.</p> <p><b>Opportunities:</b> Investing in employee development and well-being boosts retention, performance, and talent attraction.</p>	Human	<ul style="list-style-type: none"> <li>SDG 1: No Poverty</li> <li>SDG 4: Quality Education</li> <li>SDG 8: Decent Work and Economic Growth</li> <li>SDG 10: Reduced Inequalities</li> </ul>	<ul style="list-style-type: none"> <li>B6(a) Total hours of training by employee category</li> <li>B6(c) Total number of employee turnover by employee category</li> </ul>
Summary of management approach	Prioritises workforce development, performance-driven rewards, and employee well-being to attract, retain, and empower talent for sustainable growth.			
<b>Health and Safety</b>	<p><b>Risks:</b> Workplace accidents or health issues can lead to legal liabilities, financial losses, and damaged reputation.</p> <p><b>Opportunities:</b> Strong health and safety practices improve employee morale, reduce downtime, and ensure regulatory compliance.</p>	Human	<ul style="list-style-type: none"> <li>SDG 3: Good Health and Well-being</li> <li>SDG 8: Decent Work and Economic Growth</li> </ul>	<ul style="list-style-type: none"> <li>B5(a) Number of work-related fatalities</li> <li>B5(b) Lost time incident rate</li> <li>B5(c) Number of employees trained on health and safety standards</li> </ul>
Summary of management approach	Adopts a proactive, compliance-driven approach to occupational health and safety by strengthening governance structures, enhancing employee training, and continuously improving workplace safety standards to ensure the well-being of all employees.			
<b>Contributing to Local Communities</b>	<p><b>Risks:</b> Poor community relations can result in social conflicts and operational disruptions.</p> <p><b>Opportunities:</b> Positive community engagement builds goodwill, strengthens social license to operate, and supports sustainable development.</p>	Social	<ul style="list-style-type: none"> <li>SDG 8: Decent Work and Economic Growth</li> <li>SDG 9: Industry, Innovation, and Infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>B2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer</li> <li>B2(b) Total number of beneficiaries of the investment in communities</li> </ul>
Summary of management approach	Supporting initiatives that promote social inclusion and sustainable development.			

## Sustainability Statement (Cont'd)

### SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

#### Material Topics (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
<b>Governance</b>				
<b>Anti-corruption</b>	<p><b>Risks:</b> Corruption can lead to legal penalties, financial losses, and reputational damage.</p> <p><b>Opportunities:</b> Robust anti-corruption controls enhance transparency, investor confidence, and business integrity.</p>	Governance	<ul style="list-style-type: none"> <li>SDG 16: Peace, Justice and Strong Institutions</li> </ul>	<ul style="list-style-type: none"> <li>B1(a) Percentage of employees who have received training on anti-corruption by employee category</li> <li>B1(b) Percentage of operations assessed for corruption-related risks</li> <li>B1(c) Confirmed incidents of corruption and action taken</li> </ul>
Summary of management approach	Upholding zero tolerance for corruption, strengthening risk controls, and promoting transparency across all operations.			
<b>Cybersecurity and Data Privacy</b>	<p><b>Risks:</b> Data breaches and cyberattacks can cause operational disruption, legal sanctions, and loss of customer trust.</p> <p><b>Opportunities:</b> Strong cybersecurity measures protect assets, comply with regulations, and maintain stakeholder trust.</p>	Governance	<ul style="list-style-type: none"> <li>SDG 16: Peace, Justice and Strong Institutions</li> </ul>	<ul style="list-style-type: none"> <li>B8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</li> </ul>
Summary of management approach	Adoption of clear governance policies, robust cybersecurity measures, and continuous monitoring to safeguard stakeholder information, ensure regulatory compliance, and maintain trust across all business operations.			
<b>Sustainable Supply Chain</b>	<p><b>Risks:</b> Supply chain disruptions, unethical supplier practices, and lack of transparency may damage reputation and cause operational issues.</p> <p><b>Opportunities:</b> Responsible procurement and supplier engagement strengthen resilience, ensure compliance, and support local economies.</p>	Governance	<ul style="list-style-type: none"> <li>SDG 8: Decent Work and Economic Growth</li> </ul>	<ul style="list-style-type: none"> <li>B7(a) Proportion of spending on local suppliers</li> </ul>
Summary of management approach	Focuses on responsible, transparent procurement and robust supplier due diligence to ensure a sustainable, resilient, and locally supported supply chain.			

## Sustainability Statement (Cont'd)

### SUSTAINABILITY COMMITMENTS AND APPROACH (CONT'D)

#### Materiality Matrix

The Materiality Matrix offers a visual representation of Ecomate’s most critical sustainability topics for FY 2025, as determined through our latest materiality assessment. It reflects the relative significance of each topic, taking into account both stakeholder concerns and the actual or potential impacts on our business.

High-priority topics—whether due to their impact or their connection to key risks and opportunities—are given strategic emphasis and integrated into our sustainability planning and decision-making processes.

Level of Stakeholder Concerns	High	E1 – Financial Performance	S1 – Product and Service Quality S4 – Health and Safety G1 – Anti-corruption G3 – Sustainable Supply Chain	
	Medium	ENV1 – Climate Change (Energy Management and Emissions) ENV2 – Waste Management S2 – Diversity and Inclusion	S3 – Employee Management G2 – Cybersecurity and Data Privacy	
	Low	ENV3 – Water S5 – Contributing to Local Communities		
		Low	Medium	High
Impact on Business Operations				

Legend:  Low Risk     Medium Risk     High Risk

#### FTSE4GOOD Bursa Malaysia Index

As a Main Market-listed company, we are proud to be assessed under the FTSE4Good Bursa Malaysia Index, a key benchmark that identifies public-listed companies demonstrating strong ESG practices. Widely recognised by investors, the Index serves as a valuable reference for evaluating companies committed to responsible and sustainable business conduct.

Ecomate’s ESG performance for FY 2024 was evaluated by FTSE Russell, in accordance with the FTSE Russell ESG Ratings Methodology, which assesses both a company’s exposure to ESG risks and the robustness of its risk management practices in addressing these issues.

In FY 2024, Ecomate achieved a 3-star rating (FTSE4Good ESG Rating of 2.5–3.6) under the Consumer Products & Services sector. This rating reflects the Group’s strong performance in critical areas such as emissions management, labour standards, corporate governance, and anti-corruption—all essential for building trust, ensuring compliance, and maintaining accountability in a consumer-focused industry.

Looking ahead, we remain committed to further enhancing its ESG performance by strengthening sustainability governance, improving disclosure transparency, and embedding measurable ESG actions across the organisation. We aim to achieve a 4-star rating (FTSE4Good ESG Rating of 3.7 or higher)—a significant threshold for inclusion in the FTSE4Good Bursa Malaysia Index.

Attaining index constituent status would not only affirm Ecomate’s responsible and forward-looking business practices but also enhance our visibility and attractiveness to ESG-conscious investors. This milestone would reflect our broader ambition to be recognised as a trusted, sustainable, and resilient corporate citizen in the capital market.

## Sustainability Statement (Cont'd)

### ECONOMIC

#### Economic Performance

At Ecomate, we recognise that strong financial performance is fundamental to sustaining long-term value and supporting our broader sustainability goals. Our operations contribute to economic growth through job creation, tax contributions, and the delivery of quality products that enhance community well-being.

In FY 2025, Ecomate recorded total revenue and other incomes of MYR 51.6 million, reflecting our continued market strength and commitment to delivering stakeholder value. Amidst a dynamic operating environment, we remain focused on strategic planning, agile market response, and sustainable business practices to ensure financial resilience and future growth.

By aligning economic performance with sustainability, Ecomate aims to generate lasting impact for our stakeholders and the communities we serve.

	2023 MYR'000	2024 MYR'000	2025 MYR'000
Economic value generated (e.g., revenue and other income)	52,007	48,379	51,811
Economic value distributed:			
• Operating expenses (Raw Materials used, etc.)	43,252	44,500	48,287
• Finance costs	572	747	821
• Payment to government (e.g., tax)	2,015	1,624	1,233
Economic value retained	6,168	1,508	1,470

#### Material Topic: Financial Performance

Align with	Financial Capital
	SDG 8: Decent Work and Economic Growth
Summary of management approach	Maintains financial resilience by integrating sustainability into its business strategy to drive long-term value creation and stakeholder prosperity.

### ENVIRONMENTAL

#### Climate Change (Energy Management and Emissions)

As a sustainability-driven organisation, Ecomate is committed to growing its business responsibly by minimising environmental impact and addressing the challenges of climate change. Acknowledging the significant role of energy use and greenhouse gas ("GHG") emissions in contributing to climate risks, we continue to adopt and strengthen environmentally responsible practices across our operations.

In FY 2025, we enhanced our emissions reporting by improving data accuracy and transparency. Notably, company vehicle emissions were incorporated into Scope 1 reporting, providing a more precise and comprehensive GHG disclosure aligned with recognised industry best practices.

	Unit	2023	2024	2025
B11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> <sub>e</sub> – <i>company cars; fuel &amp; diesel</i>	tCO <sub>2</sub> e	148,399.27*	143,268.63*	138,299.13
B11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> <sub>e</sub> – <i>electrical</i>	tCO <sub>2</sub> e	790.47*	825.26*	891.54
B11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> <sub>e</sub> (at least for the categories of business travel and employee commuting) – <i>business travel</i>	tCO <sub>2</sub> e	593.00*	180.18*	680.13

\*Restated

Sustainability Statement  
(Cont'd)

**ENVIRONMENTAL (CONT'D)**

**Climate Change (Energy Management and Emissions) (Cont'd)**

Environmental considerations are embedded into our ESG framework, with continuous compliance to the SMETA Environmental requirements and the Malaysia Environmental Quality Act 1974. To mitigate pollution and protect surrounding communities, we have implemented a range of measures, including a designated and properly contained storage area for scheduled waste, installation of a dust fume collector system to reduce airborne pollutants, and routine noise monitoring and chemical health risk assessments. In line with expanding operations, Ecomate also recorded a rise in energy consumption in FY 2025.



	Unit	2023	2024	2025
B4(a) Total energy consumption	MWh	1,042.84	1,088.73	1,176.17

Moving forward, Ecomate remains focused on strengthening its environmental initiatives by investing in greener technologies, enhancing data collection systems, and driving operational efficiency to reduce its carbon footprint and support a low-carbon future.

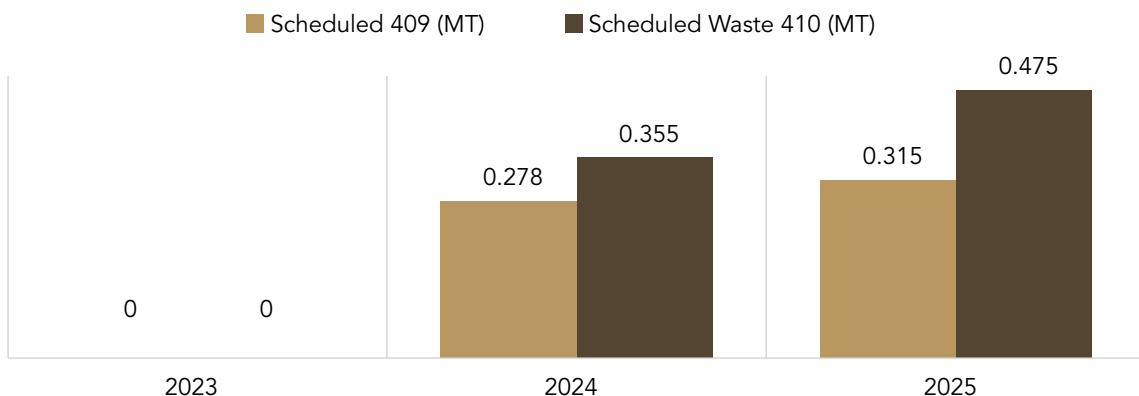
Material Topic: Climate Change (Energy Management and Emissions)	
<b>Align with</b>	Natural Capital SDG 8: Decent Work and Economic Growth SDG 12: Responsible Consumption and Production SDG 13: Climate Action
<b>Summary of management approach</b>	Adopts a proactive environmental management approach by integrating sustainability into operations, enhancing emissions tracking, and investing in pollution control and energy efficiency initiatives.

**Waste Management**

In FY 2025, Ecomate continued to prioritise effective waste management to reduce its environmental footprint and protect the health of nearby communities. Our waste streams include hazardous scheduled waste as well as non-hazardous materials like domestic refuse, construction debris, and recyclables. We actively encourage responsible waste handling and recycling among employees to minimise potential risks to the environment and public health.

In line with environmental regulations, we work closely with licensed waste contractors for the proper collection and disposal of scheduled and wood waste. On-site, scheduled waste is regularly monitored and documented to ensure compliance and safety. During FY 2025, Ecomate generated 0.81 metric tonnes ("MT") of waste, demonstrating our commitment to responsible waste management and continuous improvement in sustainability practices.

**TOTAL SCHEDULED WASTE GENERATED (MT)**



## Sustainability Statement (Cont'd)

### ENVIRONMENTAL (CONT'D)

#### Waste Management (Cont'd)

	Unit	2023	2024	2025
B10(a) Total waste generated, and a breakdown of the following:	MT	0.016*	0.64*	0.81*
(i) Total waste diverted from disposal	MT	0.016*	0.01*	0.02
(ii) Total waste directed to disposal	MT	N/A	0.63	0.79

\*Restated

Material Topic: Waste Management	
<b>Align with</b>	Natural Capital SDG 12: Responsible Consumption and Production SDG 13: Climate Action
<b>Summary of management approach</b>	Practices strict regulatory compliance and collaboration with licensed contractors to minimise environmental and health impacts.

#### Water

We recognise that excessive water use can deplete natural resources, harm ecosystems, and contribute to pollution. Although significant water-saving measures are yet to be implemented, we are committed to adopting efficient water management practices in the coming years. By gradually integrating these initiatives into our operations, we aim to reduce our environmental impact and support the long-term sustainability of local water sources for future generations and surrounding communities.

Our commitment to water conservation includes implementing effective management strategies to optimise usage and minimise waste. We also prioritise educating and engaging our employees on responsible water consumption, fostering a culture of sustainability. Through these ongoing efforts, we strive to protect vital water resources, preserve local ecosystems, and promote the well-being of the communities where we operate.

	Unit	2023	2024	2025
B9(a) Total volume of water used	Megalitres	8.6	7.6	10.6

\*Restated

Material Topic: Water	
<b>Align with</b>	Natural Capital SDG 6: Clean Water and Sanitation SDG 12: Responsible Consumption and Production
<b>Summary of management approach</b>	Adopts efficient water management practices and fostering a culture of responsible water use to protect local resources and support long-term sustainability.

## Sustainability Statement (Cont'd)

### SOCIAL

#### Product and Service Quality

Ecomate is firmly committed to delivering exceptional product and service quality, recognising it as a cornerstone of value creation and sustainable business growth. Our dedication to upholding industry-leading standards has resulted in enhanced customer satisfaction, strengthened market credibility, improved risk management, and a workforce driven by a culture of excellence.

To ensure the reliability and consistency of our offerings, we benchmark our products and services against recognised industry standards. Our approach prioritises high-quality manufacturing, regular performance evaluations, stringent production oversight, and responsible waste management. We also conduct customer satisfaction surveys that assess feedback on product satisfaction, cost, and service quality, helping us identify opportunities for continuous improvement. These practices are supported by our ISO 9001:2015 Quality Management System certification, which affirms our commitment to excellence in quality assurance.

By embedding ISO 9001-compliant quality control measures across all operational facets, Ecomate reinforces its reputation as a trusted and dependable provider, consistently delivering products and services that meet or exceed stakeholder expectations.

Material Topic: Product and Service Quality	
<b>Align with</b>	Manufactured Capital SDG 1: No Poverty SDG 9: Industry, Innovation, and Infrastructure SDG 12: Responsible Consumption and Production SDG 14: Life Below Water
<b>Summary of management approach</b>	Maintains high product and service quality by following ISO 9001:2015 standards, regularly reviewing performance, and improving processes to meet customer needs and support business growth.

#### Diversity and Inclusion

Ecomate is committed to building an inclusive and diverse workplace where all individuals are treated with fairness, dignity, and respect. We embrace diversity across race, gender, religion, age, and disability, and do not tolerate any form of discrimination or harassment. These principles are reinforced through our Code of Conduct, which outlines our zero-tolerance policy for unfair treatment based on protected characteristics.

We ensure equal access to opportunities for all employees, including career advancement and leadership roles. Our talent management approach includes regular skills assessments and individual development planning to support professional growth for everyone.

Our inclusive culture empowers individuals to contribute their unique perspectives and talents, fostering innovation and strengthening team performance. This commitment to fairness extends to all stakeholders—employees, shareholders, customers, suppliers, and competitors.

In FY 2025, we recorded zero complaints related to human rights violations, reflecting our strong culture of integrity and respect.

	2023	2024	2025
B6(d) Number of substantiated complaints concerning human rights violation	0	0	0

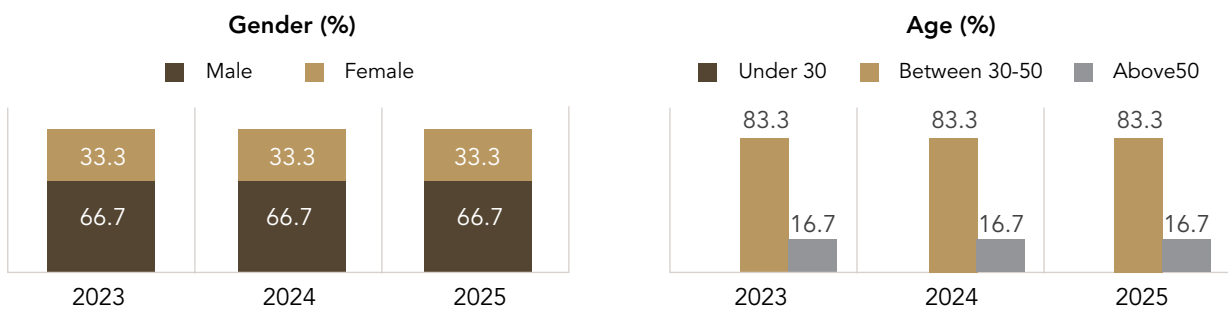
# Sustainability Statement (Cont'd)

## SOCIAL (CONT'D)

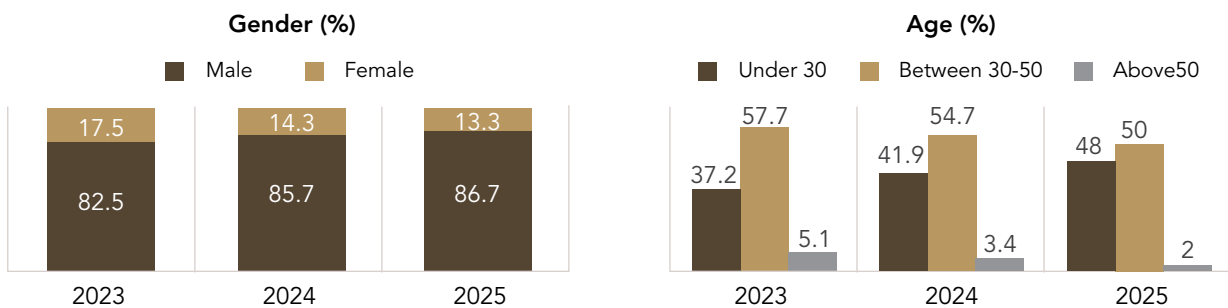
### Diversity and Inclusion (Cont'd)

The following charts illustrate our Board diversity and workforce profile, showcasing our ongoing efforts to maintain a balanced and inclusive organisation.

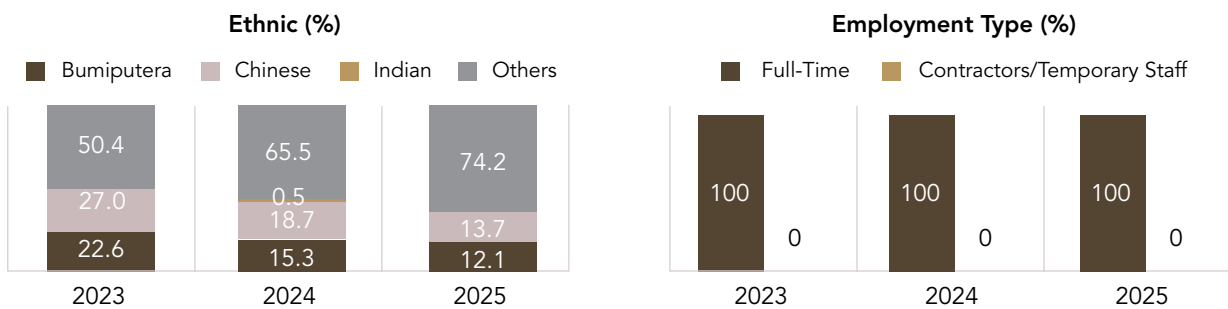
Board Diversity	
Total Directors of 6 in FY 2025	
B3(b) Percentage of directors by gender and age group	



Workforce Profile	
(based on total employees of 248 as of 28 February 2025)	



B3(a) Percentage of employees by gender and age group, for each employee category



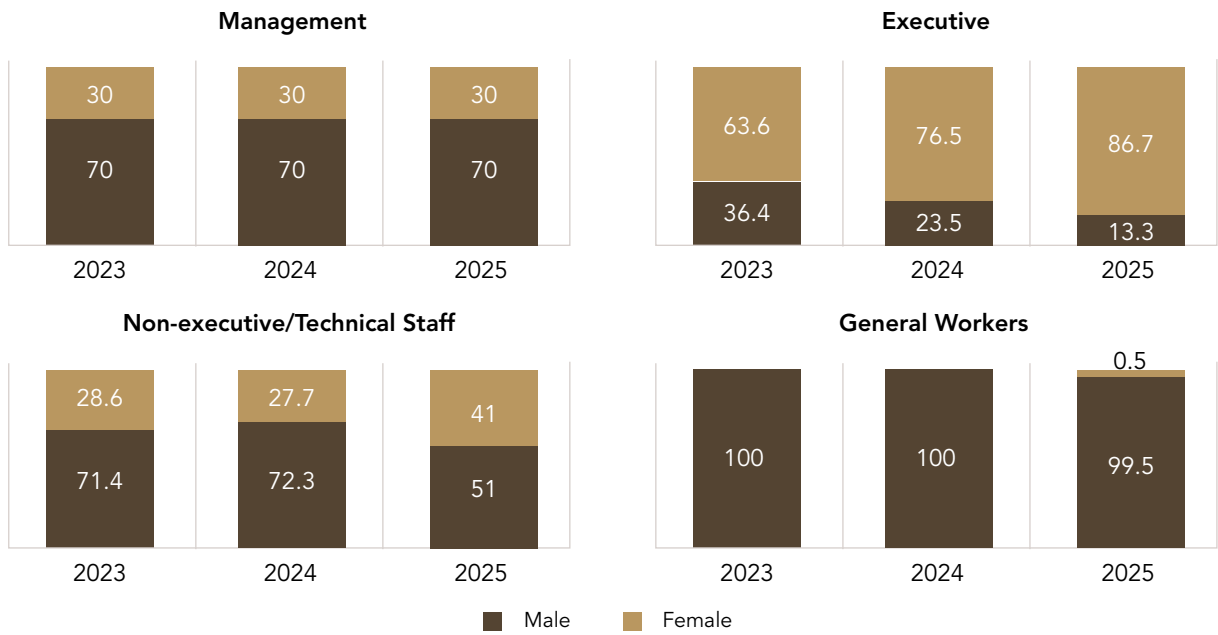
Sustainability Statement  
(Cont'd)

**SOCIAL (CONT'D)**

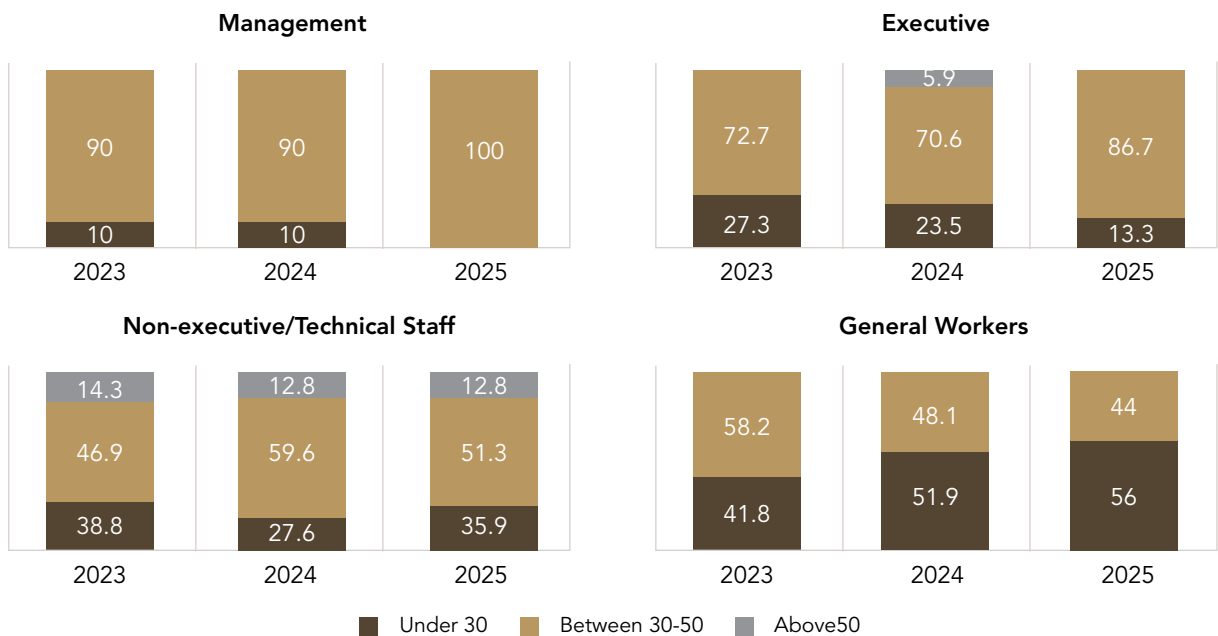
**Diversity and Inclusion (Cont'd)**

B3(a) Percentage of employees by gender and age group, for each employee category

**Gender Diversity by Employee Category (%)**



**Age Diversity by Employee Category (%)**



## Sustainability Statement (Cont'd)

### SOCIAL (CONT'D)

#### Diversity and Inclusion (Cont'd)

Material Topic: Diversity and Inclusion	
Align with	Human Capital
	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
Summary of management approach	Promotes an inclusive, fair, and respectful workplace by ensuring equal opportunities, prohibiting discrimination, and supporting diverse talent development.

#### Employee Management

Ecomate recognises that employees are vital to the Group's long-term growth and success. As such, we place strong emphasis on the well-being, satisfaction, and development of our workforce as a core element of our management strategy. Our commitment spans the entire employee lifecycle—from attracting and recruiting top talent to nurturing, developing, and retaining high-performing individuals within a supportive and empowering work environment.

Our employment practices strictly adhere to applicable labour laws and standards. The Human Resources strategy focuses on two key areas: training and development, and remuneration and performance management. We invest significantly in upskilling initiatives to ensure our employees remain competitive, agile, and future-ready. Competitive compensation and structured performance reviews help drive motivation, accountability, and continuous improvement across the organisation.

These efforts are designed to enhance productivity and build a capable workforce that contributes to the Group's sustainable growth.

- **Training and Development**

Ecomate believes that investing in workforce development is essential for attracting and retaining talent, enhancing efficiency, and supporting long-term growth. We are committed to employee career progression through ongoing investments in both external and internal training aligned with business needs.

Our training programmes focus on equipping employees with job-specific skills and knowledge to ensure effective performance and meaningful contribution to the Group's goals. To monitor progress, we use the *Borang Penilaian Prestasi Suku Tahunan* (Quarterly Performance Evaluation Form) to assess whether employees are applying what they have learned. If performance declines are identified in the report, management will conduct a review to determine whether the employee requires further training or motivational support. Where necessary, additional interventions are provided to address performance gaps and help employees get back on track.

Our training and development programmes in FY 2025 include the following:

No.	Training Programmes
1	Productivity Improvement Technique
2	Forklift Safety
3	My Chemical Safety
4	First Aid at Workplace
5	E-Invoicing
6	Anti Bribery Corruption GAP & T.R.U.S.T Training Programme
7	Occupational Safety & Health Coordinator
8	Forum Khas
9	E-Invoice Evolution: Technical Insight & Latest
10	Mental Health Awareness – 2
11	Occupational Psychological First Aid – 2
12	Seminar KKP
13	Bengkel Keselamatan KKP
14	Occupational Safety & Health Coordinator

Sustainability Statement  
(Cont'd)

## SOCIAL (CONT'D)

## Employee Management (Cont'd)

- Training and Development (Cont'd)**

In FY 2025, we invested MYR 35,466.00 in a broad range of training programmes, with employees collectively receiving 998 hours of training to strengthen workforce capabilities.

B6(a) Total hours of training by employee category	2023	2024	2025
Management	75	245	271
Executive	7	147	177
Non-executive/Technical Staff	420	386	368
General Workers	161	189	182



- Remuneration Packages and Performance Management**

At Ecomate, we recognise employees as the key drivers of the Group's sustained growth and success. Committed to fostering a culture rooted in accountability, collaboration, and shared achievements, we conduct annual performance and career development reviews that offer employees structured opportunities for feedback, coaching, and advancement. Our reward and recognition framework celebrates outstanding contributions, promotes excellence, and cultivates a positive, engaging workplace. By providing competitive remuneration and comprehensive benefits, we attract and retain skilled talent, ensuring a motivated and capable workforce.

In line with our commitment to employee well-being, Ecomate adheres to industry-standard employment practices and offers a broad range of benefits, including annual leave, medical and hospitalisation leave, unpaid leave, first marriage leave, maternity and paternity leave, prolonged illness leave, compassionate leave, medical reimbursement, and outstation allowances.

During FY 2025, we recorded a total employee turnover of 37, reflecting the dynamic nature of our workforce, while welcoming 82 new hires. This balance underscores our ongoing efforts to attract and retain talent, reinforcing our dedication to workforce sustainability. We remain focused on maintaining an engaging and supportive work environment that fosters employee growth and long-term retention.

B6(c) Total number of employee turnover by employee category	2023	2024	2025
Management	0	0	0
Executive	1	2	3
Non-executive/Technical Staff	25	22	22
General Workers	25	28	12

## Sustainability Statement (Cont'd)

### SOCIAL (CONT'D)

#### Employee Management (Cont'd)

- *Remuneration Packages and Performance Management (Cont'd)*

Material Topic: Employee Management	
Align with	Human Capital SDG 1: No Poverty SDG 4: Quality Education SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
Summary of management approach	Prioritises workforce development, performance-driven rewards, and employee well-being to attract, retain, and empower talent for sustainable growth.

#### Health and Safety

Ensuring the health, safety, and well-being of employees is a core priority, forming the foundation of a productive and resilient workplace. We are committed to maintaining a safe and healthy environment that minimises risks, prevents workplace incidents, and supports overall operational efficiency.

Our Health and Safety Committee, comprising designated representatives, plays a critical role in overseeing workplace conditions, ensuring regulatory compliance, and cultivating a strong safety culture across the organisation. Ecomate's Health and Safety Policy—which has successfully undergone a SMETA audit—aligns with the Occupational Safety and Health Act 1994 and the Factory and Machinery Act 1967, providing a structured framework for safe and responsible business operations.

In line with Section 30(1)(a)(b) and (2) of the Occupational Safety and Health Act and the Safety and Health Committee Regulation 1994, we conduct quarterly Health and Safety Committee meetings to ensure that all facilities, equipment, and processes are well-maintained and compliant. Our core safety practices include:

Meeting established safety KPIs

Adhering to guardlines and standard operating procedures ("SOPs")

Implementing the *5S—Sort, Set in Order, Shine, Standardise, and Sustain—methodology* for a clean, organised, and safe workspace

Conducting hazard assessments through the HIRARC (Hazard Identification, Risk Assessment and Risk Control) approach

To strengthen awareness and capability, we have increased the number of employees trained on health and safety standards compared to previous years. These training efforts—combined with daily toolbox briefings and ongoing site supervision—reinforce a culture of shared responsibility and continuous improvement in safety performance.

	2023	2024	2025
B5(c) Number of employees trained on health and safety standards	19	19	56

Our overarching objective is to ensure that every employee returns home safely at the end of each workday. Over the past three years, we have consistently maintained a low rate of workplace injuries and are proud to report zero lost-time injuries in FY 2025, reaffirming our steadfast commitment to occupational safety and health.

Sustainability Statement  
(Cont'd)

## SOCIAL (CONT'D)

## Health and Safety (Cont'd)

	2023	2024	2025
B5(a) Number of work-related fatalities	0	0	0
B5(b) Lost time incident rate	2.34	0.79	0

Moving forward, Ecomate remains committed to continuously improving our occupational health and safety performance to protect our people and ensure a resilient, productive workplace.

Material Topic: Health and Safety	
<b>Align with</b>	Human Capital SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth
<b>Summary of management approach</b>	Adopts a proactive, compliance-driven approach to occupational health and safety by strengthening governance structures, enhancing employee training, and continuously improving workplace safety standards to ensure the well-being of all employees.

## Contributing to Local Communities

Ecomate recognises the importance of building strong relationships with the community as a key driver of social inclusion and positive, lasting impact. We are dedicated to actively engaging in initiatives and programmes that bring meaningful benefits to the communities we serve. In FY 2025, Ecomate contributed MYR 11,388.00 towards community welfare, including donations for school renovations and serving as a Pearl Sponsor for the "Discovery Impression of Muar 2.0" video project.



	2023	2024	2025
B2(a) Total amount invested in the community where the target beneficiaries are external to Ecomate (MYR)	7,000.00	7,000.00	11,388.00
B2(b) Total number of beneficiaries (institutions and organisations) of the investment in the communities	3	2	2

Looking ahead, we remain committed to supporting efforts that uplift local communities and empower future generations, fostering a more inclusive and sustainable society. Ecomate will continue to seek out new and impactful opportunities to strengthen our community engagement and create lasting positive change.

Material Topic: Contributing to Local Communities	
<b>Align with</b>	Human Capital SDG 8: Decent Work and Economic Growth SDG 9: Industry, Innovation, and Infrastructure
<b>Summary of management approach</b>	Supporting initiatives that promote social inclusion and sustainable development.

## Sustainability Statement (Cont'd)

### GOVERNANCE

#### Anti-corruption



Ecomate is committed to upholding strong corporate governance by adhering to ethical business practices, maintaining compliance with applicable laws and regulations, and fostering a culture of transparency and accountability. Our governance approach is guided by the Malaysian Code on Corporate Governance ("MCCG") 2021, supported by a structured risk management and internal control framework.

To reinforce ethical conduct, our comprehensive Code of Conduct ("CoC") outlines expected behaviours for all employees. We maintain a zero-tolerance stance on bribery, corruption, fraud, money laundering, and insider trading. Key governance tools such as the Anti-Bribery and Corruption ("ABC") Policy and Whistleblowing Policy are in place and made accessible on our corporate website.

The Whistleblowing Policy provides a confidential reporting channel for both internal and external stakeholders to raise concerns without fear of retaliation. Reports are directed to the Audit and Risk Management Committee and Managing Director. In line with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, all employees have been briefed on anti-corruption requirements to ensure awareness and compliance across the organisation.

B1(a) Percentage of employees who have received training on anti-corruption by employee category	2023	2024	2025
Management	30	N/A	100
Executive	0	N/A	100
Non-executive/Technical Staff	0	N/A	100
General Workers	0	N/A	100

As of 28 February 2025, Ecomate reported zero incidents of corruption across all business operations. Our commitment to ethical conduct remains unwavering as we continue to enhance our risk assessment and mitigation strategies. By fostering proactive governance and consistently strengthening internal controls, we aim to uphold the highest standards of integrity and ensure the long-term sustainability of our operations.

	2023	2024	2025
B1(b) Percentage of operations assessed for corruption-related risks	0	0	0
B1(c) Confirmed incidents of corruption and action taken	0	0	0

Although no data was recorded on operations assessed for corruption-related risks during the financial year ended 2025, we remain vigilant in our oversight. Moving forward, we are focused on improving data collection, due diligence, and monitoring processes to better identify and manage potential corruption risks across our value chain.

Material Topic: Anti-corruption	
Align with	Governance Capital
	SDG 16: Peace, Justice, and Strong Institutions
Summary of management approach	Upholding zero tolerance for corruption, strengthening risk controls, and promoting transparency across all operations.

## Sustainability Statement (Cont'd)

### GOVERNANCE (CONT'D)

#### Cybersecurity and Data Privacy

The Group is firmly committed to protecting the privacy of both employees and customers, recognising it as a fundamental component of responsible business practices. To uphold transparency while safeguarding sensitive information, we have adopted a comprehensive Corporate Disclosure Policy. This policy outlines clear procedures for the proper management and disclosure of material information in compliance with regulatory requirements and is overseen by the Board of Directors. It also reinforces confidentiality standards, record-keeping procedures, and periodic policy reviews to stay aligned with evolving market conditions and regulatory changes—ultimately promoting transparency, accountability, and stakeholder confidence.

In tandem, we have established strong data privacy and cybersecurity measures to protect our digital infrastructure and the integrity of our information systems. Key initiatives include the installation of antivirus software across all company devices and monthly system scans to proactively detect and mitigate potential threats. These practices are vital for protecting our assets and for maintaining the trust of clients, partners, and other stakeholders.

As of 28 February 2025, Ecomate recorded zero substantiated complaints related to customer privacy breaches or data loss, reflecting our continued commitment to upholding the highest standards of data protection and information security.

	2023	2024	2025
B8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	0	0	0

Material Topic: Cybersecurity and Data Privacy	
Align with	Governance Capital SDG 16: Peace, Justice, and Strong Institutions
Summary of management approach	Adoption of clear governance policies, robust cybersecurity measures, and continuous monitoring to safeguard stakeholder information, ensure regulatory compliance, and maintain trust across all business operations.

#### Sustainable Supply Chain

Ecomate recognises that a reliable and sustainable supply chain is essential for smooth business operations and is committed to upholding good governance and responsible procurement practices. The company places strong emphasis on sourcing materials locally to support community economic growth and foster positive supplier relationships. Materials are sourced based on detailed specifications provided by the relevant department. To ensure quality and competitive pricing, quotations are obtained from multiple suppliers and evaluated based on key criteria such as cost, quality, and delivery timelines. Final decisions are made through a collaborative process, with regular reviews and price updates conducted to maintain cost-efficiency and supplier flexibility.

Located at the heart of a major furniture hub, Ecomate benefits from easy access to alternative suppliers, minimising supply risks. While the majority of materials are sourced locally, only about 2% of purchases, mainly hardware and packing materials, are imported from China.

	2023	2024	2025
B7(a) Proportion of spending on local suppliers (%)	97	97	98

To ensure supplier reliability and quality, we conduct thorough due diligence by researching supplier backgrounds online, visiting supplier factories to assess equipment and capabilities, inspecting product quality, and verifying relevant certifications or awards. This comprehensive approach strengthens supply chain resilience and aligns with the company's sustainability and governance commitments.

Material Topic: Sustainable Supply Chain	
Align with	Governance Capital SDG 8: Decent Work and Economic Growth
Summary of management approach	Focuses on responsible, transparent procurement and robust supplier due diligence to ensure a sustainable, resilient, and locally supported supply chain.

## Sustainability Statement (Cont'd)

### PERFORMANCE DATA TABLE

Indicator	Unit	2023	2024	2025	Target
<b>Bursa (Anti-Corruption)</b>					
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category					
Management	Percentage	30	N/A	100	
Executive	Percentage	0	N/A	100	
Non-executive/Technical Staff	Percentage	0	N/A	100	
General Workers	Percentage	0	N/A	100	
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0	0	0	
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	
<b>Bursa (Community/Society)</b>					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	7,000.00	7,000.00	11,388.00	
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3	2	2	
<b>Bursa (Diversity)</b>					
Bursa C3(a) Percentage of employees by gender and age group, for each employee category					
Age Group by Employee Category					
Management Under 30	Percentage	10.00	10.00	0.00	
Management Between 30-50	Percentage	90.00	90.00	100.00	
Management Above 50	Percentage	0.00	0.00	0.00	
Executive Under 30	Percentage	27.30	23.50	13.30	
Executive Between 30-50	Percentage	72.70	70.60	86.70	
Executive Above 50	Percentage	0.00	5.90	0.00	
Non-executive/Technical Staff Under 30	Percentage	38.80	27.60	35.90	
Non-executive/Technical Staff Between 30-50	Percentage	46.90	59.60	51.30	
Non-executive/Technical Staff Above 50	Percentage	14.30	12.80	12.80	
General Workers Under 30	Percentage	41.80	51.90	56.00	
General Workers Between 30-50	Percentage	58.20	48.10	44.00	
General Workers Above 50	Percentage	0.00	0.00	0.00	
Gender Group by Employee Category					
Management Male	Percentage	70.00	70.00	70.00	
Management Female	Percentage	30.00	30.00	30.00	
Executive Male	Percentage	36.40	23.50	13.30	
Executive Female	Percentage	63.60	76.50	86.70	
Non-executive/Technical Staff Male	Percentage	71.40	72.30	59.00	
Non-executive/Technical Staff Female	Percentage	28.60	27.70	41.00	
General Workers Male	Percentage	100.00	100.00	99.50	
General Workers Female	Percentage	0.00	0.00	0.50	

Sustainability Statement  
(Cont'd)

## PERFORMANCE DATA TABLE (CONT'D)

Indicator	Unit	2023	2024	2025	Target
<b>Bursa C3(b) Percentage of directors by gender and age group</b>					
Male	Percentage	66.70	66.70	66.70	
Female	Percentage	33.30	33.30	33.30	
Under 30	Percentage	0.00	0.00	0.00	
Between 30-50	Percentage	88.30	88.30	88.30	
Above 50	Percentage	16.70	16.70	16.70	
<b>Bursa (Energy management)</b>					
Bursa C4(a) Total energy consumption	Megawatt	1,042.84	1,088.73	1,176.17	
<b>Bursa (Health and safety)</b>					
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	2.34	0.79	0	
Bursa C5(c) Number of employees trained on health and safety standards	Number	19	19	56	
<b>Bursa (Labour practices and standards)</b>					
<b>Bursa C6(a) Total hours of training by employee category</b>					
Management	Hours	75	245	271	
Executive	Hours	7	147	177	
Non-executive/Technical Staff	Hours	420	386	368	
General Workers	Hours	161	189	182	
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	-	-	0	
<b>Bursa C6(c) Total number of employee turnover by employee category</b>					
Management	Number	0	0	0	
Executive	Number	1	2	3	
Non-executive/Technical Staff	Number	25	22	22	
General Workers	Number	25	28	12	
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	
<b>Bursa (Supply chain management)</b>					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	97	97	98	
<b>Bursa (Data privacy and security)</b>					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	

## Sustainability Statement (Cont'd)

### PERFORMANCE DATA TABLE (CONT'D)

Indicator	Unit	2023	2024	2025	Target
<b>Bursa (Water)</b>					
Bursa C9(a) Total volume of water used	Megalitres	8.6	7.6	10.6	
<b>Bursa (Waste management)</b>					
Bursa C10(a) Total waste generated	Metric tonnes	0.016*	0.64*	0.81*	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.016*	0.01*	0.02	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	N/A	0.63	0.79	
<b>Bursa (Emissions management)</b>					
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	148,399.27*	143,268.63*	138,299.13	
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	Metric tonnes	790.47*	825.26*	891.54	
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes	593.00*	180.18*	680.13	

Internal assurance	External assurance	No assurance	(*) Restated
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## Sustainability Statement (Cont'd)

### ASSURANCE STATEMENT

To bolster the credibility of our Sustainability Statement, specific sections have been subjected to the following:

- a) Internal Review by the Group's Management Internal Audit Team
- b) Independent Assurance in accordance with recognised standards for selected indicators and has been approved by the Group's Audit and Risk Management Committee (*Refer to Independent Limited Assurance Statement on page 55*)

The Scope, Subject Matter(s) covered, and Conclusion (where applicable) are provided below:

Type of Assurance	Material Matters	Subject Matter	Scope	Conclusion
Review by Independent Assurance Auditor	Climate Change	Total energy consumption	Operations assessed:  Malaysia	Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in Ecomate's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.
		Scope 1 emissions in tonnes of CO <sub>2</sub> e		
		Scope 2 emissions in tonnes of CO <sub>2</sub> e		
		Scope 3 emissions in tonnes of CO <sub>2</sub> e		
Internal Review by Management Internal Audit Team	Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	Operations assessed:  Malaysia	Currently in review by the management team.
		Percentage of operations assessed for corruption-related risk		
		Confirmed incidents of corruption and action taken		
	Cybersecurity and Data Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data		
	Employee Management	Total hours of training by employee category		
		Total number of employee turnover by employee category		

Moving forward, we are committed to enhancing the accuracy and quality of our data to bolster our disclosures. We aim to achieve this by subjecting all indicators to independent assurance over the next five years. This proactive approach underscores our dedication to transparency and accountability in our sustainability reporting practices.

*\*Note: In preparing the Subject Matter mentioned above, Ecomate applied the following criteria:*

- IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles
- Task Force on Climate related Financial Disclosures ("TCFD")
- Ecomate's relevant policies and procedures

## Sustainability Statement (Cont'd)

### LOOKING FORWARD

In FY 2025, Ecomate reaffirmed its commitment as a responsible public-listed company by upholding the highest standards of transparency, ethics, and corporate governance. Our Sustainability Statement continues to serve as a key communication tool, reflecting our ongoing efforts to integrate sustainability into every aspect of our business.

We have maintained strong internal controls through the implementation of policies such as the Anti-Bribery and Corruption Policy and Whistleblowing Policy, reinforcing our zero-tolerance stance on corruption, unethical practices, and non-compliance. These measures are essential to preserving the trust of our stakeholders and ensuring the integrity of our operations.

Moving forward, our focus will be on strengthening sustainability performance across our value chain—enhancing customer satisfaction, operational resilience, and stakeholder engagement. By embedding sustainability deeper into our business strategy, we aim to deliver long-term value while contributing meaningfully to society and the environment.

### TCFD-ALIGNED DISCLOSURES

(As recommended by IFRS1 and IFRS2, we can continue using the TCFD recommendations)

TCFD Recommendation	Ecomate Disclosure	Reference
<b>Governance – Disclose the organisation’s governance around climate-related risks and opportunities</b>		
a) Describe the Board’s oversight of climate -related risks and opportunities	<ul style="list-style-type: none"> <li>Risk management Climate change – Board’s skills and experience</li> <li>Sustainability Committee – role and focus</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> </ul>
b) Describe management’s role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> <li>Risk management Climate change – managing risk and opportunity</li> <li>Sustainability Committee – role and focus in the FY 2025</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>Environmental</li> </ul>
<b>Strategy – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning where such information is material</b>		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> <li>Climate change – managing risk and opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Topics</li> </ul>
b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning.	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> <li>Climate change – managing risk and opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Topics</li> </ul>
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> <li>Climate change – evaluating the resilience of our portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Environmental</li> </ul>
<b>Risk management – Disclose how the organisation identifies, assesses and manages climate-related risks</b>		
a) Describe the organisation’s processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Topics</li> </ul>
b) Describe the organisation’s processes for managing climate-related risks.	<ul style="list-style-type: none"> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Topics</li> <li>Environmental</li> </ul>
c) Describe how processes for identifying, assessing and managing climate related risks are integrated into the organisation’s overall risk management.	<ul style="list-style-type: none"> <li>Risk management non-financial KPIs – sustainability KPIs</li> <li>Risk management – Risk factors (climate change, greenhouse gas emissions and energy)</li> </ul>	<ul style="list-style-type: none"> <li>Materiality Topics</li> <li>Environmental</li> </ul>

## Sustainability Statement (Cont'd)

### TCFD-ALIGNED DISCLOSURES (CONT'D)

TCFD Recommendation	Ecomate Disclosure	Reference
<b>Metrics and targets – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b>		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability</li> <li>KPIs Climate change – Operational emissions</li> <li>Climate change – Scope 3 emissions</li> </ul>	<ul style="list-style-type: none"> <li>Environmental</li> </ul>
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (:GHG") emissions and the related risks.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability KPIs</li> <li>Climate change – operational emissions performance</li> <li>Climate change – Scope 3 emissions performance</li> <li>Climate change data</li> </ul>	<ul style="list-style-type: none"> <li>Environmental</li> </ul>
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> <li>Non-financial KPIs – sustainability KPIs</li> <li>Climate change – operational emissions performance for the FY 2025 performance outcomes</li> </ul>	<ul style="list-style-type: none"> <li>Environmental</li> </ul>

### INDEPENDENT LIMITED ASSURANCE STATEMENT

Independent Limited Assurance Statement to the Directors of Ecomate Holdings Berhad on Sustainability Metrics within the Sustainability Report 2025.

#### Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in Ecomate's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

#### Scope of Work

ASAP Advisory PLT ("ASAP" or "we") was engaged by Ecomate Holdings Berhad ("Ecomate") to perform a 'limited assurance engagement,' as defined by the International Standard on Assurance Engagements ("ISAE") 3000 Revised, Assurance Engagement other than Audits or Review of Historical Financial Information, on selected subject matters ("Subject Matter") included in Ecomate's 2025 Sustainability Statement ("SS2025") for the financial year ended 28th February 2025.

#### Subject Matter

Our limited assurance engagement was performed for the Subject Matter listed in the table below, as presented in the SS2025:

Material Matters	Subject Matter	Scope
Climate Change	Total energy consumption	Operations assessed: Malaysia
	Scope 1 emissions in tonnes of CO <sub>2</sub> e	
	Scope 2 emissions in tonnes of CO <sub>2</sub> e	
	Scope 3 emissions in tonnes of CO <sub>2</sub> e	

The scope of our work was limited to the Subject Matter presented in the SS2025 and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SS2025, comparisons against historical data, or management's forward-looking statements.

## Sustainability Statement (Cont'd)

### INDEPENDENT LIMITED ASSURANCE STATEMENT (CONT'D)

#### **Criteria applied by Ecomate**

In preparing the Subject Matter mentioned above, Ecomate applied the following criteria:

- IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles Task Force on Climate related Financial Disclosures ("TCFD")
- Ecomate's relevant policies and procedures

#### **Ecomate's Responsibilities**

Ecomate's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

#### **ASAP's responsibilities**

Our responsibility is to express our conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter and related disclosures as presented in the SS2025 are not prepared, in all material respects, in accordance with the Criteria.

We have performed our limited assurance engagement in accordance with the terms of reference for this engagement agreed with Ecomate, including performing the engagement in accordance with the ISAE 3000, issued by the International Auditing and Assurance Standards Board. This Standard requires that we plan and perform our engagement to obtain limited assurance about whether the Subject Matter and related disclosures as presented in the SS2025 are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of Ecomate's use of the criteria specified as the basis of preparation used for the selected Subject Matter and related disclosures presented in the SS2025, assessing the risks of material misstatement thereof, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter and related disclosures in the SS2025. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

#### **Our Independence and Quality Control**

This assurance has been conducted at a limited level according to Global Internal Audit Standards from the IIA2, at a minimum the internal audit function should provide the following assurance over ESG reporting;

- 1) Review reporting metrics for relevancy, accuracy, timeliness and consistency;
- 2) Review reporting for consistency with formal financial disclosure filings;
- 3) Conduct materiality or risk assessments on ESG reporting;

including the Principles of the IFRS Foundation – International Integrated Reporting Council ("IIRC"), the Task Force on Climate-related Financial Disclosures ("TCFD"), and IFRS Sustainability Disclosure Standards S1 and S2.

## Sustainability Statement (Cont'd)

### INDEPENDENT LIMITED ASSURANCE STATEMENT (CONT'D)

#### **Statement of Independence and Competence**

ASAP provides a range of services, including internal audit, internal control review, risk management, and environmental, social, and ethical auditing and training. Additionally, we offer assurance services for environmental, social, sustainability, and ESG reports.

We affirm our independence from Ecomate, ensuring objectivity, freedom from bias, and the absence of conflicts of interest with the organisation, its subsidiaries, and stakeholders. For this assurance engagement, a specialised team was carefully assembled based on their expertise, experience, and relevant qualifications, ensuring a thorough and credible review.

ASAP also serves as the Company's external internal auditor, primarily providing advisory on internal controls and risk governance. To mitigate any potential conflict of interest and ensure objectivity, a separate team within ASAP, independent from the internal audit engagement, was assigned to perform the sustainability assurance work reviewed by the Audit Committee to ensure compliance with ethical standards, and all assurance activities were conducted by personnel who were not involved in internal audit services.

ASAP's role and independence were assessed in accordance with professional ethical requirements, and adequate safeguards were implemented to preserve assurance integrity.

#### **Description of Procedures Performed**

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Gaining an understanding of Ecomate's business, internal processes and approach to sustainability
- Conducting interviews with key personnel and collating evidence to understand Ecomate's process for reporting performance indicators and disclosures, including inquiring regarding risks of misstatement and quality controls to address risks
- Conducting limited assurance procedures over the selected Subject Matter and disclosures, including:
  - Undertaking analytical procedures to support the reasonableness of the data
  - Checking that the calculation Criteria have been applied as per the methodologies for the Subject Matter within the Statement
  - Identifying and testing assumptions supporting calculations
  - Testing, on a sample basis, underlying source information to check accuracy of the data
  - Performing recalculations of performance indicators using input data
  - Checking that measurements made at the end of the reporting period are timely entered in the records and the sustainability statement
  - Obtaining appropriate representations from management, in the form of a management representation letter addressed to us to confirm that the management believes that it has fulfilled its responsibilities

We also performed such other procedures as we considered necessary in the circumstances.

## Sustainability Statement (Cont'd)

### INDEPENDENT LIMITED ASSURANCE STATEMENT (CONT'D)

#### ***Inherent Limitations***

Inherent limitations of assurance engagements include use of judgement and selective testing of data, which means that it is possible that fraud, error or non-compliance may occur and not be detected in the course of performing the engagement. Accordingly, there is some risk that a material misstatement may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

There are additional inherent risks associated with assurance engagements performed for non-financial information given the characteristics of the subject matter and associated with the compilation of source data using definitions and methods for determining, calculating, and estimating such information that are developed internally by management. The absence of a significant body of established practice on which to draw, allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

#### ***Other Matters***

Information relating to prior reporting periods has not been subject to assurance procedures. Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the SS2025. The maintenance and integrity of Ecomate's website is the responsibility of Ecomate's management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to the Subject Matter and related disclosures, the SS2025 or to our independent limited assurance report that may have occurred since the initial date of presentation on the Ecomate's website.

#### ***Restriction of use***

Our work has been undertaken to enable us to express a limited assurance conclusion on the matters stated above in our report provided to the directors of Ecomate in accordance with the terms of our engagement, and for no other purpose. Our report is intended solely for the directors of Ecomate and should not be used by any other parties. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the directors of Ecomate, for our work, for this report, or for the conclusion we have reached.

We agree to the publication of this assurance report in Ecomate's SS2025 for the financial year ended 28th February 2025, provided it is clearly understood by recipients of the SS2025 that they enjoy such receipt for information only and that we accept no duty of care to them whatsoever in respect of this report.

#### **ASAP Advisory PLT**

201804000474 (LLP0014854-LGN)

Johor Bahru, Malaysia  
28 May 2025

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") acknowledges the importance of practising good corporate governance practices under the leadership of the Board, as guided by the best practices recommended in Malaysian Code on Corporate Governance ("MCCG") within Ecomate Holdings Berhad ("the Company"). It is being applied as a fundamental part of discharging the directors' responsibilities to protect and to enhance shareholders' value.

The Board of the Company is pleased to present this statement to provide shareholders and investors with an overview of the corporate governance ("CG") practices of the Company under the leadership of the Board during the FYE 2025. This statement takes guidance from the key CG principles as set out in the MCCG.

The Corporate Governance Report ("CG Report") is made available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my) as well as via announcement on Bursa Malaysia Securities Berhad ("Bursa Securities") website.

## PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

### 1. Board Responsibilities

#### Roles and Responsibilities of the Board

The Board is mindful of its responsibilities in leading and determining the strategic direction and overseeing the overall management of the Company. It aims to provide an effective oversight of the conduct of the Company's businesses, while ensuring that appropriate risk management and internal control systems are in place as well as regularly reviewing such systems to ensure their adequacy, integrity and effectiveness. The Board takes into consideration the interests of all stakeholders in their decision-making so as to ensure the Company's objective of creating long-term shareholder value is met.

The Board is guided by a Board Charter. The Board Charter was adopted by the Board on 21 December 2020. Any subsequent amendment to the Board Charter can only be approved by the Board. The Board Charter sets out the Board's strategic intent and outlines the roles and responsibilities of the Board and its committees, individual directors and the Chairman as well as the respective meetings' requirements. The Board Charter is subject to review as and when necessary and it is available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

To assist the Board in discharging its oversight function, the Board has delegated specific responsibilities to the following board committees:

- Audit & Risk Management Committee ("ARMC")
- Nominating Committee ("NC")
- Remuneration Committee ("RC")

The Board decided that the key senior management team would assume the risk management function and reports directly to the ARMC, which has an oversight role for risk management governance. The Board has also reviewed and approved the respective Terms of Reference ("TOR") of the ARMC, NC and RC to be aligned with the requirements of the applicable practices and guidance of the MCCG. The TORs are subject to review as and when necessary and are available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

Each board committee operates its functions within its respective TORs approved by the Board. The Chairman or Chairwoman of the respective board committees reports to the Board on matters deliberated and recommendations made by the respective board committees.

#### Board meetings

The Board and Board Committees met at least four (4) times during FYE 2025, with additional meetings for particular matters convened as and when necessary. All Directors have complied with the minimum requirements on attendance at Board meetings as stipulated in the MMLR (minimum 50% attendance).

All Directors participate fully in the discussions during the Board meetings. All Directors are free to express their views and opinions during the Board meetings. In arriving at Board decisions, the will of the majority prevails at all times.

## Corporate Governance Overview Statement (Cont'd)

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

#### 1. Board Responsibilities (Cont'd)

##### Board meetings (Cont'd)

For the FYE 28 February 2025, the attendance record of the Directors at Board of Directors and Board Committee meetings are set out as follows:

Meeting Attendance	Board	ARMC	NC	RC
Tan Sri Datuk Hussin Bin Haji Ismail <i>Independent Non-Executive Chairman</i>	^ 5/5	-	-	-
Jason Koh Jian Hui <i>Managing Director</i>	5/5	-	-	-
Koh Cheng Huat <i>Executive Director</i>	5/5	-	-	-
Datuk Lee Ching Yong <i>Independent Non-Executive Director</i>	5/5	5/5	2/2	^ 1/1
Lim Yik Hui <i>Independent Non-Executive Director</i>	5/5	^ 5/5	2/2	1/1
Goh Siow Cheng <i>Independent Non-Executive Director (Appointed on 31 July 2024)</i>	2/2	2/2	^ 0/0	1/1
Lim May Wan <i>Independent Non-Executive Director (Resigned w.e.f 31 July 2024)</i>	3/3	3/3	^ 2/2	-

^ Chairman/Chairwoman of the Board or Board Committees

##### Notes:

Ms Lim May Wan resigned as an Independent Non-Executive Director, Chairwoman of NC, member of ARMC and RC with effect from 31 July 2024.

Ms Goh Siow Cheng has been appointed as an Independent Non-Executive Director, Chairwoman of NC, member of ARMC and RC on 31 July 2024.

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities.

##### Separation of Position of the Chairman and Managing Director

The Board is led by a Chairman who provides leadership and is responsible to instill good corporate governance practices and for ensuring the Board's effectiveness so that the Board can perform its responsibilities effectively in facilitating the achievement of the Group's corporate objectives.

The positions of the Chairman and the Managing Director ("MD") are distinct and separate, and are held by separate individuals to create accountability and to ensure there is a balance of power and authority so that no one individual has unfettered powers in decision making. The primary role of Chairman is to ensure the Board's effectiveness by promoting constructive and open discussion and exchange of views between Board and the Management, as well as to lead discussions on strategies and policies, and to spearhead the Board on its collective oversight responsibilities. Meanwhile, the Managing Director is responsible for implementing the Company's strategies, policies and undertake the day-to-day management of business and operations with the view of achieving its corporate objectives, performance targets and long-term goals.

The details of these responsibilities are articulated in the Board Charter which is made available on the corporate's website: [www.ecomate.com.my](http://www.ecomate.com.my).

## Corporate Governance Overview Statement (Cont'd)

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

#### 1. Board Responsibilities (Cont'd)

##### Qualified and Competent Company Secretary

The Company Secretaries of Ecomate have the requisite credentials, and are suitably qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 ("the Act"). The Company Secretaries play a significant role in supporting the Board to ensure that all governance matters and Board procedures are followed and that the applicable laws and regulations and the MCCG are complied with. These include obligations of Directors relating to disclosure of interests and disclosure of any conflicts of interest in transactions with the Company.

All Directors also have full and unrestricted access to the advice and services of the Company Secretaries. The Board is regularly updated on new guidelines, directives and new regulatory issues affecting the Company by the Company Secretaries. The Board is satisfied with the support and performance rendered by the Company Secretaries in assisting the Board to discharge its duties.

The key roles of the Company Secretaries are set out in the Board Charter which is available on the corporate's website: [www.ecomate.com.my](http://www.ecomate.com.my).

##### Code of Conduct and Ethics and Whistle Blowing Policy

The Company has established and implemented Code of Conduct and Ethics to guide all employees on the "tone at the top" and to promote an ethical culture and practices towards establishing high standards of behaviour and integrity in the conduct of the Group's businesses and activities. The Board has implemented appropriate processes and systems to support, promote and ensure its compliance.

The Company's has also formalized a Whistle Blowing Policy, with the aim to provide a structured mechanism for its employees, Directors and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company and to provide reassurance that they shall be protected from reprisals or victimisation for whistleblowing in good faith.

The Code of Conduct and Ethics and Whistle Blowing Policy has been reviewed by the Board and is made available at the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

##### Anti-bribery and Corruption Management System

In addressing the corporate liability provisions as set out under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Company has adopted Anti-Bribery and Corruption Policy ("ABC Policy") as a defence against the corporate liability provisions and to prevent corrupt practices and promote the highest standard of integrity and work ethics in the conduct of its business and operations. The ABC Policy provides guidance and information to all employees on the Company's anti-bribery anti-corruption stand and set out methods of dealing under various circumstances.

This policy is accessible through the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

##### Fit and Proper Policy

The Board has adopted a fit and proper policy for the appointment of Directors of the Company. This Policy will enhance the governance of the Company in relation to the Board's quality and integrity, as well as to ensure that, each of its directors has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a director. The Board shall ensure that the fit and proper criteria on the appointment of directors of the Company are applied on a continuing basis. The Board and the Nominating Committee shall conduct the fit and proper assessment prior to the appointment and re-election of any candidate as a director.

This policy is accessible through the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

## Corporate Governance Overview Statement (Cont'd)

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

#### 1. Board Responsibilities (Cont'd)

##### Conflict of interest and related party transactions

To assure accountability and prevent conflict of interest in relation to issues that come before the Board, Directors are reminded by the Company Secretaries of their statutory duties and responsibilities and are provided with updates on any changes thereon. Hence, ARMC will report conflict of interest and related party transactions to the Board on a quarterly basis.

The Directors further acknowledge that they are also required to abstain from deliberation and voting on relevant resolutions in which they have an interest at the Board or any general meeting convened. In the event a corporate proposal is required to be approved by shareholders, the interested Directors will abstain from voting in respect of their shareholdings and will further undertake to ensure that persons connected to them will similarly abstain from voting on the resolutions.

This policy is accessible through the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

#### 2. Board Composition

##### Composition of the Board

The Board currently has six (6) members as set out below:

Name	Independent	Non-Executive
Tan Sri Datuk Hussin Bin Haji Ismail	√	√
Jason Koh Jian Hui	x	x
Koh Cheng Huat	x	x
Datuk Lee Ching Yong	√	√
Lim Yik Hui	√	√
Goh Siow Cheng	√	√
	4/6	4/6

The Board believes diverse backgrounds and experience of Board composition provides an appropriate balance in terms of skills, qualifications, knowledge and expertise for effective stewardship and management of the Board. The Board through the NC will review the Board's size and composition on an annual basis to determine if the Board has sufficient diversity and independence, and is at the appropriate size to drive the Company's decision-making process towards meeting its corporate objectives and strategic goals. The profile of each Director is set in this Annual Report 2025. The Company also fulfilled the prescribed requirements for one-third (1/3) of the membership of the Board to be independent members pursuant to the MMLR. This also fulfills the recommendation made in the MCCG to have a Board that comprises a majority of independent directors.

##### NC

The NC was established on 21 December 2020 with clearly defined TOR, and comprises 3 Non-Executive Directors of whom all are Independent Directors. The NC shall meet as and when required upon request by the members, provided that the NC shall meet at least once a year. The TOR of the NC is set out in the Charter of the Nominating Committee and is available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

## Corporate Governance Overview Statement (Cont'd)

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

#### 2. Board Composition (Cont'd)

##### NC (Cont'd)

The NC's key responsibilities are as follows:

- Conduct periodic evaluations of the Board of Directors as a whole and the Committee;
- Identify, consider and select, or recommend for the selection of the Board of Directors, candidates to fill new positions or vacancies on the Board of Directors, and review any candidates recommended by stockholders, provided that such recommendations are submitted in writing to the Secretary of the Company, and include, among other things, the recommended candidate's name, biographical data and qualifications, and that such recommendations are otherwise made in compliance with the Company's bylaws and its shareholder nominations and recommendations policy;

In identifying suitable candidates the NC shall:-

- i. consider open advertising or the services of external advisers to facilitate the search;
- ii. consider candidates from a wide range of backgrounds;
- iii. consider candidates on merit and against objective criteria and with due regard for the benefits of diversity on the Board, including gender, taking care that appointees have enough time available to devote to the position.

##### Annual evaluation

The Board's effectiveness will be assessed in the following key areas of composition, administration and process, accountability and responsibility, Board conduct, communication and relationship with Management, performance of the Chairman and MD, the time commitment in discharging their role and responsibilities through attendance at their respective meetings as well as the application of good governance principles to create sustainable shareholder's value.

The Board will undertake an annual assessment of Independent Directors as to justify whether they continue to bring independent and objective judgement to board deliberations. Peer and self-assessment will be carried out by the Directors once every year. The results, in particular the key strengths and weaknesses identified from the evaluation, will be shared with the Board to allow enhancements to be undertaken.

The Company Secretaries will facilitate the NC in carrying out the annual assessment exercise. Given the evaluation and annual assessment exercise will be extensively conducted via the ARMC evaluation questionnaire, Independent Directors' evaluation form, board and board committee's evaluation form, board members' self and peer evaluation form, directors' evaluation form.

Based on the annual assessment conducted, the NC was satisfied that the existing Board composition and each Director possess requisite competence and capability to serve on the Board. Save for the NC members who are also members of the Board and have abstained from assessing their own individual performance as Director of the Company, each of the NC members view that all the Directors have good personal attributes and possess sufficient experience and knowledge in various fields that are vital to the Company's industry.

As for the Board evaluation, the NC agreed that all the Directors have discharged their stewardship duties and responsibilities towards the Company as a Director effectively.

##### Board Diversity Policy

The Board acknowledges the importance of diversity to ensure the mix and profiles of the Board members, in terms of age, cultural background, ethnicity and gender, ability to provide the necessary range of perspectives, experiences and expertise required are well balanced in order to achieve effective board stewardship.

Currently, the Board comprise two (2) female Directors out of six (6) Directors, equivalent to 33.3% women representation on the Board, in which have exceeded the 30% female representation on the Board as recommended in the MCCG. The Board, through the NC will continuously review the proportion of the female and male Board members during the annual assessment of the Directors' performance taking into consideration the appropriate skills, experience and characteristics required by the members of the Board, in the context of the needs of the Company.

## Corporate Governance Overview Statement (Cont'd)

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

#### 2. Board Composition (Cont'd)

##### Board Independence

The roles of Independent Non-Executive Directors are vital for the successful direction of the Company as they provide independent professional views, advice and decisions to take into account the interest of the Company, shareholders, employees, customers, suppliers and many others of which the Company conducts business.

Currently, the Board has four (4) Independent Directors, representing two-thirds (2/3) of the Board. The Board is mindful of the importance of independence and objectivity in its decision-making process which is in line with good corporate governance, and therefore has established a strong element of independence on the Board.

The positions of Chairman and MD are distinct and separate, and are held by separate individuals to create accountability and to ensure there is a balance of power and authority so that no one individual has unfettered powers in decision making. The Independent Non-Executive Chairman, Tan Sri Datuk Hussin Bin Haji Ismail, leads the Board with a keen focus on governance and compliance and acts as a facilitator at Board meetings to ensure that contributions by Directors are forthcoming on matters being deliberated and that no Board member dominates discussion. Together with the Executive Directors, he leads the discussion on the strategies and policies recommended by the Management.

The MD, Mr. Jason Koh Jian Hui, is responsible for the overall performance of the Group operations, organisation effectiveness and financial performance. As the MD, supported by fellow Executive Directors and Executive Management team, he implements the Group's strategies, policies and decision adopted by the Board and oversees the operations and business development of the Company.

##### Directors' Training – Continuing Education Programme

The Board acknowledges the importance of continuous education and training broadens one's perspective and to keep abreast with the current and future developments in the industry and global markets, regulatory updates as well as management strategies to enhance the Board's skill and knowledge in discharging their duties. The Board has undertaken an assessment of the training needs of each Director.

The Directors have participated in conferences, seminars and training programmes and during the financial period ended 28 February 2025, the details of the training programmes and seminars were attended by the Directors are as follows:

Name	Courses/Training Programmes Attended
Tan Sri Datuk Hussin Bin Haji Ismail	Mandatory Accreditation Programme Part II : Leading for Impact (LIP)
Jason Koh Jian Hui	Awareness of Anti-Bribery & Corruption, GAP & Trust E-Invoice Evolution
Koh Cheng Huat	Awareness of Anti-Bribery & Corruption, GAP & Trust E-Invoice Evolution
Datuk Lee Ching Yong	The Culture and Traditions of Malaysia's Chinese Teochew Community Brickfields-Litter India of Kuala Lumpur Kursus Pembaharuan Ejen Cap Dagangan Bil.3/2024 Kursus Pembaharuan Ejen Cap Dagangan Bil.4/2024
Lim Yik Hui	Evolving the Finance Function : Talent and Transformation Can you use AI and Comply with your ethical obligations? PWC Malaysia Budget 2025 Seminar : Fostering a Resilient Economy Through Inclusive Growth
Goh Siow Cheng (Appointed on 31 July 2024)	Value Proposition Canvas Standard Chartered Global Research Briefing 1H2023 : A Year of Two Halve

The Directors will continue to participate in training programmes to keep abreast with the latest developments in the capital markets, relevant changes in laws and regulations, corporate governance matters, and current business issues, from time to time.

## Corporate Governance Overview Statement (Cont'd)

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

#### 2. Board Composition (Cont'd)

##### Policy on Independent Director's Tenure

The Board is aware that the recommended tenure of an Independent Director should not exceed a cumulative term of nine (9) years as recommended by MCCG and that an Independent Director may only continue to serve the Board if the Independent Director is re-designated as a Non-Independent Non-Executive Director upon completion of the nine (9) years tenure.

In the event such Director was to be retained as an Independent Director, the Board would have to justify in the notice convening the AGM and seek shareholders' approval through two-tier voting process at every AGM.

##### RC

The RC is responsible for carrying out annual reviews whereupon recommendations are submitted to the Board on the overall remuneration policy for directors and key senior management team, to ensure that the remuneration policy remains in support of its corporate objectives and shareholder value and is in tandem with its culture and strategy.

The Company aims to set remuneration at levels which are sufficient to attract and retain directors and senior management needed to run the Company successfully, taking into consideration all relevant factors including demands, complexities and performance of the Company as well as skills and experience required.

The RC comprises three (3) members, all of whom are independent non-executive directors. The composition of the RC is as follows:

- i) Datuk Lee Ching Yong (Independent Non-Executive Director) – Chairman
- ii) Goh Siow Cheng (Independent Non-Executive Director) – Member
- iii) Lim Yik Hui (Independent Non-Executive Director) – Member

For the financial year ended 28 February 2025, the RC had one (1) meeting which was attended by all members. The activities carried out by the Remuneration Committee during the financial year under review were as follows:

- Reviewed and recommended to the Board the remuneration packages of the Executive Directors based on the outcome of performance review;
- Determined the remuneration packages needed to attract, retain and motivate Executive Directors of the quality required to manage the business of the Group successfully; and
- Ensured the remuneration and incentives for Independent Directors does not conflict with their obligation in bringing objectivity and independent judgment on matters discussed.

## Corporate Governance Overview Statement (Cont'd)

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

#### 2. Board Composition (Cont'd)

##### Directors' Remuneration and benefits (Group)

The details of the Directors' remuneration and benefits received and receivable by Executive and Non-Executive Directors during the financial year under review is as follows:

FYE 2025	Salaries (RM'000)	Bonus (RM'000)	EPF, SOCSO and EIS contribution (RM'000)	Director fee (RM'000)	Benefits-in- kind (RM'000)	Total (RM'000)
<b>Executive Directors</b>						
Jason Koh Jian Hui	600	360	126	-	14	1,100
Koh Cheng Huat	600	360	126	-	32	1,118
<b>Non-Executive Directors</b>						
Tan Sri Datuk Hussin Bin Haji Ismail	-	-	-	60	-	60
Datuk Lee Ching Yong	-	-	-	48	-	48
Lim Yik Hui	-	-	-	48	-	48
Goh Siow Cheng (Appointed on 31 July 2024)	-	-	-	28	-	28
Lim May Wan (Resigned w.e.f 31 July 2024)	-	-	-	20	-	20

Total remuneration of Directors during the financial year under review fell within the bands of RM100,000 is tabulated below:

Range of Remuneration	Numbers of Directors
<b>Non-Executive Directors:</b>	
RM1 to RM100,000	4
<b>Executive Directors:</b>	
RM1,100,001 to RM1,200,000	2

##### Key Management Personnel's (KMP's) remuneration and benefits

The remuneration and benefits received and receivable by Key Management Personnel's during the financial year under review in bands of RM50,000 is as follows:

FYE 2025	Remuneration (RM'000)	Benefits-in-kind (RM'000)	Total (RM'000)
<b>Key Management Personnel</b>			
Tei Kwee Lan	250 - 300	1 - 50	250 - 300
Tey Foo Yee	150 - 200	1 - 50	200 - 250
Yau Chwan Shy	150 - 200	1 - 50	150 - 200
Tan Mei Hwa	50 - 100	1 - 50	50 - 100
M. Farouk Bin Abdullah	50 - 100	1 - 50	50 - 100

## Corporate Governance Overview Statement (Cont'd)

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

#### 2. Board Composition (Cont'd)

##### Key Management Personnel's (KMP's) remuneration and benefits (Cont'd)

Total remuneration of Key Management Personnel during the financial year under review fell within the bands of RM50,000 is tabulated below:

Range of Remuneration	Numbers of KMPs
<b>Key Management Personnel</b>	
RM50,001 to RM100,000	2
RM150,001 to RM200,000	1
RM200,001 to RM250,000	1
RM250,001 to RM300,000	1

### PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

#### 1. ARMC

The ARMC comprises three (3) members, all of whom are independent non-executive directors. The composition of the ARMC is as follows:

- i) Lim Yik Hui (Independent Non-Executive Director) – *Chairwoman*
- ii) Goh Siow Cheng (Independent Non-Executive Director) – *Member*
- iii) Datuk Lee Ching Yong (Independent Non-Executive Director) – *Member*

Ms Lim Yik Hui, the Chairwoman of the ARMC, is not the Chairman of the Board so as not to impair as she is sufficiently independent from Management in leading the discussion on the matters being deliberated and findings as well as recommendations made by the ARMC objectively in the Board meetings.

The ARMC has adopted a 3-year cooling-off period policy for a candidate who is a former key audit partner before being appointed as a member of the ARMC.

However, the said policy does not apply to the ARMC as none of the current ARMC members are the former partner of the external audit firm of the Group.

#### 2. Risk Management and Internal Control

The Board emphasized its overall responsibilities over the Group's system of risk management and internal control and acknowledges that such system is an integral part of effective management practice. Such practices are designed to reduce rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, errors, frauds or losses.

To maintain total independence in the management of the Group's internal control environment and ensure compliance with the MCCG and the MMLR of Bursa Securities, the Company has outsourced the internal audit function to ASAP Advisory PLT as internal auditors, who will report directly to the ARMC and assist the ARMC in assuming the task of internal control review and risk assessment functions of the Company for the financial year ending 28 February 2025. The ARMC will assist the Board in overseeing the risk management framework and to seek for any areas of improvement and the implementation of recommendations will be monitored by the ARMC.

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

## Corporate Governance Overview Statement (Cont'd)

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

#### 3. Suitability and independence of external auditors

The Board through the ARMC has established a transparent and professional relationship with the Group's external auditors. The ARMC has an explicit authority to communicate directly with the external auditors. The external auditors will be invited to attend the ARMC meetings as and when required apart from the scheduled meetings when they present the audited financial statements of the Company to the ARMC. During such meetings, the external auditors will be required to highlight and discuss the nature, scope of the audit, internal controls and problems that might require the attention of the Board.

The ARMC, in adhering to the policies and procedures in assessing the suitability and independence of external auditors, will undertake an annual assessment of the quality of audit, which encompasses the performance and quality of the external auditors and their independence, objectivity and professionalism.

### PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### 1. Engagement with Stakeholders

The Board recognises the importance of maintaining transparency and accountability to all its stakeholders, particularly its shareholders and investors as it ensures that market credibility and investors' confidence are maintained, and at the same time, full compliance with the disclosure requirements as set out in the MMLR.

The Company ensures that shareholders are kept fully informed on the corporate disclosure through information provided on the Bursa Securities' and corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my) where information on the Company and the Company including the annual reports, press releases, quarterly results, annual audited financial statements and any announcements on material corporate exercises, etc may be accessed. Alternately, they may obtain the Company's latest announcements via the website of Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com).

#### 2. Shareholder Participation at General Meeting

The Annual General Meeting ("AGM") is our principal forum to engage with shareholders annually. In this regard, the Board attempts to provide sufficient opportunities to our shareholders for effective two-way communication. In line with good corporate governance practice, the notice of AGM will be dispatched to shareholders at least 28 days before the AGM to ensure the shareholders have sufficient time to peruse the full information and to make necessary arrangements to attend and participate either in person, by corporate representative, by proxy or by attorney.

Voting at the forthcoming AGM will be conducted by poll as poll voting reflects shareholders' views more accurately and fairly as every vote is properly counted in accordance with the one share, one vote principle. The Company will continue to explore the deployment of technology to enhance the quality of engagement with shareholders to ensure accurate and efficient outcomes of the voting process.

The minutes of the AGM will be publishing on our corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my) within 30 business days from the date of AGM to enable shareholders and other stakeholders to be apprised of the entire proceedings of the AGM.

### COMPLIANCE STATEMENT

Saved as disclosed above, the Board is committed to drive and strengthen its governance practices and believes that the Company has adoption of the principles and best practices as prescribed in MCCG as well as all other applicable laws, where applicable and appropriate.

This Corporate Governance Overview Statement was approved by the Board of Directors of Ecomate on 13 June 2025.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## 1. INTRODUCTION

The Board of Directors ("Board") is pleased to present the Audit and Risk Management Committee ("ARMC") Report for the financial year ended 28 February 2025.

The ARMC was established by the Board of Ecomate Holdings Berhad ("the Company") on 21 December 2020 to assist the Board in discharging its statutory duties and fulfilling its oversight responsibilities for the Company and its subsidiary.

The composition of the ARMC is as follows:

Name	Designation	Directorship
Lim Yik Hui	Chairwoman	Independent Non-Executive Director
Datuk Lee Ching Yong	Member	Independent Non-Executive Director
Goh Siow Cheng (Appointed on 31 July 2024)	Member	Independent Non-Executive Director
Lim May Wan (Resigned w.e.f 31 July 2024)	Member	Independent Non-Executive Director

The ARMC of the Company comprises three (3) members who are Independent and Non-Executive Directors. The Chairwoman of the ARMC, Ms Lim Yik Hui is an Independent Non-Executive Director and not the Chairman of the Board. The current composition meets the requirement of Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") as well as Practice 9.1 and Step Up 9.4 of the Malaysian Code on Corporate Governance ("MCCG"). Should there be a vacancy in the ARMC resulting in the non-compliance of Paragraphs 15.09(1) and 15.10 of the Listing Requirements of Bursa Securities, the Company must fill up the vacancy within three (3) months thereof. In addition, the Company also complies with Paragraph 15.09(2) of the MMLR of Bursa Securities as no alternate Director is appointed as a member of the ARMC.

Ms Lim Yik Hui is also member of Certified Practising Accountant (CPA) and a member of the MIA. This complies with Paragraphs 15.09(1)(c)(i) of the MMLR of Bursa Securities.

## 2. TERMS OF REFERENCES

A copy of the latest Terms of Reference ("TOR") of the ARMC is available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my).

## 3. MEETINGS AND ATTENDANCES

The ARMC shall meet at least four (4) times in a year, and such additional meetings as the Chairwoman shall decide in order to fulfill its duties. The agenda for the ARMC meetings shall be circulated before each meeting to members of the ARMC. Upon request of any of its members or the Internal or External Auditors, the Chairwoman of the ARMC shall convene a meeting of the ARMC.

The Chairwoman of the ARMC should engage, on a continuous basis, with senior management and the External Auditors in order to be kept informed of matters affecting the Company.

Only five (5) ARMC meeting were scheduled during the financial year ended 28 February 2025. The members of the ARMC and the record of attendance are as follows:

Name	Designation	Number of meetings attended
Lim Yik Hui	Chairwoman	5/5
Datuk Lee Ching Yong	Member	5/5
Goh Siow Cheng (Appointed on 31 July 2024)	Member	2/2
Lim May Wan (Resigned w.e.f 31 July 2024)	Member	3/3

## Audit and Risk Management Committee Report (Cont'd)

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

In accordance with the TOR, our ARMC has carried out the following activities during the financial year to meet its responsibilities:

#### **Financial Reporting**

- (i) Reviewed the quarterly financial results and annual audited financial statements of the Group focusing in particular on any changes in or implementation of major accounting policies and practices, significant and unusual events, significant adjustments arising from the audit, going concern assumption and compliance with accounting standards and other regulatory or legal requirements, to ensure the quarterly financial results and annual audited financial statements are prepared in accordance with the applicable Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), the requirements of the Companies Act 2016 in Malaysia and the MMLR of Bursa Securities; and
- (ii) Discussed with Management and the external auditors the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements as well as issues and reservations arising from the statutory audit.

#### **External Audit**

- (i) Reviewed the engagement, compensation, qualifications, performance and independence of external auditors, its conduct of the annual statutory audit of financial statements;
- (ii) Discussed and approved the Company's audit planning memorandum, which details the areas of audit approach, scope of work and significant risks prior to its implementation to ensure the effectiveness of the audit strategy and quality of audit prior to the Board's approval;
- (iii) Reviewed and approved the draft annual financial statements for FYE 2025 before recommending to the Board for approval;
- (iv) Discussed audit review memorandum for the financial year;
- (v) Assessed the performance of external auditors and made recommendations to the Board on their re-appointment;
- (vi) Reviewed and discussed key audit matters with the external auditors to ensure the most significant issues in the audit are disclosed, and to address the issues highlighted by the external auditors with Management; and
- (vii) Met with external auditors during the financial year without the presence of Executive Board members and the Management, during which meetings with the external auditors were given the opportunity to raise any issues of concern directly to the ARMC.

#### **Internal Audit**

- (i) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- (ii) Reviewed the effectiveness of the audit process, resource requirements during the financial year and performance of the independent professional internal auditor on half yearly basis;
- (iii) Reviewed the internal audit reports, findings and recommendations of the independent professional internal auditor to ensure that appropriate actions were taken to improve the Group's internal control system; and
- (iv) Reviewed any matters relating to the appointment of the independent professional internal auditor.

## Audit and Risk Management Committee Report (Cont'd)

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

#### Risk Management and Internal Control

- (i) Reviewed the effectiveness of the internal control system and risk management framework adopted within the Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to mitigate losses;
- (ii) Assessed the systems processes, policy and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies;
- (iii) Reviewed the system of internal control to ensure that they are in place, effectively administered and regularly monitored; and
- (iv) Recommended to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors.

#### Related Party Transactions

- (i) Reviewed any related party transactions entered into by our Group and any conflict of interest situation that may arise within our Group; and
- (ii) Ensured adequate procedures and processes were conducted to monitor recurrent related parties' transactions ("RRPT").

#### Other Matters

- (i) Reviewed and approved the TOR of the ARMC of the Company;
- (ii) Reviewed ARMC report and Statement of Risk Management and Internal Control prior to submission to the Board's consideration and approval and inclusion in the Annual Report;
- (iii) Reviewed and ensured Corporate Governance Overview Statement complied with MCCG for inclusion in the Annual Report; and
- (iv) Review of ordinary dividend payment for approval by the Board.
- (v) Reviewed, monitor and report any conflict of interest ("COI") situations that involve directors and key senior management within the Company included those COI situations that arose, persist or may rise and the measures taken to resolve, eliminate or mitigate such COI situations. During the financial year, save and except for Jason Koh Jian Hui, none of the Directors and Key Senior Managements has any conflict of interest with the Company. There was a COI situation that involved the Managing Director, Jason Koh Jian Hui who has direct and indirect interest (through his family members) of Digital Furniture Sdn. Bhd., which was a private company incorporated in Malaysia and located at Muar, Johor with principal activities of manufacturing and trading of furniture and furniture parts.

Jason Koh Jian Hui has declared his conflict of interest and will recuse himself from Board deliberations and decisions relating to the businesses, if any.

### 5. INTERNAL AUDIT FUNCTION

With the internal audit function being put in place, remedial actions can be taken in relation to weaknesses identified. The setting up of the internal audit function is geared towards increasing efficiency and better management of resources in all aspects of the Group's operations.

The Board has outsourced its internal audit function to an independent professional service provider with suitable experience and capabilities to handle the internal audit functions, who reports directly to the ARMC. The qualification and the experience of the outsourced internal auditors namely ASAP Advisory PLT, have been set out in the corporate governance report of the Company.

## Audit and Risk Management Committee Report (Cont'd)

### 5. INTERNAL AUDIT FUNCTION (CONT'D)

The internal audit activities will be carried out based on an annual risk-based audit plan presented by the outsourced internal auditors to the ARMC for approval. The establishment of the annual risk-based audit plan will take into consideration the corporate risk profile and input from the Company's senior management and the ARMC members. The results of the audits provided in the internal audit reports will be reviewed by the ARMC. The relevant head of department of the specific audit subject is made responsible for ensuring that corrective actions on reported weaknesses are taken within the required timeframe. Internal auditors conduct follow-up audits to ensure that Management's corrective actions were implemented appropriately. Total cost incurred during the financial year review was RM22,800.

Premised on the performance assessment conducted by the ARMC, written declaration from the internal auditors on their independence and objectivity throughout the conduct of the audit engagement as well as feedback by the management team, the ARMC is of the view that ASAP Advisory PLT is free from any relationships or conflicts of interest with those involved and is capable of carrying out the internal audit reviews. Accordingly, the ARMC approved for the Group to continuously outsource the internal audit function to ASAP Advisory PLT in providing an independent appraisal on the adequacy, efficiency and effectiveness of the Group's internal control system for FYE 2025.

This Report was approved by the Board on 13 June 2025.

Further details on the internal audit function are reported in the Statement on Risk Management and Internal Control on pages 71 to 74 of the Annual Report.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors ("the Board") of Ecomate Holdings Berhad ("Ecomate" or "Company") is pleased to present the Statement on Risk Management and Internal Control ("this Statement") of the Company for the financial year ended 28 February 2025, which outlines the scope and nature of risk management and internal controls of the Company and the subsidiary ("Group") during the financial year under review and up to the date of approval of this statement for inclusion in this annual report.

This Statement is prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") which requires listed issuers to provide a statement about their state of risk management and internal control as a Company in their annual report. With guidance from the Malaysian Code on Corporate Governance ("MCCG") and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("SORMIC Guidelines"), listed issuers are required to provide the appropriate and pertinent disclosures pertaining to the Company's risk management and internal control system.

## BOARD RESPONSIBILITY

The Board upholds the overall responsibility and commitment for maintaining a sound risk management and internal control system for the Company to safeguard its shareholders' investments and the Group's assets. The Board, in maintaining its commitment towards a sound risk management and effective internal control system, continuously reviews and evaluates the adequacy and effectiveness of the Group's risk management and internal control system to ensure its effectiveness in facilitating the achievement of the Group's business objectives. In discharging the Board's stewardship responsibilities, the Board embeds risk management in all aspects of the Group's activities, set out its risk appetite and continuously reviews the risk management framework, processes, and practices with a view to ensure they provide reasonable assurance that risks are managed within tolerable range.

Notwithstanding the above, the Board acknowledges that such system has inherent limitations as it is designed to manage, rather than eliminate the risks that impedes the achievement of the Group's business objectives. Therefore, such system can only provide reasonable and not absolute assurance against material misstatement, loss or contingencies.

## RISK MANAGEMENT FRAMEWORK

The Board recognizes that effective risk management is essential for achieving the Group's strategic and operational objectives and goals.

Risk management is an integral part of the Group's decision making and routine management and it is incorporated into the strategic and operational planning processes at all levels across the Group.

To achieve a sound system of risk management and internal control, the Board and management ensure that the risk management and control framework is embedded in the culture, processes and structures of the Group.

The Group has an Enterprise Risk Management Committee, headed by the Managing Director and comprising Senior Management, to provide oversight and added impetus to the risk management process for the Group as a whole.

The steps for managing the risks identified in the risk register are outlined below:

- a) Identifying the risks to achieve strategic and operational objectives;
- b) Determining and assessing the existing controls in place;
- c) Assessing the impact and likelihood of the risk after taking into account the existing controls to derive the residual risk; and
- d) Determining further control improvements to mitigate the risk and indicating the expected impact on residual risk once they are fully implemented.

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

### RISK MANAGEMENT FRAMEWORK (CONT'D)

The Heads of Departments are required to conduct risk assessments related to their business plans, strategies and other significant activities and to maintain risk registers that reflect an appropriate risk profile. These risk registers are used as one of the business tools to highlight the risk exposures and risk mitigation. The risk registers are updated as and when there are changes to business environment or regulatory guidelines. Policies, procedures, guidelines and templates are being developed to ensure awareness of acceptable levels of risk and to manage risks and opportunities consistently and effectively across the Group. Periodic operational and management meetings are held to monitor the identified risks and communicate related internal controls to management.

Having said that, the Board will endeavor to assess the viability of broadening the scope of duty and responsibilities of the Audit & Risk Management Committee ("ARMC") to cover the risk management of the various elements of the Company's business.

### INTERNAL CONTROL SYSTEM

Internal control system is advocated and embedded into various day-to-day operational policies and procedures of business segments across the Company to ensure that the Company's business is being managed effectively and sustainably. The Management is delegated with the responsibility for the implementation of internal controls within the Company. Any significant internal control deficiencies affecting the Group's strategic and business plans shall be escalated to the Board at the scheduled meetings. ARMC has also been delegated with the accountability to review the adequacy and effectiveness of the internal controls and governance processes in the Company.

Key internal controls in place for the Company are as follows:

- **Organisational Structure**

The Company has an organisational structure in place for each line of reporting, with defined responsibilities and levels of delegated authority. In addition, the Board and the Board Committees are all governed by defined terms of references. Management of each operating unit has responsibilities for identifying risks and the overall Group's business as a whole. They are also responsible for instituting adequate procedures and internal controls to mitigate and monitor such risks on an on-going basis.

- **Limits of Authority**

Limits of Authority have been established within the Company to provide a functional framework of authority in approving revenue, operating expenses and capital expenditure.

- **Policies and Standard Operating Procedures ("SOPs")**

Policies and SOPs consist of elements of internal control in day-to-day operations. These policies and SOPs are aimed at promoting accountability, efficiencies, and responsibilities within the Company. They are reviewed on a regular basis to reflect the changing risks impacting the Company and to address any operational deficiencies.

- **Talent Management**

Training and development programmes have been established to ensure that staff is constantly kept up-to-date with the constant changing design in furniture in order to be competent in the industry in line with achieving the Group's business objectives.

The Company also provides on-the-job training programmes to all its employees to ensure they are equipped with the latest skills and knowledge to carry out their duties and responsibilities.

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

### INTERNAL CONTROL SYSTEM (CONT'D)

- **Board Committees**

The Board has established the following Board Committees:

- ARMC;
- Nominating Committee; and
- Remuneration Committee

to assist in discharging its duties. These Committees are delegated with specific authority to perform their scope of duties as defined in respective charter of board. All these charters are made available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my)

The ARMC is also responsible for the review of quarterly and annual financial statements as well as results announcements and recommends to the Board for approval.

- **Anti-Bribery and Corruption ("ABC") Policy and Procedures**

The Group has established the policy prohibiting all forms of bribery and corruption practices. All employees are required to understand the policy laid out. The Group's ABC policy and procedures is made available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my)

- **Whistle Blowing Policy**

The Company has established a Whistle Blowing Policy to allow its employees, customers and suppliers to have a channel to report and disclose any non-compliance or illegal activities within the Company. This policy is made available on the corporate's website at [www.ecomate.com.my](http://www.ecomate.com.my)

- **Safety and Health Management**

The Company has a policy in place that takes into account the safety and health of all employees and stakeholders. The Company enforces strict precautionary measures and guidelines in the workplace at all times as stipulated by relevant authorities.

Adequate insurance coverage and security measures on major assets of the Company are also provided to ensure sufficient safeguard against any mishap that will result in material losses to the Company.

### INTERNAL AUDIT FUNCTION

Subsequent to financial year under review, the Company has outsourced its internal audit function to an independent professional service firm to assist the ARMC in undertaking regular reviews on the key risk areas and business processes of the Company with the intent of assessing the adequacy and effectiveness of the Group's system of internal control and to enhance its efficiency and coverage where appropriate.

The scope of work of the outsourced internal audit function has been set out in the internal audit plan that has been approved by the ARMC. Results of internal audit reviews conducted together with recommendations for improvements and Management's commitment to resolution are required to be reported to the ARMC for their attention on a quarterly basis.

The outsourced internal audit function reports directly to the ARMC of the Group and administratively reports to the Chief Financial Officer of the Group. The internal audit function is free from any relationship or conflict of interest that could impair its objectivity and independence.

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

### ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board has received assurance from the MD and Executive Director that the Group's internal control and risk management systems put in place are operating adequately and effectively, in all material aspects, during the financial year under review.

Taking into consideration the above assurance from the Management Team, the Board is of the view that the system of risk management and internal control in place for the financial year under review and up to the date of this Statement, is satisfactory and is adequate to safeguard shareholders' investments, the interests of customers, regulators, employees and other stakeholders as well as the Group's assets. There was no material control failure that would have any material adverse effect on the financial results of the Company for the year under review and up to the date of issuance of the financial statements.

In view that the development of a sound system of internal control is an on-going process, the Board continues to take pertinent measures to sustain and, where required, to improve the Group's internal control and risk management environment in meeting the Group's strategic objectives.

### REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The External Auditors have reviewed this Statement for inclusion in the Annual Report of the Company for the financial year ended 28 February 2025 pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("AAPG 3"), *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report*, as issued by the Malaysian Institute of Accountants and reported to the Board that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report of the Company, in all material respect:

- a) has not been prepared in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out; nor
- b) is factually inaccurate.

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

### CONCLUSION

The Board has reviewed the adequacy and effectiveness of the system of risk management and internal control and that relevant actions have been or are being taken, as the case may be, to remedy any significant weaknesses identified from the review based on the outcome of observations raised by the Internal Auditors and External Auditors directly to the ARMC.

The Board is of the view that the risk management and internal control systems are satisfactory with no significant internal control deficiencies or weaknesses that would result in material losses or contingencies to warrant disclosure in the Group's Annual Report for the financial year under review.

This Statement was approved at the meeting of the Board on 13 June 2025.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. UTILISATION OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING (“IPO”)

As at 28 February 2025, the utilisation of gross proceeds from the IPO, amounting to RM16.17 million, is outlined as follows:

Details of Use of Proceeds	Proposed Utilisation	Actual Utilisation	Re-allocation <sup>(2)</sup>	Balance	Intended Timeframe for Utilisation Upon Listing <sup>(1)</sup>	Revised Timeframe for Utilisation Upon Listing <sup>(4)</sup>
	RM'000	RM'000	RM'000	RM'000		
Machinery and equipment	6,000	(5,417)	(583)	-	Within 12 months	-
Factory and hostel construction	2,000	(445)	-	1,555	Within 24 months	Within 36 months
Purchase of raw material	5,270	(5,270)	-	-	Within 6 months	-
Estimated listing expenses	2,900	(2,900)	-	-	Immediate	-
General working capital <sup>(3)</sup>	-	(583)	583	-	Within 12 months	-
	<b>16,170</b>	<b>(14,615)</b>	<b>-</b>	<b>1,555</b>		

Notes:

- (1) From the date of listing of the Company on the ACE Market of Bursa Securities on 8 November 2021.
- (2) Surplus of RM0.6 million (which the RM6.0 million allocated for the machinery and equipment) was reallocated to the general working capital requirements of the Company, in accordance with the Company's prospectus dated 15 October 2021.
- (3) The amount re-allocated for the working capital purposes will be utilised for the day-to-day operations (e.g. purchase raw material).
- (4) The extension of time is mainly due to the construction of our new factory and hostel is delayed, as Ecomate is currently awaiting for the local authority's approval after resubmission of the plans.

## 2. AUDIT FEE AND NON-AUDIT FEE

The amount of audit and non-audit fee paid/payable to the external auditors by the Company for the financial year ended 28 February 2025 (“FYE 2025”) are disclosed in Note 29 to the Financial Statements set out on page 111 of this Annual Report.

## 3. MATERIAL CONTRACTS INVOLVING DIRECTORS, CHIEF EXECUTIVE AND/OR MAJOR SHAREHOLDERS’ INTERESTS

The Company and its subsidiary have not entered any material contracts (not being contracts entered into the ordinary course of business) involving the interest of the Directors, chief executive and/or major shareholders, either still subsisting at the end of the FYE 2025 and entered since the end of previous financial year.

## 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”)

Details of the RRPTs occurred during the FYE 2025 are disclosed in Note 34(b) to the Financial Statement set out on page 116 of this Annual Report.

## 5. EMPLOYEE SHARE OPTION SCHEME (“ESOS”)

The Company did not issue any employees share scheme during the FYE 2025.

## STATEMENT OF DIRECTORS' RESPONSIBILITY

Our Directors are responsible for the preparation of financial statements for each financial year and ensure that the financial statements have been drawn up in accordance with the applicable MFRS, IFRS, the provisions of the Act as well as the MMLR of Bursa Securities.

Our Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group as at 28 February 2025, and of the financial performance and cash flows for the financial year.

In ensuring the preparation of these financial statements, the Board is satisfied that the Directors have observed the following criteria:

- (i) Overseeing the overall conduct of the Group's business and that of the Group;
- (ii) The Group has adopted suitable and appropriate accounting policies and has applied them consistently throughout the year;
- (iii) Made judgements and estimates that are reasonable and prudent;
- (iv) Prepared the financial statements on a going concern basis; and
- (v) Ensure compliance with the application of the approved accounting standards in Malaysia, subject to any material departure and explained in the financial statements.

Our Directors are also responsible for ensuring that the Group and the Company maintain proper accounting records and other records which disclose the financial position of the Group and the Company with reasonable accuracy at any time.

Our Directors are also having general responsibilities to take such reasonable steps to ensure that appropriate systems are reasonably available to them to safeguard the assets of the Group and the Company to minimise fraud, other irregularities and material misstatements. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

This statement is made in accordance with a resolution of the Board passed on 13 June 2025.



# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 28 February 2025.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and provision of management services.

The information on the name, place of incorporation, principal activities and percentage of issued share capital held by the Company in the subsidiary are set out in the 'Subsidiary' of this report.

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

## RESULTS

	The Group RM	The Company RM
Profit/(Loss) after tax for the financial year	1,469,676	(506,776)

## DIVIDENDS

No dividend was recommended by the directors for the financial year.

## RESERVES AND PROVISIONS

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

## ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

## OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

## BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, 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 allowance for impairment losses on receivables and satisfied themselves that no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

## Directors' Report (Cont'd)

### CURRENT ASSETS

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

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

### CONTINGENT AND OTHER LIABILITIES

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

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

No contingent or other liability of the Group and of the Company 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 substantially affect the ability of the Group and of 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 of the Group and of the Company 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 of 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 and of the Company for the financial year in which this report is made.

### SUBSIDIARY

- (a) The details of the subsidiary of the Company are as follows:

Name of subsidiary	Principal place of business and country of incorporation	Percentage of issued share capital held by parent %	Principal activities
Ecomate Sdn. Bhd.	Malaysia	100	Manufacturing of furniture and furniture parts

## Directors' Report (Cont'd)

### DIRECTORS

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

Jason Koh Jian Hui	
Koh Cheng Huat	
Tan Sri Datuk Hussin bin Haji Ismail	
Datuk Lee Ching Yong	
Goh Siow Cheng	(Appointed on 31 July 2024)
Lim Yik Hui	
Lim May Wan	(Resigned on 31 July 2024)

The names of directors of the Company's subsidiary who served during the financial year and up to the date of this report are similar to those disclosed above.

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:-

	Number of Ordinary Shares			
	At 01.03.2024	Bought	Sold	At 28.02.2025
<b>The Company</b>				
<i>Direct Interest</i>				
Jason Koh Jian Hui	118,996,875	-	-	118,996,875
Koh Cheng Huat	118,790,175	-	-	118,790,175
Datuk Lee Ching Yong	200,000	-	-	200,000
Lim Yik Hui	200,000	-	-	200,000

By virtue of their shareholdings in the Company, Jason Koh Jian Hui and Koh Cheng Huat are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" 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 arise from the following transactions:-

	The Group RM
<b>Company in which a director has substantial financial interest</b>	
Fire protection maintenance expense	5,290
<b>Company in which person(s) connected to director has substantial financial interests</b>	
Purchases	192,395
Upkeep of tools equipment	17,000

## Directors' Report (Cont'd)

### DIRECTORS' BENEFITS (CONT'D)

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements 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:

	The Group RM	The Company RM
Fees	204,000	204,000
Salaries, bonuses and other benefits	1,922,512	-
Defined contribution plans	249,600	-
	2,376,112	204,000

The estimated monetary value of benefits-in-kind provided by the Group and the Company to the directors of the Company were RM 45,565 and RM Nil respectively.

### INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

### SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 9 October 2024, the subsidiary of the Company, namely Ecomate Sdn. Bhd. ("ESB"), entered into a Sale and Purchase Agreement with U.D. Panelform Sdn. Bhd. for the acquisition of a leasehold single storey factory building held under Title No. PN 9624, Lot 8800, Mukim Jalan Bakri, District of Muar, State of Johor at a total consideration of Ringgit Malaysia Seven Million only (RM 7,000,000). At the end of the reporting period, ESB has paid a 10% deposit amounting to RM 700,000 and the acquisition is yet to be completed as of report date.

### SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) On 6 June 2025, the Company entered into a conditional Sale and Purchase Agreement ("SPA") with Mr. Law Seng Peng ("Vendor") to acquire 600,000 ordinary shares in Progressive Computer Systems Sdn. Bhd. ("PCS"), representing 60.0% equity interest in PCS, for a total cash consideration of RM8,400,000. Upon completion of the proposed acquisition, PCS will become a subsidiary of the Company. As at the date of this report, an earnest deposit of RM100,000 has been paid to the Vendor, and the acquisition has yet to be completed.
- (b) On 6 June 2025, the Company has proposed to undertake the following:
  - (i) a bonus issue of shares up to 358,025,834 new ordinary shares in the Company ("Bonus Shares") on the basis of 1 Bonus Share for every 1 existing ordinary share held on an entitlement date to be determined and announced later ("Proposed Bonus Issue of Shares"); and
  - (ii) an issuance of up to 358,025,834 warrants ("Warrants") on the basis of 1 Warrant for every 1 existing ordinary share held on the same entitlement date as the Proposed Bonus Issue of Shares.

## Directors' Report (Cont'd)

### 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:-

	The Group RM	The Company RM
Audit fees	80,000	30,000
Non-audit fees	5,000	5,000
	85,000	35,000

Signed in accordance with a resolution of the directors dated 13 June 2025.

Jason Koh Jian Hui

Koh Cheng Huat

## STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Jason Koh Jian Hui and Koh Cheng Huat, being two of the directors of Ecomate Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 087 to 130 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as of 28 February 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 13 June 2025.

Jason Koh Jian Hui

Koh Cheng Huat

## STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Jason Koh Jian Hui, being the director primarily responsible for the financial management of Ecomate Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 087 to 130 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 abovementioned  
Jason Koh Jian Hui  
at Muar  
in the state of Johor Darul Takzim  
on this 13 June 2025.

Jason Koh Jian Hui

Before me

Lim Pei Ling (J 238)  
Commissioner for Oaths

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ECOMATE HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)

REGISTRATION NO. : 202001036445 (1392766 - X)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Ecomate Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 28 February 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 087 to 130.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 28 February 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

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

### Key Audit Matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report.

<b>Carrying Amount of Inventories</b> Refer to Note 10 to the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>The Group held inventories with carrying amount of RM 12,966,989 as at 28 February 2025.</p> <p>The carrying amount of inventories is stated at the lower of cost and net realisable value.</p> <p>We have considered carrying value of inventories as a key area of our audit as management periodically reviews the inventories for potential write-down by considering their ageing profile, conditions and net realisable value. These reviews involved judgements and estimations uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Compared the net realisable value to the cost of inventories at the end of the reporting period to assess the reasonableness of inventories write-down.</li> <li>• Performed test on the inventory ageing report to ensure inventories were grouped into the appropriate age bracket.</li> <li>• Reviewed the accuracy of the write-down of inventories by matching the quantum of write-down to the corresponding age profile of inventories according to the group policy.</li> <li>• Reviewed and challenged the basis of inventory write-down policy.</li> <li>• Sighted the condition of inventories during observation of physical stock count.</li> </ul>

# Independent Auditors' Report

## To The Members of Ecomate Holdings Berhad (Cont'd)

(Incorporated in Malaysia)  
Registration No. : 202001036445 (1392766 - X)

### Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

### Responsibilities of the Directors for the Financial Statements

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

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

## Independent Auditors' Report

### To The Members of Ecomate Holdings Berhad (Cont'd)

(Incorporated in Malaysia)

Registration No. : 202001036445 (1392766 - X)

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 group financial statements. 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 of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### OTHER MATTERS

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

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

**Goh Siow Yen**  
03557/03/2027 J  
Chartered Accountant

Muar, Johor Darul Takzim

Date : 13 June 2025

# STATEMENTS OF FINANCIAL POSITION

## AS AT 28 FEBRUARY 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	5	15,569,120	12,991,604	-	-
Prepaid lease payments	6	11,706,024	8,193,636	-	-
Right-of-use assets	7	662,111	1,191,936	-	-
Investment in subsidiary	8	-	-	7,374,500	7,374,500
Other receivable	9	106,864	202,864	-	-
		28,044,119	22,580,040	7,374,500	7,374,500
<b>CURRENT ASSETS</b>					
Inventories	10	12,966,989	12,457,515	-	-
Trade receivables	11	3,319,499	6,116,212	-	-
Other receivables, deposits and prepayments	9	4,107,173	4,949,563	22,728	37,960
Amount owing by a subsidiary	12	-	-	21,193,952	21,833,952
Short-term investments	13	2,605,128	2,033,541	-	-
Current tax assets		49,599	376,048	-	-
Derivative assets	14	400	7,809	-	-
Fixed deposits with licensed banks	15	4,371,143	13,489,747	-	-
Cash and bank balances		13,091,342	6,601,562	359,099	205,348
		40,511,273	46,031,997	21,575,779	22,077,260
<b>TOTAL ASSETS</b>		<b>68,555,392</b>	<b>68,612,037</b>	<b>28,950,279</b>	<b>29,451,760</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	16	29,097,416	29,097,416	29,097,416	29,097,416
Re-organisation reserve	17	(3,449,430)	(3,449,430)	-	-
Retained profits/(Accumulated losses)		19,011,956	17,542,280	(204,644)	302,132
<b>TOTAL EQUITY</b>		<b>44,659,942</b>	<b>43,190,266</b>	<b>28,892,772</b>	<b>29,399,548</b>
<b>NON-CURRENT LIABILITIES</b>					
Borrowings	18	8,847,891	7,425,568	-	-
Deferred income on government grant	19	740,000	820,000	-	-
Lease liabilities	20	161,165	601,332	-	-
Deferred tax liabilities	21	1,800,000	1,810,000	-	-
		11,549,056	10,656,900	-	-

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

Statements of Financial Position  
As at 28 February 2025  
(Cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CURRENT LIABILITIES</b>					
Trade payables	22	4,766,792	4,774,175	-	-
Other payables and accruals	23	1,783,511	1,783,364	57,507	52,212
Borrowings	18	5,273,923	7,580,386	-	-
Lease liabilities	20	522,168	626,946	-	-
		12,346,394	14,764,871	57,507	52,212
<b>TOTAL LIABILITIES</b>		23,895,450	25,421,771	57,507	52,212
<b>TOTAL EQUITY AND LIABILITIES</b>		68,555,392	68,612,037	28,950,279	29,451,760

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	24	50,570,773	47,233,265	-	3,000,000
OTHER OPERATING INCOME		1,240,341	1,146,088	-	-
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		(2,770,141)	(254,406)	-	-
RAW MATERIALS USED		(20,339,948)	(20,530,707)	-	-
DEPRECIATION		(2,141,365)	(1,937,151)	-	-
EMPLOYEE BENEFITS	26	(10,852,411)	(9,644,778)	(204,000)	(208,000)
FINANCE COSTS	27	(820,688)	(747,558)	-	-
OTHER OPERATING EXPENSES		(12,183,940)	(12,084,481)	(302,776)	(913,468)
IMPAIRMENT LOSS ON FINANCIAL ASSET	28	-	(48,045)	-	-
PROFIT/(LOSS) BEFORE TAX	29	2,702,621	3,132,227	(506,776)	1,878,532
INCOME TAX EXPENSE	30	(1,232,945)	(1,624,395)	-	-
PROFIT/(LOSS) AFTER TAX AND TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY		1,469,676	1,507,832	(506,776)	1,878,532
<b>EARNINGS PER SHARE (sen)</b>	31				
Basic		0.41	0.42		
Diluted		N.A	N.A		

Note:-

N.A – Not applicable. There are no dilutive potential equity instruments that would give a diluted effect to the basic earnings per share.

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

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

The Group	Note	Share capital RM	Non-distributable	Distributable	Total equity RM
			Re-organisation reserve RM	Retained profits RM	
Balance at 1 March 2023		29,097,416	(3,449,430)	17,824,577	43,472,563
Profit after tax and total comprehensive income for the financial year		-	-	1,507,832	1,507,832
Contributions by and distributions to owners of the Company:-					
- Dividend	32	-	-	(1,790,129)	(1,790,129)
Balance at 29 February 2024/ 1 March 2024		29,097,416	(3,449,430)	17,542,280	43,190,266
Profit after tax and total comprehensive income for the financial year		-	-	1,469,676	1,469,676
Balance at 28 February 2025		29,097,416	(3,449,430)	19,011,956	44,659,942

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

Statements of Changes In Equity  
For the Financial Year Ended 28 February 2025  
(Cont'd)

The Company	Note	Share capital RM	Distributable Retained profits / (Accumulated losses) RM	Total equity RM
Balance at 1 March 2023		29,097,416	213,729	29,311,145
Profit after tax and total comprehensive income for the financial year		-	1,878,532	1,878,532
Contributions by and distributions to owners of the Company:-				
- Dividend	32	-	(1,790,129)	(1,790,129)
Balance at 29 February 2024/1 March 2024		29,097,416	302,132	29,399,548
Loss after tax and total comprehensive expense for the financial year		-	(506,776)	(506,776)
Balance at 28 February 2025		29,097,416	(204,644)	28,892,772

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax		2,702,621	3,132,227	(506,776)	1,878,532
Adjustments for:-					
Amortisation of deferred income on government grant		(80,000)	(80,000)	-	-
Allowance for impairment loss on receivables		-	48,045	-	-
Dividend income		-	-	-	(3,000,000)
Deposit forfeited		(302,694)	(80,193)	-	-
Depreciation of property, plant and equipment		1,399,702	1,286,645	-	-
Depreciation of right-of-use assets		741,663	650,506	-	-
Gain on derecognition of lease modification		(14,746)	-	-	-
Loss/(Gain) on disposal of property, plant and equipment		263,719	(38,341)	-	-
Inventories written down		600,000	-	-	-
Property, plant and equipment written off		450	518	-	-
Unrealised loss on foreign exchange		64,703	41,867	-	-
Interest expense on lease liabilities		51,263	60,635	-	-
Interest expenses		769,425	686,923	-	-
Fair value loss/(gain) on derivative		7,409	(153,236)	-	-
Listing expenses		-	657,286	-	657,286
Interest income		(608,683)	(640,705)	-	-
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>					
		5,594,832	5,572,177	(506,776)	(464,182)
<b>Changes In Working Capital</b>					
Inventories		(1,109,474)	(2,359,076)	-	-
Trade and other receivables and prepayments		4,460,657	(1,087,638)	655,232	8,043
Trade and other payables and accruals		303,765	1,663,521	5,295	(1,127)
<b>CASH FROM/(FOR) OPERATIONS</b>					
		9,249,780	3,788,984	153,751	(457,266)
Interest received		608,683	640,705	-	-
Tax refund		384,890	103,841	-	-
Tax paid		(1,301,386)	(1,694,244)	-	-
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>					
		8,941,967	2,839,286	153,751	(457,266)

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

Statements of Cash Flows  
For The Financial Year Ended 28 February 2025  
(Cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS (FOR)/FROM</b>					
<b>INVESTING ACTIVITIES</b>					
Additions to prepaid lease payments		(3,512,388)	-	-	-
Dividend received		-	-	-	3,000,000
Proceeds from disposal of property, plant and equipment		397,080	165,000	-	-
Purchase of property, plant and equipment	33(a)	(5,345,267)	(1,635,689)	-	-
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		<b>(8,460,575)</b>	<b>(1,470,689)</b>	<b>-</b>	<b>3,000,000</b>
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>					
Dividend paid		-	(1,790,129)	-	(1,790,129)
Drawdown of term loan	33(b)	2,967,388	-	-	-
Interest paid	33(b)	(820,688)	(747,558)	-	-
Net increase in fixed deposit pledged with a licensed bank		(37,050)	(83,587)	-	-
Net movement of bankers' acceptances	33(b)	(2,416,201)	3,715,260	-	-
Payment of listing expenses		-	(657,286)	-	(657,286)
Repayment of hire purchase payables	33(b)	(158,148)	(454,084)	-	-
Repayment of lease liabilities	33(b)	(742,037)	(635,645)	-	-
Repayment of term loans	33(b)	(1,277,179)	(821,447)	-	-
<b>NET CASH FOR FINANCING ACTIVITIES</b>		<b>(2,483,915)</b>	<b>(1,474,476)</b>	<b>-</b>	<b>(2,447,415)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(2,002,523)</b>	<b>(105,879)</b>	<b>153,751</b>	<b>95,319</b>
<b>EFFECTS OF FOREIGN EXCHANGE TRANSLATION</b>		<b>(91,764)</b>	<b>(10,810)</b>	<b>-</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>20,810,729</b>	<b>20,927,418</b>	<b>205,348</b>	<b>110,029</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	33(d)	<b>18,716,442</b>	<b>20,810,729</b>	<b>359,099</b>	<b>205,348</b>

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows :-

Registered office	:	No. 7 (1st Floor), Jalan Pesta 1/1 Taman Tun Dr. Ismail 1 Jalan Bakri 84000 Muar Johor Darul Takzim
Principal place of business	:	Lot PTD 7274 Kawasan Perindustrian Bakri Batu 7 ½ Jalan Bakri 84200 Muar Johor Darul Takzim

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 13 June 2025.

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiary are set out in Note 8 of the financial statements. There have been no significant changes in the nature of these activities during the financial year.

## 3. BASIS OF PREPARATION

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

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)  
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback  
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current  
Amendments to MFRS 101: Non-current Liabilities with Covenants  
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 3. BASIS OF PREPARATION (CONT'D)

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
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

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

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

MFRS 18 Presentation and Disclosure in Financial Statements will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

### 4. MATERIAL ACCOUNTING POLICY INFORMATION

#### 4.1 Critical Accounting Estimates and Judgements

##### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

##### (a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 5 to the financial statements.

##### (b) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

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

#### 4.1 Critical Accounting Estimates and Judgements (Cont'd)

##### *Key Sources of Estimation Uncertainty (Cont'd)*

##### **(c) Impairment of Trade Receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 11 to the financial statements.

##### **(d) Impairment of Non-trade Receivables**

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by a subsidiary as at the reporting date are disclosed in Notes 9 and 12 to the financial statements respectively.

##### **(e) Income Taxes**

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax assets of the Group as at the reporting date is RM 49,599 (2024: RM 376,048).

##### **(f) Discount Rates used in Leases**

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

##### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

##### **Lease Terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

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

#### 4.2 Financial Instruments

##### (a) Financial Assets

###### Financial Assets Through Profit or Loss

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 do not include interest and dividend income.

###### Financial Assets at Amortised Cost

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.

###### Financial Assets Through Other Comprehensive Income

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

##### (b) Financial Liabilities

###### Financial Liabilities Through Profit or Loss

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 do not include interest expense.

###### Financial Liabilities at Amortised Cost

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.

##### (c) Equity

###### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

##### (d) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

##### (e) 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 Group, 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.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

#### (Cont'd)

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

##### 4.3 Basis of consolidation

The Group applies the acquisition method of accounting except for those business combinations which were accounted for using merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the consolidated financial statements at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as re-organisation reserve.

##### 4.4 Investment in Subsidiary

Investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost less accumulated impairment losses, if any.

##### 4.5 Property, Plant and Equipment

All items of property, plant and equipment are initially measured at cost including the estimated costs of dismantling and removing the items and restoring that site on which they are located.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Motor vehicles	20%
Office equipment, renovation, furniture and fittings	10%
Plant and machinery, tools and equipments	8% - 20%
Computing hardware and software	20%

Capital work-in-progress represent factory buildings under construction. They are not depreciated until such time when the asset is available for use.

##### 4.6 Prepaid Lease Payments

Prepayments for the acquisition of leasehold land prior to the issuance of title i.e the commencement of lease are capitalised as prepaid lease upon payments, such amount shall be reclassified as right-of-use assets upon the commencement of lease.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

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

#### 4.7 Right-of-use Assets and Lease Liabilities

##### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise 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 initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method 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.

#### 4.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.

#### 4.9 Government Grants

The Group presents government grants related to an asset by setting up the grants as deferred income and are amortised to profit or loss on a systematic basis over the expected useful life of the relevant asset.

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

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

The Group	Motor vehicles RM	Office equipment, renovation furniture and fittings RM	Plant and machinery, tools and equipments RM	Computing hardware and software RM	Capital work-in-progress RM	Total RM
<b>2025</b>						
<b>At Cost</b>						
At 1 March 2024	3,627,383	533,261	13,630,210	299,389	572,835	18,663,078
Additions	-	3,380	1,851,453	2,249	2,781,385	4,638,467
Disposals	(657,000)	-	(309,460)	-	-	(966,460)
Reclassification	-	55,000	(55,000)	-	-	-
Write off	-	(1,000)	-	(471)	-	(1,471)
At 28 February 2025	2,970,383	590,641	15,117,203	301,167	3,354,220	22,333,614
<b>Less: Accumulated depreciation</b>						
At 1 March 2024	974,490	258,512	4,199,307	239,165	-	5,671,474
Charge for the financial year	195,155	53,970	1,115,187	35,390	-	1,399,702
Disposals	(304,850)	-	(811)	-	-	(305,661)
Write off	-	(550)	-	(471)	-	(1,021)
At 28 February 2025	864,795	311,932	5,313,683	274,084	-	6,764,494
<b>Carrying amount</b>						
At 28 February 2025	2,105,588	278,709	9,803,520	27,083	3,354,220	15,569,120

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

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

The Group	Motor vehicles RM	Office equipment, renovation furniture and fittings RM	Plant and machinery, tools and equipments RM	Computing hardware and software RM	Capital work-in- progress RM	Total RM
<b>2024</b>						
<b>At Cost</b>						
At 1 March 2023	2,248,323	525,906	13,096,101	296,800	114,934	16,282,064
Additions	1,865,345	7,355	534,109	3,979	457,901	2,868,689
Disposals	(486,285)	-	-	-	-	(486,285)
Write off	-	-	-	(1,390)	-	(1,390)
At 29 February 2024	3,627,383	533,261	13,630,210	299,389	572,835	18,663,078
<b>Less: Accumulated depreciation</b>						
At 1 March 2023	1,229,288	205,800	3,115,809	194,430	-	4,745,327
Charge for the financial year	104,828	52,712	1,083,498	45,607	-	1,286,645
Disposals	(359,626)	-	-	-	-	(359,626)
Write off	-	-	-	(872)	-	(872)
At 29 February 2024	974,490	258,512	4,199,307	239,165	-	5,671,474
<b>Carrying amount</b>						
At 29 February 2024	2,652,893	274,749	9,430,903	60,224	572,835	12,991,604

There is no property, plant and equipment in the Company throughout the current and previous financial year.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The following property, plant and equipment were acquired under hire purchase instalments plans (Note 18):-

	The Group	
	2025 RM	2024 RM
<b>Carrying amount</b>		
Plant and machinery	-	564,046
Motor vehicles	1,477,318	1,568,809
	1,477,318	2,132,855

#### 6. PREPAID LEASE PAYMENTS

These represent cumulative progress claims for 5 (2024: 4) pieces of leasehold industrial land. The leasehold land of the Group are pledged as security for borrowings granted to the Group as disclosed in Note 18 to the financial statements.

#### 7. RIGHT-OF-USE ASSETS

	Hostels RM	Factory buildings RM	Warehouse RM	Total RM
<b>The Group</b>				
<b>Carrying amount</b>				
At 1 March 2024	83,222	651,437	457,277	1,191,936
Additions	272,309	-	-	272,309
Depreciation	(164,334)	(456,285)	(121,044)	(741,663)
Reassessment/Modification of lease liabilities	15,938	259,824	-	275,762
Derecognition due to lease modification	-	-	(336,233)	(336,233)
At 28 February 2025	207,135	454,976	-	662,111
At 1 March 2023	21,754	1,109,353	618,668	1,749,775
Additions	(31,199)	(457,916)	(161,391)	(650,506)
Reassessment/Modification of lease liabilities	92,667	-	-	92,667
At 29 February 2024	83,222	651,437	457,277	1,191,936

The Group leases various hostels, factory buildings and warehouse of which the leasing activities are summarised below:-

- (a) Hostels                      The Group has leased 5 (2024: 2) hostels that run for 2 (2024: 2) years from the commencement date of the tenancy agreement with 1 (2024: 1 to 2) years option to renew the lease after the date.
- (b) Factory buildings        The Group has leased 2 (2024: 2) factory buildings that run for 3 (2024: 3) years, with 1 to 3 (2024: 1 to 3) years option to renew the lease after the date.
- (c) Warehouse                The Company has terminated the rental of warehouse during the financial year.

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

## 8. INVESTMENT IN SUBSIDIARY

	The Company	
	2025 RM	2024 RM
Unquoted shares - at cost	7,374,500	7,374,500

The details of the subsidiary are as follows:-

Name of subsidiary	Principal place of business and country of incorporation	Percentage of issued share capital held by parent		Principal activities
		2025 %	2024 %	
Ecomate Sdn. Bhd.	Malaysia	100	100	Manufacturing of furniture and furniture parts

## 9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Non-current</u>				
Sundry receivable	106,864	202,864	-	-
<u>Current</u>				
Advance to suppliers	1,321,224	2,784,255	-	-
Deposits	1,160,050	546,170	1,000	1,000
Prepayments	1,398,772	1,480,673	21,728	36,960
Sundry receivables	227,127	138,465	-	-
	4,107,173	4,949,563	22,728	37,960
	4,214,037	5,152,427	22,728	37,960

- (a) Included in the Group's non-current and current sundry receivables is an amount of RM 202,864 (2024: RM 290,864) which is payable by 36 (2024: 36) monthly instalments.
- (b) The advance to suppliers is unsecured and interest free. The amount owing will be offset against future purchases from the suppliers.
- (c) Included in the deposit is an amount of RM 700,000 (2024: RM NIL) for the purchase of a factory building (Note 38).
- (d) For previous financial year, included in the deposit is an amount of RM 363,000 for the purchase of leasehold industrial land.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 10. INVENTORIES

	The Group	
	2025	2024
	RM	RM
Raw materials	6,700,353	5,573,942
Work-in-progress	719,598	780,333
Finished goods	5,547,038	6,103,240
	12,966,989	12,457,515
<b>Recognised in profit or loss:-</b>		
Inventories recognised as cost of sales	38,034,568	34,454,715
Inventories written down	600,000	-

#### 11. TRADE RECEIVABLES

	The Group	
	2025	2024
	RM	RM
Trade receivables	3,367,544	6,164,257
Less: Allowance for impairment losses	(48,045)	(48,045)
	3,319,499	6,116,212

The Group's normal trade terms are 30 - 210 days credit (2024: cash term 30 - 180 days credit).

#### 12. AMOUNT OWING BY A SUBSIDIARY

This represents non-trade balance which is unsecured, interest free and repayable on demand.

#### 13. SHORT-TERM INVESTMENTS

	The Group	
	2025	2024
	RM	RM
Money market funds, at fair value (Note 33(d))	2,605,128	2,033,541

The money market funds represent investment in highly liquid money market instruments which are redeemable with one (1) day notice at known amounts of cash and are subject to an insignificant risk of changes in value.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 14. DERIVATIVE ASSETS

	Contract/Notional Amount		The Group	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Derivative Assets</b>				
Forward currency contracts	892,400	1,242,852	400	7,809

The Group uses forward foreign currency contracts to manage some of its transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency translation exposure and fair value changes exposure. Such derivatives do not qualify for hedge accounting. The settlement dates on forward foreign currency contracts are 4 days (2024: 1 month) after the end of the reporting period.

The fair values of forward foreign currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contracts using a risk-free interest rate (government bonds).

### 15. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bear effective interest rates of 2.6% - 4.1% (2024: 2.8% - 4.1%) per annum. The fixed deposits have maturity periods ranging from 61 days to 1 year (2024: 39 days to 1 year).
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period is an amount of RM 1,351,171 (2024: RM 1,314,121) which has been pledged to licensed bank as security for banking facilities as disclosed in Note 18 to the financial statements.

### 16. SHARE CAPITAL

	The Group and the Company			
	Number of shares	2025 RM	Number of shares	2024 RM
<b>Issued and fully paid-up</b>				
Ordinary shares				
At 1 March / 28/29 February	358,025,834	29,097,416	358,025,834	29,097,416

The holders of ordinary 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. The ordinary shares have no par value.

### 17. RE-ORGANISATION RESERVE

The re-organisation reserve arose from the differences between carrying value of the investment and the nominal value of the shares of a subsidiary upon consolidation under the merger accounting principles.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 18. BORROWINGS

	The Group	
	2025	2024
	RM	RM
<b>CURRENT</b>		
Secured - Bankers' acceptances	3,950,984	6,367,185
- Hire purchase payables	121,964	158,148
- Term loans	1,200,975	1,055,053
	5,273,923	7,580,386
<b>NON-CURRENT</b>		
Secured - Hire purchase payables	955,878	1,077,842
- Term loans	7,892,013	6,347,726
	8,847,891	7,425,568
	14,121,814	15,005,954
<b>TOTAL BORROWINGS</b>		
Secured - Bankers' acceptances	3,950,984	6,367,185
- Hire purchase payables	1,077,842	1,235,990
- Term loans	9,092,988	7,402,779
	14,121,814	15,005,954

(a) The borrowings are secured by the followings:-

- (i) Legal charges over 5 pieces of leasehold industrial land of the Group as disclosed in Note 6 to the financial statements;
- (ii) Fixed deposits with a licensed bank (Note 15(b));
- (iii) Credit Guarantee Corporation; and
- (iv) Corporate guarantee provided by the Company.

(b) The effective interest rates (per annum) at the end of the reporting period for borrowings are as follows:-

	The Group	
	2025	2024
	%	%
Bankers' acceptances	3.7 - 4.1	3.9 - 6.7
Hire purchase payables	4.7 - 4.9	4.7 - 6.8
Term loans	3.5 - 7.7	3.5 - 7.7

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

**19. DEFERRED INCOME ON GOVERNMENT GRANT**

	The Group	
	2025 RM	2024 RM
Carrying Amount		
At 1 March	820,000	900,000
Amortisation during the financial year	(80,000)	(80,000)
At 28/29 February	740,000	820,000

**20. LEASE LIABILITIES**

	The Group	
	2025 RM	2024 RM
Balance at beginning of financial year	1,228,278	1,771,256
Acquisition of new leases (Note 33(a))	272,309	-
Changes due to lease modification/reassessment	275,762	92,667
Derecognition due to lease modification	(350,979)	-
Interest expense recognised in profit or loss (Note 27)	51,263	60,635
Repayment of principal	(742,037)	(635,645)
Repayment of interest expense	(51,263)	(60,635)
Balance at the end of financial year	683,333	1,228,278
Analysed by:-		
Current liabilities	522,168	626,946
Non-current liabilities	161,165	601,332
	683,333	1,228,278

**21. DEFERRED TAX LIABILITIES**

	The Group	
	2025 RM	2024 RM
<b>Movement of deferred tax liabilities</b>		
Balance at beginning of financial year	1,810,000	1,410,000
Deferred tax (income)/expense relating to (reversal)/origination of temporary differences	(38,000)	100,000
Underprovision in previous financial year	28,000	300,000
Balance at the end of financial year	1,800,000	1,810,000
<b>Component of deferred tax liabilities</b>		
Excess of capital allowances over corresponding book depreciation	1,800,000	1,810,000

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 21. DEFERRED TAX LIABILITIES (CONT'D)

The component and movement of deferred tax liabilities of the Group during the financial year are as follows:-

	Excess of capital allowances over depreciation RM	Other temporary differences RM	Total RM
At 1 March 2023	1,415,000	(5,000)	1,410,000
Recognised in profit or loss (Note 30)	95,000	5,000	100,000
Underprovision of deferred tax expense in previous financial year	300,000	-	300,000
At 29 February 2024/1 March 2024	1,810,000	-	1,810,000
Recognised in profit or loss (Note 30)	(33,000)	(5,000)	(38,000)
Under/(Over)provision of deferred tax expense in previous financial year	38,000	(10,000)	28,000
At 28 February 2025	1,815,000	(15,000)	1,800,000

#### 22. TRADE PAYABLES

	The Group	
	2025 RM	2024 RM
Trade payables:-		
Third parties	4,733,489	4,730,796
Related party	33,303	43,379
	4,766,792	4,774,175

(a) The Group's normal trade term granted by third parties are cash term - 60 days credit (2024: cash term - 60 days credit).

(b) The amount owing to a related party is subject to normal credit term of 30 days (2024: 30 days).

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

### 23. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables:-				
Third parties	370,825	301,666	5,507	212
Related party	365	9,128	-	-
Customer deposits	354,245	441,812	-	-
Goods and services tax payable	81,805	140,117	-	-
	807,240	892,723	5,507	212
Accruals	976,271	890,641	52,000	52,000
	1,783,511	1,783,364	57,507	52,212

- (a) The non-trade amount owing to a related party is subject to normal credit term of 30 days (2024: 30 days).
- (b) Included in other payables is an amount of RM NIL (2024: RM 6,800) for the purchase of property, plant and equipment (Note 33(a)).

### 24. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from Contracts with Customers</b>				
<u>Recognised at a point in time</u>				
Sales of furniture and furniture parts	50,570,773	47,233,265	-	-
<b>Revenue from Other Sources</b>				
Dividend income	-	-	-	3,000,000
	50,570,773	47,233,265	-	3,000,000

- (a) The information about the disaggregation of revenue by geographical market is disclosed in Note 36(b) to the financial statements.
- (b) The information about the performance obligations in contracts with customers is summarised below:-

Nature of goods or services	Timing and method of revenue recognition	Significant payment terms	Variable considerations	Warranty and obligation for returns or refunds
Sale of furniture and furniture parts.	When the goods are delivered or shipped and accepted by customers.	Cash term - 210 days of credit term from date of invoice.	Not applicable.	Not applicable.

- (c) Dividend income is recognised when the right to receive dividend payment is established.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 25. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>(a) Directors</b>				
<b>Executive Directors:-</b>				
Salaries, bonuses and other benefits	1,922,512	1,922,318	-	-
Defined contribution plans	249,600	249,600	-	-
	2,172,112	2,171,918	-	-
<b>Non-executive Directors:-</b>				
Fees	204,000	208,000	204,000	208,000
Total directors' remuneration	2,376,112	2,379,918	204,000	208,000
Estimated monetary value of benefits-in-kind	45,565	53,090	-	-
<b>(b) Other key management personnel:-</b>				
Salaries, bonuses and other benefits	729,833	727,778	-	-
Defined contribution plans	87,187	87,723	-	-
Total compensation for other key management personnel	817,020	815,501	-	-
Estimated monetary value of benefits-in-kind	32,097	33,133	-	-

#### 26. EMPLOYEE BENEFITS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Key management personnel compensation (excluding benefits-in-kind) (Note 25)</b>	3,193,132	3,195,419	204,000	208,000
<b>Other staff costs</b>				
Salaries, bonuses and other benefits	7,315,873	6,112,233	-	-
Defined contribution plans	343,406	337,126	-	-
	7,659,279	6,449,359	-	-
Total employee benefits	10,852,411	9,644,778	204,000	208,000

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

## 27. FINANCE COSTS

	The Group	
	2025 RM	2024 RM
<b>Interest on:-</b>		
Bankers' acceptances	344,464	294,394
Lease liabilities	51,263	60,635
Hire purchase payables	56,639	32,970
Term loans	368,322	359,559
	820,688	747,558

## 28. IMPAIRMENT LOSS ON FINANCIAL ASSET

	The Group	
	2025 RM	2024 RM
Impairment loss:		
Trade receivables (Note 11)	-	48,045

## 29. PROFIT/(LOSS) BEFORE TAX

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Profit/(Loss) before tax is arrived at after charging:-</b>				
Auditors' remuneration:-				
- audit fees:-				
- current year	80,000	80,000	30,000	30,000
- non-audit fees:-				
- auditors of the Company:-				
- current year	5,000	5,000	5,000	5,000
- member firms of the auditors of the Company	28,800	11,500	20,300	3,000
- other auditors	10,000	-	10,000	-
Depreciation:-				
- property, plant and equipment	1,399,702	1,286,645	-	-
- right-of-use assets	741,663	650,506	-	-
Loss on fair value on derivative	7,409	-	-	-
Listing expenses	-	657,286	-	657,286
Loss on disposal of property, plant and equipment	263,719	-	-	-
Inventories written down	600,000	-	-	-
Property, plant and equipment written off	450	518	-	-
Unrealised loss on foreign exchange	64,703	41,867	-	-
Short term leases	12,460	31,900	-	-

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 29. PROFIT/(LOSS) BEFORE TAX (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>And crediting:-</b>				
Amortisation of deferred income on government grant	(80,000)	(80,000)	-	-
Deposit forfeited	(302,694)	(80,193)	-	-
Interest income on financial asset measured at fair value through profit or loss (short-term investments)	(25,271)	(12,011)	-	-
Interest income measured at amortised cost	(583,412)	(628,694)	-	-
Gain on disposal of property, plant and equipment	-	(38,341)	-	-
Gain on fair value on derivative	-	(153,236)	-	-
Gain on derecognition of lease modification	(14,746)	-	-	-
Realised gain on foreign exchange	(81,143)	(65,463)	-	-
Rental income	(66,000)	-	-	-
Fair value gain on short-term investments	(46,316)	(24,938)	-	-

#### 30. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense	1,100,000	1,114,000	-	-
Underprovision in previous financial year	142,945	110,395	-	-
	1,242,945	1,224,395	-	-
Deferred tax (Note 21):-				
- (Reversal)/origination of temporary differences	(38,000)	100,000	-	-
- Underprovision in previous financial year	28,000	300,000	-	-
	(10,000)	400,000	-	-
	1,232,945	1,624,395	-	-

A reconciliation of income tax expense applicable to the profit before tax at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before tax	2,702,621	3,132,227	(506,776)	1,878,532
Tax at statutory income tax rate	649,000	752,000	(122,000)	451,000
Tax effect of non-deductible expenses	592,000	617,000	57,000	181,000
Tax effect of non-taxable income	(244,000)	(243,000)	-	(720,000)
Deferred tax assets not recognised during the year	65,000	88,000	65,000	88,000
Underprovision in previous financial year:-				
- current tax	142,945	110,395	-	-
- deferred tax	28,000	300,000	-	-
	1,232,945	1,624,395	-	-

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

**31. EARNINGS PER SHARE**

	The Group RM	RM
Profit after tax attributable to owners of the Group (RM)	1,469,676	1,507,832
Weighted average number of ordinary shares in issues	358,025,834	358,025,834
Basic earnings per share (sen)	0.41	0.42

The diluted earnings per share is not applicable as there are no dilutive potential ordinary shares existing throughout the relevant reporting periods.

**32. DIVIDEND**

	The Group and The Company 2025 RM	2024 RM
<b>In respect of the financial year ended 29 February 2024</b>		
An interim dividend of 0.50 sen per ordinary share	-	1,790,129
	-	1,790,129

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## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 33. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	The Group	
	2025 RM	2024 RM
<b>Property, plant and equipment</b>		
Deposit made for future purchases (Note 9(c))	700,000	-
Cost of property, plant and equipment purchased (Note 5)	4,638,467	2,868,689
Acquired through hire purchase arrangements	-	(1,226,200)
Unpaid balance included in sundry payables (Note 23)	-	(6,800)
Cash paid in respect of acquisitions in the previous financial year	6,800	-
<b>Cash paid during the financial year</b>	<b>5,345,267</b>	<b>1,635,689</b>

	The Group	
	2025 RM	2024 RM
<b>Right-of-use assets</b>		
Cost of right-of-use assets acquired (Note 7)	272,309	-
Less: Addition of new lease liabilities (Note 20)	(272,309)	-
	-	-

- (b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Bankers' acceptances RM	Hire purchase payables RM	Lease liabilities RM	Term loans RM	Total RM
At 1 March 2024	6,367,185	1,235,990	1,228,278	7,402,779	16,234,232
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	28,345,524	-	-	-	28,345,524
Repayment of borrowing principal	(30,761,725)	(158,148)	(742,037)	(1,277,179)	(32,939,089)
Repayment of borrowing interest	(344,464)	(56,639)	(51,263)	(368,322)	(820,688)
	(2,760,665)	(214,787)	(793,300)	(1,645,501)	(5,414,253)
<u>Non-cash Changes</u>					
Additions	-	-	272,309	2,967,388	3,239,697
Reassessments/Modifications of leases	-	-	275,762	-	275,762
Derecognition due to lease modification	-	-	(350,979)	-	(350,979)
Interest expense recognised in profit or loss	344,464	56,639	51,263	368,322	820,688
	344,464	56,639	248,355	3,335,710	3,985,168
<b>At 28 February 2025</b>	<b>3,950,984</b>	<b>1,077,842</b>	<b>683,333</b>	<b>9,092,988</b>	<b>14,805,147</b>

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

33. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Bankers' acceptances RM	Hire purchase payables RM	Lease liabilities RM	Term loans RM	Total RM
At 1 March 2023	2,651,925	463,874	1,771,256	8,224,226	13,111,281
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	27,610,045	-	-	-	27,610,045
Repayment of borrowing principal	(23,894,785)	(454,084)	(635,645)	(821,447)	(25,805,961)
Repayment of borrowing interest	(294,394)	(32,970)	(60,635)	(359,559)	(747,558)
	3,420,866	(487,054)	(696,280)	(1,181,006)	1,056,526
<u>Non-cash Changes</u>					
Acquisition of new lease	-	1,226,200	-	-	1,226,200
Reassessments/Modifications of leases	-	-	92,667	-	92,667
Interest expense recognised in profit or loss -	294,394	32,970	60,635	359,559	747,558
	294,394	1,259,170	153,302	359,559	2,066,425
At 29 February 2024	6,367,185	1,235,990	1,228,278	7,402,779	16,234,232

(c) The total cash outflow for leases as a lessee are as follows:-

	The Group	
	2025 RM	2024 RM
Payment of short-term leases	12,460	31,900
Payment of lease liabilities	742,037	635,645
Interest paid on lease liabilities	51,263	60,635
	805,760	728,180

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Short-term investments (Note 13)	2,605,128	2,033,541	-	-
Cash and bank balances	13,091,342	6,601,562	359,099	205,348
Fixed deposits with licensed banks	4,371,143	13,489,747	-	-
	20,067,613	22,124,850	359,099	205,348
Less: Fixed deposits pledged to a licensed bank (Note 15 (b))	(1,351,171)	(1,314,121)	-	-
	18,716,442	20,810,729	359,099	205,348

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 34. RELATED PARTY DISCLOSURES

##### (a) Subsidiary

The subsidiary is disclosed in Note 8 to the financial statements.

##### (b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Subsidiary</b>				
Dividend income	-	-	-	3,000,000
<b>Company in which a director has substantial financial interest</b>				
Fire protection maintenance expense	5,290	31,563	-	-
<b>Company in which person(s) connected to director has substantial financial interests</b>				
Purchases	192,395	205,648	-	-
Upkeep of tools equipment	17,000	16,000	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

##### (c) Compensation of Key Management Personnel

Key management personnel (include Executive Directors and Non-executive Directors of the Company and certain members of senior management of the Group and the Company) are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. Details of the compensation for these key management personnel are disclosed in Note 25 to the financial statements.

#### 35. CAPITAL COMMITMENTS

	The Group	
	2025 RM	2024 RM
Progress claim for purchase of leasehold industrial land	548,856	431,244
Purchase of leasehold industrial land	-	3,267,000
Purchase of factory building	6,300,000	-
Construction of factory building	2,391,000	-
	9,239,856	3,698,244

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 36. OPERATING SEGMENTS

#### (a) Business 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 furniture industry.

#### (b) Geographical Information

In presenting the information on the basis of geographical segments, segmental information on non-current assets is not presented, as all non-current assets are located in Malaysia.

Segmental revenue is presented based on the geographical location of customers.

	The Group	
	2025 RM	2024 RM
Africa	2,061,053	2,129,336
Asia (excluding Malaysia)	19,790,676	18,547,140
Australasia	8,543,937	6,817,579
Europe	1,705,181	2,671,657
North America	5,431,591	2,087,723
Malaysia	13,038,335	14,979,830
	50,570,773	47,233,265

#### (c) Major Customers

The following are major customers with revenue equal to or more than 10% of Group revenue:-

	The Group	
	2025 RM	2024 RM
Customer A	7,143,585	6,207,657
Customer B	12,554,338	12,273,061
	19,697,923	18,480,718

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 37. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

##### 37.1 Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

###### (a) Market Risk

###### (i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia ("RM"). The currency giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of each reporting period is summarised below:-

###### Foreign Currency Exposure

The Group	United States Dollar RM	Others RM	Ringgit Malaysia RM	Total RM
<b>2025</b>				
<u>Financial Assets</u>				
Trade receivables	1,201,629	-	2,117,870	3,319,499
Cash and bank balances	4,373,233	23,155	8,694,954	13,091,342
	5,574,862	23,155	10,812,824	16,410,841
<u>Financial Liabilities</u>				
Trade payables	84,185	361	4,682,246	4,766,792
Net financial assets	5,490,677	22,794	6,130,578	11,644,049
Less : Net financial assets denominated in the respective entities' functional currency	-	-	(6,130,578)	(6,130,578)
Less : Forward foreign currency contracts (contracted notional principal)	(892,400)	-	-	(892,400)
Currency Exposure	4,598,277	22,794	-	4,621,071

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of each reporting period is summarised below (Cont'd):-

*Foreign Currency Exposure (Cont'd)*

The Group	United States Dollar RM	Others RM	Ringgit Malaysia RM	Total RM
<b>2024</b>				
<u>Financial Assets</u>				
Trade receivables	3,085,458	-	3,030,754	6,116,212
Cash and bank balances	378,175	19,404	6,203,983	6,601,562
	3,463,633	19,404	9,234,737	12,717,774
<u>Financial Liabilities</u>				
Trade payables	-	361	4,773,814	4,774,175
Other payables and accruals	3,164	-	1,198,271	1,201,435
	3,164	361	5,972,085	5,975,610
Net financial assets	3,460,469	19,043	3,262,652	6,742,164
Less : Net financial assets denominated in the respective entities' functional currency	-	-	(3,262,652)	(3,262,652)
Less : Forward foreign currency contracts (contracted notional principal)	(1,242,852)	-	-	(1,242,852)
Currency Exposure	2,217,617	19,043	-	2,236,660

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

#### (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

*Foreign Currency Exposure (Cont'd)*

*Foreign Currency Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currency at the end of the reporting period, with all other variables held constant:-

	The Group	
	2025 RM	2024 RM
<b>Effects on profit after tax</b>		
USD/RM		
- strengthened by 5% (2024: 5%)	174,735	84,269
- weakened by 5% (2024: 5%)	(174,735)	(84,269)

There is no impact on the Group's and the Company's equity.

##### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed-rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 18 to the financial statements.

*Interest Rate Risk Sensitivity Analysis*

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after tax and equity of the Group and hence, no sensitivity analysis is presented.

##### (iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

##### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its 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 and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (b) Credit Risk (Cont'd)

Also, the Company's exposure to credit risk includes loans and advances to subsidiary, and corporate guarantee given to financial institutions for credit facilities granted to the subsidiary. The Company monitors the ability of the subsidiary to serve its loans on an individual basis.

##### (i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by four (4) (2024: two (2)) trade receivables; the balances of each is equal to or more than 10% of total balances constituting approximately 59% (2024: 61%) of the Group's trade receivables.

The Group determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of each reporting period is as follows:-

	2025 RM	The Group 2024 RM
Asia (excluding Malaysia)	278,724	2,006,283
Europe	98,352	310,283
North America	514,970	2,573
Australasia	310,997	338,433
Malaysia	2,116,456	3,458,640
	3,319,499	6,116,212

##### (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 statements of financial position of the Group after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiary of RM 13,043,973 (2024: RM 13,769,964), representing the outstanding banking facilities of the subsidiary as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value 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 ongoing 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.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:-

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

#### (Cont'd)

#### 37. FINANCIAL INSTRUMENTS (CONT'D)

##### 37.1 Financial Risk Management Policies (Cont'd)

###### (b) Credit Risk (Cont'd)

###### (iii) Assessment of Impairment Losses (Cont'd)

###### Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables.

###### *Inputs, Assumptions and Techniques Used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 24 months (2024: 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

###### *Allowance for Impairment Losses*

The reconciliations of allowance for impairment losses are as follows:-

	Credit Impaired RM
<u>Trade receivables</u>	
Balance at 1 March 2023	-
Additions (Note 28)	48,045
Balance at 29 February 2024 / 28 February 2025	48,045

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

###### Trade Receivables (Cont'd)

###### Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross amount RM	Lifetime individual allowance RM	Carrying amount RM
<b>2025</b>			
Current (not past due)	2,894,074	-	2,894,074
1 to 30 days past due	230,176	-	230,176
31 to 60 days past due	160,401	-	160,401
61 to 90 days past due	-	-	-
Credit impaired	82,893	(48,045)	34,848
	3,367,544	(48,045)	3,319,499
<b>2024</b>			
Current (not past due)	4,758,409	-	4,758,409
1 to 30 days past due	863,799	-	863,799
31 to 60 days past due	220,557	-	220,557
61 to 90 days past due	88,858	-	88,858
Credit impaired	232,634	(48,045)	184,589
	6,164,257	(48,045)	6,116,212

Trade receivables that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

There has not been any significant change in the gross amounts of trade receivables that impacted the allowance for impairment losses.

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

###### Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

###### *Allowance for Impairment Losses*

No expected credit loss is recognised on other receivables as it is negligible.

###### Fixed Deposits with Licensed Banks, Cash and Bank Balances

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

###### Amount Owing by A Subsidiary (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

###### *Inputs, Assumptions and Techniques Used for Estimating Impairment Losses*

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to its subsidiary have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiary is not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

**37. FINANCIAL INSTRUMENTS (CONT'D)**

**37.1 Financial Risk Management Policies (Cont'd)**

**(b) Credit Risk (Cont'd)**

**(iii) Assessment of Impairment Losses (Cont'd)**

Amount Owing by A Subsidiary (Non-trade Balances) (Cont'd)

*Allowance for Impairment Losses*

At the end of the reporting period, there was no indication that the balances are not recoverable and hence, no expected credit loss is recognised.

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiary is financial guarantee contract.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiary's 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.

*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.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 37. FINANCIAL INSTRUMENTS (CONT'D)

##### 37.1 Financial Risk Management Policies (Cont'd)

###### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

###### Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of each 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	Contractual Interest Rate %	Carrying amount RM	Contractual undiscounted RM	Within 1 year RM	1 - 5 years RM	Over 5 years RM
<b>2025</b>						
<u>Non-derivative financial liabilities</u>						
Trade payables	-	4,766,792	4,766,792	4,766,792	-	-
Other payables and accruals	-	1,347,461	1,347,461	1,347,461	-	-
Borrowings:-						
- Bankers' acceptances	3.7 - 4.1	3,950,984	3,950,984	3,950,984	-	-
- Hire purchase payables	4.7 - 4.9	1,077,842	1,277,049	171,168	684,672	421,209
- Term loans	3.5 - 7.7	9,092,988	11,159,736	1,568,837	4,785,125	4,805,774
Lease liabilities	4.7 - 5.1	683,333	708,540	542,080	166,460	-
		20,919,400	23,210,562	12,347,322	5,636,257	5,226,983
<b>2024</b>						
<u>Non-derivative financial liabilities</u>						
Trade payables	-	4,774,175	4,774,175	4,774,175	-	-
Other payables and accruals	-	1,201,435	1,201,435	1,201,435	-	-
Borrowings:-						
- Bankers' acceptances	3.9 - 6.7	6,367,185	6,367,185	6,367,185	-	-
- Hire purchase payables	4.7 - 6.8	1,235,990	1,491,836	214,787	684,672	592,377
- Term loans	3.5 - 7.7	7,402,779	8,949,864	1,370,044	4,162,023	3,417,797
Lease liabilities	3.0 - 5.1	1,228,278	1,279,700	664,140	615,560	-
		22,209,842	24,064,195	14,591,766	5,462,255	4,010,174

## Notes to the Financial Statements For the Financial Year Ended 28 February 2025 (Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.1 Financial Risk Management Policies (Cont'd)

##### (c) Liquidity Risk (Cont'd)

###### *Maturity Analysis (Cont'd)*

The following table sets out the maturity profile of the financial liabilities at the end of each 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) (Cont'd):-

The Company	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM
<b>2025</b>			
<u>Non-derivative financial liabilities</u>			
Other payables and accruals	57,507	57,507	57,507
<b>2024</b>			
<u>Non-derivative financial liabilities</u>			
Other payables and accruals	52,212	52,212	52,212

#### 37.2 Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on net debt-to-equity ratio that complies with debt covenants. The net debt-to-equity ratio is calculated as total net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less deposits, cash and bank balances. The net debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Borrowings (Note 18)	14,121,814	15,005,954	-	-
Less: Fixed deposits with licensed banks (Note 15)	(4,371,143)	(13,489,747)	-	-
Less: Cash and bank balances	(13,091,342)	(6,601,562)	(359,099)	(205,348)
Net cash	(3,340,671)	(5,085,355)	(359,099)	(205,348)
Total equity	44,659,942	43,190,266	28,892,772	29,399,548
Net debt-to-equity ratio	*	*	*	*

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

There was no change in the Group's approach to capital management during the financial year.

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

(Cont'd)

#### 37. FINANCIAL INSTRUMENTS (CONT'D)

##### 37.3 Classification of Financial Instruments

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	2,605,128	2,033,541	-	-
Derivative assets	400	7,809	-	-
	2,605,528	2,041,350	-	-
<u>Amortised Cost</u>				
Trade receivables	3,319,499	6,116,212	-	-
Other receivables	333,991	341,329	-	-
Amount owing by a subsidiary	-	-	21,193,952	21,833,952
Fixed deposits with licensed banks	4,371,143	13,489,747	-	-
Cash and bank balances	13,091,342	6,601,562	359,099	205,348
	21,115,975	26,548,850	21,553,051	22,039,300
<b>Financial Liabilities</b>				
<u>Amortised Cost</u>				
Borrowings	14,121,814	15,005,954	-	-
Lease liabilities	683,333	1,228,278	-	-
Trade payables	4,766,792	4,774,175	-	-
Other payables and accruals	1,347,461	1,201,435	57,507	52,212
	20,919,400	22,209,842	57,507	52,212

##### 37.4 Gains or Losses Arising from Financial Instruments

	The Group	
	2025 RM	2024 RM
<b>Financial Assets</b>		
<u>Fair Value Through Profit or Loss</u>		
Net gains recognised in profit or loss	64,178	190,185
<u>Amortised Cost</u>		
Net gains recognised in profit or loss	595,266	606,335
<b>Financial Liabilities</b>		
<u>Amortised Cost</u>		
Net losses recognised in profit or loss	(816,102)	(749,648)

Notes to the Financial Statements  
For the Financial Year Ended 28 February 2025  
(Cont'd)

### 37. FINANCIAL INSTRUMENTS (CONT'D)

#### 37.5 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.

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:-

The Group	Fair Value Of Financial Instruments Carried At Fair Value			Fair Value Of Financial Instruments Not Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2025</b>								
<b>Financial Assets</b>								
Short-term investments	-	2,605,128	-	-	-	-	2,605,128	2,605,128
Derivative assets:- - forward currency contracts	-	400	-	-	-	-	400	400
<b>Financial Liabilities</b>								
Hire purchase payables	-	-	-	-	1,067,364	-	1,067,364	1,077,842
Term loans:- - fixed rate - floating rate	-	-	-	-	677,641 8,408,722	-	677,641 8,408,722	684,266 8,408,722
<b>2024</b>								
<b>Financial Assets</b>								
Short-term investments	-	2,033,541	-	-	-	-	2,033,541	2,033,541
Derivative assets:- - forward currency contracts	-	7,809	-	-	-	-	7,809	7,809
<b>Financial Liabilities</b>								
Hire purchase payables	-	-	-	-	1,203,289	-	1,203,289	1,235,990
Term loans:- - fixed rate - floating rate	-	-	-	-	1,003,784 6,389,641	-	1,003,784 6,389,641	1,013,138 6,389,641

## Notes to the Financial Statements

### For the Financial Year Ended 28 February 2025

#### (Cont'd)

#### 37. FINANCIAL INSTRUMENTS (CONT'D)

##### 37.5 Fair Value Information (Cont'd)

###### (a) Fair value of financial instruments carried at fair value (Cont'd)

- (i) The fair values above have been determined using the following basis:-
- (aa) The fair values of forward currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contracts using a risk-free interest rate (government bonds).
- (ab) The fair value of short-term investments is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- (ii) There were no transfers between level 1 and level 2 during the financial year.

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

The fair values, which are for disclosure purposes, have been determined using the following basis:

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of hire purchase payables and term loans that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	2025 %	2024 %
Hire purchase payables	4.7 - 5.6	5.1 - 6.8
Term loans	3.5 - 4.6	3.5 - 4.6

#### 38. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 9 October 2024, the subsidiary of the Company, namely Ecomate Sdn. Bhd. ("ESB"), entered into a Sale and Purchase Agreement with U.D. Panelform Sdn. Bhd. for the acquisition of a leasehold single storey factory building held under Title No. PN 9624, Lot 8800, Mukim Jalan Bakri, District of Muar, State of Johor at a total consideration of Ringgit Malaysia Seven Million only (RM 7,000,000). At the end of the reporting period, ESB has paid a 10% deposit amounting to RM 700,000 and the acquisition is yet to be completed as of report date.

#### 39. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) On 6 June 2025, the Company entered into a conditional Sale and Purchase Agreement ("SPA") with Mr. Law Seng Peng ("Vendor") to acquire 600,000 ordinary shares in Progressive Computer Systems Sdn. Bhd. ("PCS"), representing 60.0% equity interest in PCS, for a total cash consideration of RM8,400,000. Upon completion of the proposed acquisition, PCS will become a subsidiary of the Company. As at the date of this report, an earnest deposit of RM100,000 has been paid to the Vendor, and the acquisition has yet to be completed.
- (b) On 6 June 2025, the Company has proposed to undertake the following:
- (i) a bonus issue of shares up to 358,025,834 new ordinary shares in the Company ("Bonus Shares") on the basis of 1 Bonus Share for every 1 existing ordinary share held on an entitlement date to be determined and announced later ("Proposed Bonus Issue of Shares"); and
- (ii) an issuance of up to 358,025,834 warrants ("Warrants") on the basis of 1 Warrant for every 1 existing ordinary share held on the same entitlement date as the Proposed Bonus Issue of Shares.

## LIST OF PROPERTIES

No.	Address	Description	Total Land area (approximate)	Existing Use/ Tenure	Date of acquisition	Net Book Value (RM'000)
1	PLO 42 located within the Muar Furniture Park held under master titles known as H.S.(D) 38459, PTD 13399, H.S.(D) 38460, PTD 13400, Geran 50191, Lot 8531, Mukim Jalan Bakri, District of Muar, Johor *	1 plot of industrial land	130,680 sq ft	Vacant Land/60 years leasehold from the date of issuance of the individual title	21 March 2019	2,235
2	PLO 70 located within the Muar Furniture Park held under master titles known as H.S.(D) 38459, PTD 13399, H.S.(D) 38460, PTD 13400, Geran 50191, Lot 8531, Mukim Jalan Bakri, District of Muar, Johor*	1 plot of industrial land	130,680 sq ft	Vacant Land/60 years leasehold from the date of issuance of the individual title	21 March 2019	1,986
3	PLO 68 located within the Muar Furniture Park held under master titles known as H.S.(D) 38459, PTD 13399, H.S.(D) 38460, PTD 13400, Geran 50191, Lot 8531, Mukim Jalan Bakri, District of Muar, Johor*	1 plot of industrial land	130,680 sq ft	Vacant Land/60 years leasehold from the date of issuance of the individual title	18 April 2019	1,984
4	PLO 69 located within the Muar Furniture Park held under master titles known as H.S.(D) 38459, PTD 13399, H.S.(D) 38460, PTD 13400, Geran 50191, Lot 8531, Mukim Jalan Bakri, District of Muar, Johor*	1 plot of industrial land	130,680 sq ft	Vacant Land/60 years leasehold from the date of issuance of the individual title	18 April 2019	1,989
5	PLO 67 located within the Muar Furniture Park held under master titles known as H.S.(D) 38459, PTD 13399, H.S.(D) 38460, PTD 13400, Geran 50191, Lot 8531, Mukim Jalan Bakri, District of Muar, Johor*	1 plot of industrial land	130,680 sq ft	Vacant Land/60 years leasehold from the date of issuance of the individual title	10 January 2024	3,512

\* Land titles have yet to be issued. The lands are under development and not ready to use and included in the prepaid lease payments of the Group.

# ANALYSIS OF SHAREHOLDINGS

## AS 30 MAY 2025

### PRINCIPAL STATISTICS

Issued and Paid-Up Share Capital	:	358,025,834
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share
Number of Shareholders	:	691

### DISTRIBUTION OF SHAREHOLDINGS

	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Share Capital
less than 100 shares	5	0.72%	133	0.00%
100 to 1,000	281	40.67%	144,801	0.04%
1,001 to 10,000	244	35.31%	1,055,900	0.29%
10,001 to 100,000	73	10.56%	2,514,000	0.70%
100,001 to < 5% of shares	85	12.30%	192,364,125	53.73%
5% and above	3	0.44%	161,946,875	45.24%
<b>TOTAL</b>	<b>691</b>	<b>100.00%</b>	<b>358,025,834</b>	<b>100.00%</b>

### DIRECTORS' SHAREHOLDINGS

Name of Directors	No. of Shares Held		% of Issued Share Capital	
	Direct	Indirect	Direct	Indirect
KOH CHENG HUAT	118,790,175	-	33.18%	-
JASON KOH JIAN HUI	118,996,875	-	33.24%	-
TAN SRI DATUK HUSSIN BIN HAJI ISMAIL	-	-	-	-
DATUK LEE CHING YONG	200,000	-	0.06%	-
LIM YIK HUI	200,000	-	0.06%	-
GOH SIOW CHENG (Appointed on 31 July 2024)	-	-	-	-

### SUBSTANTIAL SHAREHOLDERS

Shareholders	No. of Shares Held		% of Issued Share Capital	
	Direct	Indirect	Direct	Indirect
KOH CHENG HUAT	118,790,175	-	33.18%	-
JASON KOH JIAN HUI	118,996,875	-	33.24%	-

## Analysis of Shareholdings As 30 May 2025 (Cont'd)

### THIRTY (30) LARGEST SHAREHOLDERS

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	No. of Shares Held	% of Issued Share Capital
1	KOH CHENG HUAT	115,746,875	32.33%
2	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (MGN-KJH0001M)</i>	26,800,000	7.49%
3	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (7000184)</i>	19,400,000	5.42%
4	RHB NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	14,676,875	4.10%
5	AMSEC NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	14,350,000	4.01%
6	KODA CAPITAL SDN. BHD.	13,193,850	3.69%
7	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR NG AH CHAI</i>	12,800,000	3.58%
8	CITIGROUP NOMINEES (ASING) SDN. BHD. <i>EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)</i>	10,443,000	2.92%
9	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR CHIAU HAW CHOON</i>	9,500,000	2.65%
10	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	9,000,000	2.51%
11	TA NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	9,000,000	2.51%
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (7011545)</i>	8,500,000	2.37%
13	MAMBA CAPITAL SDN. BHD.	7,805,150	2.18%
14	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LOW PENG SIAN @ CHUA PENG SIAN (MGN-LPS0005M)</i>	7,400,000	2.07%
15	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (MY4488)</i>	6,000,000	1.68%
16	M & A NOMINEE (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI (M&amp;A)</i>	6,000,000	1.68%
17	SUMBER PANJI SDN. BHD.	5,060,400	1.41%
18	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR DATO' ONG CHOO MENG (6000478)</i>	4,642,000	1.30%

## Analysis of Shareholdings As 30 May 2025 (Cont'd)

### THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	No. of Shares Held	% of Issued Share Capital
19	BYD CAPITAL SDN. BHD.	4,248,750	1.19%
20	KOH CHENG HUAT	3,000,000	0.84%
21	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	3,000,000	0.84%
22	M & A NOMINEE (TEMPATAN) SDN. BHD. <i>AL RAJHI BANKING &amp; INVESTMENT CORPORATION (MALAYSIA) BHD PLEDGED SECURITIES ACCOUNT FOR SIGNATURE INTERNATIONAL BERHAD</i>	2,950,000	0.82%
23	TA NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LOW WEI CHEN</i>	2,528,700	0.71%
24	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LIM WAI YEE</i>	2,475,000	0.69%
25	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR CHEE CHIK ENG</i>	2,450,000	0.68%
26	RHB NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR JASON KOH JIAN HUI</i>	2,270,000	0.63%
27	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR NG AH CHAI</i>	1,500,000	0.42%
28	RHB NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR TEE TIAM HOCK</i>	1,460,000	0.41%
29	HSBC NOMINEES (ASING) SDN. BHD. <i>J.P. MORGAN SECURITIES PLC</i>	1,427,200	0.40%
30	KOH HEOK TEO	1,421,400	0.40%

# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifth Annual General Meeting of **ECOMATE HOLDINGS BERHAD** ("the Company") will be held at BEI BOUTIQUE HOTEL, Centro Meeting Hall, Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor Darul Takzim on Monday, 25 August 2025 at 11.00 a.m. for the transaction of the following businesses:-

## AGENDA

### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 28 February 2025 together with the Reports of Directors and Auditors thereon.
2. To approve the payment of Directors' fees and benefits up to RM204,000.00 for the financial year ending 28 February 2026 payable monthly in arrears after each month completed service of the Directors during the subject financial year. (Ordinary Resolution 1)
3. To re-elect the following Directors who retire in accordance with Clause 95 of the Company's Constitution:
  - i. Koh Cheng Huat (Ordinary Resolution 2)
  - ii. Datuk Lee Ching Yong (Ordinary Resolution 3)
4. To re-elect Goh Siow Cheng, Director who retire in accordance with Clause 103 of the Company's Constitution. (Ordinary Resolution 4)
5. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution with or without any modifications as ordinary resolution:-

6. **Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016** (Ordinary Resolution 6)

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant regulatory authorities (where applicable), the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company without first offer to holders of existing issued shares of the Company, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being ("Proposed General Mandate").

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or

## Notice of Annual General Meeting (Cont'd)

- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market of Bursa Malaysia Securities Berhad.

AND THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities."

7. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

NG MEI WAN

(SSM Practicing Certificate No.: 201908000801) (MIA 28862)

TAN HUI KHIM

(SSM Practicing Certificate No.: 201908000859) (LS 0009936)

Company Secretaries

Muar, Johor Darul Takzim

30 June 2025

### NOTES:

1. Only depositors whose names appear in the Record of Depositors as at **18 August 2025** shall be regarded as members and be entitled to attend, participate, speak and vote at the Fifth Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).

## Notice of Annual General Meeting (Cont'd)

7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power of attorney, must be deposited at Aldpro Corporate Services Sdn. Bhd., B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Fifth Annual General Meeting to vote by way of poll.

### EXPLANATORY NOTES TO THE AGENDA

8. **Item 1 of the Agenda  
Audited Financial Statements**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.

9. **Item 2 of the Agenda - Ordinary Resolution 1  
Approval of Directors' fees and benefits for the financial year ending 28 February 2026**

Directors' fees and benefits approved for the financial year ended 28 February 2025 was RM204,000.00. The Directors' fees and benefits proposed for the financial year ending 28 February 2026 are calculated based on the number of scheduled Board and Committee Meetings for 2026 and assuming that all the Non-Executive Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees and benefits on a monthly basis and/or as and when required. In the event the Directors' fees proposed are insufficient (e.g. due to more meetings), approval will be sought at the next annual general meeting for additional fees and benefits to meet the shortfall.

10. (i) **Item 3 of the Agenda - Ordinary Resolutions 2 and 3  
Re-election of Koh Cheng Huat and Datuk Lee Ching Yong, the Directors who retire in accordance with Clause 95 of the Company's Constitution**

(ii) **Item 4 of the Agenda - Ordinary Resolution 4  
Re-election of Goh Siow Cheng, the Director who retire in accordance with Clause 103 of the Company's Constitution**

Leveraging the annual evaluation of the Board's contribution and performance and an Independent assessment of the Directors, the Nominating Committee had on 13 June 2025 assessed the performance and attributes of the Board, Board Committees and individual Directors in respect of their effectiveness and contribution to the Company, based on a set of prescribed criteria which were approved by the Board.

Based on this annual assessment conducted, the Nominating Committee was of the view that the existing Board and each of its members has the requisite competence and capability to contribute to the needs of the Company and they had sufficiently demonstrated their commitment to the Company in terms of time and participation at meetings during the year under review. Each of these retiring Directors has confirmed to the Board that they do not have any conflict of interest with any of the companies in the Company which may affect their ability to act in the best interest of the Company.

Accordingly, the Nominating Committee unanimously recommended to the Board the re-election of all the retiring Directors, at the Fifth Annual General Meeting. Based on the recommendation of the Nominating Committee, the Board (with the exception of the Directors who abstained in respect of their individual retirement) supports the re-election of the retiring Directors at the Fifth Annual General Meeting. The profile of the Directors standing for re-election is set out in the Directors' Profile in the Annual Report 2025.

## Notice of Annual General Meeting (Cont'd)

### 11. Item 6 of the Agenda - Ordinary Resolution 6

#### Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

- a) The proposed Ordinary Resolution no. 6, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the Fifth Annual General Meeting to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company up to an amount not exceeding ten percent (10%) of the total number of issued share capital of the Company. This authority, unless revoked or varied at a general meeting shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.
- b) The General Mandate is a renewal of the previous mandate obtained at the last Annual General Meeting held on 29 July 2024 which will expire at the conclusion of the forthcoming Annual General Meeting.
- c) As at the date of this Notice, the Company did not issue any new ordinary shares based on the previous mandate obtained at the last Annual General Meeting.
- d) The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions.
- e) In accordance with Clause 8 of the Company's Constitution, the passing of the Ordinary Resolution 6, the shareholders of the Company shall be taken as agree for the New Shares to be issued to such person(s) as the Directors may deem fit and expedient in the interest of the Company without first offer the New Shares to holders of existing issued shares of the Company prior to issuance of the New Shares.

### 12. ANNUAL REPORT

The Annual Report for the financial year ended 28 February 2025 is now available at the Company's corporate website, [www.ecomate.com.my](http://www.ecomate.com.my). Printed copy of the Annual Report shall be provided to the shareholders upon request soonest possible from the date of receipt of the request.

Shareholder who wish to receive the printed Annual Report may contact the Share Registrar, Aldpro Corporate Services Sdn. Bhd. [202101043817 (1444117-M)] at 03-9770 2200 or email your request to [admin@aldpro.com.my](mailto:admin@aldpro.com.my).

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

**1. Details of Individuals Standing for Election as Directors**

No individual is seeking election as a Director at the Fifth Annual General Meeting of the Company.

**2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

Please refer to item 11 – Explanatory Notes to the Agenda for Ordinary Resolution 6 on proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

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# Form Of Proxy

## ECOMATE HOLDINGS BERHAD

REGISTRATION NO.: 202001036445 (1392766-X)  
(Incorporated in Malaysia)

\*I/We \_\_\_\_\_  
[Full name in capital letters]

\*NRIC No./Passport No./Registration No. \_\_\_\_\_ of \_\_\_\_\_  
[Full address]

\_\_\_\_\_ being a \*Member/Members of ECOMATE HOLDINGS  
BERHAD ("Company"), hereby appoint \_\_\_\_\_  
[Full name in capital letters]

\*NRIC No./Passport No. \_\_\_\_\_ of \_\_\_\_\_  
[Full address]

\_\_\_\_\_ \*and/or \_\_\_\_\_  
[Full name in capital letters]

\*NRIC No./Passport No. \_\_\_\_\_ of \_\_\_\_\_  
[Full address]

\_\_\_\_\_ or failing \*him/her, the Chairman of the Meeting as \*my/our proxy to  
vote for \*me/us and on \*my/our behalf at the Fifth Annual General Meeting of the Company to be held at BEI BOUTIQUE  
HOTEL, Centro Meeting Hall, Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor Darul Takzim on Monday, 25 August  
2025 at 11.00 a.m. and at any adjournment thereof in the manner as indicated below:-

RESOLUTION	AGENDA	FOR	AGAINST
Ordinary Resolution 1	Approval of Directors' fees and benefits for the financial year ending 28 February 2026		
Ordinary Resolution 2	Re-election of Koh Cheng Huat as Director		
Ordinary Resolution 3	Re-election of Datuk Lee Ching Yong as Director		
Ordinary Resolution 4	Re-election of Goh Siow Cheng as Director		
Ordinary Resolution 5	Re-appointment of Messrs Crowe Malaysia PLT as Auditors		
Ordinary Resolution 6	Renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		

Please indicate with an "X" in the space provided above on how you wish your vote to be cast on the resolutions specified. If no specific direction as to the voting is given, the proxy will vote or abstain at his/her discretion.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

	No. of Shares	Percentage
First Named Proxy		
Second Named Proxy		
Total		100%

CDS Account No.	
No. of Shares held	

\_\_\_\_\_  
Signature of Member or Common Seal

\* Strike out whichever not applicable



**NOTES:**

1. Only depositors whose names appear in the Record of Depositors as at **18 August 2025** shall be regarded as shareholders and be entitled to attend, participate, speak and vote at the Fifth Annual General Meeting.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.
6. In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at Aldpro Corporate Services Sdn. Bhd., B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities requires all resolutions set out in the Notice of Fifth Annual General Meeting to vote by way of poll.

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AFFIX  
STAMP

The Share Registrar

**ALDPRO CORPORATE SERVICES SDN. BHD.**  
[Registration No.: 202101043817 (1444117-M)]

B-21-1, Level 21, Tower B, Northpoint Mid Valley City,  
No. 1, Medan Syed Putra Utara,  
59200 Kuala Lumpur

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**Personal data privacy**

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the Fifth Annual General Meeting and any adjournment thereof.



## ECOMATE HOLDINGS BERHAD

(Registration No. 202001036445 (1392766-X))

(Incorporated in Malaysia under the Companies Act 2016)

### FACTORY B & OFFICE

Lot PTD 7274, Kawasan Perindustrian Bakri Batu 7 1/2

Jalan Bakri, 84200 Muar, Johor, Malaysia.

Telephone: +606-986 8558 / +606-986 8668

Fax Number: +606-986 8787

E-mail: [info@ecomate.com.my](mailto:info@ecomate.com.my)

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