



CN ASIA CORPORATION BHD

(199601027090 (399442-A))

(Incorporated In Malaysia)



**ANNUAL
REPORT
2025**

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Notice of Twenty-Ninth Annual General Meeting

NOTICE IS HEREBY GIVEN that the **Twenty-Ninth (29th) Annual General Meeting ("AGM")** of CN Asia Corporation Bhd ("the Company") will be held at **Office Building, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan on Thursday, 26 March 2026 at 10:00 a.m.** for the purpose of considering and if thought fit, passing with or without modifications the ordinary resolutions set out in this Notice :

AS ORDINARY BUSINESS:

- | | | |
|-----|--|--|
| 1. | To receive the Audited Financial Statements of the Company for the financial period ended 30 September 2025 together with the Reports of the Directors and Auditors thereon. | ORDINARY RESOLUTION
1
<i>(Please refer to Explanatory Notes (i) below)</i> |
| 2. | To approve the payment of Directors' fee and benefits of up to RM500,000.00 for the period from the 29th AGM until the next AGM of the Company. | 1
<i>(Please refer to Explanatory Notes (ii) below)</i> |
| 3. | To re-elect the following Directors retiring in accordance with Clause 23.3 of the Company's Constitution and being eligible, have offered themselves for re-election:- | |
| 3.1 | YM Tengku Shamsulbhari Bin Tengku Azman Shah | 2 |
| 3.2 | Datuk Seri Tan Choon Hwa | 3 |
| 3.3 | Mr. Nadanarajah A/L Ramalingam | 4 |
| 4. | To re-appoint Messrs SBY PARTNERS PLT as the Company's External Auditors for the ensuing year and to authorize the Directors to fix their remuneration. | 5 |

AS SPECIAL BUSINESS: -

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

- | | | |
|----|---|----------|
| 5. | PROPOSED AUTHORITY TO ALLOT AND ISSUE SHARES IN GENERAL PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | 6 |
|----|---|----------|

"THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 ("Act"), the Directors be and are hereby empowered to allot and issue shares in the Company at any time and from time to time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the Constitution of the Company and approval of all relevant regulatory bodies being obtained for such allotment and issuance.

THAT pursuant to Section 85 of the Act, read together with Clause 18.2 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from issuance of new shares pursuant to this Mandate.

AND THAT the Directors of the Company be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad **AND FURTHER THAT** such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

- | | | |
|----|--|--|
| 6. | To transact any other ordinary business of the Company for which due notice shall have been given. | |
|----|--|--|

Notice of Twenty-Ninth Annual General Meeting (cont'd)

BY ORDER OF THE BOARD

CHAN EOI LENG
Company Secretary
(MAICSA 7030866)
SSM PC No. 202008003055
Selangor Darul Ehsan
31 January 2026

Notes:-

Members entitled to attend

1. Only depositors whose name appear in the record of depositors as at **16 March 2026** shall be regarded as members and entitled to attend, speak and vote at the meeting or appoint a proxy or proxies to attend and/or vote in his hand.

Appointment of Proxy

2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend, participate, speak and vote on the same meeting instead of him and that a proxy may but need not be a member of the Company and there should not be no restriction as to the qualification of the proxy.
3. Where a member appoints two (2) proxies, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
4. A member who is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA") may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

Where a Member 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. An Exempt Authorised Nominee refers to an authorised nominee as defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. Any alteration to the proxy forms must be initialled.
6. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is sign on notarially certified copy of such power or authority, shall be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd (Registration No.1971101000970 (11324-H)) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the drop in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, alternatively online via Share Registrars' website, Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Please refer to Administrative Notes for further information on submission via The Portal. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote or, in the case of a poll, not less than twenty-four (24) hours before the time for the taking of the poll and in default the instrument of proxy shall not be treated as valid.
7. By submitting the duly executed proxy form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein under the Personal Data Protection Act 2010 for this meeting and any adjournment thereof.

Notice of Twenty-Ninth Annual General Meeting

(cont'd)

Voting by Poll

8. The resolutions as set out in this notice of the general meeting are to be voted by-poll.

Registration of Members/Proxies

9. Registration of members/proxies attending the meeting will commence thirty (30) minutes before meeting time. Members/proxies are required to produce identification documents for registration.

Explanatory Notes

(i) Audited Financial Statements

This Agenda is meant for discussion only under the provision of Section 340(1)(a) of the Act of which does not require shareholders' approval for the Audited Financial Statements. Hence, is not put forward for voting.

(ii) Ordinary Resolution 1- Payment of Directors' fees and benefits

In compliance with Section 230(1) of the Act, the Company is requesting shareholders' approval for the payment of Directors' fees and benefit for the period from the 29th AGM until the next AGM of the Company.

The payment of Directors' fees and benefits on a current year basis, calculated based on the current Board size and provisional sum for appointment of a new Independent Director to the Board. In the event the proposed amount is insufficient (due to enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

(iii) Ordinary Resolution 6 - Authority to Issue Share

The proposed Resolution, if passed, will empower the Directors of the Company, from the date of the above AGM until the next AGM to allot and issue shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares of the Company for the time being for such purposes as the Directors consider would be in the interests of the Company. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company. The general mandate sought for allotment and issue of shares is a renewal of the general mandate sought in the preceding year.

The general mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placing of shares for purpose of funding future investment project(s), working capital and/or acquisitions. At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make announcement in respect thereof.

Annual Report 2025 and Corporate Governance Report 2025

The Annual Report 2025 and Corporate Governance Report 2025 may be downloaded at the Company's website at <https://www.cnasia.com>.

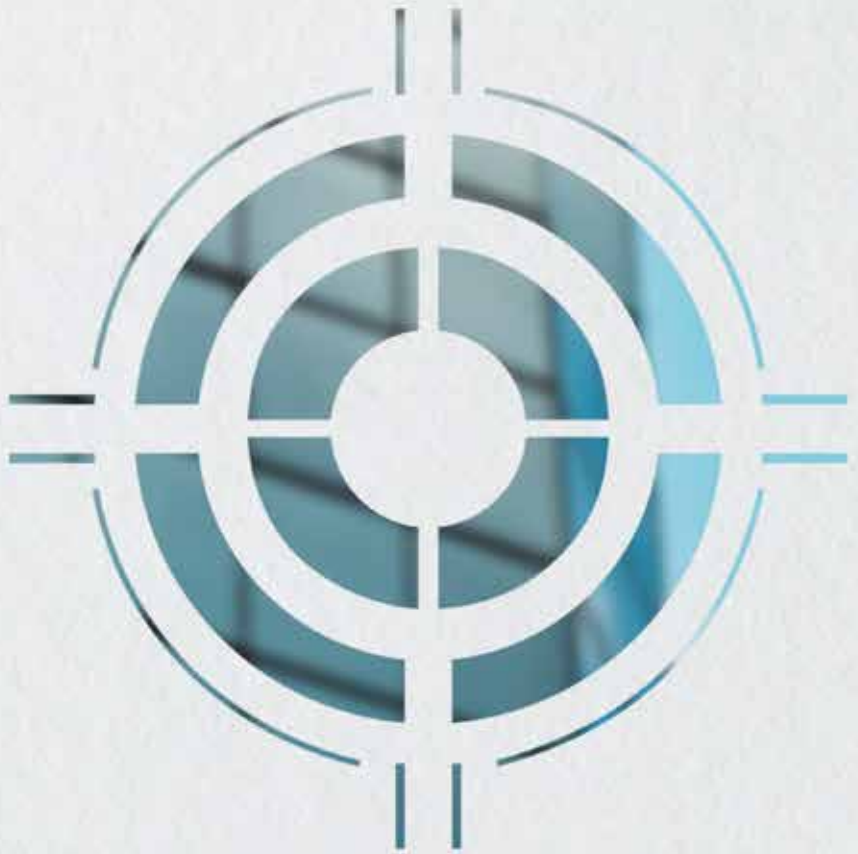
Statement Accompanying Notice of Twenty-Ninth Annual General Meeting (“AGM”)

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. As at the date of this Notice, there is no person seeking for election as Director of the Company (excluding the Directors who are standing for re-election) at the forthcoming AGM.

Vision

To become
a global
manufacturer
providing total
containment
solutions &
engineering
services of
integrity through
teamwork and
innovation.





Mission

1. To continuously improve the quality of products and services delivered to customers through better quality of containment solutions and engineering services.
2. To continuously provide employees with training and development opportunities to further enhance knowledge, develop skills and enrich the organization with skilled employees to address customers' needs and requirements.
3. To prioritize safety and environmental protection on manufacturing process and procedures in furtherance of organization policies.
4. To expand and develop into diversified markets and products in order to ensure the company's stability into the next century.

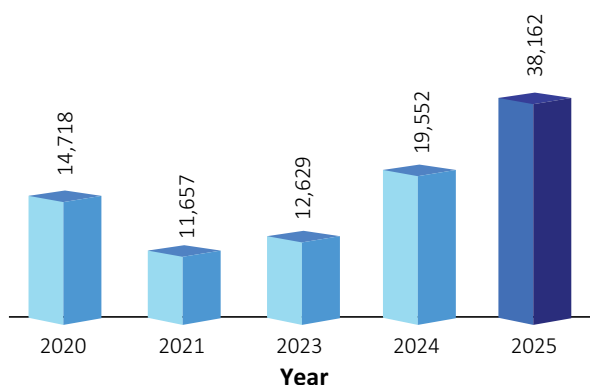
5-Year Group Financial Highlights

Year	Revenue (RM'000)	Loss before tax (RM'000)	Loss after tax (RM'000)	Shareholders' equity (RM'000)	Loss per share (sen)	Net assets per share (sen)	Return on shareholders' equity (%)
2020	14,718	-4,227	-5,103	39,746	-9.74	72.38	-12.84
2021	11,657	-11,790	-11,670	54,481	-9.95	30.48	-21.42
2023 ⁽¹⁾	12,629	-27,132	-27,306	42,143	-14.11	17.23	-64.79
2024	19,552	-9,991	-10,188	31,955	-4.16	13.06	-31.88
2025 ⁽²⁾	38,162	-11,025	-10,956	22,637	-4.25	8.41	-48.40

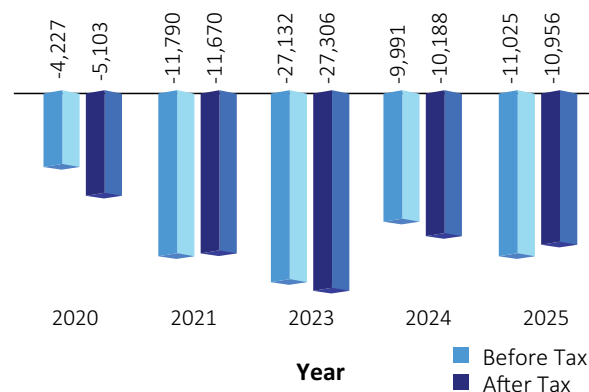
⁽¹⁾ Constituted of 15 months results due to change of financial period ended from 1 January 2022 to 31 March 2023.

⁽²⁾ Constituted of 18 months results due to change of financial period ended from 1 April 2024 to 30 September 2025.

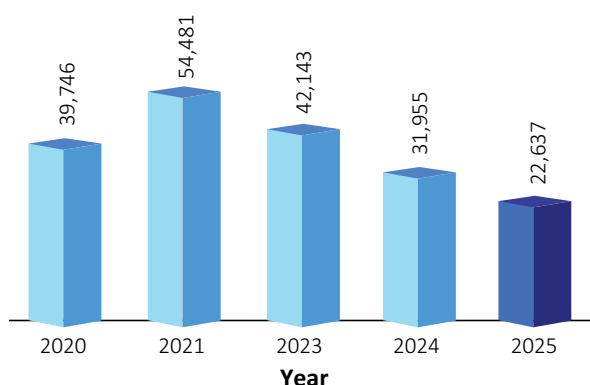
REVENUE (RM'000)



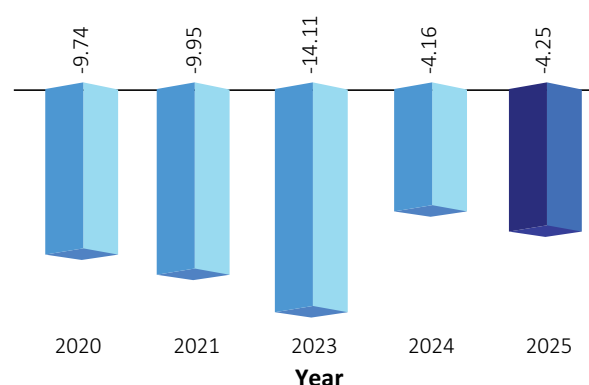
LOSS BEFORE & AFTER TAX (RM'000)



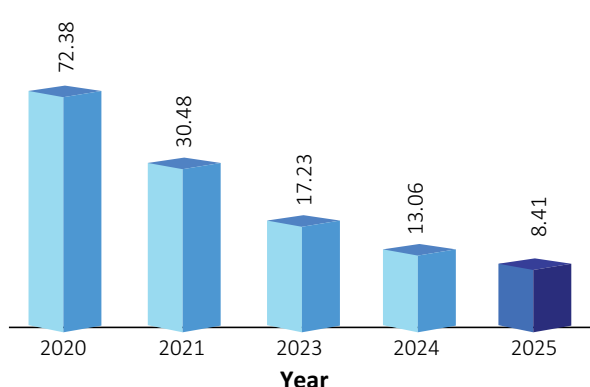
SHAREHOLDERS' EQUITY (RM'000)



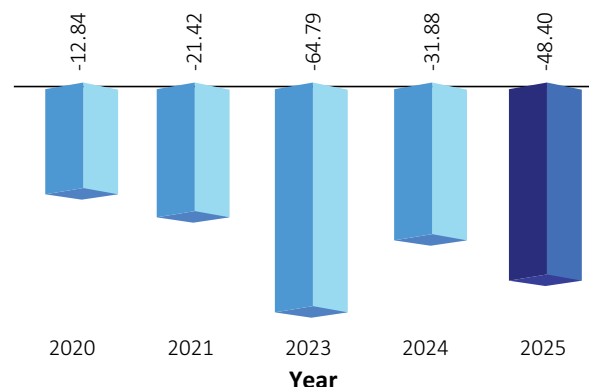
LOSS PER SHARE (SEN)



NET ASSETS PER SHARE (SEN)



RETURN ON SHAREHOLDERS' EQUITY (%)



Corporate Information

BOARD OF DIRECTORS

Datuk Seri Tan Choon Hwa

*(Non-Independent Non-Executive Director)
Deputy Chairman*

YM Tengku Shamsulbhari Bin Tengku Azman Shah
(Executive Director)

Chang Chee Ching
(Executive Director)

Nadanarajah A/L Ramalingam

(Independent Non-Executive Director)

Datuk Mohamad Fazly Bin Zainudin

(Independent Non-Executive Director)

**YM Tengku Ummil Zulaikha Kalsom
Binti Tengku Shamsulbhari**
(Non-Independent Non-Executive Director)

Ashraf Bin Kahasani

(Independent Non-Executive Director)

BOARD COMMITTEES

AUDIT AND RISK MANAGEMENT COMMITTEE

Datuk Mohamad Fazly Bin Zainudin *(Chairman)*

Nadanarajah A/L Ramalingam

Ashraf Bin Kahasani

NOMINATION COMMITTEE

Nadanarajah A/L Ramalingam *(Chairman)*

Datuk Seri Tan Choon Hwa

Datuk Mohamad Fazly Bin Zainudin

REMUNERATION COMMITTEE

Datuk Seri Tan Choon Hwa *(Chairman)*

Datuk Mohamad Fazly Bin Zainudin

Ashraf Bin Kahasani

SHARE ISSUANCE SCHEME COMMITTEE

Nadanarajah A/L Ramalingam *(Chairman)*

YM Tengku Shamsulbhari Bin Tengku Azman Shah

Datuk Seri Tan Choon Hwa

INVESTMENT COMMITTEE

YM Tengku Shamsulbhari Bin Tengku Azman Shah
(Chairman)

Chang Chee Ching

Leong Seat Han

PRINCIPAL BANKERS

Public Bank Berhad
Maybank Islamic Berhad
Alliance Bank Malaysia Berhad
United Overseas Bank (Malaysia) Berhad
Hong Leong Bank Berhad

REGISTERED OFFICE

Lot 7907, Batu 11, Jalan Balakong
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel : +603-8942 6888
+6010 – 2052278
+6010 – 2062278
Fax : +603-8942 3365
Email : corporate@cnasia.com

AUDITORS

SBY Partners PLT
Reg No. 202106000003
(LLP 0026726-LCA)
(Firm No.: AF 0660)
No. 9-C, Jalan Medan Tuanku
Medan Tuanku
50300 Kuala Lumpur, Malaysia
Tel : +603-2693 8837
Fax : +603-2693 8836

COMPANY SECRETARY

Chan Eoi Leng (MAICSA 7030866)
(SSM PC NO. 202008003055)
(Appointed w.e.f. 02 December 2025)

Chiew Liyah (MAICSA 7040924)
(SSM PC NO. 201908003992)
(Resigned w.e.f. 02 December 2025)

Corporate Information (cont'd)

REGISTRARS

Tricor Investor & Issuing House Services Sdn Bhd
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, No 8, Jalan Kerinchi
Bangsar South
59200 Kuala Lumpur, Malaysia
Tel : +603-2783 9299
Fax : +603-2783 9222

INVESTOR RELATIONS

Leong Seat Han
Lot 7907, Batu 11, Jalan Balakong
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel : +603-8942 6888
+6010 – 2052278 / 2062278
Fax : +603-8942 3365
Email : corporate@cnasia.com

STOCK EXCHANGE LISTING

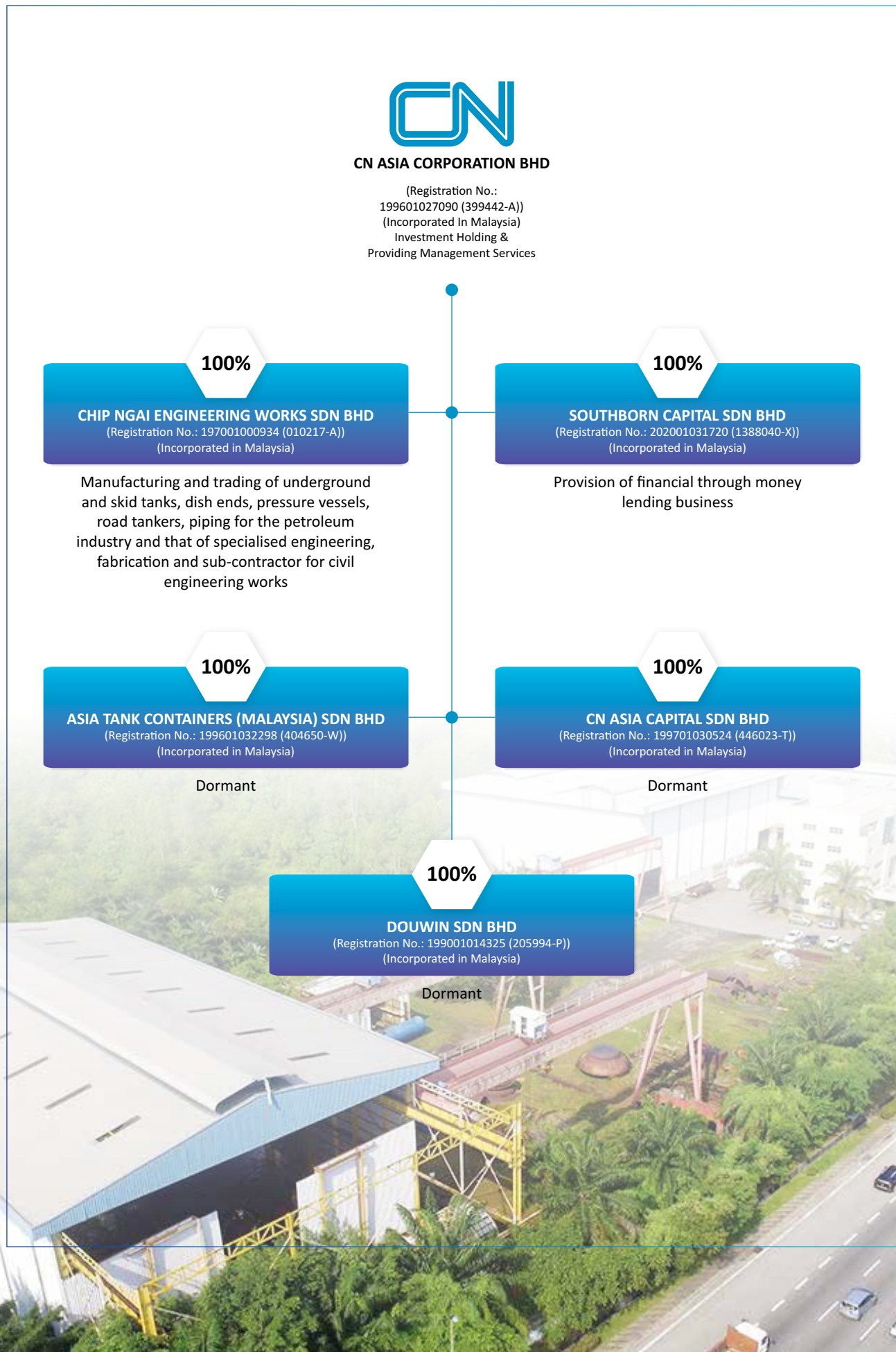
Main Market
Bursa Malaysia Securities Berhad
Stock name : CNASIA
Stock code : 7986

CORPORATE WEBSITE

<https://www.cnasia.com>



Corporate Structure



Certification and Accreditation



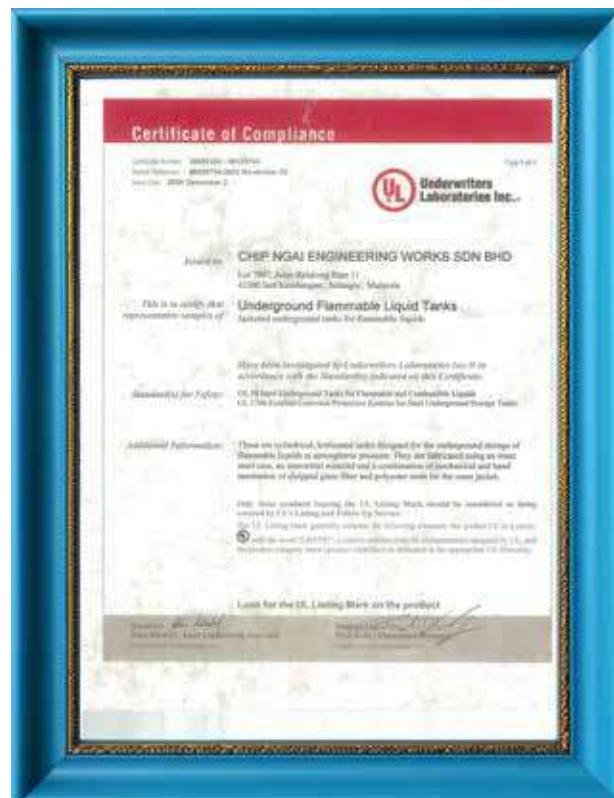
ISO 9001 2015



CIDB License



Moneylending License



UL58 & UL1746

Certification and Accreditation (cont'd)



UL142 - 1/2



UL142 - 2/2



MOF License - 1/2



MOF License - 2/2

Certification and Accreditation (cont'd)



NB Stamp



NB 'R' Stamp



ASME - Ustamp, U2 Stamp and S Stamp - 1/3



ASME - Ustamp, U2 Stamp and S Stamp - 2/3

Certification and Accreditation (cont'd)



ASME - Ustamp, U2 Stamp and S Stamp - 3/3



Storage Tanks and Pressure Vessels



Fabrication of Tanker Body



Manufacture And Assembly Of Trucks, Tankers And Special Purpose Vehicles

The Group's Business

CN Asia Corporation Bhd was incorporated in Malaysia on 23 August 1996 as an investment holding company. The main activities of the Group can be categorized under 3 business segments as follows:

1. MANUFACTURING SEGMENT

A. Fuel Tanks and Storage Tanks

Manufacturing of underground and aboveground fuel tanks and storage tanks for the petroleum, logistics, power and general process industries for the local and global market.



Underground Fuel Tank with UL 58 & UL 1746 Listed (Double Wall / Single Wall)



Aboveground Fuel Tank with UL 142 Listed (Double Wall / Single Wall)



Skid Tank

B. Metal Forming

Manufacturing of dish heads and provision of plate rolling services for the food and beverage, petrochemical, energy and heavy engineering industries worldwide.



Flanging Dish Head



Shell Metal Rolling

The Group's Business (cont'd)

C. Transportation Equipment/ Road Tankers

Design and Manufacture testing and commissioning of all types of transportation equipment such as:



LPG Tanker



LPG Tanker



Sludge Tanker



Vacuum Tanker



Vacuum Tanker



Sprinkler Water Tanker With
Front Road Sprayer

The Group's Business (cont'd)

D. Pressure Vessel

Provision of engineering, procurement and construction (EPC) services for the following industries:-

Petrochemical: Carbon steel, clad steel and stainless steel pressure vessels and heat exchangers



Pressure Vessel



Pressure Vessel

Food and Beverage Plant :

Stainless steel vessels, sterilizers and etc

Power Generation:

Supply and erection of flue stacks, heat recovery steam generator (HRSG), pressure vessels and diesel storage tank

E. Heat Treatment

Provision of heat treatment services (stress relief and normalizing) to a varied range of vessel design and fabrication codes, be they ASME, PD, AS etc complete with the necessary heat treatment reports and charts.



PWHT for Dish Head



Post Weld Heat Treatment (PWHT)

The Group's Business (cont'd)

F. Hot Flanging

Provision of dish head forming of thickness up to 70 mm using hot flanging process. The pressed head is first heated to a temperature of 900 degree Celsius, taken out from the furnace and then flanged to the required knuckle radius and diameter.



Hot Flanging

2. FINANCIAL SERVICES SEGMENT

Moneylending Business

To provide moneylending financing schemes that caters to a wide range of customers, ranging from start-up entrepreneurs to small-medium enterprises.

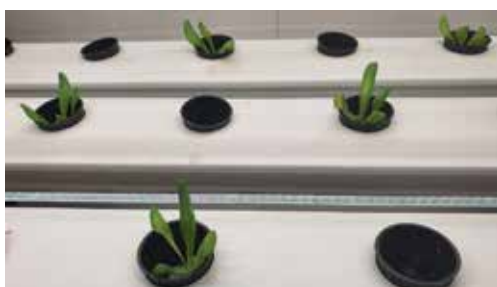
3. ENERGY MANAGEMENT SEGMENT

A. Nano Technology Lighting

Energy enhancement, energy optimization and energy wastage reduction which emphasis on product and function enhancements that constitute to optimise the maximising energy consumption by eliminating wastage.

B. Urban Farming

Urban farming is a concept of growing plants within a city where it can take the form of traditional farm plots and community gardens, as well as modern indoor techniques like aquaponics and hydroponics to address environmental health and food security.



Seeding Stage



Vegetative Stage



Harvest Stage

Profile of Directors

DATUK SERI TAN CHOON HWA
*Non-Independent Non-Executive Director
 - Deputy Chairman*



Malaysian



68



Male

Y. Bhg. Datuk Seri Tan Choon Hwa was appointed to the Board on 05 February 2021 as a Non-Independent Non-Executive Director and Deputy Chairman. He is a businessman with 28 years of experience in various industries such as timber mining, hotel resort, housing land development and finance and investment holding.

Datuk Seri Tan is the Executive Chairman of TCH Resources Group, his family company, and also holds directorship in Wazlian Group, the Vice President of TA PAY Group as well as IBG Group. He also holds other chairmanships in several associations, President of Malaysia-China Chamber of Commerce (Kelantan Branch), Vice President of Malaysia-Guangzhou Investment Association, and Advisor to Hongkong Chamber of Commerce and ASEAN Chamber of Commerce (Thailand).

Currently, he sits on the Board of SMTrack Berhad.

**Y.M TENGKU SHAMSULBHARI BIN
 TENGKU AZMAN SHAH**
Executive Director



Malaysian



67



Male

Y.M Tengku Shamsulbhari Bin Tengku Azman Shah was appointed to the Board on 08 January 2021 as an Executive Director. He graduated with a Diploma in Finance from the Institute of Cost & Executive Accountants, London. He is the director and shareholder of several private companies engaged in the business of manufacturing, logistics management and construction.

Y.M Tengku is also the advisor to the Malay Businessman and Industrialist Association of Malaysia (Selangor). His wide exposure in the business circle and network, management skills, leadership and experience is the major asset which helps to set strategic direction and goals for the Company.

Currently, Y.M. Tengku is the Honorary Consul of The Gambia to Malaysia.

Chang Chee Ching
Executive Director



Malaysian



70



Male

Mr. Chang Chee Ching was appointed to the Board on 05 January 2021. He is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a Member of the Malaysian Institute of Accountants (MIA), the Malaysian Institute of Certified Public Accountants (MICPA) and the Chartered Tax Institute of Malaysia (CTIM). He is a licensed Auditor, Liquidator and Tax Agent.

Between 1998 to 2004, he was the Group Managing Director of a public company, listed on the Second Board of Bursa Malaysia involved in the manufacture of packaging materials with subsidiaries in the print and packaging industry and optical fibre, servicing multi-national clientele worldwide. Between 2014 to 2016, he was appointed as an Executive Director of a company listed on the Main Board of Bursa Malaysia, principally engaged in the business of timber moulding and other related business. He was subsequently appointed as an executive director of a small information technology company listed on the Ace Market of Bursa Malaysia in 2016, which he resigned in 2017.

Apart from the various businesses that he managed, Mr. Chang, also has extensive experience in the audits of public listed companies and Multinational Corporations, small and medium enterprises and Private Companies. He is also engaged to carry out investigations, due diligent review, quality assurance reviews of internally prepared management accounts, budgets, forecasts, review of accounting procedures and internal control processes and procedures to identify risk areas and internal audit. He is also experienced in advising business start-ups and compliance with Government rules and regulations, tax compliance, planning and advisory, corporate advisory, management consulting, corporate restructuring including mergers and acquisitions.

Profile of Directors (cont'd)

Nadanarajah A/L Ramalingam *Independent Non-Executive Director*



Malaysian



80



Male

Mr. Nadanarajah A/L Ramalingam was appointed to the Board on 08 January 2021 as an Independent Non-Executive Director. He is a retired Senior Assistant Commissioner of Police and is a disciplined individual, with vast and varied experiences and knowledge in the fields of law, investigation, security related matters, training and human resource development. He graduated in 1970, majoring in History, from University of Malaya. In the same year, he also completed his Diploma of Education from the same University.

Upon graduation, Mr. Nadanarajah joined the Royal Malaysian Police as a Cadet Assistant Superintendent of Police. As a career police officer, he spent more than thirty years in the Police Force acquiring vast and varied experiences and knowledge in various fields of policing in the field of criminal investigation, training, leadership and command. He was then posted to head the Research and Development Department as Deputy Director prior to his retirement. He attended many courses, both internal by the Police Force and other external agencies. He was awarded the Panglima Setia Pasukan Polis (PSPP) and the Kesatria Mangku Negara (KMN). From 2000 to 2009, he served as the Security Manager of various companies.

Datuk Mohamad Fazly Bin Zainudin *Independent Non-Executive Director*



Malaysian



45



Male

Datuk Mohamad Fazly Bin Zainudin was appointed to the Board on 23 June 2023 as an Independent Non-Executive Director. He graduated with a Bachelor of Accountancy from Mara University of Technology in 2003.

Datuk Mohamad Fazly participated in various government constitution, association and no-profitable organisations. He involved in Malaysia Youth Movement between 2014 to 2018. He was also committee member of Publishers and Distributors Bumiputera Books Malaysia and member of Kuala Lumpur Malay Chamber of Commerce until 2022. He then appointed as Deputy President of Persatuan Industri Buku Bumiputera Malaysia between 2021 to 2023.

Prior to his appointment, Datuk Mohamad Fazly was the Managing Director of Zafani Teguh Sdn. Bhd. between 2003 until 2021 and was then appointed as Special Officer Minister of Federal Territories from 2021 until 2022.

Y.M Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari *Non-Independent Non-Executive Director*



Malaysian



27



Female

Y.M Tengku Ummil Zulaikha Kalsom Binti Bin Tengku Shamsulbhari was appointed to the Board on 13 December 2023 as a Non-Independent Non-Executive Director. She graduated with a Bachelor Degree of Business, majoring in Economics and Finance from RMIT University of Melbourne, Australia in 2020.

Y.M Tengku was involved in Peace Summit 2020 in Seoul, South Korea as one of Malaysian representative. She was actively involved in volunteer works and gained rewarding experience of her academic career while studied in Australia. Upon graduation, she started her career in human resources from 2021 till now.

Ashraf Bin Kahasani *Independent Non-Executive Director*



Malaysian



33



Male

Encik Ashraf Bin Kahasani was appointed to the Board on 29 March 2024 as an Independent Non-Executive Director. He has a Diploma in Public Administration from UITM Seri Iskandar and is currently pursuing a degree in the field of Administrative Science at UITM Shah Alam.

Encik Ashraf has vast experience in project management where he leads an entire project from planning, implementation to completion. He is a Special Officer to Perak State Assembly Member N.24 Hulu Kinta under the Tambun Parliament Constituency since 2018 and holds the position as a Project Manager in Mega Mass Holdings Sdn Bhd since 2022.

Profile of Directors (cont'd)

ADDITIONAL INFORMATION:

1. Saved as disclosed, other particulars of the above directors are as follow: -

Name of Director	Interest in the securities of the company*	Family Relationships with any Director / Major Shareholder	Convictions For Offences within the past five (5) years other than Traffic Offences	Directorship in Other Public Companies and Listed Issuers
Datuk Seri Tan Choon Hwa	Yes	None	Yes @	Yes
YM Tengku Shamsulbhari Bin Tengku Azman Shah	None	Yes #	Yes @	None
Chang Chee Ching	None	None	Yes @	None
Nadanarajah A/L Ramalingam	None	None	Yes @	None
Datuk Mohamad Fazly Bin Zainudin	None	None	None	None
Y.M Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	None	Yes #	None	None
Ashraf Bin Kahasani	None	None	None	None

* The securities holding in the Company is set out in Analysis of shareholdings of this Annual Report

Father and daughter relationship

@ In relation to the fines and public reprimand imposed by Bursa Securities for breach of Paragraph 10.13(1) (a) read together with Paragraph 8.29(1) of the MMLR pursuant to Paragraph 16.19 of the MMLR

2. Detailed of Board Committees to which the directors belong: -

Name of Director	Board Committee (Date appointed)			
	Audit & Risk Management	Remuneration	Nomination	Share Issuance Scheme
Datuk Seri Tan Choon Hwa	-	√ (24 Feb 2021)*	√ (24 Feb 2021)	√(01 Jun 2021)
YM Tengku Shamsulbhari Bin Tengku Azman Shah	-	-	-	√(01 Jun 2021)
Nadanarajah A/L Ramalingam	√(26 Jan 2021)	-	√(07 July 2023)*	√(01 Jun 2021)*
Datuk Mohamad Fazly Bin Zainudin	√(07 July 2023) *	√(07 July 2023)	√(07 July 2023)	-
Ashraf Bin Kahasani	√(18 April 2024)	√(24 April 2024)	-	-

* Chairman of Board Committee

3. Other than disclosed in the financial statements of this Annual Report, the above directors have no other conflict of interest with the Group.
4. Detail of the Directors' attendance at Board meetings held during the financial period ended 30 September 2025 are set out in the Corporate Governance Overview Statement of this Annual Report.

Profile of Key Senior Management

The disclosure on the particulars of the Key Senior Management of the Group is made in compliance with the requirements under Appendix 9C of Bursa Securities' MMLR:-

Name / Position	Age / Gender / Nationality	Qualification	Work Experience
Leong Seat Han / Financial Controller	57 / Female / Malaysian	- Diploma in Commerce (Financial Accounting), Tunku Abdul Rahman College - ACCA - Member of the Malaysian Institute of Accountants (MIA) and Fellow Member of the Association of Chartered Certified Accountants (ACCA)	Joined in January 2025 and have 30 years of experience in accounting, finance, administration, human resources, operations and management
Wilson Ngan Kai Chuen / Head of Operations	29 / Male / Malaysian	Master in Engineering (Hons.) in Chemical Engineering with Oil & Gas Technology, University of Heriot-Watt, Scotland	Joined in October 2020 as a Production Engineer and was promoted to Head of Operations in December 2023.
Chai Shim Yee / HR & Admin Manager	36 / Female / Malaysian	Bachelor of International Business, University Tunku Abdul Rahman	Joined in May 2017 as an Assistant HR & Admin Manager and was promoted to current position in January 2021.
Balqhies Faqhiera Binti Ahmad Fauzi / Acting Head of Engineering	27 / Female / Malaysian	Bachelor of Chemical Engineering, Universiti Teknologi MARA	Joined in April 2025 and have 4 years of experience in design and engineering.
Ziad Azhari Bin Ismail / Acting Head of QA/QC	30 / Male / Malaysian	- Bachelor of Engineering Technology (Hons.) in Welding and Quality Inspection, Universiti Kuala Lumpur (MFI) - Certified Welding Inspector CSWIP 3.1	Joined in July 2024 and have 6 years of experience in construction and fabrication inspection.

Additional Information:

Save as disclosed, none of the Key Senior Management has:-

- any directorship in public companies and listed issuers;
- any family relationship with any director and/or major shareholder of the Company;
- any conflict of interests with the Company;
- any conviction for offences within the past five (5) years other than traffic offences; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial period.

Statement from Executive Director and Management Discussion and Analysis

Dear Valued Shareholders and Stakeholders, I am pleased to present to you the Annual Report together with the Audited Financial Statements of CN Asia Corporation Bhd ("CN Asia" or "the Company" or "the Group") for the financial period ended 30 September 2025 ("FPE 2025"). On behalf of the Board, I would like to record our sincere appreciation for your continued support of our Company, while we endeavour to create sustainable value for all of you, I also summarise hereunder the Management Discussion and Analysis ("MD&A") to provide insights into CN Asia's business operations, financial performance and expectations moving forward.

This MD&A should be read in conjunction with the financial statements and the related notes thereto for the FPE 2025. The Group reports its financial position, results of operations and cash flows in accordance with Malaysia Financial Reporting Standards ("MFRS") and applicable International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia. The Group's functional currency is in Ringgit Malaysia ("RM") and all amounts in this MD&A are expressed in RM, unless stated otherwise.

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

CN Asia is an investment holding company whilst the Group is primarily involved in the manufacture of steel-based products including structural steel, liquefied petroleum gas ("LPG") vessels, tanks, road tankers and pressure vessels, as well as the provision of metal forming services. Its subsidiary, Southborn Capital Sdn Bhd ("Southborn") is principally engaged in the provision of financial services, particularly to provide moneylending financing schemes that caters to a wide range of customers, ranging from start-up entrepreneurs to small-medium enterprises.

The Company had on 26 May 2025 announced that it had changed its financial year end from 31 March to 30 September. Consequently, the reporting period under review covers a period of eighteen (18) months from 1 April 2024 to 30 September 2025 and there will be no comparative numbers available in this financial performance review.

The Group is principally focused on its manufacturing segment during the financial period. The Group set-up a new division in energy management and food security and has engaged a marketing personnel and an in-house agricultural management personnel to develop the processes to achieve efficiency in urban farming using aquaponics, hydroponics and greenhouse technologies. As of 30 September 2025, there was no revenue generated from this segment.

Save for the abovementioned, there has been no significant change in the Group's customer base, products, services and revenue stream as compared to the preceding year.

PERFORMANCE REVIEW

Revenue and Earnings

The Group's revenue and earnings for the past three (3) financial years are summarized below where the FPE 2025 was an eighteen (18) months reporting period and the FPE 2023 was a fifteen (15) months reporting period.

	FPE 2025 RM'000	FYE 2024 RM'000	FPE 2023 RM'000
Revenue	38,162	19,552	12,629
Gross profit	6,992	4,700	1,094
Loss before tax	(11,025)	(9,991)	(27,132)
Tax income / (expense)	69	(197)	(174)
Loss after tax	(10,956)	(10,188)	(27,306)
Loss per share (sen)	(4.25)	(4.16)	(14.11)
Net assets per share (sen)	8.78	13.06	17.23

Statement from Executive Director and Management Discussion and Analysis (cont'd)

For FPE 2025, the Group reported a total revenue of RM38.2 million, representing an increase in revenue of approximately 95.2% compared to the results in FYE 2024. The revenue was mainly derived from the manufacturing segment, in supplying storage tanks to various data centers apart from the traditional pressure vessels and storage tanks for the oil and gas industry and followed by the financial services segment.

The Group recorded a loss before tax ("LBT") of RM11.0 million for FPE 2025, representing approximately a 10.3% increase in LBT compared to the results in FYE 2024. The LBT of RM11.0 million recorded in the current financial period was mainly due to the following: -

- (i) Impairment for expected credit losses on receivables amounting to RM10.6 million; and
- (ii) Inventories written off amounting to RM0.8 million.

The tax income for the FPE 2025 was mainly due to overprovision of tax expense in prior year from the financial services segment.

	FPE 2025 RM'000	FYE 2024 RM'000	FPE 2023 RM'000
Selling and distribution expenses	71	35	37
Administrative expenses	7,149	4,518	5,649
Impairment losses on receivables	10,555	7,356	5,840
Other operating expenses	64	2,748	16,590
Other income	(573)	(332)	(360)
Finance costs	752	365	470

For the FPE 2025, the impairment for expected credit losses on receivables comprised of impairment for loans including interest extended to various start-ups and small medium enterprises of RM10.0 million and RM0.6 million for the manufacturing receivables. Whereas for FYE 2024, the impairment for expected credit losses on receivables for loans including interest was RM7.4 million and other operating expenses of RM2.7 million comprised of write off on development and construction cost.

The Group recorded a loss per ordinary share ("LPS") of 4.25 sen in FPE 2025 as compared to a LPS of 4.16 sen in FYE2024 whilst net assets per share reduced to 8.78 sen as at 30 September 2025 from 13.06 sen as at 31 March 2024. Both the LPS and net assets per share for FPE 2025 were calculated based on the weighted average number of ordinary shares issued of 257,872,339 (FYE 2024: based on total number of ordinary shares issued of 244,656,910), taking into consideration the effects of the increase in the issued share capital of the Company from 244,656,910 to 269,182,510 ordinary shares by the issuance of 24,525,600 new ordinary shares via Private Placements completed during the FYE 2025.

	As At 30 September 2025 RM'000	As At 31 March 2024 RM'000	As At 31 March 2023 RM'000
Assets			
Non-current	12,591	11,469	15,534
Current	27,739	32,867	37,071
Total assets	40,330	44,336	52,605
Equity and Liabilities			
Equity	22,637	31,955	42,143
Liabilities			
Non-current	4,510	3,028	3,413
Current	13,183	9,353	7,049
Total liabilities	17,693	12,381	10,462
Total equity and liabilities	40,330	44,336	52,605

Statement from Executive Director and Management Discussion and Analysis (cont'd)

The Group's total assets decreased from RM44.3 million as at 31 March 2024 to RM40.3 million as at 30 September 2025, representing a decrease of RM4.0 million or 9.0%. The decrease in current assets was mainly attributable to the impairment for expected credit losses on receivables amounting to RM10.6 million. The current assets decreased from RM32.9 million as at 31 March 2024 to RM27.7 million as at 30 September 2025, representing a decrease of approximately 15.6% compared to the previous financial year.

The Group's total liabilities increased from RM12.4 million as at 31 March 2024 to RM17.7 million as at 30 September 2025, an increase of RM5.3 million or 42.9% mainly attributable to increase in contract liabilities from our manufacturing segment which are principally deposits paid by customers due to high volume of orders received from customers during the period under review. In addition, trade payables, bank overdraft and bankers' acceptance facilities drawdown in the current financial period had increased to part finance the purchase of raw material for the manufacturing segment as a result of increased in customer orders during the financial period.

As at 30 September 2025, the Group's current assets exceeded current liabilities by RM14.6 million (FYE 2024: RM23.5 million) which indicates that the Group has adequate resources to meet its short-term obligations as and when they fall due.

The Group's average inventory turnover period for FYE 2025 decreased to 43 days in FPE 2025 from 90 days in FYE 2024 with inventories of RM3.6 million as at 30 September 2025 compared to RM3.7 million as at 31 March 2024 due to improved efficiency in production processes.

The Group's total trade receivables, net of impairment, comprises of loan receivables of RM3.5 million (FYE 2024: RM11.0 million) and manufacturing and interest receivables of RM4.6 million (FYE 2024: RM3.3 million). The Group, in its manufacturing segment, recorded lower average trade receivables to turnover of 47 days in FPE 2025 as compared to 57 days in FYE 2024 as the Group had actively reviewed and monitored its trade receivables and took active steps to ensure recoverability of its trade receivables with sufficient allowance for impairment made during the period. There were regular meetings held between the finance team and the sales team to co-ordinate and monitor the collection of the receivables. Given the credit exposure of the Group's portfolio of the manufacturing receivables, an additional impairment for expected credit losses amounting to RM0.6 million (FYE 2024: NIL) during the financial period was deemed sufficient.

For the moneylending business, the Group will continue to monitor the existing borrowers' profile and credit standing to ensure the recoverability of the loans extended as at 30 September 2025 including interest of RM26.7 million (as at 31 March 2024: RM24.6 million). In view of the credit exposure of the Group's loan and interest receivables, an additional impairment for expected credit losses of RM10.0 million (FYE 2024: RM7.4 million) has been made and the total impairment on expected credit losses stood at RM23.2 million as at 30 September 2025.

Despite the increase in paid up share capital via Private Placements of RM1.6 million during the FPE 2025, the shareholders' equity decreased from RM32.0 million as at 31 March 2024 to RM22.6 million as at 30 September 2025, representing a decrease of RM9.4 million or 29.2%. The decrease was mainly attributable to loss after tax of RM11.0 million recorded during the FPE 2025 mainly from the various impairments made on receivables, inventories and right-of-use asset.

Cash, Bank Balances and Borrowings

	FPE 2025 RM'000	FYE 2024 RM'000	FPE 2023 RM'000
Net Cash From / (Used In) Operating Activities	392	(4,296)	(7,935)
Net Cash Used In Investing Activities	(484)	(85)	(8,546)
Net Cash From Financing Activities	798	1,152	14,520
Net Increase / (Decrease) in Cash and Cash Equivalents	706	(3,229)	(1,961)
Cash And Cash Equivalents At End of the Financial Period / Year	(878)	(1,554)	1,654

Statement from Executive Director and Management Discussion and Analysis (cont'd)

The Group's cash and cash equivalents decreased from a deficit RM1.6 million as at 31 March 2024 to a deficit of RM0.9 million as at 30 September 2025, representing an improvement of RM0.7 million or 43.5% mainly due to increase in volume of business during the FPE 2025. The Group continues to maintain a relatively low debt to equity ratio of 0.78 times as at 30 September 2025 as compared to 0.39 times as at 31 March 2024.

Private Placements

On 23 September 2024 and 28 February 2025, the Company successfully completed two (2) tranches of private placement exercises and issued 12,000,000 and 12,525,600 new ordinary shares respectively, totalling 24,525,600 new ordinary shares. The private placements raised total gross proceeds of RM936,000 and RM701,433 respectively, totalling RM1,637,433 which were utilized for repayment of bank borrowings, working capital and expenses incurred on the private placements exercise.

Share Capital Reduction

On 11 July 2025, the Company completed the Share Capital Reduction exercise. The exercise entailed the reduction of the Company's issued share capital pursuant to Section 117 of the Companies Act 2016 via the cancellation of the Company's issued share capital of RM35,000,000. The corresponding credit of RM35,000,000 arising from such cancellation was used to set-off the accumulated losses of the Company.

Following the completion of the Share Capital Reduction exercise, the issued share capital of the Company as at 11 July 2025 was adjusted to RM41,683,717 comprising of 269,182,510 ordinary shares of the Company.

ANTICIPATED OR KNOWN RISKS

Despite the improved results recorded for the FPE 2025, the Group may continue to be exposed to risks posed by the continued uncertainty of the global economic and geopolitical environment and the volatility of the Malaysian Ringgit against other foreign currencies. Accordingly, the Group is also exposed to several key business risks that may have adverse effect on the Group's operations and financial performance in the FYE 2026. In the second quarter of year 2026, like most other businesses globally, the Group will be subject to the key market forces of inflation from the uplifting of government subsidies, foreign currencies fluctuations and interest rate adjustments. In this regard, the Group will continue to take precautionary measures and remain resilient to manage the price competitiveness of its products and services which forms a major part of the Group's strategy to mitigate the adverse effects of the risks in order to sustain its business. Besides that, challenges pertaining to recruiting sufficient skilled workers will continue to persist and affect the Group's manufacturing segment.

In view of the above, the Group remains committed in strengthening its core business in its manufacturing segment and will continue to explore and identify new opportunities and markets to deliver value to its shareholders. In the FPE 2025, there were no new loans granted to third parties from small-medium enterprises and start-ups entrepreneurs from the Group's subsidiary, Southborn. In view of the substantial amount of existing loans extended from Southborn, the moneylending business segment may expose the Group to other credit risks. The Group will continue with its efforts by imposing strict credit checks on potential borrowers prior to releasing the loan and constantly monitor the credit standing of its existing borrowers to ensure recoverability of the interest and principal loan sums extended. Upon assessment of the expected credit loss on these loans, an additional impairment on expected credit losses on receivables amounting to RM10.0 million was made for the FPE 2025.

The Group remain resilient in strengthening its core business and continue to expand new strategies to identify new opportunities and markets. Nonetheless, the Group continues to face keen competition in our industry which is compounded by clients' requirement to be cost-efficient in supporting their operations. Our key advantage is the long track record we have established over the last 25 years and customer relationships built over the years. To constantly improve our quality, our project and sales team have been actively communicating with customers to ensure order execution is seamless and any issues are resolved soonest possible to maintain continuous good relationship with them.

As part of the Group's effort in focusing on Health, Safety and Environment ("HSE") practices to ensure the safety and wellbeing of its employees, customers, suppliers and contractors whilst charting a path towards recovery and growth, the Group has documented a Safety Operating Procedure ("SOP") for the major machineries in the production area and ensure the safety of the production personnels while operating the machines during the production processes. These SOPs are posted at the respective work areas and machines as guidelines and reminders for the production personnels to ensure adherence and compliance.

Statement from Executive Director and Management Discussion and Analysis (cont'd)

In addition to the above, the Audit and Risk Management Committee together with members of the Board, and the outsourced Internal Auditors will continue to provide their independent oversight on the effectiveness of the Group's internal control and risk management processes. The Group is confident that the risk mitigation measures currently undertaken will help to mitigate the adverse effects on its business.

MOVING FORWARD

Corporate Proposals **Memorandum of Understanding/Agreement**

Throughout the period under review, the Group continued its efforts in exploring new business ventures to expand its revenue base with the intention of improving its financial performance.

(a) Central Processing Complex Agreement.

On 16 June 2023, the Company entered into a central processing complex ("CPC") agreement ("CPC Agreement") with Markmore Energy (Labuan) Limited ("MELL") and CaspiOil Gas LLP ("COG") to invest and to set up a CPC Plant and First Pipeline at the Rakushechnoye Oil and Gas Field in the Republic of Kazakhstan ("Kazakhstan") to process the natural gas extracted from the Rakushechnoye Oil and Gas Field in Kazakhstan into liquefied petroleum gas and condensate and other residue gas (Proposed Gas Processing") and to purchase 2 million barrels of crude oil from COG.

This agreement is subject to approval by the shareholders at the general meeting to be held at a date to be determined.

In conjunction with the Proposed Gas Processing, the Company announced multiple proposals comprising of proposed private placement, proposed renounceable rights issue with free detachable warrants, proposed RCPS, proposed diversification of the business into the downstream oil and gas industry and proposed amendments to the Company's Constitution to facilitate the proposed issuance of RCPS ("Proposals").

On behalf of the Board, M&A Securities Sdn Bhd had made the announcements of the Proposed Gas Processing and multiple Proposals to Bursa Securities on 16 June 2023, of which the Proposals are subject to various approvals which are inter-conditional.

The Board is currently in the midst of reviewing the structure of the proposals as per the Company's announcement dated 10 July 2024 in relation to, among others, the CPC Agreement including holding discussions with the management of MELL. Further announcement will be made once the revision of the proposals has been finalised in the future.

(b) Framework Agreement ("FA") - Jianghe Electromechanical Equipment Engineering Co., Ltd ("JHEEE").

On 5 September 2024, the Board announced that the Company had on the even date entered into a FA with JHEEE to formalize and set out the preliminary terms of the Signing Parties relationship with each other via their respective investment participation in the collaboration through the third party company as envisaged to tender for the Project on a commercial basis ("Collaboration") in the spirit and in the manner pursuant to the FA and in accordance to the Award.

On 27 November 2025, the Board announced that there is no material development as announced previously except the parties are still in the process of formalising the terms of the Collaboration. Further announcement will be released should there be any new development to the FA.

Material litigation, claims and arbitration

There is no pending litigation against the Group at the date of this report either as plaintiff or defendant which may materially affect the financial position or business of the Group, saved as disclosed below:

Statement from Executive Director and Management Discussion and Analysis (cont'd)

Shah Alam High Court Judicial Review Application No. BA-25-126/10/2024

Chip Ngai Engineering Works Sdn Bhd ("Chip Ngai Engineering Works") vs Majlis Bandaraya Subang Jaya ("MBSJ")

- (a) On 18 October 2024, Chip Ngai Engineering Works, a wholly-owned subsidiary of the Company, the applicant, filed a judicial review against MBSJ, the respondent, regarding several actions and notices issued by MBSJ against Chip Ngai Engineering Works ("Judicial Review").
- (b) Chip Ngai Engineering Works operates the subject property held under HS(M) 20480, PT 17040, Mukim Petaling, Daerah Petaling, Negeri Selangor, which has been used for industrial purposes since obtaining its Certificate of Fitness in 1994. Originally, Chip Ngai Engineering Works owned the property but sold it to a third party in 2016. Following the sale, Chip Ngai Engineering Works entered into a leaseback arrangement to continue its operations on the premises. Chip Ngai Engineering Works alleges that MBSJ issued multiple unreasonable and unlawful notices ("MBS Notices"), including:
 - (i) demand to restore the land to its original condition;
 - (ii) orders for business closure to prevent alleged nuisances;
 - (iii) rejection of its application to expand business operations to include storage and office activities; and
 - (iv) revocation of its business and advertisement license during a council meeting without prior notice or justification.
- (c) Through the Judicial Review, Chip Ngai Engineering Works seeks to nullify all MBSJ Notices as well as actions taken by MBSJ, secure approval for its business expansion application, and claim compensation for damages caused. In any event if the MBSJ notices are enforced, Chip Ngai Engineering Works may face significant financial losses, operational disruptions, and potential layoff of employees.
- (d) In conjunction with the Judicial Review applications, an application of interlocutory injunction was also filed by Chip Ngai Engineering Works to prevent MBSJ from taking further enforcement actions pending the disposal of the Judicial Review ("Injunction"). However, the Injunction application was dismissed by the court on 19 February 2025.
- (e) Despite the dismissal of the Injunction application, the court simultaneously granted leave for Chip Ngai Engineering Works to proceed with the Judicial Review. During the case management for Judicial Review held on 26 November 2025, a hearing date was fixed for 23 February 2026. However, pursuant to a subsequent email from the court, the hearing scheduled for 23 February 2026 has been vacated and converted to a case management session for the purpose of fixing a new hearing date. The court's decision to grant leave for the Judicial Review indicates that the case presents a prima facie arguable issue, warranting further examination by the court.
- (f) Chip Ngai Engineering Works' solicitor is of the opinion that Chip Ngai Engineering Works has strong legal grounds to challenge MBSJ's actions, and the court's dismissal of the Injunction application does not affect the merit of Chip Ngai Engineering Works' positions in the Judicial Review.

Future Outlook

As we look ahead, the business of the Group will continue to remain challenging and competitive in view of the compounded impact of rising inflation rate and the worldwide geographical turmoil to global oil and gas supply and demand. Moving forward, the group's performance may continue to be affected by the fluctuations in foreign currency exchange rates and material prices. Amidst the uncertainties and unpredictable business environment, the Group remain cautiously optimistic that the demand for our products and services will not be significantly dampened. The Group will continue to remain cautious and constantly monitor the development of the global economic growth situation by taking appropriate measures to pursue more projects to expand its revenue base to sustain the Group's business and improve the Group's performance.

In our manufacturing segment, we will focus on product development to expand our product range to existing customers and increase our customer base. In order to further enhance our operation efficiency, we have focused on the key operational highlights which include: -

- Implementation of new technology solutions to streamline processes by procuring more advanced equipment for production
- Continuous improvement initiatives to enhance product quality and reduce waste
- Strengthening of our supply chain to ensure reliability and flexibility in achieving customer satisfaction.

Statement from Executive Director and Management Discussion and Analysis (cont'd)

In energy management, the concept of energy management derived by way of energy enhancement, energy optimization and energy wastage reduction. The Group emphasis on product and function enhancements to maximise energy consumption by eliminating wastage and also minimizing electricity used by reducing wattage of lighting systems. The Group believes that with the proof of concept successfully implemented and the potential opportunities in this business, CN Asia strives to take major steps in creating a society that functions and prospers with sustainability in the context of economic viability, environmental protection and reduction in carbon emission.

On food security, urban farming is a concept of growing plants within a city where it can take the form of traditional farm plots, green houses and community gardens, as well as modern indoor techniques like aquaponics and hydroponics. In view of the rising threat of food insecurity and the increased in hunger index from 10.9 in 2014 to 13.6 in 2025 in Malaysia, the Group view the importance and key benefits of urban farming in addressing environmental health and food security. Urban farming presents an attractive and sustainable form of ensuring food security, in either unused buildings or creating greenhouses on rooftops.

The urban farming project is spearheaded by our Executive Director, Mr. Chang Chee Ching, who has spent effort and time exploring the various methods of indoor vertical farming to grow vegetables and other food products. A showroom with small-scale indoor vertical farming facilities within the Group's business premises was set up for this purpose.

We are excited about the opportunities that lie ahead to embrace the energy management business that will encompass environmental, economic, and social benefits to the surrounding communities as part of the Group's sustainability effort.

Premised on the above and barring any unforeseen circumstances, the Board is cautiously optimistic that the Group is well positioned to navigate the challenging environment for the financial year ending 30 September 2026.

DIVIDEND

The Board does not propose any dividend for the FPE 2025.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to express my deep appreciation to CN Asia's management team and employees for their dedication, commitment and continuous support, especially under the stewardship of our executive director, Mr Chang Chee Ching, who helped the Group to achieve its goals amid a difficult operating environment over the past years.

I would also like to extend my warmest gratitude to our valued shareholders, customers, suppliers, bankers, advisors, business associates, the relevant authorities and government agencies for their steadfast support, commitment, contribution and trust in CN Asia. We are grateful that you have placed your trust in us and we will strive to continuously deliver value to you.

Lastly, I would like to place on record my heartfelt appreciation to my fellow Board members for their devotion and wise counsel in the various Board Committees during the period under review.

We recognize that the path ahead remains challenging, our long-term commitment is to strive to accomplish our strategic goals by generating profitable growth for the Group, improving productivity and enhancing shareholders' value.

I am confident that with their continued support and commitment, the Group will be well poised to endure the challenging environment and to sustain its business for the years ahead.

YM Tengku Shamsulbhari bin Tengku Azman Shah
Executive Director

Audit and Risk Management Committee Report

The Board of Directors (the “Board”) of CN Asia Corporation Bhd (“CN Asia” or the “Company” or the “Group”) is pleased to present the Audit and Risk Management Committee (“ARMC” or the “Committee”) Report for the financial period ended 30 September 2025 (“FPE 2025”).

MEMBERS OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Datuk Mohamad Fazly Bin Zainudin (Independent Director)

Members

Nadanarajah A/L Ramalingam (Independent Director)

Ashraf Bin Kahasani (Independent Director)

As at the FPE 2025, the ARMC comprises three (3) Non-Executive Directors, all of whom are Independent Directors. The current Chairman of the ARMC, Datuk Mohamad Fazly Bin Zainudin, graduated with a Bachelor of Accountancy from Mara University of Technology.

The composition of the ARMC and the qualification of the members comply with Paragraph 15.09 (1) of the Main Market Listing Requirement of Bursa Securities (“MMLR”).

The Committee carries out its duties and responsibilities in accordance with its Terms of Reference which is available on the Company’s website at <https://www.cnasia.com>.

The ARMC has the authority to investigate any matter within its Terms of Reference. In this regard, ARMC has full and unrestricted access to any information pertaining to the Group, co-operation from Management, direct communication channels with the external and internal auditors and reasonable resources to enable it to discharge its functions appropriately.

MEETINGS

There were seven (7) ARMC meetings held during the FPE 2025. The details of attendance of the ARMC members are as follows: -

ARMC Member	Meeting Attendance
Datuk Mohamad Fazly Bin Zainudin	7/7
Nadanarajah A/L Ramalingam	6/7
Ashraf Bin Kahasani	6/7

The meetings were conducted with the quorum of at least two (2) ARMC members and all the members present at the meetings were Independent Non-Executive Directors.

The Company Secretary was in attendance during all the meetings. The Group Financial Controller, the outsourced internal auditors, GovernanceAdvisory.com Sdn Bhd, the outgoing external auditors, Messrs. Chengco PLT (resigned w.e.f. 13.06.2025) and the current auditors, Messrs. SBY Partners PLT (appointed w.e.f. 08.09.2025), were invited to deliberate on matters within their responsibilities during the meetings.

Audit and Risk Management Committee Report (cont'd)

Minutes of each ARMC meeting were recorded and tabled for confirmation at the following ARMC meeting. The ARMC has been given adequate resources to discharge its functions and has full and unrestricted access to and cooperation of Management. After each ARMC meeting, the ARMC Chairman reported on matters deliberated to the Board for their notation including matters of significant concern as and when raised by the External Auditors or Internal Auditors. Matters reserved for Board approvals are tabled at Board meetings. The Committee may also take action by way of circular resolutions in lieu of convening a formal meeting as and when deemed necessary.

SUMMARY OF ACTIVITIES

The main activities carried out by the ARMC during the FPE 2025 are summarised below: -

- Reviewed the quarterly reports including the unaudited financial results of the Group to ascertain compliance with approved accounting standards, other relevant legal and regulatory requirements, and prior to recommending them to the Board for approval.
- Reviewed and considered the audit planning memorandum and audit review memorandum of the external auditors for recommendation to the Board for approval.
- Reviewed the audit reports of the external auditors.
- Reviewed the annual audited financial statements of the Group and recommended to the Board for approval.
- Reviewed and considered the External Auditors' Assessment Policy and recommended to the Board for adoption.
- Assessed the performance of External Auditors and their independence, and recommended to the Board for approval.
- Reviewed and deliberated on the selection, nomination and appointment of the current External Auditors, Messrs. SBY Partners PLT in replacement of the outgoing External Auditors, Messrs. Chengco PLT.
- Discussed and considered the audit fees of the External Auditors for the FPE 2025 and recommended to the Board for approval.
- Reviewed and considered the proposed objectives and scope of work of internal audit review carried out during the FPE 2025.
- Reviewed and deliberated on the internal audit reports and monitored the remedial actions taken by the Management based on the recommendation of the outsourced internal auditors.
- Assessed the performance of the external consultant for internal audit function and recommended to the Board for approval.
- Reviewed the Audit and Risk Management Committee Report, Additional Compliance Information, Statement on Risk Management and Internal Control and Particulars of Properties owned by the Company, and recommended to the Board for approval for inclusion in the Company's annual report.
- Reviewed all recurrent related party transactions of the Group for the FPE 2025 and recommended the same for Board's approval, if any.
- Reviewed and considered the analysis of expected credit losses on financial assets of the Group to consider the impairment on the Group's receivables and recommended to the Board for approval.
- Reviewed and verified the allocation of share options to the Group's eligible employees in compliance with the criteria set out in the By-Laws of the Company's Share Issuance Scheme at the end of the financial period.
- Reviewed the adequacy of credit risk assessment of the moneylending operations undertaken by its wholly-owned subsidiary.
- Reviewed the quarterly reports of its moneylending activities to ascertain compliance with the relevant legal and regulatory requirements, prior to recommending to the Board for approval.
- Reviewed Group's risk exposures, including review risk assessment model used to monitor the risk exposures and Management's views on the acceptable and appropriate level of risks faced by the Group.
- Oversee the risk management activities of the Group with the support from the Executive Directors and Senior Management of the Group in the implementation of the Board's policies & procedures on risk management.
- Reviewed and evaluated operational and financial performance of the Group to ensure that appropriate measures were taken to address any significant risk.
- Reviewed and deliberated the group's risk profile including the risk assessment process conducted by the respective departments and recommended to the Board for approval.

Audit and Risk Management Committee Report

(cont'd)

INTERNAL AUDIT FUNCTIONS

The Group's internal audit function is outsourced to the external consultant, Messrs. GovernanceAdvisory.com Sdn Bhd ("GA") who reports administratively to the Executive Director and functionally to the Committee. The professional fees paid to the outsourced Internal Auditors during the FYE 2025 amounted to RM31,490 (FYE 2024: RM16,960). The scope of the internal audit covers the examination and evaluation of the adequacy and effectiveness of the Group's system of internal control, the efficiency of operations and the quality of performance of the relevant departments in carrying out respective assigned responsibilities. The Internal Auditors' primary function is to submit reports that highlight the risks and control weaknesses and provide appropriate recommendations for improvement to assure the senior management and the Committee that the state of internal controls of the Group is satisfactory. The activities of the internal audit function during the financial period are summarised as follows: -

- Reviewed and assessed the adequacy of the scope, functions, competency and resources of the internal audit functions.
- Performed internal audit reviews to evaluate the adequacy of the internal control system on the overall control environment within the Group.
- Performed review and assessment on the Group's Human Resource Department which included the review of employment policy, administrative matters, segregation of duties and PDPA notice to job applicant.
- Carried out special reviews and more detailed inquiries on issues noted during the audits and/or as requested by the management and/or the ARMC, and issued reports accordingly to the management and/or the ARMC, where applicable.

Further details on the risk management and internal control of the Company are set out in the Statement on Risk Management and Internal Control as set out in this Annual Report.

Corporate Governance Overview Statement

The Board of Directors of CN Asia Corporation Bhd (the “Board”) recognises that the practice of high standards of corporate governance throughout the Group is a fundamental part of discharging their responsibilities to safeguard the interests of the shareholders and to enhance shareholders’ value and financial performance of the Group.

The Board is pleased to present this Corporate Governance Overview Statement to report the manner in which the Group has applied the principles and practices as set out in the Malaysian Code on Corporate Governance 2021 (the “Code”) and the extent of compliance with the Code pursuant to paragraph 15.25(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Company has disclosed the application of each principle and practice as set out in the Code to Bursa Securities in its Corporate Governance Report (“CG Report”) pursuant to paragraph 15.25(2) of the MMLR of Bursa Securities. This Corporate Governance Overview Statement should also be read together with the CG Report for the financial period ended 30 September 2025 (“FPE 2025”), which is made available on the Company’s website at <https://www.cnasia.com>.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Part I - Board Responsibilities

1. Board’s Leadership on Objectives and Goals

1.1 Strategic Aims, Values and Standards

The vital responsibilities of the Board are to lead the Group towards its mission by providing entrepreneur leadership and direction as well as management oversight. The Board assumes the following responsibilities for the Group: -

- determining strategic planning and direction of the Group;
- overseeing the overall conduct of the Group’s business;
- identifying principal financial and non-financial risks, risk appetite and ensuring the implementation of systems to analyse, evaluate, manage and monitor risks;
- developing succession planning for the board and senior management;
- reviewing the adequacy and integrity of the Group’s internal control systems and management information systems;
- establishing goals for management and their performance;
- monitoring the achievement of these goals;
- ensuring the integrity of the Company’s financial and non-financial reporting; and
- ensuring that the Company has in place procedures for effective communication with stakeholders.

There is a clear division of responsibilities between the Board members to ensure that there is a balance of power and authority as well as to enhance the accountability of each member. The Board is always guided by the Board Charter of which the Board’s roles, responsibilities and authorities are defined and practiced ensuring the maximisation of shareholders’ value and safeguarding the stakeholders’ interests including securing sustainable long-term value creation with proper social and environmental considerations. The authorisation procedures for key processes are stated in the Group’s policies and procedures.

As part of its initiative for the effective discharge of its leadership role and enhancement of accountability, the Board has delegated specific powers to the Chairman, the Executive Directors and the following Board Committees: -

- Audit and Risk Management Committee
- Nomination Committee
- Remuneration Committee
- Share Issuance Scheme Committee
- Investment Committee

Corporate Governance Overview Statement

(cont'd)

The powers delegated to each of the Board Committees are set out in the respective Terms of Reference as approved and regularly reviewed by the Board. These Terms of Reference are made available on the Company's website at <https://www.cnasia.com>.

Notwithstanding the delegation of specific powers, the Board retains full responsibility for the direction and control of the Group to safeguard the interests of the shareholders and to enhance shareholders' value.

1.2 The Chairman

The Board has appointed YM Tengku Shamsulbhari Bin Tengku Azman Shah, an Executive Director, to be the interim Chairman while the Board finds a suitable candidate to fill up the position.

YM Tengku Shamsulbhari Bin Tengku Azman Shah is able to ensure effective conduct and deliberate matters at Board meetings. He had provided strong leadership leading the Board's priority more objectively in driving the focus on governance and compliance, though his primary responsibility is running and leading the discussion at the Board level.

1.3 Chairman and Executive Directors

The Board remains committed to the principles of good corporate governance, including the recommendation of the Code that the positions of Chairman and Executive Director be held by two (2) distinct individuals to promote accountability and ensure a clear division of responsibilities.

While the Board is in the process of identifying a suitable candidate to assume the role of Chairman, YM Tengku Shamsulbhari Bin Tengku Azman Shah has been appointed as the Interim Chairman. This temporary arrangement ensures continuity in leadership and effective oversight of the Company. The Board affirms that this interim appointment does not diminish its commitment to maintaining separation between the roles of Chairman and Executive Director, and a permanent appointment will be made once a suitable individual is identified.

During this interim period, YM Tengku Shamsulbhari, together with Mr. Chang Chee Ching as Executive Directors, continues to oversee the day to day operations and management of the Company and the Group, supported by Key Senior Management. They are responsible for implementing the Board's policies and decisions to achieve both the short-term and long-term objectives of the Group, as well as coordinating the development and execution of business and corporate strategies.

The respective duties and responsibilities of the Chairman and the Executive Directors are set out in the Board Charter.

1.4 Chairman is not a member of Board Committees

In line with the Company's governance practice, the Chairman does not generally serve as a member of the Board Committees. However, as YM Tengku Shamsulbhari Bin Tengku Azman Shah is currently serving in a temporary capacity as Interim Chairman, he continues to sit as a member of the Share Issuance Scheme Committee and Investment Committee, the roles he previously held prior to his interim appointment. His involvement in these Committees are limited to the operational requirements of the Scheme and Investment and does not extend to any other Board Committees.

Corporate Governance Overview Statement (cont'd)

1.5 Suitably qualified and competent company secretaries

During the financial period, the Board is assisted by a qualified competent Company Secretary, Ms. Chiew Liyah, who is a Licensed Secretary and is qualified to act as Company Secretary under the Companies Act 2016. She provides sound governance advice and advocates the adoption of corporate governance best practices to the Board. The Company Secretary discharges her function with her attendance in the Board and Board Committee meetings and advises the Board on the Board's adherence of rules, policies and procedures in compliance with the relevant regulatory requirements, codes or guidance and legislations. As a practicing company secretary, she keeps abreast with the regulatory changes and corporate governance development, and had attended seminars during the FPE 2025.

The Company Secretary also ensures that there is good information flow within the Board and between the Board members, Board Committees and Key Senior Management. The Company Secretary is also entrusted with recording the Board's deliberations, in terms of issues discussed, and the conclusions and the minutes of the previous Board and Board Committees meetings are distributed to the Board prior to the meetings for their perusal before confirmation of the minutes at the commencement of the next Board and Board Committee meetings.

The Board has full and unlimited access to the Company Secretary who is always available to provide the Directors with the appropriate advice.

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and briefed the Board quarterly on these updates, where applicable at Board meetings. Hence, the Directors are continually updated on the Group's business and the regulatory requirements.

Ms. Chiew Liyah resigned as Company Secretary of the Company and in place thereof, Ms. Chan Eoi Leng was appointed as Company Secretary with effect from 02 December 2025.

1.6 Access to information and advice

All members of the Board have full and unrestricted access to any information about the Company, the advice and services of the Company Secretary, Key Senior Management and external independent professional advisers may be engaged, where necessary, with approval from the Board or the Board Committees, at the Company's expense to enable the Board to discharge their duties. The meeting materials including agenda and Board papers which are complete and accurate had been circulated to all Directors before the Board meetings to enable the Directors to obtain and access further information and clarification to be well informed of the matters before the meetings for consideration.

The Board is updated with the new amendments and updates on the regularisations from the authorities from time-to-time as and when notified/issued by circulating through emails and briefings, whichever deemed appropriate and applicable.

In addition, the Board is notified of any corporate announcements released to Bursa Securities and is also kept informed of the requirements and updates issued by the various regulatory authorities through the Company Secretary.

The decisions made at the Board and Board Committees meetings are also communicated to the Management promptly to ensure appropriate execution.

The deliberations and conclusions of issues discussed in the Board and Board Committees meetings are duly recorded in the minutes. The draft of which is circulated for Board and Board Committees' review within a reasonable timeframe after the meeting.

Corporate Governance Overview Statement (cont'd)

2. Demarcation of Responsibilities

2.1 Board Charter

The Board is guided by the Board Charter which set out the roles and responsibilities of the Board, Chairman, Executive Directors and Board Committees. The Board has adopted the Board Charter, and the objectives of this Board Charter are to ensure that all Board members are aware of their duties and responsibilities as a member of the Board and that the relevant legislation and the principles and practices of good Corporate Governance are applied in discharging their duties and responsibilities.

The Board Charter will be reviewed periodically and updated by the Board to ensure it is kept up-to-date with changes in regulations and best practices to ensure its effectiveness and relevance to the Board's objectives and responsibilities. The Board Charter is available on the Company's website at <https://www.cnasia.com>.

3. Good Business Conduct and Corporate Culture

3.1 Code of Ethics and Conduct

The Code of Ethics and Conduct ("COE") has been put in place for all Directors and employees of the Group as a guide in discharging their duties and responsibilities by demonstrating healthy corporate culture, good judgment transparency, fairness and honesty as well as loyalty and ethics in the conduct of its business that are aligned with best practices and applicable laws, rules and regulations.

This COE adopted are reviewed periodically by the Board. It is made available on the Company's website at <https://www.cnasia.com>.

3.2 Whistleblowing Policy

The Company believes that the Whistleblowing Policy will facilitate and encourage disclosure of genuine concerns about any possible violations and improprieties in matters related to financial reporting, compliances and other malpractices that may be committed within the organisation. Should any employee have information regarding the violation or improprieties, he/she should report the matter immediately to the line manager, higher management or the Board. All reports or complaints of this nature shall be treated in strict confidence unless otherwise required to be disclosed by the law or court order.

The Whistleblowing Policy is reviewed periodically by the Board to ensure it is in line with the relevant laws and legislations. It is made available on the Company's website at <https://www.cnasia.com>.

3.3 Anti-Bribery and Corruption Policy

The Company has established an Anti-Bribery and Corruption ("ABC") Policy to observe and uphold its position in the case of bribe, corruption, gifts, facilitation payment and kickbacks. The objectives of this policy is to ensure that the Board, all employees and officers of the Group comply with the anti-bribery and corruption procedures and, at the same time promote integrity, transparency and avoid conflict of interest in accordance with the Group's principles of good corporate governance.

The ABC Policy is reviewed periodically by the Board to ensure it remains consistent with the Company's objectives and conform with applicable laws and legislations. This Policy is made available on the Company's website at <https://www.cnasia.com>.

Corporate Governance Overview Statement (cont'd)

4. Governance of Sustainability

The Board together with the Management acknowledges their responsibility to ensure sustainability efforts are embedded in the strategic direction of the Group to promote sustainability in areas covering health, safety and environment ("HSE"), social and governance. The Board exercises oversight over the company's performance with respect to sustainability practices and reporting. As part of the fiduciary duty to our shareholders, the Board is focused on maintaining good corporate governance practices, which are in line with our values and culture. The Board entrusted the Company's Sustainability Working Committee, a management committee comprising a director from the Board which acts as Chairman, key management personnel and heads of department within the Group where material sustainable matters are managed by various departments within the Group with the support from all staff within the Group. Further information on the Company's approach towards sustainability is provided in the Sustainability Statement as set out in this Annual Report.

Part II - Board Composition

5. Board's Objectivity

5.1 Composition of the Board

Currently, the Board comprises of seven (7) members as set out below: -

Name of Directors	Designation	Independent
Datuk Seri Tan Choon Hwa	Non-Independent Non-Executive Deputy Chairman	No
Y.M Tengku Shamsulbhari Bin Tengku Azman Shah	Executive Director	No
Chang Chee Ching	Executive Director	No
Nadanarajah A/L Ramalingam	Executive Director	Yes
Datuk Mohamad Fazly Bin Zainudin	Independent Director	Yes
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	Non-Independent Non-Executive Director	No
Ashraf Bin Kahasani	Independent Director	Yes

As at 30 September 2025, there were three (3) Independent Directors representing approximately 43% of the Board who demonstrates independence of judgement and ensure board decisions are made objectively in the best interests of the Company. The Independent Directors provide checks and balances for the effective and efficient functioning of the Board.

In the event of any vacancy, resulting in less than two (2) directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors, the Company must fill the vacancy within three (3) months.

The Board is of the opinion that the current size and composition of the Board constitute an effective Board with the different backgrounds and specialisation, collectively bringing with them a wide range of business, management, financial, law and technical experiences. The profile of each Director is set out in this Annual Report.

Corporate Governance Overview Statement

(cont'd)

5.2 Tenure of Independent Director

The Board is mindful of the recommended best practices in relation to limiting the tenure of independent director to nine (9) years and set the policy that limit the tenure of its Independent Director to a cumulative term of nine (9) years in its Board Charter. However, an Independent Director may continue to serve the Board upon reaching the nine (9) years limit subject to re-designation as Non-Independent Director. In the event the Board intends to retain the Director as Independent Director after serving for nine (9) years, the Board must justify the decision and seek for shareholders' approval.

In order to ensure independent and objective judgment is brought to the Board's deliberation by the Independent Directors and to ensure conflict of interest or undue influence from interested parties is well taken care of, the Board is committed to ensure the Independent Directors are assessed by the Nominating Committee before their appointment based on formal nomination and selection process with the results of the review reported to the Board for consideration and decision.

As at the FPE 30 September 2025, none of the Independent Directors of the Company has served the Board for more than nine (9) years.

5.3 Diverse Board and Senior Management

Appointment of Board and Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. The Board has in place a set of directors' selection criteria for use in the selection and recruitment process. This set of criteria will be used as a reference by the Group's Human Resource department for the selection and recruitment of Senior Management of the Group. The Profile of Directors and the Senior Management Team are set out in this Annual Report.

5.4 New Candidates for Board Appointment

There were no other appointment of directors since the date of the last report.

The Nomination Committee is responsible for identifying, assessing and recommending to the Board suitably qualified candidates for directorship on the Board as well as members of the Board Committees.

The Nomination Committee will assess candidate's suitability based on a set of criteria as set out in the Criteria for Selection of Directors established and approved by the Board.

The Board does not solely rely on recommendations from existing Board members, management and major shareholders in identifying suitable candidates. It is also open to referrals from external independent sources available, such as industry and professional associations, Financial Institution Directors Education ("FIDE") Forum and independent search firms to identify suitably qualified candidates, when necessary.

5.5 Nomination Committee

The Nomination Committee is chaired by an Independent Director. The Nomination Committee is tasked by the Board to amongst others, identify, assess and recommend to the Board suitably qualified candidates for appointment to the Board and Board Committees, re-election and re-appointment of Directors, and review the independence of Independent Directors, considering the Board's succession planning and training programmes as well as performing a formal assessment of the effectiveness of individual Directors and the annual appraisal of the Executive Directors' performance based on the selected performance criteria. In addition, the Committee is also tasked to review the required mix skills, experiences and other qualities, including core competencies of the members of the Board.

Corporate Governance Overview Statement (cont'd)

The company has in place the Directors' Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure quality and integrity process on the appointment and re-election of Directors. The policy serves as a guide to the Nomination Committee and the Board in their review and assessment of candidates for appointment to the Board as well as directors who are seeking for re-election to ensure that each director candidate or Director possesses the character integrity, experience, competence, time commitment and independence to carry out his/her role and responsibility effectively in the best interest of the Company. The Directors' Fit and Proper Policy is made available on the Company's website at <https://www.cnasia.com>.

As at 30 September 2025, the Nomination Committee comprises exclusively of Non-Executive Directors, a majority of whom are Independent Directors and the members are as follows: -

Name of Directors	Directorate	Designation
Nadanarajah A/L Ramalingam	Independent Director	Chairman
Datuk Seri Tan Choon Hwa	Non-Independent Non-Executive Director	Member
Datuk Mohamad Fazly Bin Zainudin	Independent Director	Member

The Terms of Reference of the Nomination Committee are reviewed, updated, where necessary, and adopted at a Board meeting held during the financial period. It is made available on the Company's website at <https://www.cnasia.com>.

5.6 Gender Diversity Policy

The Board is supportive of the gender diversity in the boardroom as recommended by the Code. In considering Board appointment, the Board, through its Nomination Committee, provides equal opportunity to candidates who have the necessary skills, experience, commitment (including time commitment), core competencies and other qualities regardless of gender, ethnicity and age.

The Board has not formalised a specific policy on female participation on the Board. Nevertheless, the Board is committed to providing fair and equal opportunities, through its Nomination Committee, in considering gender diversity to achieve the optimum composition of the Board.

As at 30 September 2025, there was one (1) female director on Board, YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari, representing 14.3% female participation on the Board.

The Board, through the Nomination Committee, will continue to observe the female participation in the Board and will take steps towards formalising such policy, targets and measures to reflect company commitment towards gender diversity. In fact, the Board has established a sustainability target for gender diversity as disclosed in the Sustainability Statement that is to achieve 30% female director by the year 2030.

6. Overall Board Effectiveness

6.1 Annual Evaluation

During the Nomination Committee meeting held during the FPE 2025, an evaluation was carried out through a set of questionnaires with the results collated, summarised and reported to the Board by the Chairman of the Nomination Committee. The Board, through the recent review and assessment of the Nomination Committee, confidently believes that the size and composition of the Board is appropriate, balanced and that there is an appropriate mix of skills, experiences and expertise as well as core competency to discharge their duties effectively.

The current criteria for an annual assessment of Directors are outlined in the Director's Evaluation Form. The effectiveness of the Board is assessed in the terms of board size, composition, the conduct of board meetings, boardroom activities and directors' skills set matrix. The Board Committees are assessed based on their roles and scope of work, the supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their duties.

Corporate Governance Overview Statement (cont'd)

In the case of individual Directors, peer and self-assessment are carried out to evaluate their strategic direction, ethical and values are driven, knowledgeable, diligent, team player and personal development, such as the ability to give constructive suggestions and assertive in expressing their viewpoint, provide a logical and honest opinion on issues deliberated, maintain confidentiality, demonstrate objectivity and integrity in the decision making process, understand critical issues affecting the Company, offer practical and realistic advice and demonstrate a willingness to devote adequate time and effort to the Board and Board Committees. In the case of Independent Directors, they are also assessed on the level of their independence and ability to defend stand through constructive deliberation where necessary. In addition, the Directors are also being evaluated on their personal development and identified their strengths and weaknesses in discharging their duties and responsibility as a member of the Board as well as continuously improving themselves to keep updated to counter the ever-changing environment.

In accordance with the Company's Constitution, newly appointed Directors shall hold office until the next following Annual General Meeting. They shall then be eligible for re-election by shareholders in the next Annual General Meeting subsequent to their appointment. The Constitution also provides that one-third (1/3) of the Board are required to retire at every annual general meeting and be subject to re-election by shareholders and all directors shall retire from office once every three (3) years but shall be eligible for re-election.

6.2 Time Commitment of the Board

The Board is scheduled to meet at least four (4) times a year at quarterly intervals with additional meetings convened when necessary.

In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, Board approvals are obtained via circular resolutions which are supported with information necessary for an informed decision. To facilitate Directors' planning and time management, an annual meeting calendar is discussed during the Board of Directors Meeting before the beginning of each new financial year.

During the FPE 2025, the Board held seven (7) meetings to deliberate and decide on various issues including the Group's financial results, strategic decisions, the appointment of external auditors, remuneration of Directors, recommendation for re-election/re-appointment of Directors at Annual General Meeting and the direction of the Group. The details of the attendance of each member of the Board at the Board Meetings held during the FPE 2025 are as follows:

Name of Directors	Attendance of Meetings	Percentage (%)
Datuk Seri Tan Choon Hwa	6/7	86
Y.M Tengku Shamsulbhari Bin Tengku Azman Shah	7/7	100
Chang Chee Ching	7/7	100
Nadanarajah A/L Ramalingam	6/7	86
Datuk Mohamad Fazly Bin Zainudin	7/7	100
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	6/7	86
Ashraf Bin Kahasani	6/7	86

Corporate Governance Overview Statement (cont'd)

The following are the details of the attendance of the Board Committees at the Board Committees meetings held during the FPE 2025:-

(i) Audit and Risk Management Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Datuk Mohamad Fazly Bin Zainudin	Chairman	7/7	100
Nadanarajah A/L Ramalingam	Member	6/7	86
Ashraf Bin Kahasani	Member	6/7	86

(ii) Nomination Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Nadanarajah A/L Ramalingam	Chairman	1/1	100
Datuk Seri Tan Choon Hwa	Member	0/1	0
Datuk Mohamad Fazly Bin Zainudin	Member	1/1	100

(iii) Remuneration Committee

Name of Directors	Designation	Attendance of Meeting	Percentage (%)
Datuk Seri Tan Choon Hwa	Chairman	0/1	0
Datuk Mohamad Fazly Bin Zainudin	Member	1/1	100
Ashraf Bin Kahasani	Member	1/1	100

Based on the attendance record of the Board Committees meetings above, the Board is satisfied with the time commitment given by the Directors. All the Directors are following the provision of Paragraph 15.06 of the MMLR on the restriction of not holding more than five (5) directorships in listed issuers. The Directors' directorship in other listed issuers are disclosed in their respective profiles. The Directors must notify the Board in a timely manner before accepting an invitation to serve on the board of another listed issuer taking into consideration any actual or apparent conflicts of interest and impairments to independence as well as time and energy necessary to satisfy the requirements of the Board and Board Committees memberships in the other listed issuers.

6.3 Assessment of Independent Directors

The Board, through the Nomination Committee, assesses the Independent Directors annually where the evaluation took into account the individual Director's ability to exercise independent judgment at all times and to contribute to the effective functioning of the Board.

In addition, none of the Independent Directors are employees of the Company and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Independent Directors' judgment.

The Board is satisfied with the level of independence demonstrated by the Independent Directors and believed that the Independent Directors will continue to bring independent and objective judgment to Board deliberations.

Corporate Governance Overview Statement (cont'd)

6.4 Directors' Training

The Board acknowledges the importance of continuous training for the Directors to gain insight and keep abreast themselves to further enhance their skills and knowledge to enable them to discharge their roles and responsibilities effectively.

At the date of this report, all Directors have attended the Mandatory Accreditation Programme I ("MAP I") and Mandatory Accreditation Programme II ("MAP II") as prescribed by Bursa Securities. The Board, through the Nomination Committee, has undertaken an assessment of the training needs of each Director and the Directors will continue to undergo relevant training programmes, seminars, workshops, talks and conferences to keep abreast with new regulatory developments and relevant changes in the business environment on a continuous basis in compliance with paragraph 15.08 of the MMLR of Bursa Securities.

During the FPE 2025, the Directors have attended seminars and trainings as follows:

Name of Directors	Seminar and Training Programmes
Datuk Seri Tan Choon Hwa	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training
Y.M Tengku Shamsulbhari Bin Tengku Azman Shah	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training
Chang Chee Ching	- Mandatory Accreditation Programme II (MAPII) - E-Invoice In Malaysia - Accounting for GHG Disclosures And Reporting - ISO 9001:2015 – Risk Based Thinking Awareness - Anti-Bribery Awareness Training
Nadanarajah A/L Ramalingam	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training
Datuk Mohamad Fazly Bin Zainudin	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training
Ashraf Bin Kahasani	- Mandatory Accreditation Programme II (MAPII) - Anti-Bribery Awareness Training

The Directors are encouraged to attend other relevant training programmes to enhance their insight of the business, improve their technical knowledge and professionalism in discharging their duties as Directors of the Company. The relevant trainings, briefings, seminars and conferences, covering topics on governance, risk management, accounting, general management and investor relations were circulated by the Company Secretary to the Board members for consideration with the aim to keep themselves updated on changes to the legislation and regulations affecting the Group.

In addition, the Directors are updated by the Company Secretary on any changes to the statutory, corporate and regulatory requirement relating to Directors' duties and responsibilities or the discharge of their duties as Directors as and when issued. The external auditors have also briefed the Board on the changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements.

Corporate Governance Overview Statement

(cont'd)

Part III – Remuneration

7. Level and Composition of Remuneration

7.1 Remuneration Policy and Procedure (“RPP”)

The Group’s RPP sets out the procedure of determining the remunerations of directors and senior management which takes into account the demands, complexities and performance of the Group as well as skills and experience required for the position.

The objectives of this RPP is to ensure that the directors and senior management are offered an appropriate level and composition of remuneration and other benefits by taking into account the Group’s desire to attract and retain the right talent and expertise with the aim to motivate the directors and senior management to achieve the Group’s short-term and long-term business objectives.

The Group’s RPP is adopted and will be reviewed periodically by the Board to ensure it remains effective, consistent with the Board’s objectives and responsibilities and in line with the relevant laws and legislation. This RPP is made available on the Company’s website at <https://www.cnasia.com>.

7.2 Remuneration Committee

The Remuneration Committee is responsible to recommend the remuneration at levels that are sufficient to attract and retain the managers required to run the Company successfully taking into consideration all relevant factors including the functions, workload and responsibilities involved. In establishing the remuneration packages and benefits for the Executive Directors, the Remuneration Committee has regarded the packages offered by comparable companies and may obtain independent advice, where necessary. The remuneration of the Executive Directors comprises a fixed salary and allowance approved by the Board, which is in line with the Group’s performance, overall policy on compensation and benefits.

The recommendation to the Board was made based on the results of the evaluation and review of the Committee conducted on an annual basis. The Board determines the remuneration of Executive and Non-Executive Directors. The Executive Directors are tasked to review and assess the remuneration packages of the senior management of the Group.

During the FPE 2025, there was one (1) Remuneration Committee meeting held to review the performance and remuneration package for Executive and Non-Executive Directors, which was attended by the majority of the committee members. The remuneration package of the Executive Directors was approved by the Board with a recommendation from the Remuneration Committee.

The remuneration package of Non-Executive Directors will be a matter to be decided by the Board as a whole with the Directors concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration. Fees and benefits payable to the Directors are determined by the Board with the approval from shareholders at the Annual General Meeting.

The Remuneration Committee comprises exclusively of Non-Executive Directors, a majority of whom are Independent Directors, and the members are as follows:

Name of Directors	Directorate	Designation
Datuk Seri Tan Choon Hwa	Non-Independent Non-Executive Director	Chairman
Datuk Mohamad Fazly Bin Zainudin	Independent Director	Member
Ashraf Bin Kahasani	Independent Director	Member

For the financial year ending 30 September 2026, the Group is proposing the fees payable to all the Directors of the Group, excluding the Executive Directors, details of which are set out in item 8.1 below.

The Remuneration Committee has written Terms of Reference which deals with its duties and authorities. This Term of Reference is adopted and periodically reviewed by the Board and is made available on the Company’s website at <https://www.cnasia.com>.

Corporate Governance Overview Statement

(cont'd)

8. Remuneration of Directors and Senior Management

8.1 Directors' remuneration

The proposed Directors' fees payable in respect of the financial year ending 30 September 2026 ("FYE 2026"), which are subject to shareholders' approval at the forthcoming Annual General Meeting, are as follows:

Name of Directors	Directorate	FY 2026 RM
Datuk Seri Tan Choon Hwa	Non-Independent Non-Executive Director	36,000
Nadanarajah A/L Ramalingam	Independent Non-Executive Director	36,000
Datuk Mohamad Fazly Bin Zainudin	Independent Non-Executive Director	36,000
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	Non-Independent Non-Executive Director	36,000
Ashraf Bin Kahasani	Independent Non-Executive Director	36,000
Total		180,000

The aggregate Directors' remuneration paid or payable to each Director of the Company for the FPE 2025 are categorised into appropriate components as follows:

(a) Received from the Company

Name of Directors and Directorate	Fees RM	Salaries RM	Benefit-in-kind, defined contribution plan and other emoluments RM	Share options granted under SIS RM	Total RM
Independent Non-Executive					
Nadanarajah A/L Ramalingam	54,000	-	-	-	54,000
Datuk Mohamad Fazly Bin Zainudin	54,000	-	-	-	54,000
Ashraf Bin Kahasani	54,000	-	-	-	54,000
Non-Independent Non-Executive					
Datuk Seri Tan Choon Hwa	54,000	-	-	-	54,000
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	54,000	-	-	-	54,000
Total	270,000	-	-	-	270,000

Corporate Governance Overview Statement (cont'd)

(b) Received on Group Basis

Name of Directors and Directorate	Fees RM	Salaries RM	Benefit-in-kind, defined contribution plan and other emoluments RM	Total RM
Executive Director				
Y.M Tengku Shamsulbhari Bin Tengku Azman Shah	-	270,000	33,514	303,514
Chang Chee Ching	-	540,000	65,914	605,914
Independent Non-Executive Director				
Nadanarajah A/L Ramalingam	54,000	-	-	54,000
Datuk Mohamad Fazly Bin Zainudin	54,000	-	-	54,000
Ashraf Bin Kahasani	54,000	-	-	54,000
Non-Independent Non-Executive Director				
Datuk Seri Tan Choon Hwa	54,000	-	-	54,000
YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari	54,000	-	-	54,000
Total	270,000	810,000	99,428	1,179,428

8.2 Remuneration of Top Five Senior Management

The remuneration of the top five senior management including salaries, benefit-in-kind and other emoluments for the FPE 2025 disclosed in bands of RM50,000 is as follow:

Range of Remuneration	Benefit-in-kind and Other emoluments
RM50,000 -RM100,000	1
RM100,001-RM150,000	1
RM150,001-RM200,000	2
RM200,001-RM250,000	-
RM250,001-RM300,000	-
RM300,001-RM350,000	-
RM350,001-RM400,000	-
RM400,001-RM450,000	1
Total	5

Corporate Governance Overview Statement

(cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part I – Audit Committee

9. Effective and Independent Audit Committee

9.1 Chairman of Audit and Risk Management Committee

The Audit and Risk Management Committee is chaired by an Independent Non Executive Director, ensuring a clear separation from the role of the Chairman of the Board and reinforcing the Committee's objective oversight and independence.

The Committee is currently chaired by Datuk Mohamad Fazly Bin Zainudin, who leads the Committee in overseeing the integrity of the Group's financial reporting, risk management and internal control framework. The profile of the Chairman of the Audit and Risk Management Committee is set out in the Profile of Directors section of this Annual Report.

9.2 Composition of Audit and Risk Management Committee

The Board has established an effective and independent Audit and Risk Management Committee. All the members of Audit and Risk Management Committee are Independent Non-Executive Directors and none of the members was a former key audit partner of the Company's external auditors.

The members of the Audit and Risk Management Committee possess a variety of industry-specific knowledge, as well as technical and commercial experiences bring to bear objective and independent judgment in discharging their duties. The members of the Audit and Risk Management Committee are financially literate and can understand matters including the financial reporting processes of the Group. With the present composition structure and practice, the Audit and Risk Management Committee is able to objectively review and report its findings and recommendations to the Board.

During the FPE 2025, the members of the Audit and Risk Management Committee undertook various training programmes, seminars, workshops and conferences to keep themselves updated with new regulatory developments and changes affecting the Group which is detailed in item 6.4 – Directors' Training of this statement.

9.3 Assessment of suitability and independence of external auditors

The Company maintains a transparent relationship with the external auditors in seeking their professional advice and towards ensuring compliance with the accounting standards.

The key features underlying the relationship between the Audit and Risk Management Committee and the external auditors are outlined in the Audit and Risk Management Committee's Terms of Reference made available on the Company's website at <https://www.cnasia.com>. A summary of the works of the Audit and Risk Management Committee during the financial period are set out in the Audit and Risk Management Committee Report of this Annual Report.

The external auditors of the Company fulfil an essential role on behalf of the Company in giving an assurance to the shareholders and others, of the reliability of the financial statements of the Company. It is the obligation of the external auditors to bring to the attention of the Board, the Audit and Risk Management Committee and the Company's management any significant deficiency in the Company's systems of reporting, internal control and compliance with approved accounting standards as well as legal and regulatory requirements. The external auditors of the Company are invited to attend at least one meeting of the Audit and Risk Management Committee a year in the absence of the Executive Directors and management.

Corporate Governance Overview Statement (cont'd)

The Audit and Risk Management Committee discussed the nature and scope of the audit, reporting obligations and audit schedule with the external auditors' prior commencement of audit engagement. It is also the practice of the Audit and Risk Management Committee to respond to auditors' enquiries and recommendations, if any, to ensure compliance with the various approved accounting standards in the preparation of the Group's financial statements.

Annually, the Audit and Risk Management Committee reviews the suitability, objectivity, independence and remuneration of the external auditors before recommending to the Board for re-appointment of the external auditors. In the effort to further enhance the assessment of sustainability and independence of external auditors' possess with relevant experiences and skills for such appointment, the Board has reviewed the External Auditors' Assessment Policy during the period under review to ensure that the Policy is relevant and effective.

During the FPE 2025, the Audit and Risk Management Committee convened two (2) private sessions with the external auditors without the presence of the Executive Directors and Management of the Company. The external auditors have confirmed to the Board that they are, and have been, independent throughout the conduct of audit engagement in accordance with the terms of relevant professional and regulatory requirements. The Board has received a written declaration from the external auditors of their independence throughout the term of their engagement in accordance with the terms of the relevant professional and regulatory requirements, including the by-laws of the MIA.

The Terms of Reference of Audit and Risk Management Committee provides that any former key audit partner to be appointed as a member of the Audit and Risk Management Committee, a cooling-off period of at least three (3) years will be observed by the Group.

Part II – Risk Management and Internal Control Framework

10. Effective Risk Management and Internal Control Framework

The Board has ultimate responsibility in reviewing the Group's risks, approving the risk management framework and overseeing the Group's strategic risk management and internal control system to safeguard shareholders' investments and the Group's assets. The Audit and Risk Management Committee, which comprises solely Independent Directors, assists the Board in discharging these responsibilities by overseeing and reviewing the risk management framework and the effectiveness of the risk management and internal control of the Group.

The Group has outsourced the activities and function of the internal audit to external consultants that report administratively to the Executive Directors and functionally to the Audit and Risk Management Committee. Details of the Group's risk management and internal control framework including the scope of work covered by the outsourced internal audit function are provided in the Statement on Risk Management and Internal Control as set out in this Annual Report.

11. Effective Governance, Risk Management and Internal Control Framework

The Board acknowledged the overall responsibility in maintaining a sound risk management framework and system of internal control that provides reasonable assurance of effective and efficient operations and compliance with the internal procedures and guidelines.

The outsourced internal audit function provides the Audit and Risk Management Committee with periodic internal audit reports that outline the observations and recommendations to accomplish its goals by bringing an objective and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

Corporate Governance Overview Statement (cont'd)

During the financial year under review, a self-assessment evaluation was carried out by the outsourced internal audit function to assess their performance, competency, resources and independence in discharging their duties of the internal audit function of the Group. Further evaluation was carried out by the Audit and Risk Management Committee on the performance of the outsourced internal audit function of the Group and the results were reported to the Board. The Board is satisfied that the outsourced internal audit has the necessary competency, experience, resources and independence to carry out its function effectively in discharging its duties.

Further details of the Group's risk management and internal control framework is provided in the Statement on Risk Management and Internal Control and Audit and Risk Management Committee Report as set out in this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part I – Engagement with Stakeholders

12. Continuous Communication between the Company and Stakeholders

The Board recognises the importance of effective, transparent and regular communications between the Company and its stakeholders to facilitate mutual understanding of each other's objectives and expectations. The primary modes of disseminating information on the Group's business activities, corporate activities and financial performance are the annual reports, quarterly results and any announcements on material corporate exercise(s) undertaken by the Company during the financial period. Throughout the FPE 2025, the information on the various memorandum of understanding entered into between the Company with the potential partners have been constantly communicated to the Stakeholders.

The Board has formalised its Corporate Disclosure Policy and Procedure ("CDPP") to enable comprehensive, timely, accurate and quality disclosures to the regulators, shareholders and stakeholders with the intention of giving as clear and complete information of the Group's position and financial performance as possible within the bounds of practicality and legal and regulatory framework governing the release of material and price-sensitive information. This CDPP provided a good framework for compliance with the disclosure policies under the MMLR of Bursa Securities and set out the designated persons authorised and responsible to approve, coordinate and disclose material information to shareholders and stakeholders.

The Group maintains its corporate website at <https://www.cnasia.com> for shareholders and the public to access information relating to its businesses, financial performance, operations and corporate development through annual reports, quarterly reports, circulars and various announcements on a timely manner. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email or by phone where primary contact details are set out at the Company's website. Written communications are attended to within a reasonable time from the day of receipt.

Part II – Conduct of General Meetings

13. Encourage Shareholders' Participation at General Meetings

The Board acknowledges the need for shareholders to be informed of the developments and performance of the Company and the Group. The distribution of annual reports, announcements and release of financial results on a quarterly basis provide the shareholders and the investing public with an overview of the Group's performance and operations. It is generally recognised that on-going engagement and communication with stakeholders builds trust and understanding between the Company and its stakeholders as well as enables the shareholders to appreciate the Company's objectives and the strength of its management.

Corporate Governance Overview Statement (cont'd)

The Annual General Meeting (“AGM”) provides a good platform for the Board to share highlights of its performance to its shareholders who are given the opportunity to comment or raise questions to the Board and management. Shareholders are encouraged to ask questions and seek clarification at the AGM of the Company on both the resolutions being proposed and the Group’s business and performance. All suggestions and comments put forth by shareholders will be noted by the Board for consideration. The Share Registrar is available to attend to matters relating to shareholders’ interest during the AGM. Alternatively, shareholders can seek additional information and divert queries to the Company through the Company’s website at <https://www.cnasia.com>, which is being updated and enhanced from time-to-time to include corporate, financial as well as non-financial information.

The Company had conducted its twenty-eighth (“28th”) AGM physically on 19 September 2024. Save for the one (1) of the Directors who were unable to attend the AGM, all other Directors were present physically at the 28th AGM. During the AGM, the Chairman of the AGM provided shareholders with a brief review of the Company’s financial performance and operations for the financial year and overview of the current year performance.

The notice of the 28th AGM was issued more than twenty-eight (28) days to the shareholders prior to the AGM to provide shareholders sufficient time to go through the Annual Report and make the necessary attendance and voting arrangement at the AGM. Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution.

All resolutions tabled during the 28th AGM were voted by poll and an independent scrutineer for the poll voting process was appointed to validate all the votes. The scrutineer announced the voting results before the closure of the AGM. Subsequently, the poll results were announced via Bursa LINK on the same day.

The proceedings of the 28th AGM were recorded in the minutes of meeting and made available on the Company’s website at <https://www.cnasia.com> not later than thirty (30) business days after the completion of the 28th AGM.

The Board is satisfied with the current General Meeting programme, and there have been no major controversial issues noted with shareholders/investors during the 28th AGM.

This statement was presented and approved by the Board on 22 January 2026.

Directors' Responsibilities Statement

The Directors are responsible for the preparation of the financial statements of the Group that give a true and fair view of the state of affairs of the Group and of the Company as at 30 September 2025 and of the results and cash flows of the Group and of the Company for the financial period then ended in accordance with Malaysia Financial Reporting Standards, International Financial Reporting Standards, the Companies Act 2016 (the "Act") in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements, the Directors have:-

- adopted appropriate accounting policies and applied these accounting policies consistently;
- made judgements and estimates that are prudent and reasonable; and
- prepared the financial statements on a going concern basis, unless they consider that to be inappropriate.

The Directors have the responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and which enable them to ensure the financial statements comply with the provisions of the Act.

The Directors have overall responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and of the Company to prevent and detect fraud and other irregularities.

This statement was presented and approved by the Board on 22 January 2026.

Sustainability Statement

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INTRODUCTION

This Sustainability Statement (“Statement”) of CN Asia Corporation Bhd (“CN Asia” or “Company”) is prepared in compliance with the MMLR of Bursa Securities and guided by the Sustainability Reporting Guide issued by Bursa Securities. The content of this Statement sets out the material sustainability risks and opportunities that have been identified, collectively known as Material Sustainability Matters that impact the way the entire Group’s operations are carried out as well as how matters are managed to achieve the strategic objectives of the Group.

The information and data of this Statement cover the sustainability performance of the Company and its subsidiaries (“Group”) for the financial period ended 30 September 2025 (“FPE 2025”), and where available, relevant data collated over three (3) financial periods for FPE 2023, FYE 2024 and FPE 2025 are provided. The contents of this Report have been reviewed by the Board and Audit and Risk Management Committee (“ARMC”) to determine its relevance to the Group’s business to ensure that current and material issues are addressed.

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Sustainability Statement

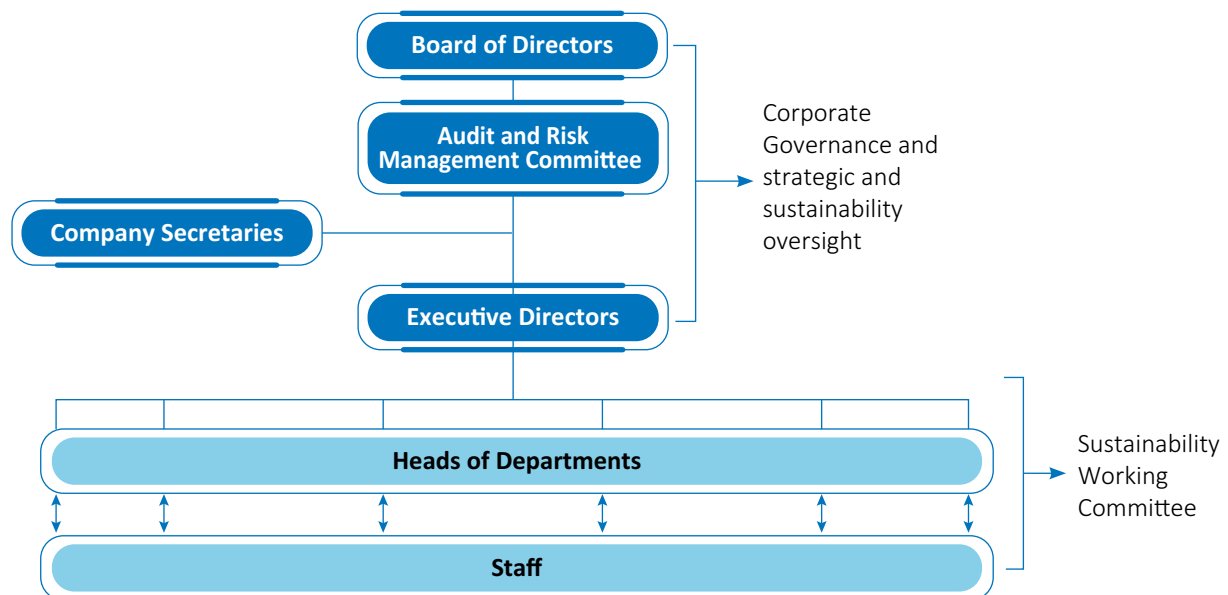
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OUR COMMITMENT

The Board of Directors recognises the importance of maintaining good corporate governance and transparency in the Group's operations that are essential to create values for our stakeholders including sustainability impact to achieve growth while implementing environmental and good sustainable values. The Group believes that sustainability encompasses all aspects of ethical business practices and has formulated the Sustainability Policy that addresses environmental management which provides clear accountability, internal control, risk management and commitment which are aligned in setting objectives on economic, environmental and social ("EES") risks and opportunities within the Group. This policy aims to strive its sustainable growth and manage the environmental impact of our current business so as to promote a safe and healthy environment for its stakeholders. In CN Asia, while the Board together with its Board committees are primarily responsible for the Group's sustainability efforts, it is assisted by the Sustainability Working Committee ("SWC") to manage and implement our sustainability efforts. The SWC comprises key management personnel as well as representatives from various departments and is currently led by the Executive Directors, namely Mr. Chang Chee Ching and YM Tengku Shamsulbhari bin Tengku Azman Shah.

The Board is ultimately responsible for ensuring that the sustainability efforts are embedded in the strategic direction of the Group and is primarily responsible for the overall sustainability programme, reviewing and approving the sustainability report of the Group. The Board has entrusted its ARMC, that are primarily responsible for providing internal control and risk management to provide oversight to support and complement its effort in reviewing, assessing and analysing the risks and opportunities within the Group, and identifying areas of business upon which the Group should focus its sustainable practices and sustainability reporting. The ARMC is assisted by the SWC, comprising key management personnel and heads of department across the Group's organisation structure. The sustainability matters are managed by all heads of department with the support from all supporting staff from the respective departments within the Group.

Sustainability Governance Structure



The Group's business operating units are guided by the guidelines, policies and procedures in cultivating good corporate governance, managing sustainability risks and promoting social and environmental awareness. These policies and procedures are reviewed regularly and updated as and when applicable to ensure that they remain effective, relevant and appropriate in line with the relevant laws and regulations.

Sustainability Statement

(cont'd)

STAKEHOLDER ENGAGEMENT

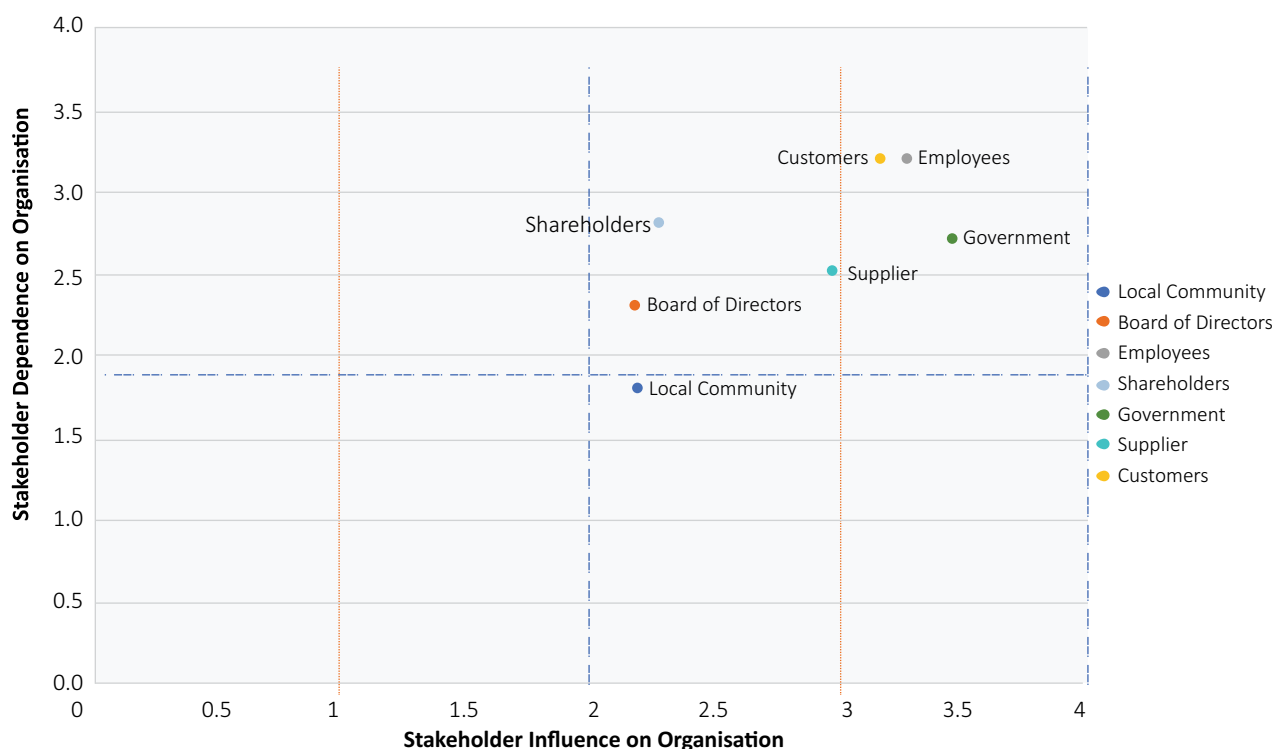
CN Asia recognises the value of stakeholders' engagement which form a vital part of the overall sustainability strategy of the Group. By having regular interaction with its stakeholders, it gives a better insight in the context of managing the impact of our activities across the EES dimensions, and an opportunity to identify sustainability risks and prospects that may not be otherwise considered by the Group in achieving stakeholders' expectations while upholding decent relationship with them. Regular stakeholder engagement denotes value recognition with the Group's internal and external stakeholders and be more conscious of the impact or potential to impact the Group's activities.

Through continuous engagement with the stakeholders, the voices of the stakeholders are heard and responded appropriately to address the stakeholders' concerns in matters which support the Group's sustainability plan. The stakeholder identification and prioritisation process were carried out by the SWC and below is an overview of the Group's engagement with the various stakeholders that took place throughout the FPE 2025.

Stakeholder	Areas of concern	Engagement method	Frequency
Board of Directors	- Company strategy and performance - Sustainable practices - Risk Management - Corporate Governance	- Board and Board Committee meetings - General meetings - Company-organised events	- On-going - Annually - Ad-hoc - Quarterly
Employees	- Product quality and customers' satisfaction - Competitive pricing - Delivery performance	- Corporate website - Meetings - Regular on-site visits - Customer survey form - Customer's complaint form	- On-going - Annually - Ad-hoc - Periodically
Vendors and Suppliers, including sub-contractors	- Product quality - Competitive pricing - Delivery performance - Customer service and complaints resolution	- Meetings - Regular on-site visits - Supplier evaluation procedure	- On-going - Annually - Ad-hoc - Periodically
Shareholders/ investors	- Financial performance - Regulatory compliance - Corporate governance - Ethical business conduct - Internal control and risk management	- Corporate website - Annual reports - General meetings - Public announcements - Quarterly financial reports	- On-going - Annually - Ad-hoc - Quarterly - Periodically
Government agencies/ regulators/ authorities	- Regulatory compliance - Approvals and permits - Standards and certifications	- Corporate website - Meetings and consultations - Participate in trainings and dialogue organised by government and authorities - Audit, verification, inspection and inquiries by authorities	- On-going - Annually - Ad-hoc - Periodically
Local communities	- Sustainability and corporate social responsibility ("CSR") programmes - Environmental protection - Job opportunity	- Donation and sponsorship - Participate in CSR programmes - Regular on-site visits - Industrial training - Employment opportunity	- On-going - Annually - Ad-hoc - Periodically

Sustainability Statement (cont'd)

In November 2023, the Group initiated its stakeholder prioritisation based on the level of their influence and dependence. The key stakeholder groups with high level of influence and dependence on the Group were identified to be major customers, government/regulatory bodies, suppliers and employees as illustrated below:-



MATERIALITY ASSESSMENT

The Group is taking a progressive approach in its sustainability reporting. Through stakeholder engagement and prioritisation processes with the internal stakeholders, the Group had simultaneously undergone the materiality assessment process and identified a list of sustainability matters that are closely connected to its stakeholders. Considering the valuable feedback and views obtained from the stakeholders in assessing the Group's EES risks and opportunities, the Group continued to emphasise matters related to HSE to provide a safe and healthy environment to its stakeholders as part of its sustainability effort. These material matters were then deliberated at length by the management and approved by the Board prior to its inclusion in this Sustainability Statement. The result of the materiality assessment is shown in the following diagram:

Economic	Environment	Social	Governance
- Economic performance - Customers' satisfaction and product quality - Supply chain management	- Compliance with regulations - Energy and water management - Waste management	- Employment - Gender diversity - Training and development - Employee turnover - Human and labour rights - Health, safety and environment - Local communities	- Compliance with policies and procedures - Data protection and privacy - Anti-bribery and corruption - Whistleblowing

Sustainability Statement (cont'd)

Following the materiality assessment on sustainability matters, the Group has established a set of sustainability targets in line with its Sustainability Policy.

Sustainability Target

Topic	Target	Status
Economic		
Customers' Satisfaction & Product Quality	To achieve improved customer satisfaction level annually	Achieved
Supply Chain Management	To maintain a minimum of 70% material sourcing from local suppliers that meet the Group's requirements	Achieved
Environmental		
Energy	To reduce energy consumption per RM'000 revenue by 10% by 2030 (compared to FPE 2023 as baseline)	In Progress
Water	To reduce water consumption per RM'000 revenue by 10% by 2030 (compared to FPE 2023 as baseline)	In Progress
Waste	To achieve not more than 4% FRP wastage annually	Achieved
Social		
Diversity	- To achieve 30% female employees by 2030 - To achieve 30% female director by 2030	In Progress In Progress
Employee Turnover	To maintain employee turnover rate of not more than 30%	In Progress
Human Rights	To maintain zero child labour within the Group	Achieved
Health & Safety	- To achieve zero lost time fatalities annually - To achieve 80% employees to attend at least one safety training annually	Achieved Achieved
Local Community	To ensure continuous increase positive impact in community investment	In Progress
Governance		
Data Protection and Privacy	To maintain zero substantiated complaint concerning breaches of customer privacy and losses of customer data	Achieved
	To ensure all employees receive training on anti-corruption by FPE 2025	In Progress

MATERIAL SUSTAINABILITY MATTERS

Economic

Economic Performance

During the FPE 2025, the Group recorded total revenue of RM38.2 million and a loss after tax amounting to RM11.0 million. This represents an increase in revenue of approximately 95.2% and a 7.5% increase in loss after tax compared to the results from FYE 2024. The Group's overall financial information details are disclosed in the Management Discussion & Analysis of this Annual Report.

Sustainability Statement (cont'd)

Customers' Satisfaction and Product Quality

The Group's manufacturing segment works with a variety of organisations, from oil and gas, petrochemical, sewerage, civil and steel construction industries, both local and abroad. We strive to deliver quality products to meet our customers' expectation and ensure the Group stays competitive in this fast-changing environment. We conduct annual customer survey at least once a year to ensure our products and services are customised to their needs and their expectations are met with the ultimate goal to attain customers' satisfaction. Poor customer satisfaction may affect customer retention impacting the recurrence of revenue and reputation of the Group. The results of measuring customers' satisfaction were compiled and used by the management team to enhance the overall customers' experience and improve business performance.

CN Asia's ISO 9001:2015 Quality Management System ("QMS") also incorporates the compilation and analysis of customers' complaints in a systematic manner where complaints require remedial action which are addressed urgently and documented with appropriate course of action to be taken. The customers' complaints report form part of the customer satisfaction assessment. These reports were then presented at the scheduled Management Review Meetings convened at least once a year to formulate ideas or strategies to improve customers' satisfaction. There were two (2) management review meeting held during the FPE 2025 to review the overall performance of the Group's QMS. The key statistics pertaining to the customer satisfaction surveys are tabulated below: -

Customer Satisfaction Survey	Unit	2023	2024	2025
Customers selected for survey	Number	25	19	26
Percentage responded on survey form	%	16.0	7.0	23.1
Satisfaction level	%	75.5	76.3	84.4

The findings from the customer survey will enable the Group to gain insight in managing customers' expectations and meeting the customers' requirements.

Supply Chain Management

The Management believes that regular engagement with its suppliers have, in some cases, fostered long term and healthy business relationships, resulting in more favourable prices and credit terms offered by suppliers, which in turn had a positive impact on the financial performance of the Group.

Given the established standards and principles for material procurement as prescribed in the Purchasing Procedure of the Group, CN Asia endeavour to ensure that all procurement processes are adhered to, and that products and services procured conform to the specific requirements especially in the procurement of materials for the production of coded pressure vessels that must comply with the American Standards of Mechanical Engineers ("ASME"). Thus, maintaining the defined controls over procurement activities that will uphold the Group's products and services quality. These procedures are reviewed and monitored regularly to ensure their relevance and effectiveness in light of the Group's operating business activities and environment.

Through annual evaluations on all active suppliers and contractors based on a set of criteria as prescribed in the Supplier Selection, Evaluation and Re-evaluation Procedure of the Group, the new and existing suppliers and contractors that are found satisfactory are added and retained in the Approved Supplier List ("List"). If a supplier's performance was found to be unsatisfactory, it will be recommended for removal from the List. Suppliers including those that the Group has not transacted with for one year, will be classified as inactive supplier and subjected to further evaluation in deciding whether or not to retain these suppliers on the List.

Approved Suppliers	Unit	2023	2024	2025
Active supplier	Number	93	93	86
Active sub-contractor	Number	46	50	44
Total	Number	135	143	130

Sustainability Statement (cont'd)

As at 30 September 2025, there are 86 suppliers and 44 sub-contractors on the List as compared to 93 suppliers and 50 sub-contractors as at 31 March 2024. The purpose of the supplier evaluation process is to ensure that suppliers on the List have fully complied with the Group's procurement procedures, whilst ensuring the procurement of materials and services are obtained at reasonable prices, and that such materials and services meet the Group's requirements in terms of quality and specifications. Emphasis is also placed on the suppliers' responsiveness to inquiries and ability to deliver materials and services in a timely manner.

Over the years, CN Asia has been prioritising procurement of goods and services from local suppliers and constantly minimising its reliance to importation of goods and services. Nonetheless, the Group remains committed in sourcing cautiously to uphold the required standards focusing on sustainable supply whilst contributing positively to the domestic economy and local communities. The proportion of our spending on domestic and import supply is tabulated below:-

	Unit	2023	2024	2025
Domestic Supply (Local)	%	90	70	97
Import Supply (Foreign)	%	10	30	3
Total Procurement	%	100	100	100

For the FPE 2025, the Group's local spending is at 97% compared to 70% in FYE 2024. The Group only relies on import supply from overseas sourcing due to the unavailability of certain materials locally and customer's specifications. The Group continues its effort in identifying opportunities for sourcing components or materials locally where possible.

ENVIRONMENT

Compliance with Environmental Protection Laws and Regulations

CN Asia is mindful of the possible environmental impact of its business activities and strives to minimise the environment impact associated with its operations. The Group endeavours to uphold full compliance with the relevant environmental protection laws and regulations concerning climate change, energy use and waste management. Any non-compliance of environmental laws and regulations may result in costly obligations and contingent liabilities that may affect the Group's ability to expand its operations or obtain/renew licenses and permits. Hence, compliance with environmental protection laws and regulations is one of the main requirements in its operations. We constantly provide trainings, briefings, dialogue sessions and discussions with our stakeholders, particularly our employees, suppliers and customers to create awareness among the stakeholders and ensure our compliance obligations are intact.

Energy, Water and Paper Management

The rising concern on climate change arising from the increasing energy consumption and greenhouse gas ("GHG") emissions. The Group is optimistic in its sustainability effort to reduce the overall environmental footprint. As energy consumption forms a major part of the operations of its manufacturing segment, CN Asia continues its efforts towards monitoring, analysing and optimising the consumption of energy as a means to lower our operating costs and foster a greener environment. The Group aims to minimise its energy consumption by initiating energy-efficient measures as follow:-

- use of electrical equipment, light fittings and equipment with energy efficient feature
- constantly remind and educate users to conserve electricity consumption
- post notice and reminder at the electricity switch
- monthly monitoring of electricity consumption

Sustainability Statement (cont'd)

During the FPE 2025, the Group achieved a lower energy intensity measured by total energy consumed per RM thousand sales and a slight increase in total energy consumed per direct manhour from the manufacturing segment. The energy consumption over the past three (3) financial periods is tabulated below:

Energy Consumption	Unit	2023	2024	2025
Sales from manufacturing segment	RM'000	11,485	18,326	36,092
Total Direct Manhour	Hour	87,592	112,994	200,865
Electricity consumption	kWh	751,651	692,826	1,260,968
Variance in electricity consumption	%	25.6	-7.8	82.0
Energy Intensity	kWh/RM'000	65.5	37.8	34.9
Energy Intensity	kWh/Manhour	8.6	6.1	6.3

The Group's manufacturing processes are not water intensive, where water is mainly used for hydrostatic testing of its products to ensure its product integrity. CN Asia's water management initiatives towards minimising water consumption in its operations and workplace by taking the following measures:-

- collect rain water, and recycle water used for testing of its products
- raise awareness among employees and visitors to conserve water
- monthly monitoring of water consumption and make appropriate enquiry in the case of high consumption and check if there are any sign of water leakage

During the FPE 2025, the water consumption of the Group increased by 87.7% to 8,916 m³ from 4,749 m³ in FYE 2024. Despite the increase in total water consumption, the Group achieved lower water intensity measured by total water consumption per RM thousand sales from the manufacturing segment mainly due to increase in operation activities during the period under review. The water consumption over the three (3) financial periods is tabulated below:

Water Consumption	Unit	2023	2024	2025
Sales from manufacturing segment	RM'000	11,485	18,326	36,092
Water consumption	m ³	3,954	4,749	8,916
Variance in water consumption	%	41.8	20.1	87.7
Water Intensity	m ³ /RM'000	0.34	0.26	0.25

The Group is constantly cultivating the following practices to minimise and prevent unnecessary paper consumption: -

- Cultivating paperless meeting reports and electronic documents transmission
- Holding group discussions via WhatsApp mobile apps, Microsoft team and etc
- Constantly reminding staff to use recycled paper for internal circulation and to print documents in smaller font sizes.

The Group's paper consumption for the FPE 2025 amounted to 490 kg, representing an increase of 54% compared to the preceding financial year due to increase in total sales and operation activities of the Group during the period under review. The paper consumption over the past three (3) financial periods is tabulated below:

Paper Consumption	Unit	2023	2024	2025
Total consolidated Sales	RM'000	12,629	19,552	38,162
Paper consumption	KG	388	318	490
Variance in paper consumption	%	-	-18.0	54.0

Sustainability Statement (cont'd)

Waste Management

The Group continues with its effort to monitor wastage from its manufacturing activities which consist of scrap steel material and fiberglass reinforced polymer ("FRP") waste. The scrap materials, made of steel, will be consumed in its production process as much as possible and any unusable scrap will be disposed of. The scrap material disposed during FPE 2025 increased to 258.8 tonnes, representing a 37.4% increase compared to 188.3 tonnes disposed in FYE 2024. The increase is mainly due to increase in production activities during the period under review.

Performance Measure	Unit	2023	2024	2025
Scrap material disposed (tonne)	Tonne	76.2	188.3	258.8
Variance	%	31.2	147.1	37.4
No of trip of waste disposal	Number	21	21	45
FRP waste generated (tonne)	Tonne	1.3	5.1	9.8
Average FRP wastage	%	3.3	3.3	4.1
Variance	%	-34	-	23.0

The Group continues to monitor the generation of FRP waste from its manufacturing activities which could have an adverse impact on the environment if not disposed of responsibly and lawfully. The Group's Environmental Monitoring Committee ("EMC") comprises of a Competent Person, a representative from each of the departments within the Group; headed by the HSE Chairman and is primarily responsible for monitoring and managing the schedule waste within the Group. During the FPE 2025, the EMC continued its effort in monitoring schedule waste, segregate the type of waste as required.

The Group's ISO 9001:2015 Quality Management System ("QMS") entail a quality objective to restrict the generation of FRP wastage to not more than 4% of total FRP material used. The production department is responsible for monitoring and reporting the FRP wastage on a month-to-month basis in the monthly departmental meeting. The Group was able to achieve this objective with the average FRP wastage of 4.1% recorded during the reporting period (FYE 2024: 3.3%). The FRP waste generated in FPE 2025 increased to 9.8 tonne compared to 5.1 tonne in FYE 2024 mainly due to increase in FRP related products produced in FPE 2025. The revenue generated from FRP related products increased to RM19.3 million from RM5.4 million in FYE 2024, representing an increase of 261.1% over the preceding financial year. In view of the increasing trend in production of FRP related products, the Group has been cautious in managing its waste disposal. There were 45 trips of waste disposal reported during the financial period.

SOCIAL

Employment

We value our employees and their contribution towards the Group's success. We believe that providing a conducive and safe work environment is the utmost basic element for any working class. We aim to uphold a dynamic organisation, promote development of our employees, fortify leadership capabilities and enhance employees' performance through strong engagement. The Group provides all employees with an equal opportunity merit-based system of performance evaluation and appraisal conducted on an annual basis. Each employee will be assessed and appraised by the respective heads of department based on the employee's performance and contribution during the year. The final assessment report will be compiled by the Human Resource ("HR") Department for management to arrive at remuneration decisions. Aside from the performance review, we also assess the employees' development needs, provide them with on-going opportunities for training and career development, and long-term career progression. We believe the aforementioned factors will help to attract and retain talented and skilled employees in the Group.

Sustainability Statement

(cont'd)

Employee Gender, Diversity and Opportunity

For the FPE 2025, the total number of employees of CN Asia is 51, an decrease of 1 headcount from FYE 2024. The total male employee is 37 or 73% and the remaining 14 employees or 27% is female. Considering the nature of the Group's core business in manufacturing and engineering, that has traditionally been a male-dominated industry, especially for those who work in the factory shop floor, the male employees will outgrow the female participation in the Group. The female participation in the Group's workforce for the FPE 2025 remain at 27% (2024: 27%). Nonetheless, the women participation is still underrepresented at the level of below 30% over the past three financial periods. The Group will continue to monitor the diversity in spread among its employees and remain committed to promoting female participation in its Group's employee population. The Group takes labour matters seriously and ensures that relevant regulations and legislation are complied with. The analysis of employees by gender, category and age group is tabulated below:-

Employee		2023		2024		2025	
By Gender		No	%	No	%	No	%
Male		35	76	38	73	37	73
Female		11	24	14	27	14	27
Total		46	100	52	100	51	100
By Employee Category							
Senior Management		7	15	10	19	8	16
Executive		23	50	20	39	24	47
Non-Executive		16	35	22	42	19	37
Total		46	100	52	100	51	100
Gender By Employee Category							
Senior Management	Male	5	11	8	15	6	12
	Female	2	4	2	4	2	4
Executive	Male	17	37	13	25	17	33
	Female	6	13	7	13	7	14
Non-Executive	Male	13	28	17	33	14	27
	Female	3	7	5	10	5	10
Total	Male	35	76	38	73	37	73
	Female	11	24	14	27	14	27
Age Group By Employee Category							
Senior Management	Under 30	0	0	2	4	1	2
	Between 30-50	4	8	4	8	3	6
	Above 50	3	7	4	8	4	8
Executive	Under 30	13	28	11	21	13	25
	Between 30-50	7	15	7	13	9	17
	Above 50	3	7	2	4	2	4
Non-Executive	Under 30	3	7	8	15	7	14
	Between 30-50	7	15	8	15	7	14
	Above 50	6	13	6	12	5	10
Total	Under 30	16	35	21	40	21	41
	Between 30-50	18	39	19	37	19	37
	Above 50	12	26	12	23	11	22

Sustainability Statement

(cont'd)

The Group is committed to have at least one (1) female director on the Board and recognises the recommendation of the MCGG to have at least 30% representation of women directors on the Board. The Company continues to source for qualified female candidates to increase female participation on the Board. The number and percentage of directors of CN Asia by gender and age group for FPE 2023, FYE 2024 and FPE 2025 are as follows:

Director	2023		2024		2025	
By Gender	No	%	No	%	No	%
Male	6	86	6	86	6	86
Female	1	14	1	14	1	14
Total	7	100	7	100	7	100
By Age Group						
Under 30	0	0	1	14	1	14
Between 30-50	1	14	2	29	2	29
Above 50	6	86	4	57	4	57
Total	7	100	7	100	7	100

Training and Development

The Group continued to enhance employees' performance and observe continual improvement to equip its employees with the required skills and competency to support the employees' development and growth. The employees must be kept abreast with the latest market climate and to strengthen themselves with new skills and knowledge in this ever-changing environment and volatile economic and political conditions. Our systematic Training Procedures implemented under the Group's ISO 9001:2015 QMS have been continuously maintained to ensure our employees' training needs are addressed and that they attain the necessary competency levels to achieve the desired results. The Training Procedures also encompass a systematic documentation of the training courses conducted which also involve the evaluation of the effectiveness of these training courses.

The HR and Administration Manager is responsible for the implementation and monitoring of the training programme of employees across the Group. All new employees will go through an on-job-training program tailored to their respective roles. The training needs of the existing employees are identified and recommended by the Heads of Department on an annual basis during the employees' appraisal. These training needs identified are compiled by the HR department in the annual training plan. Thereafter, the training courses are arranged based on the training plan and modifications are made as and when deemed necessary. The employees training over the past three financial periods is analysed and summarised below:-

Employees Training	Unit	2023	2024	2025
Total training planned	Number	24	20	25
Total training conducted	Number	20	7	8
Total training hour	Hour	749	1,188	1,119.5
Average training hour/employee	Hour	16.3	22.8	22.0
Total Training Hours by Employee Category				
Senior Management	Hour	196	436	239
Executive	Hour	431	728	621
Non-Executive	Hour	122	24	259.5

During FPE 2025, there were 8 (2024: 7) training courses conducted out of 25 (2024: 20) training courses planned, representing a materialisation rate of 32% compared to 35% in FYE 2024. The Group employees participated in a total of 1,119.5 training hours during FPE 2025, with an average of 22.0 training hours per employee compared to 22.8 hours in FYE 2024. The Group continues to evaluate, plan, execute, monitor and adopt its training programmes to meet with its business and operational requirements.

Sustainability Statement (cont'd)

Employee Turnover

A balanced, inclusive, productive and quality workforce is one of the key ingredients to the sustainable business growth in the industries that we are operating and competing. The Group strives to maintain a low employee turnover rate of less than 30% as one of the objectives set forth in its ISO 9001:2015 QMS. A high rate of employee turnover can indicate uncertainty and dissatisfaction among employees which may result in low morale and sub-par performance by employees leading to a decline in productivity. The Group actively promotes career advancement for existing employees by encouraging internal promotions instead of recruiting externally. The employee turnover for the past three (3) financial periods is summarised below:-

Employee Turnover By Employee Category	Unit	2023	2024	2025
Senior Management	Number	2	1	6
Executive	Number	7	3	3
Non-Executive	Number	4	7	8
Total	Number	13	11	17
Employee Turnover Rate	%	28	21	33

The Group's employee turnover rate increased from 21% in FYE 2024 to 33% in FPE 2025. The implementation of various measures has contributed to a low employee turnover rate during the year. The Group through its HR department continues to focus on employee welfare, career development, cultivate a positive, safe and healthy work environment with attractive compensation and benefits packages that are competitive and reflective of employees' contributions. The Group's HR policy includes the conduct of exit interviews and assessments of resigned employees to gain an understanding of the reasons that led to the resignation of each employee concerned.

Human and Labour Rights

The Group is dedicated in promoting awareness, protecting and enhancing human rights within the organisation with the aim to minimise the risk of labour-related disputes. We are committed to ensure that our operations do not result in negative human rights impact by practising equal opportunities and fair employment. The Group strictly adhere to all applicable labour laws and regulations, and integrates all other provisions of the amended minimum wages and legislation changes in the jurisdiction of the country. In addition, the Group is vigilant ensuring that child labour is not employed in any of our operations.

There were no reported complaints regarding human rights violations and there were zero incidents of human rights violations in FPE 2025.

Health, Safety and Environment ("HSE")

The Group acknowledges the importance of HSE to all people associated with its business activities and places high priority in such matters to ensure a safe and healthy work environment for its employees, visiting customers and contractors. The Group has in place its HSE management system with the objective to ensure a unified and managed approach in relation to HSE matters within the organisation. The Group complies with the regulatory requirements, i.e the Occupational Safety and Health Act 1994 ("OSHA") with the following measures being undertaken by the Group:-

- Set a target of zero accidents and incidents within the organisation;
- Ensure physical safety especially in the production area by conducting monthly factory inspection based on an inspection checklist;
- Improve the workplace environment based on the feedback and employment engagement;
- Implementing proper signage and PPE protocols and administering regular inspection and maintenance of critical equipment, such as cranes, to prevent malfunctions and accidents, and providing training in safe operation of the equipment; and
- Implement Hazard Identification, Risk Assessment and Risk Control ("HIRARC") throughout the organisation.

Sustainability Statement (cont'd)

The above measures are being enforced through the effort of the HSE Committee under the purview of the Executive Director, Mr. Chang Chee Ching. The HSE Committee is responsible for monitoring, recording, and reporting the Group's occupational health, safety and environment statistics performance to measure the effectiveness of the Group's HSE practices. There were 42 employees trained on health and safety standards, no lost time injury and no lost time fatalities were reported during the FPE 2025. The analysis of lost time incidents and training on health and safety standards over the past three (3) financial periods is summarised below:-

	Unit	2023	2024	2025
Number of Lost Time Injuries	Number	-	1	-
Number of Lost Time Fatalities	Number	-	-	-
Total number of Direct Labour Worked	Hour	87,592	112,994	200,865
Lost Time Injury Frequency Rate (LTIFR)	Rate	0	0.002	0
Number of employees trained on health and safety standards	Number	38	23	42

Local Communities

CN Asia is committed to support the communities and recognise the importance of giving back to the communities by investing continuously in various corporate social responsibility ("CSR") initiatives. Our initiatives include provision of internship programmes to Malaysian undergraduates to undergo their practical training and enable them to gain valuable experience and knowledge during their engagement with the Group. We also offer employment opportunities to these interns upon completion of their studies. During FPE 2025, an internship position was offered to one (1) intern, who subsequently resumed his academic pursuits. The data for the past three (3) financial periods is tabulated below:-

Number of interns recruited	Unit	2023	2024	2025
By Gender				
Male	Number	3	3	1
Female	Number	2	-	-
Total	Number	5	3	1
Intern offered as full-time employee	Number	1	1	-

As part of the Group's Corporate Social Responsibility ("CSR") initiatives, CN Asia is mindful of the community responsibility to protect and promote natural and cultural resources while fostering environmental education among its employees. During FPE 2025, the Group participated in a "Tree Planting Campaign", supporting the cultivation of 10 trees from seeding to nurturing until they were ready for planting. Additionally, in conjunction with the Chinese New Year celebration in year 2025, the Group engaged a twelve-member Lion Dance team from a welfare society to perform at the Group's premises. The total cost incurred on CSR activities for the FPE 2025 amounted to RM2,988.

GOVERNANCE

The Group maintains strong corporate governance in its business and operation to safeguard its reputation, manage risks effectively and comply with all applicable laws and regulations while maximising stakeholders value. CN Asia is committed to ensure compliance with relevant laws, rules, regulation, and company policies applicable to its business activities. It is the responsibility of the Company to ensure its directors and employees understand, observe and comply with the laws, rules, regulations and company policies that are applicable to their respective roles and responsibilities, thereby conducting all business activities with the highest level of integrity.

Sustainability Statement

(cont'd)

Data Protection and Privacy

In the world of technology era where the tendency of threat and risks of cyber-attacks in workplace with our business on an increasing trend, the Group is mindful of safeguarding the private information and personal data of our customers, suppliers, and employees. The Group has established policies and procedures aligned with the Personal Data Protection Act and other applicable local regulations to guide data management processes. The Group ensures that information is shared appropriately and legally, and that data is handled with appropriate care to ensure the security confidentiality and integrity of all information and personal data.

Through regular engagement with its employees, the employees are constantly reminded of the best practices for handling personal data and understanding their role and responsibility in protecting whilst detecting and responding to security threats to help create a culture of data security within the organisation.

The Group has not experienced any data breaches or received complaints from external stakeholders regarding data security.

Anti-Bribery and Corruption Policy

Anti-Bribery and Corruption Policy are in place in CN Asia and the Group views any bribery and corruption as significant risks which may tarnish its business and reputation. Hence, the Group has adopted a zero-tolerance approach against all forms of bribery and corruption to ensure the conduct of our business dealings with integrity and ethics as well as compliance with the applicable laws and regulatory requirements on anti-corruption. The Group is of the view that adequate procedures can help to defend corporate interests, its directors and employees. As at 30 September 2025, the percentage of employees who have received training on anti-corruption comprises of 16% from senior management, 41% from executive and 37% from non-executive.

The Company through its Human Resource ("HR") Department is responsible for ensuring that the principles as set out in the Anti-Bribery and Corruption Policy are communicated, understood, and observed by all employees and directors. The Anti-Bribery and Corruption Policy is reviewed by the Board, and revised as and when required, on an annual basis to ensure its effectiveness in addressing potential fraud and corruption risks.

Whistleblowing Policy

CN Asia has adopted a Whistleblowing Policy as a channel to facilitate and encourage disclosure of genuine and legitimate concerns about any possible violations and improprieties in matters related to financial reporting, compliances, and other malpractices raised by the Board, employees and officers of the Group. The policy provides an opportunity for those concerned to be investigated and for appropriate action to be taken to ensure that such matter is resolved effectively within the Group wherever possible.

The Whistleblowing Policy will be reviewed by the Board, and revised as and when required, on an annual basis to ensure its effectiveness and the policy is made available on the Company's website at <https://www.cnasia.com>.

ASSURANCE

This statement has not been externally assured. Nevertheless, this statement is prepared in line with the required reporting frameworks and procedures where data are reported accurately and have been reviewed by the Audit and Risk Management Committee and approved by the Board.

MOVING FORWARD

The Group will continue to enhance its efforts toward sustainability growth by actively engaging with its stakeholders and conscientiously formulating and implementing programs that will positively impact the EES as one of our main CSR initiatives to ensure sustainable future for its stakeholders.

Sustainability Statement

(cont'd)

PERFORMANCE DATA

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-corruption	(a) Percentage of employees-who have received training-on anti-corruption by employee-category	—	—	—	No assurance
—	Management	Percentage	100	—	No assurance
—	Executive	Percentage	95	—	No assurance
—	Non-Executive/Staff	Percentage	90	—	No assurance
—	(b) Percentage of operations-assessed for corruption-related-risks	Percentage	—	—	No assurance
—	(c) Confirmed incidents of corruption and action taken	Number	0	—	No assurance
2. Community/Society	(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,988	—	No assurance
—	(b) Total number of beneficiaries of the investment in communities	Number	2	—	No assurance
3. Diversity	(a) Percentage of employees by gender and age group, for each employee category	—	—	—	No assurance
—	(i) Age Group by Employee Category	—	—	—	No assurance
—	Management Under 30	Percentage	2	—	No assurance
—	Management Between 30 to 50	Percentage	6	—	No assurance
—	Management Above 50	Percentage	8	—	No assurance

Sustainability Statement

(cont'd)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Executive Under 30	Percentage	25	—	No assurance
—	Executive Between 30 to 50	Percentage	18	—	No assurance
—	Executive Above 50	Percentage	4	—	No assurance
—	Non-Executive/Staff Under 30	Percentage	14	—	No assurance
—	Non-Executive/Staff Between 30 to 50	Percentage	14	—	No assurance
—	Non-Executive/Staff Above 50	Percentage	10	—	No assurance
—	(ii) Gender Group by Employee Category	—	—	—	No assurance
—	Management Male	Percentage	12	—	No assurance
—	Management Female	Percentage	4	—	No assurance
—	Executive Male	Percentage	33	—	No assurance
—	Executive Female	Percentage	14	—	No assurance
—	Non-Executive/Staff Male	Percentage	27	—	No assurance
—	Non-Executive/Staff Female	Percentage	10	—	No assurance
—	(b) Percentage of directors by gender and age group	—	—	—	No assurance
—	Male	Percentage	86	—	No assurance
—	Female	Percentage	14	—	No assurance

Sustainability Statement

(cont'd)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Below 30	Percentage	14	—	No assurance
—	Between 30-50	Percentage	29	—	No assurance
—	Above 50	Percentage	57	—	No assurance
4. Energy management	(a) Total energy consumption	kiloWatt/hour	1,260,968	—	No assurance
5. Health and safety	(a) Number of lost time injuries	Number	0	—	No assurance
—	(b) Number of lost time fatalities	Number	0	—	No assurance
—	(c) Lost time incident rate ("LTIR")	Rate	0	—	No assurance
—	(d) Number of employees trained on health and safety standards	Number	42	—	No assurance
6. Labour practices and standards	(a) Total hours of training by employee category	—	—	—	No assurance
—	Management	Hours	239	—	No assurance
—	Executive	Hours	621	—	No assurance
—	Non-Executive/Staff	Hours	259.5	—	No assurance
—	(b) Percentage of employees that are contractors or temporary staff	Percentage	0	—	No assurance
—	(c) Total number of employee turnover by employee category	—	—	—	No assurance
—	Management	Number	6	—	No assurance
—	Executive	Number	3	—	No assurance

Sustainability Statement

(cont'd)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
—	Non-Executive/Staff	Number	8	—	No assurance
—	(d) Number of substantiated complaints concerning human rights violations	Number	0	—	No assurance
7. Supply chain and management	(a) Proportion of spending on local suppliers	Percentage	97	—	No assurance
8. Data privacy and security	(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	No assurance
9. Water	(a) Total volume of water used	m3	8,916	—	No assurance
10. Waste management	(a) Total waste generated	Tonne	9.8	—	No assurance

Additional Compliance Information

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE EXERCISE

On 15 and 16 July 2024, TA Securities Holdings Berhad ("TA Securities") on behalf of the Company announced that the Company proposed to undertake a private placement of up to 10% of the existing total number of issued shares of the Company to independent third-party investor(s) ("Private Placement"). The Private Placement entails an issuance of up to 24,525,600 new ordinary shares of the Company.

Bursa Securities had, vide its letter dated 3 September 2024, approved the listing and quotation of up to 24,525,600 new ordinary shares to be issued pursuant to the Private Placement.

The following is the information in respect of each staggered issuance :

Tranche	Price-fixing Date	Listing Date	No. of Shares Issued and Alloted	Issue Price	Basis
First	11/09/2024	23/09/2024	12,000,000	RM0.0780	(i)
Final	21/02/2025	28/02/2025	12,525,600	RM0.0560	(ii)
Total No. of Shares Issued and Alloted			24,525,600		

- (i) Represents a discount of RM0.0085 or approximately 9.83% to the 5D-VWAP of the Company's share up to and including 10/09/2024, being the last market day immediately preceding the Price-fixing Date, of RM0.0865 per share.
- (ii) Represents a discount of RM0.0059 or approximately 9.53% to the 5D-VWAP of the Company's share up to and including 20/02/2025, being the last market day immediately preceding the Price-fixing Date, of RM0.0619 per share.

The total proceeds of RM1,637,434 raised from this Private Placement have been fully utilised for repayment of bank borrowings, working capital and expenses incurred on the Private Placement exercise as follows:

Purpose	Proceeds raised RM'000	Utilisation RM'000
Repayment of bank borrowings	1,446	(1,446)
Working Capital	110	(110)
Expenses incurred on the exercise	81	(81)
	1,637	(1,637)

Save for the conversion of options under the Employees' Share Issuance Scheme of the Company details of which are set out below, there were no other issuance of new shares, rights issue or issuance of bonds during the financial period to raise any cash proceeds.

2. NON-AUDIT FEES

The amounts of audit fees and non-audit fees paid / payable to the external auditors of the Group during the FPE 2025 are as follows:

Paid / Payable By	Audit Fees RM	Non-Audit Fees RM	Total (RM)
Company	80,000	8,000	88,000
Group	230,000	23,000	253,000

Additional Compliance Information (cont'd)

3. MATERIAL CONTRACTS OR LOANS INVOLVING DIRECTORS OR MAJOR SHAREHOLDERS

There were no material contracts of the Company and subsidiaries involving Directors' and major shareholders' interests during the financial period. There were no contracts relating to loans entered into by the Company and its subsidiaries which involve the Directors' and major shareholders' interest during the FPE 2025.

4. RECURRENT RELATED PARTY TRANSACTIONS STATEMENT

The Company did not incur any significant recurrent related party transactions of a revenue / trading nature during the FPE 2025. The statement of recurrent related party transactions is disclosed in Note 30 to the Financial Statements.

5. SHARE ISSUANCE SCHEME ("SIS")

The Company has established and implemented a SIS of not more than 15% of the issued shares of the Company with effect from 15 June 2021 for a duration of five (5) years expiring on 14 June 2026. The SIS is governed by its By-Laws approved by the shareholders at an Extraordinary General Meeting held on 11 May 2021.

The total number of options granted, exercised and outstanding under the SIS as at the FPE 2025 are set out in the table below:-

	Since Commencement of SIS (‘000)	During FPE 2025 (‘000)
Total number of options granted	26,800	-
Total number of options surrendered	18,000	-
Total number of options exercised	8,200	-
Total number of options outstanding/unexercised	600	-

Additional Compliance Information (cont'd)

6. SHARE ISSUANCE SCHEME ("SIS") cont'd

(b) Total number of Options granted, exercised and outstanding during FPE 2025:

Category of Participants	Offer date	Exercise price per SIS (RM)	Total number of Options Granted		Number of Options Exercised		Number of Options Surrendered		Total number of Options Outstanding As at beginning of the period		As at FPE 2025 ('000)
			Number ('000)	%	Number ('000)	%	Number ('000)	%	Number ('000)	%	
Directors	13/08/21	0.406	18,000	67	2	-	-	18,000	100	2	-
Key Senior Management	16/08/21	0.405	800	3	1	800	10	-	-	-	-
Middle Management	16/08/21	0.405	4,800	18	1	4,800	58	-	-	-	-
Middle Management	25/02/22	0.350	3,200	12	1	2,600	32	-	600	-	600
Total			26,800	100	5	8,200	100	18,000	100	2	600

There were no options granted and exercised during the FPE 2025.

(c) Total number of Options granted to the Directors and Eligible Employees during the FPE 2025 and since the commencement of the Scheme:

Category	Maximum Number of Options Allocation			Options Granted		
	Commencement of Scheme Number ('000)	%	FPE 2025 Number ('000)	Commencement of Scheme Number ('000)	%	FPE 2025 Number ('000)
Directors	18,000	67	-	18,000	67	-
Key Senior Management	800	3	-	800	3	-
Middle Management	8,000	30	-	8,000	30	-
Total	26,800	100	-	26,800	100	-

Note: Aggregate maximum allocation applicable to Directors and Key Senior Management in percentage is 80%.

(d) There were no options offered to and exercised by, or shares granted to and vested in (if any) Directors and Key Senior Management pursuant to the SIS in respect of the FPE 2025.

Additional Compliance Information (cont'd)

7. CHANGE OF FINANCIAL YEAR END

On 25 May 2025, the Board of Directors of the Company approved the change in financial year end of the Group from 31 March 2025 to 30 September 2025 as a result of the disqualifying of our previous auditors, Messrs. Chengco PLT to audit public interest entities by the Audit Oversight Board of the Securities Commission Malaysia and to provide adequate time for the new auditors to perform and complete the audit. Consequently, the current audited financial statements are made up from 1 April 2024 to 30 September 2025, covering a period of 18 months.

Statement on Risk Management and Internal Control

The Board is pleased to present its Statement on Risk Management and Internal Control (“Statement”) pursuant to Paragraph 15.26 (b) of the MMLR of Bursa Malaysia Securities Berhad (“Bursa Securities”) and in accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers (the “Guidelines”) and taking into consideration the recommendations of the Malaysian Code on Corporate Governance.

This Statement outlines the nature and scope of risk management and internal control of the Company and its subsidiaries (“Group”) during the financial period from 1 April 2024 to 30 September 2025 (“FPE 2025”).

BOARD RESPONSIBILITY

The Board acknowledges its responsibilities for maintaining a sound risk management framework and system of internal control in order to safeguard shareholders’ interest and the Group’s assets, and for reviewing the adequacy and integrity of the same. Given the limitations that are inherent in any system of risk management and internal control, the system adopted by the Group is designed to mitigate rather than to eliminate the risks that may impede the Group’s achievement of its business objectives. Therefore, the Group’s risk management framework and internal control system can only provide reasonable but not absolute assurance against material misstatement, financial losses or fraud.

Accordingly, the Statement that has been prepared in accordance with the Guidelines endorsed by Bursa Securities and the Board has confirmed that there is an on-going process for identifying, evaluating and managing significant risks faced by the Group in achieving its objectives and strategies.

RISK MANAGEMENT FRAMEWORK

The Group has a firmly embedded process in identifying, evaluating, prioritizing and reporting the major business risks of the Group with the objective of maintaining a reasonably sound system of internal control. Regular reviews, evaluations and updates of the risk profile and the corresponding action plans have been reported to the Board. The Board, through the Audit and Risk Management Committee (“ARMC”), oversees the risk management and internal control system of the Group. The Board is also supported by the Executive Directors and senior management personnel of the Group in the implementation of the Board’s policies and procedures on risk management and internal control to ensure that the Group’s assets and shareholders’ interest are protected, and that shareholders’ value is preserved or enhanced.

The Group’s Risk Management Procedure outlines the risk management framework which consists of a combination of the core elements that define business risk assessment, namely the process of identification, assessment, treatment, implementation and reviewing of risks. The Risk Management Procedure has been established based on the guidelines in the Group’s ISO 9001:2015 Quality Management System (“QMS”). The Management Representative of the QMS is responsible for the co-ordination of the risk management activities of the Group as an on-going process.

The Group continued its efforts in reviewing, assessing and analyzing the risks and opportunities as documented in the Risk and Opportunity Register to ensure that the risks are being monitored, managed and reduced if not eliminated. Each Risk Owner that has been assigned with the risk is responsible to manage the risk and implementing the Risk Treatment Plan as proposed, continuously assessing the risks, compiling and recording the process and activities in the Risk Assessment Reports on a systematic and regular basis.

During the 18 months FPE 2025, there were two (2) Risk Assessment Reports issued and were reviewed and tabled at the Management Review Meeting held in April 2024 and January 2025. The treatment and action plan for risks that were rated at medium level were deliberated during the meeting and the effectiveness of the treatment plan were reviewed at the Management Review Meeting to ensure that the processes to mitigate identified risks are effectively implemented and maintained on a continuous basis which forms part of the Group’s QMS procedures. These reports were then reviewed by a third-party surveillance team in April 2024 and January 2025 respectively to further enhance the risk assessment and management process within the Group. In addition, the Group emphasises greatly on health, safety and environment practices to ensure that our employees, shareholders, stakeholders, assets and the surrounding environment in which we operate are safe.

There were seven (7) ARMC meetings held during the FPE 2025 and the details of the attendance of ARMC members are disclosed in the Audit and Risk Management Committee Report.

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

During the ARMC meetings, the Group's risk and opportunity profile, analysed by departments, comprising risk matrix, impact/harm, the risk profile and Risk and Opportunity Register were reviewed, deliberated and recommended for the Board's approval.

Hence, the Group has in place the necessary review and reporting and implementation processes to cultivate the appropriate discipline to continuously improve the risk management capabilities of the respective Risk Owners.

INTERNAL CONTROL PROCESS

The Group's system of internal control comprises the following key elements: -

- Organization structure with clear lines of roles and responsibilities including delegation of duties are well-defined to ensure enhancement of the Group's performance.
- Delegations of authority including authorization limits at appropriate levels of management are clearly defined to ensure accountabilities and responsibilities as prescribed in the Authority Matrix.
- Documented standard operating policies and procedures are regularly reviewed and revised to meet operational needs and made available and accessible by all employees.
- Systematic and regular audits are carried out to ensure compliance with the ISO 9001:2015 QMS of its subsidiary company, Chip Ngai Engineering Works Sdn Bhd.
- Centralised human resource function that sets out the policies for recruitment, training and appraisal of the employees within the Group.
- The outsourced Internal Auditors assist the ARMC in discharging its duties in maintaining and monitoring the internal control systems within the Group.
- Regular Board and ARMC meetings are carried out to review and assess the overall performance and internal controls of the Group.
- Adequate credit risk assessments are carried out by the money lending team in its wholly-owned subsidiary on potential borrowers prior to loan disbursement.
- Adequate reports are generated on a consistent basis for review on the operational and financial performance of the Group.
- Scheduled and ad-hoc operation and management meetings were held and attended by the Executive Directors and heads of the department to discuss and resolve business and operational issues.
- Training needs are reviewed and analysed on an annual basis to identify appropriate training and development programs to be conducted to ensure the staff are competent in carrying out their duties and responsibilities.
- The Anti-Bribery and Corruption Policy sets out the procedures to observe and uphold the position on the areas of bribe, corruption, gifts, facilitation payment and kickbacks and the Group adopted a zero-tolerance approach against all forms of bribery and corruption.
- The Whistle Blowing Policy provides an avenue to raise concerns and report breach or suspected breach of any laws, regulations, business principle, policies or guidelines, in a safe and confidential manner.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to external consultants to review and evaluate the adequacy and effectiveness of the Group's systems of internal control and risk management processes. Internal audits are carried out on a risk-based approach, in line with the Group's objectives and policies, taking into consideration input from the Executive Directors and the senior management.

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

The assessment of the adequacy and effectiveness of the internal controls is conducted through periodic reviews of the Group's active business operations via interviews and discussions with key management staff, review of the relevant established policies and procedures, authority matrix including observing and testing of the internal controls on a sampling basis based on the Internal Audit Plan as approved by the ARMC. The outsourced internal audit function provides the ARMC with periodic internal audit reports identifying risks and internal control gaps of the existing state of internal control, highlighting observations and providing recommendations with management action plans to improve the system of internal control. Regular follow-up audits were carried out to ensure that the remedial actions in respect of internal control deficiencies, as recommended in the internal audit reports, have been adequately addressed by the management.

During the FPE 2025, the outsourced Internal Auditors reviewed and assessed the Group's Human Resource Department. Their scope included the review on employment policy, administrative matters, segregation of duties and PDPA notice to job applicant. The outsourced Internal Auditors identified and evaluated risk areas of the Group's Human Resource Department through reviewing and verifying supporting documents, interviews, discussions and thorough review with the head of department to understand, review and discuss the proposed actions to be taken in managing as well as mitigating the identified risks.

Upon completion of the reviews, the outsourced Internal Auditors outlined areas of concern and recommended improvements to the management. The findings were reported to the ARMC and the same were deliberated and approved by the Board. Based on the findings, the identified areas of concern in the internal controls have not resulted in any material or significant losses and/or require further disclosure in this Statement. The costs incurred for the internal audit functions for FPE 2025 were approximately RM31,490.

WEAKNESSES IN RISK MANAGEMENT AND INTERNAL CONTROLS THAT RESULT IN MATERIAL LOSSES

The Board remains committed to maintaining a robust system of risk management and internal control and is of the opinion that there were no material financial losses, contingencies or uncertainties resulting from weaknesses in risk management and internal control that would require disclosure in the Group's annual report for the FYE 2025. The management continues to take measures to strengthen the control environment as an on-going process incorporated in the Group's ISO 9001:2015 QMS.

ASSURANCE FROM MANAGEMENT

The Board has received assurance from the Executive Directors and the Group Financial Controller that the Group's risk management and internal control system are adequate and effective, in all material aspects, during the financial year under review and up to date of this Statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the MMLR of Bursa Securities, the external auditors have reviewed this Statement on Risk Management and Internal Control to be included the annual report of the Group for the FPE 2025. Their limited assurance review was performed in accordance with the 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" issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

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

CONCLUSION

In view of the above control measures carried out in the Company, the Board believes that the above framework is considered appropriate for the Group's business operations to provide reasonable assurance of the integrity of the Group's risk management and systems of internal control and that the risks are at an acceptable level throughout the Group's business operations. There were no material financial losses incurred during the financial year under review as a result of weaknesses in the Group's risk management and system of internal control.

The Board is of the view that the system of risk management and internal controls in place are satisfactory to protect the Group's interest and that of its stakeholders, including the preservation of shareholders' value.

The Board together with the management will continue to take appropriate control measures and actions in order to further strengthen the Group's control environment.

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DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial period ended 30 September 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are as an investment holding and management services provider.

The principal activities of the subsidiaries are disclosed in *Note 5* to the financial statements.

CHANGE OF FINANCIAL YEAR END

On 26 May 2025, the Board of Directors has approved the change of financial year end of the Company from 31 March to 30 September, accordingly, the current financial period covered in these financial statements is for a period of 18 months from 1 April 2024 to 30 September 2025. Consequently, the comparative amounts for the statements of financial position, statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows and related notes to the financial statements are not comparable.

FINANCIAL RESULTS

	<i>Group</i>	<i>Company</i>
	RM	RM
Loss after tax	<u>(10,955,676)</u>	<u>(45,156,386)</u>

DIVIDEND

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial period.

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT

(cont'd)

ISSUE OF SHARES AND DEBENTURES

During the financial period, the Company reduced its issued share capital from RM75,046,283 to RM41,683,717 by way of private placements and share capital reduction as follows:

- (i) On 19 September 2024, the Company issued 12,000,000 new ordinary shares pursuant to private placement at an issue price of RM0.078 per placement share for a total consideration of RM936,000.
- (ii) On 26 February 2025, the Company issued 12,525,600 new ordinary shares pursuant to private placement at an issue price of RM0.056 per placement share for a total consideration of RM701,434.
- (iii) Share capital reduction of RM35,000,000 pursuant to Section 117 of the Companies Act 2016 via a notice dated 11 July 2025 issued by the Registrar of Companies.

The new ordinary shares issued during the financial period rank *pari passu* in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures by the Company during the financial period.

REDUCTION OF SHARE CAPITAL

During the financial period, a special resolution was passed by shareholders on 21 April 2025 to reduce the issued share capital of the Company by RM35 million pursuant to Section 117 of the Companies Act 2016. The reduction involved the cancellation of share capital that was not represented by available assets, with the objective of eliminating the Company's accumulated losses.

WARRANTS 2021/2024

The Warrants 2021/2024 ("the Warrants") were constituted under the Deed Poll dated 12 May 2021. The Warrants were issued on 9 June 2021 in conjunction with the Proposed Bonus Issue of Warrants of the Company on the basis of one (1) free Warrant for every two (2) existing ordinary shares of the Company. Each Warrant entitled the registered holder, at any time during the exercise period, to subscribe for one (1) new ordinary share at an exercise price of RM0.42 per Warrant. The Warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.

The movements in the Warrants during the financial period were as follows: -

	<----- Number of Warrants ----->			
	<i>As at</i>			<i>As at</i>
	<i>01.04.2024</i>	<i>Issued</i>	<i>Expired</i>	<i>30.09.2025</i>
Warrants 2021/2024	30,201,970	-	(30,201,970)	-

The Warrants lapsed on 7 June 2024, as at the end of the financial period, there was no Warrants.

Directors' Report (cont'd)

SHARE OPTIONS

No options were granted to any person to take up unissued shares of the Company during the financial period apart from the issue of options pursuant to the Share Issuance Scheme ("SIS") of the Company.

At an Extraordinary General Meeting held on 11 May 2021, the Company's shareholders approved the establishment of SIS of not more than 15% of the issued and paid-up share capital of the Company at the point of time throughout the duration of the scheme to eligible Directors and employees of the Group. The salient features and other terms of the SIS are disclosed in the *Note 31* to the financial statements.

As at 30 September 2025, the options offered to take up unissued ordinary shares and the exercise price are as follows:

<i>Date of offer</i>	<i>Exercise price RM</i>	<-----Number of options of ordinary shares ----->			
		<i>At 01.04.2024</i>	<i>Granted</i>	<i>Exercised</i>	<i>At 30.09.2025</i>
15 February 2022	0.35	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>600,000</u>

DIRECTORS

The Directors in office during the financial period until the date of this report are as follows:

Datuk Seri Tan Choon Hwa
 Chang Chee Ching*
 YM Tengku Shamsulbhari Bin Tengku Azman Shah*
 YM Tengku Ummil Zulaikha Kalsom
 Binti Tengku Shamsulbhari
 Nadanarajah A/L Ramalingam
 Datuk Mohamad Fazly Bin Zainudin
 Ashraf Bin Kahasani

**Director of the Company and its subsidiaries*

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Group or the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in *Note 26* to the financial statements, or the fixed salary of a full-time employee of the Company) 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 Director has a substantial financial interest.

Neither during nor at the end of the financial period, was the Company a party to any arrangement whose object was 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' Report (cont'd)

DIRECTORS' REMUNERATION

The details of the Directors' remuneration of the Group and of the Company during the financial period ended 30 September 2025 are as follows:

	Group RM	Company RM
Directors of the Company		
Executive directors		
- salary	810,000	-
- defined contribution benefits ("EPF")	97,200	-
- social security contributions	2,228	-
	<u>909,428</u>	<u>-</u>
Non-executive directors		
- fees	270,000	270,000
	<u>270,000</u>	<u>270,000</u>
	<u>1,179,428</u>	<u>270,000</u>

DIRECTORS' INTEREST

According to the Register of Directors' Shareholdings, particulars of interests of directors who held office at the end of the financial period in the shares and options over shares in the Company or its related companies during the financial period are as follows:

(a) Ordinary shares in the Company

	<----- Number of Ordinary Shares ----->			
	<i>As at 01.04.2024</i>	<i>Bought</i>	<i>Sold</i>	<i>As at 30.09.2025</i>
<u>Direct interests</u>				
Datuk Seri Tan Choon Hwa	4,583,100	-	-	4,583,100

(b) Options over ordinary shares in the Company - NIL

The other Directors holding office at the end of the financial period have no interest in shares or options in the Company or its related corporations during the financial period.

Directors' Report (cont'd)

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

There was no indemnity given to or insurance effected for any directors, officers or auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
 - (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) 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; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

In the opinion of the Directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (ii) the results of the operations of the Group and of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and

Directors' Report

(cont'd)

OTHER STATUTORY INFORMATION (CONT'D)

- (iii) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

SUBSIDIARIES

The details of the subsidiaries are disclosed in *Note 5* to the financial statements.

SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

The Company received notice on 14 July 2025 from the Registrar of Companies confirming the reduction of share capital amounting to RM35,000,000. Accordingly, the Share Capital Reduction ("SCR") is effective on 11 July 2025. The completion of SCR has resulted the issued share capital of the Company to reduce to RM41,683,717 comprising 269,182,510 ordinary shares as at 30 September 2025.

Directors' Report (cont'd)

AUDITORS

The auditors' remuneration for the financial period ended 30 September 2025 of the Group and of the Company are as follows:

	<i>Group</i> RM	<i>Company</i> RM
- Audit	<u>230,000</u>	<u>80,000</u>

The auditors, Messrs. SBY Partners PLT, Chartered Accountants, have expressed their willingness to continue in office.

Signed by the Board of Directors in accordance
with a resolution of the Directors

CHANG CHEE CHING
Director

**YM TENGKU SHAMSULBHARI BIN
TENGKU AZMAN SHAH**
Director

Kuala Lumpur,
Date: 22 January 2026

Statement By Directors

Pursuant to Section 251(2) Of The Companies Act 2016

In the opinion of the directors, the financial statements set out on pages 93 to 139 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2025 and of their results and cash flows for the financial period ended 30 September 2025.

Signed in Kuala Lumpur on 22 January 2026

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

CHANG CHEE CHING

**YM TENGKU SHAMSULBHARI BIN
TENGKU AZMAN SHAH**

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, Chang Chee Ching (MIA 3400), being the director primarily responsible for the financial management of CN Asia Corporation Bhd, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements of the Group and of the Company set out on pages 93 to 139 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed, Chang Chee Ching,
at Petaling Jaya, Selangor Darul Ehsan
on 22 January 2026

CHANG CHEE CHING

Before me:

WONG CHOY YIN (B 508)
Commissioner for Oaths

Independent Auditors' Report

to the Members of CN Asia Corporation Bhd (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CN Asia Corporation Berhad, which comprise the statements of financial position as at 30 September 2025 of the Group and of the Company, 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 period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 139.

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 30 September 2025, and of their financial performance and their cash flows for the financial period 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 Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' (*International Code of Ethics for Professional Accountants including International Independence Standards*) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Independent Auditors' Report (cont'd) to the Members of CN Asia Corporation Bhd (Incorporated in Malaysia)

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 period. 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.

Revenue recognition from contracts with customers

We refer to *Note 20 – Revenue*.

The revenue from contracts with customers of the Group comprises as follows:

- i. Sale of goods – RM35,439,061; and
- ii. Construction contracts – RM653,292.

The Group recorded revenue from contracts with customers under sale of goods is amounting to RM35,439,061 during the financial period ended 30 September 2025.

We focused on this area due to the performance obligations are distinct and material as identified by the Group and high volume of transactions for numerous contracts to produce the finished goods, moreover, the performance obligations are judgemental in the context of the contracts. Transaction prices are determined based on the estimated profit margin prior to its allocation to the identified performance obligations.

How we addressed the key audit matters

We performed the following audit procedures:

- i) Obtained an understanding of the sales transaction flows;
- ii) Inspected documentation such as delivery orders and sales invoices to ensure the description and contents are matched to each other and which evidenced the delivery of goods to customers;
- iii) Checked the accuracy of sales transaction recorded in the system during the financial period; and
- iv) Cut-off test of the sales transaction.

Independent Auditors' Report (cont'd) to the Members of CN Asia Corporation Bhd (Incorporated in Malaysia)

Information Other Than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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 misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report (cont'd) to the Members of CN Asia Corporation Bhd (Incorporated in Malaysia)

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

Independent Auditors' Report (cont'd) to the Members of CN Asia Corporation Bhd (Incorporated in Malaysia)

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

Other Matters

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

The financial statements of the Company for the financial year ended 31 March 2024 were audited by another firm of Chartered Accountants whose report dated 19 July 2024 expressed an unmodified opinion on these financial statements.

SBY PARTNERS PLT

Reg. No: 202106000003 (LLP0026726-LCA) AF: 0660
Chartered Accountants

CHONG YAW HUEI

03786/09/2027 J
Chartered Accountant

Kuala Lumpur,
Date: 22 January 2026

Statements of Financial Position

as at 30 September 2025

	<i>Note</i>	<i>Group</i>		<i>Company</i>	
		30.09.2025	31.03.2024	30.09.2025	31.03.2024
		RM	RM	RM	RM
			<i>Restated</i>		
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	5,953,763	7,042,040	-	-
Investment in subsidiary companies	5	-	-	-	33,305,363
Right-of-use asset	6	6,637,356	4,427,105	-	-
Intangible asset	7	-	-	-	-
Total Non-Current Assets		<u>12,591,119</u>	<u>11,469,145</u>	<u>-</u>	<u>33,305,363</u>
Current Assets					
Inventories	8	3,624,407	3,653,671	-	-
Trade receivables	9	8,149,498	14,288,978	-	-
Contract assets	10	-	426,708	-	-
Other receivables, deposits and prepayments	11	3,373,604	2,900,781	2,701,000	2,437,044
Amount owing by subsidiary companies	12	-	-	-	11,057,940
Current tax asset		348,315	93,292	58,712	48,708
Fixed deposits with licensed banks	13	11,715,938	11,310,877	-	-
Cash and bank balances	14	527,392	192,619	7,584	2,825
Total Current Assets		<u>27,739,154</u>	<u>32,866,926</u>	<u>2,767,296</u>	<u>13,546,517</u>
Total Assets		<u>40,330,273</u>	<u>44,336,071</u>	<u>2,767,296</u>	<u>46,851,880</u>

Statements of Financial Position (cont'd)

as at 30 September 2025

	Note	Group		Company	
		30.09.2025	31.03.2024	30.09.2025	31.03.2024
		RM	RM	RM	RM
			<i>Restated</i>		<i>Restated</i>
EQUITY AND LIABILITIES					
Equity					
Share capital	15	41,683,717	75,046,283	41,683,717	75,046,283
Share options reserve	15	162,000	162,000	162,000	162,000
Accumulated losses		(19,208,820)	(43,253,144)	(39,224,827)	(29,068,441)
Total equity attributable to owners of the Company		22,636,897	31,955,139	2,620,890	46,139,842
Total Equity		<u>22,636,897</u>	<u>31,955,139</u>	<u>2,620,890</u>	<u>46,139,842</u>
LIABILITIES					
Non-Current Liabilities					
Lease liabilities	16	1,628,646	-	-	-
Bank borrowings	17	2,881,398	3,028,252	-	-
Total Non-Current Liabilities		<u>4,510,044</u>	<u>3,028,252</u>	<u>-</u>	<u>-</u>
Current Liabilities					
Trade payables	18	1,911,852	1,475,160	-	-
Contract liabilities	19	3,014,841	1,321,842	-	-
Other payables and accruals	18	1,461,863	1,040,681	146,406	712,038
Lease liabilities	16	1,242,975	292,118	-	-
Bank borrowings	17	5,551,801	5,222,879	-	-
Total Current Liabilities		<u>13,183,332</u>	<u>9,352,680</u>	<u>146,406</u>	<u>712,038</u>
Total Liabilities		<u>17,693,376</u>	<u>12,380,932</u>	<u>146,406</u>	<u>712,038</u>
Total Equity and Liabilities		<u><u>40,330,273</u></u>	<u><u>44,336,071</u></u>	<u><u>2,767,296</u></u>	<u><u>46,851,880</u></u>

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

Statements of Profit or Loss and Other Comprehensive Income

for the financial period ended 30 September 2025

	<i>Note</i>	<i>Group</i>		<i>Company</i>	
		01.04.2024	01.04.2023	01.04.2024	01.04.2023
		to	to	to	to
		30.09.2025	31.03.2024	30.09.2025	31.03.2024
		RM	RM	RM	RM
			<i>Restated</i>		<i>Restated</i>
REVENUE	20	38,162,353	19,551,711	90,000	60,000
COST OF SALES		(31,169,922)	(14,851,691)	-	-
GROSS PROFIT		6,992,431	4,700,020	90,000	60,000
OTHER OPERATING INCOME	21	572,507	331,506	600,669	397,749
SELLING AND DISTRIBUTION EXPENSES		(70,881)	(34,711)	-	-
ADMINISTRATIVE EXPENSES		(7,148,858)	(4,518,066)	(1,059,327)	(548,923)
IMPAIRMENT LOSS ON RECEIVABLES		(10,554,492)	(7,356,000)	-	-
IMPAIRMENT LOSS ON AMOUNT DUE BY SUBSIDIARY COMPANIES		-	-	(11,489,440)	(16,447,966)
OTHER OPERATING EXPENSES		(64,215)	(2,748,409)	(33,305,363)	(7,167,402)
		(10,273,508)	(9,625,660)	(45,163,461)	(23,706,542)
FINANCE COSTS	22	(751,960)	(365,240)	-	-
LOSS BEFORE TAX	23	(11,025,468)	(9,990,900)	(45,163,461)	(23,706,542)
TAX INCOME/(EXPENSE)	24	69,792	(197,042)	7,075	1,459
LOSS AFTER TAX/TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD/YEAR		<u>(10,955,676)</u>	<u>(10,187,942)</u>	<u>(45,156,386)</u>	<u>(23,705,083)</u>
LOSS AFTER TAX/TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:					
Owners of the Company		<u>(10,955,676)</u>	<u>(10,187,942)</u>		
LOSS PER SHARE					
- Basic (Sen)	25	<u>(4.25)</u>	<u>(4.16)</u>		
- Diluted (Sen)	25	<u>(4.25)</u>	<u>(4.16)</u>		

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

Statements of Changes in Equity

for the financial period ended 30 September 2025

<-----Attributable to owners of the Company----->				
	Note	Non-distributable		Distributable
		Share capital	Share options reserve	Accumulated losses
Group		RM	RM	RM
Balance at 1 April 2023		75,046,283	162,000	(33,065,202)
Loss after tax		-	-	(10,187,942)
Balance at 31 March 2024/ 1 April 2024		75,046,283	162,000	(43,253,144)
Transactions with owners:				
Issuance of share from				
- Private placements	15	1,637,434	-	-
Share capital reduction	15	(35,000,000)	-	35,000,000
Loss after tax		-	-	(10,955,676)
Balance at 30 September 2025		41,683,717	162,000	(19,208,820)

Statements of Changes in Equity (cont'd)

for the financial period ended 30 September 2025

<-----Attributable to owners of the Company----->				
	Note	Non-distributable		Distributable
		Share capital	Share options reserve	Accumulated losses
<i>Company</i>		RM	RM	RM
Balance at 1 April 2023		75,046,283	162,000	(5,363,358)
Loss after tax		-	-	(23,705,083)
Balance at 31 March 2024/ 1 April 2024		75,046,283	162,000	(29,068,441)
Transactions with owners:				
Issuance of share from				
- Private placements	15	1,637,434	-	-
Share capital reduction	15	(35,000,000)	-	35,000,000
Loss after tax		-	-	(45,156,386)
Balance at 30 September 2025		41,683,717	162,000	(39,224,827)

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

Statements of Cash Flows

for the financial period ended 30 September 2025

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
<i>Note</i>	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	(11,025,468)	(9,990,900)	(45,163,461)	(23,706,542)
<i>Adjustments for:</i>				
Inventories written off	777,005	-	-	-
Property, plant and equipment written off	69,733	-	-	-
Depreciation of property, plant and equipment	1,908,585	1,283,426	-	-
Amortisation of intangible asset	-	32,018	-	-
Depreciation of right-of-use asset	1,313,937	397,975	-	-
Loss/(Gain) on foreign exchange translation				
- unrealised	29,811	(21,712)	-	-
Impairment loss on:				
- receivables	10,554,492	7,356,000	-	-
- investment in subsidiaries	-	-	33,305,363	7,166,624
- amount due by subsidiaries	-	-	11,489,440	16,447,966
- property, plant and equipment	-	2,678,614	-	-
- right-of-use asset	12,447	-	-	-
- intangible asset	-	56,033	-	-
Interest expenses	751,960	365,240	-	-
Interest income	(405,730)	(297,990)	(600,669)	(397,749)
<i>Operating profit/(loss) before working capital changes</i>	<u>3,986,772</u>	<u>1,858,704</u>	<u>(969,327)</u>	<u>(489,701)</u>
Changes in inventories	(747,741)	215,476	-	-
Changes in contract assets/liabilities	2,119,707	(87,544)	-	-
Changes in receivables	(4,887,837)	(7,447,912)	(263,956)	(636,044)
Changes in payables	<u>857,875</u>	<u>1,581,090</u>	<u>(565,632)</u>	<u>666,586</u>
<i>Cash generated from/(used in) operations</i>	<u>1,328,776</u>	<u>(3,880,186)</u>	<u>(1,798,915)</u>	<u>(459,159)</u>
Interest paid	(751,960)	(365,240)	-	-
Tax refund	47,147	-	-	-
Tax paid	<u>(232,377)</u>	<u>(50,978)</u>	<u>(2,929)</u>	<u>(1,394)</u>
<i>Net cash from/(used in) operating activities</i>	<u>391,586</u>	<u>(4,296,404)</u>	<u>(1,801,844)</u>	<u>(460,553)</u>

Statements of Cash Flows (cont'd)

for the financial period ended 30 September 2025

	<i>Group</i>		<i>Company</i>	
	01.04.2024 to 30.09.2025	01.04.2023 to 31.03.2024	01.04.2024 to 30.09.2025	01.04.2023 to 31.03.2024
<i>Note</i>	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Advance to subsidiary companies	-	-	(431,500)	(4,202,000)
Interest received	405,730	297,990	600,669	397,749
Acquisition of property, plant and equipment	(890,041)	(383,060)	-	-
<i>Net cash (used in)/from investing activities</i>	<u>(484,311)</u>	<u>(85,070)</u>	<u>169,169</u>	<u>(3,804,251)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Placement of pledged fixed deposits	(405,061)	(296,241)	-	-
Net proceeds from issuance of shares	1,637,434	-	1,637,434	-
Drawdown from bankers' acceptance	14,707,406	6,097,000	-	-
Repayment of term loan	(140,808)	(87,971)	-	-
Repayment of bankers' acceptance	(14,043,406)	(4,188,000)	-	-
Repayment of lease liabilities	(957,132)	(372,869)	-	-
<i>Net cash from financing activities</i>	<u>798,433</u>	<u>1,151,919</u>	<u>1,637,434</u>	<u>-</u>
<i>Net increase/(decrease) in cash and cash equivalents</i>	705,708	(3,229,555)	4,759	(4,264,804)
<i>Effect of change in foreign exchange differences</i>	(29,811)	21,712	-	-
<i>Cash and cash equivalents at beginning of period/year</i>	<u>(1,554,072)</u>	<u>1,653,771</u>	<u>2,825</u>	<u>4,267,629</u>
<i>Cash and cash equivalents at end of period/year</i>	<u><u>(878,175)</u></u>	<u><u>(1,554,072)</u></u>	<u><u>7,584</u></u>	<u><u>2,825</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:				
Fixed deposits with licenced banks	13 11,715,938	11,310,877	-	-
Cash and bank balances	14 527,392	192,619	7,584	2,825
Bank overdrafts	17 (1,405,567)	(1,746,691)	-	-
	10,837,763	9,756,805	7,584	2,825
<i>Less: Fixed deposits pledged as securities</i>	<u>(11,715,938)</u>	<u>(11,310,877)</u>	<u>-</u>	<u>-</u>
	<u><u>(878,175)</u></u>	<u><u>(1,554,072)</u></u>	<u><u>7,584</u></u>	<u><u>2,825</u></u>

Statements of Cash Flows (cont'd)

for the financial period ended 30 September 2025

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Bankers' acceptance RM	Term loan RM	Lease liability RM	Total RM
As at 1 April 2023	1,468,000	3,215,411	664,987	5,348,398
Interest expenses	112,647	146,570	23,132	282,349
Drawdown	6,097,000	-	-	6,097,000
Repayment of lease liabilities/ term loan/banker's acceptance	(4,188,000)	(87,971)	(372,869)	(4,648,840)
Interest paid	<u>(112,647)</u>	<u>(146,570)</u>	<u>(23,132)</u>	<u>(282,349)</u>
As at 31 March 2024	3,377,000	3,127,440	292,118	6,796,558
Addition	-	-	3,536,635	3,536,635
Interest expenses	269,347	211,002	139,868	620,217
Drawdown	14,707,406	-	-	14,707,406
Repayment of lease liabilities/ term loan/banker's acceptance	(14,043,406)	(140,808)	(957,132)	(15,141,346)
Interest paid	<u>(269,347)</u>	<u>(211,002)</u>	<u>(139,868)</u>	<u>(620,217)</u>
As at 30 September 2025	<u>4,041,000</u>	<u>2,986,632</u>	<u>2,871,621</u>	<u>9,899,253</u>

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

Notes to the Financial Statements

30 September 2025

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

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

The address of the registered office and principal place of business of the Company is at Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor.

The consolidated financial statements of the Company as at and for the financial period ended 30 September 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The principal activities of the Company are as an investment holding and management services provider. The principal activities of the subsidiary companies are as set out in *Note 5*. There were no significant changes in the nature of these activities during the financial period.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

(a) Statement of compliance

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

The financial statements of the Group and the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies below.

Adoption of new and amended standards

The Group and the Company have adopted the following new standards and amendments to standards issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial period:

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

Notes to the Financial Statements (cont'd)

30 September 2025

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

(a) Statement of compliance (Cont'd)

New MFRS and amendments to MBRS in issued but not yet effective

The Group and the Company have not applied the following amendments to MFRS that have been issued by the MASB but are not yet effective for:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to MFRS 11	Accounting Standards – Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above amendments to standards, if applicable, when they become effective.

The initial application of the above mentioned amendments to standards are not expected to have any significant impacts on the financial statements of the Group and the Company.

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia (“RM”), which is the Group’s and the Company’s functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

There are no significant areas of estimation uncertainty and critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

Notes to the Financial Statements (cont'd)

30 September 2025

3. MATERIAL ACCOUNTING POLICIES

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

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

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in the following notes:

<i>Note 4</i>	Depreciation and useful lives of property, plant and equipment
<i>Note 6</i>	Depreciation of right-of-use asset
<i>Note 9</i>	Expected credit loss on trade receivables

Notes to the Financial Statements (cont'd)

30 September 2025

4. PROPERTY, PLANT AND EQUIPMENT

<i>Group</i>	Furniture, fittings and equipment	Motor vehicles	Plant and machinery	Capital work- in-progress	Total
<i>Cost</i>	RM	RM	RM	RM	RM
At 1 April 2023	1,518,018	171,492	27,209,856	5,442,218	34,341,584
Additions	86,505	-	205,055	91,500	383,060
At 31 March 2024/ 1 April 2024	1,604,523	171,492	27,414,911	5,533,718	34,724,644
Additions	56,041	-	831,300	2,700	890,041
Write off	(1,150)	-	-	(69,500)	(70,650)
Reclassification	335,603	-	-	(335,603)	-
At 30 September 2025	1,995,017	171,492	28,246,211	5,131,315	35,544,035
<i>Accumulated depreciation</i>					
At 1 April 2023	778,223	113,813	22,828,528	-	23,720,564
Charge for the financial year	178,485	10,986	1,093,955	-	1,283,426
At 31 March 2024/ 1 April 2024	956,708	124,799	23,922,483	-	25,003,990
Charge for the financial period	356,929	16,479	1,535,177	-	1,908,585
Write off	(917)	-	-	-	(917)
At 30 September 2025	1,312,720	141,278	25,457,660	-	26,911,658
<i>Accumulated impairment</i>					
At 1 April 2023	-	-	-	-	-
Charge for the financial year	-	-	-	2,678,614	2,678,614
At 31 March 2024/1 April 2024	-	-	-	2,678,614	2,678,614
Charge for the financial period	-	-	-	-	-
At 30 September 2025	-	-	-	2,678,614	2,678,614
<i>Net carrying amount</i>					
At 30 September 2025	682,297	30,214	2,788,551	2,452,701	5,953,763
At 31 March 2024	647,815	46,693	3,492,428	2,855,104	7,042,040

Notes to the Financial Statements (cont'd)

30 September 2025

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

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) *Subsequent costs*

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) *Depreciation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

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

Capital work-in-progress are not depreciated until the assets are ready for their intended use.

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

	%
Furniture, fittings and equipment	11 – 50
Motor vehicles	13 – 16
Plant and machinery	5 – 10

Notes to the Financial Statements (cont'd)

30 September 2025

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

If there is an indication that there has been a significant change since the last annual reporting date in the pattern by which the Group and the Company expect to consume an asset's future economic benefits, the Group and the Company would review its present depreciation method and, if current expectations differ, the Group and the Company would amend the residual value, depreciation method or useful life to reflect the new pattern.

5. INVESTMENT IN SUBSIDIARY COMPANIES

	<i>Company</i>	
	30.09.2025	31.03.2024
	RM	RM
Unquoted shares in Malaysia, at cost		
At 1 April 2024/1 April 2023	55,860,175	30,458,115
Additions	-	25,402,060
At 30 September 2025/31 March 2024	<u>55,860,175</u>	<u>55,860,175</u>
<i>Less: Accumulated impairment losses</i>		
At 1 April 2024/1 April 2023	22,554,812	15,388,188
Additions	33,305,363	7,166,624
At 30 September 2025/31 March 2024	<u>55,860,175</u>	<u>22,554,812</u>
<i>Net carrying value</i>		
At 30 September 2025/31 March 2024	<u>-</u>	<u>33,305,363</u>

Investment in subsidiary companies are measured at cost less impairment losses.

Details of the subsidiary companies are as follows:

<u>Name of subsidiary companies</u>	<u>Country of incorporation</u>	<u>Effective equity interest</u>		<u>Principal activities</u>
		<u>2025</u>	<u>2024</u>	
		%	%	
Direct holding:				
Asia Tank Containers (Malaysia) Sdn. Bhd.	Malaysia	100	100	Dormant
Chip Ngai Engineering Works Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading of tanks and related products, specialized engineering, fabrication and sub-contractor for civil engineering works
CN Asia Capital Sdn. Bhd.	Malaysia	100	100	Dormant
Douwin Sdn. Bhd.	Malaysia	100	100	Investment holding
Southborn Capital Sdn. Bhd.	Malaysia	100	100	Provision of finance through moneylending business

Notes to the Financial Statements (cont'd)

30 September 2025

6. RIGHT-OF-USE ASSET

	Leasehold land	Factory land and building	Total
<i>Group</i>	RM	RM	RM
<i>Cost</i>			
At 1 April 2023/31 March 2024/ 1 April 2024	4,288,863	2,148,424	6,437,287
Addition	-	3,536,635	3,536,635
At 30 September 2025	<u>4,288,863</u>	<u>5,685,059</u>	<u>9,973,922</u>
<i>Accumulated depreciation</i>			
At 1 April 2023	82,056	1,530,151	1,612,207
Charge for the financial year	44,676	353,299	397,975
At 31 March 2024/1 April 2024	126,732	1,883,450	2,010,182
Charge for the financial period	66,564	1,247,373	1,313,937
At 30 September 2025	<u>193,296</u>	<u>3,130,823</u>	<u>3,324,119</u>
<i>Accumulated impairment</i>			
At 1 April 2023/31 March 2024/ 1 April 2024	-	-	-
Charge for the financial period	12,447	-	12,447
At 30 September 2025	<u>12,447</u>	<u>-</u>	<u>12,447</u>
<i>Net carrying amount</i>			
At 30 September 2025	<u>4,083,120</u>	<u>2,554,236</u>	<u>6,637,356</u>
At 31 March 2024	<u>4,162,131</u>	<u>264,974</u>	<u>4,427,105</u>

Leasehold land is pledged to a financial institution for banking facilities granted to the Group (*Note 17*).

The Group recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases excluding short-term leases or leases for which the underlying asset is of low value, conveying the right to control the use of an identified asset for a period of time.

The right-of-use is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred and an estimate of costs to dismantle and remove the underlying asset or site on which it is located on, any lease incentives.

Notes to the Financial Statements (cont'd)

30 September 2025

6. RIGHT-OF-USE ASSET (CONT'D)

The expenses charged to the profit or loss during the financial period is as follows:

	2025	2024
	RM	RM
Depreciation of right-of-use assets	1,313,937	397,975
Interest on lease liabilities	139,868	23,132
Payment relating to short-term lease	<u>76,318</u>	<u>19,964</u>

The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use asset are as follows:

Leasehold land	96 years
Factory land and building	33.33%

Subsequent to initial recognition, the right-of-use asset is measured at cost less accumulated depreciation and any accumulated losses, and adjusted for any remeasurement of the lease liability.

7. INTANGIBLE ASSET

	License
	RM
<i>Group</i>	
<i>Cost</i>	
At 1 April 2023/31 March 2024/1 April 2024/30 September 2025	<u>160,092</u>
<i>Accumulated amortisation</i>	
At 1 April 2023	72,041
Charge for the financial year	<u>32,018</u>
At 31 March 2024/1 April 2024/30 September 2025	<u>104,059</u>
<i>Accumulated impairment</i>	
At 1 April 2023	-
Charge for the financial year	<u>56,033</u>
At 31 March 2024/1 April 2024/30 September 2025	<u>56,033</u>
<i>Net carrying amount</i>	
At 30 September 2025	<u>-</u>
At 31 March 2024	<u>-</u>

Intangible asset that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Notes to the Financial Statements (cont'd)

30 September 2025

7. INTANGIBLE ASSET (CONT'D)

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful life for the current period is as follows:

	%
License	20

If there is an indication that there has been a change in the residual value or useful life of an intangible asset since the last annual reporting date, the Group would review its previous estimates and, if current expectations differ, the Group would amend the residual value, amortisation method or useful life.

8. INVENTORIES

	Group 30.09.2025	31.03.2024
	RM	RM
At cost:		
Raw materials	790,801	609,683
Work-in-progress	1,829,991	1,744,377
Finished goods	566,934	904,180
Consumables	436,681	395,431
	<u>3,624,407</u>	<u>3,653,671</u>
Inventories recognised as expenses	17,081,775	6,648,247
Inventories written off	<u>777,005</u>	<u>-</u>

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

Costs are incurred in bringing the inventories to their present location and condition are accounted as follows:

- Raw material: First-in-first-out basis
- Finished goods and work-in-progress: Costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.
- Consumables: First-in-first-out basis

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated cost necessary to make the sale.

Notes to the Financial Statements (cont'd)

30 September 2025

9. TRADE RECEIVABLES

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Trade receivables	5,784,280	3,439,268
Loan receivables - related party	7,945,000	7,735,000
Loan receivables - third parties	18,751,037	18,181,037
Less: Accumulated impairment losses	(24,330,819)	(13,776,327)
Less: Unearned interest - related party	-	(420,000)
Less: Unearned interest - third parties	-	(870,000)
	<u>8,149,498</u>	<u>14,288,978</u>
Movement of accumulated impairment losses:-		
At the beginning of the financial period/year	13,776,327	6,420,327
Addition	<u>10,554,492</u>	<u>7,356,000</u>
At the end of the financial period/year	<u>24,330,819</u>	<u>13,776,327</u>

The Group's normal trade credit terms are 60 days (2024: 60 days). Other credit terms are assessed and approved on a case-by-case basis.

The currency exposure profile of trade receivables of the Group is as follows:

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Brunei Dollar	168,727	149,647
Singapore Dollar	130,402	319,877
United States Dollar	<u>45,390</u>	<u>-</u>

10. CONTRACT ASSETS

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Contract assets in relation to:-		
- construction project	<u>-</u>	<u>426,708</u>
Aggregate costs incurred to date	-	2,670,874
Add: Attributable profits	<u>-</u>	<u>547,594</u>
	-	3,218,468
Less: Progress billings	<u>-</u>	<u>(2,791,760)</u>
	<u>-</u>	<u>426,708</u>

Contract assets primarily relate to the Group's rights to consideration for work completed on a construction project but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional.

Notes to the Financial Statements (cont'd)

30 September 2025

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Other receivables	12,113	11,050	-	-
Deposits	3,088,784	1,927,785	2,701,000	1,801,000
Prepayments	272,707	961,946	-	636,044
	<u>3,373,604</u>	<u>2,900,781</u>	<u>2,701,000</u>	<u>2,437,044</u>

12. AMOUNT OWING BY SUBSIDIARY COMPANIES

	<i>Company</i>	
	30.09.2025	31.03.2024
	RM	RM
Amount owing by subsidiary companies		
- non-trade	32,670,000	32,238,500
Less: Accumulated impairment losses	<u>(32,670,000)</u>	<u>(21,180,560)</u>
	<u>-</u>	<u>11,057,940</u>
Movement of accumulated impairment losses:-		
At 1 April 2024/1 April 2023	21,180,560	4,732,594
Addition	<u>11,489,440</u>	<u>16,447,966</u>
At 30 September 2025/31 March 2024	<u>32,670,000</u>	<u>21,180,560</u>

Amount owing by subsidiary companies is unsecured, receivable on demand and carries interest rate of 2.5% (2024: 2.5%) per annum.

13. FIXED DEPOSITS WITH LICENSED BANKS

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Fixed deposits with licensed banks	<u>11,715,938</u>	<u>11,310,877</u>

The fixed deposits with licensed banks earn effective interest rates ranging from 1.75% to 2.30% (2024: 2.45% to 2.95%) per annum. The fixed deposits are pledged for banking facilities granted to the Group (*Note 17*).

Notes to the Financial Statements (cont'd)

30 September 2025

14. CASH AND BANK BALANCES

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Cash in hand	4,605	4,605	-	-
Cash at bank	522,787	188,014	7,584	2,825
	<u>527,392</u>	<u>192,619</u>	<u>7,584</u>	<u>2,825</u>

The foreign currency exposure of cash and bank balances are as follows:

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Euro	33	33	-	-
Singapore Dollar	401,550	88,530	-	-
United States Dollar	<u>38,518</u>	<u>31,997</u>	<u>-</u>	<u>-</u>

15. CAPITAL AND RESERVES

Share capital

	<i>Group and Company</i>		<i>Group and Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	Number of ordinary shares		RM	RM
Issued and fully paid				
As at 1 April	244,656,910	244,656,910	75,046,283	75,046,283
Private placements	24,525,600	-	1,637,434	-
Share capital reduction	<u>-</u>	<u>-</u>	<u>(35,000,000)</u>	<u>-</u>
At 31 March 2024/ 30 September 2025	<u>269,182,510</u>	<u>244,656,910</u>	<u>41,683,717</u>	<u>75,046,283</u>

During the financial period, the Company reduced its issued share capital from RM75,046,283 to RM41,683,717 by way of private placements and share capital reduction as follows:

- (i) On 19 September 2024, the Company issued 12,000,000 new ordinary shares pursuant to private placement at an issue price of RM0.078 per placement share for a total consideration of RM936,000.
- (ii) On 26 February 2025, the Company issued 12,525,600 new ordinary shares pursuant to private placement at an issue price of RM0.056 per placement share for a total consideration of RM701,434.
- (iii) Share capital reduction of RM35,000,000 pursuant to Section 117 of the Companies Act 2016 via a notice dated 14 July 2025 issued by the Registrar of Companies.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company, all the ordinary shares rank equally with regard to the Company's residual assets. The ordinary shares have no par value.

Notes to the Financial Statements (cont'd)

30 September 2025

15. CAPITAL AND RESERVES (CONT'D)

Warrants

The Warrants 2021/2024 ("the Warrants") were constituted under the Deed Poll dated 12 May 2021. The Warrants were issued on 9 June 2021 in conjunction with the Proposed Bonus Issue of Warrants of the Company on the basis of one (1) free Warrant for every two (2) existing ordinary shares of the Company. Each Warrant entitled the registered holder, at any time during the exercise period to subscribe for one (1) new ordinary share at an exercise price of RM0.42 per Warrant. The Warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.

The movements in the Warrants during the financial period were as follows:-

	<----- Number of Warrants ----->			
	<i>As at</i>			<i>As at</i>
	<i>01.04.2024</i>	<i>Issued</i>	<i>Expired</i>	<i>30.09.2025</i>
Warrants 2021/2024	30,201,970	-	30,201,970	-

The Warrants lapsed on 7 June 2024, as at the end of the financial period, there was no Warrants.

Share options reserve

The share options reserve represents the effect of equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees for the issue of share options. When options are exercised, the amount from the share options reserve is transferred to share capital. When the share options expire, the amount from the share options reserve is to be transferred to retained profits.

16. LEASE LIABILITIES

	<i>Group</i>	
	<i>30.09.2025</i>	<i>31.03.2024</i>
	<i>RM</i>	<i>RM</i>
Lease liabilities owing to non-financial institutions		
- Current liabilities	1,242,975	292,118
- Non-current liabilities	1,628,646	-
	<u>2,871,621</u>	<u>292,118</u>

The lease liabilities are initially measured at the present value of future lease payments at the commencement date, discounted using the Group's incremental borrowing rates. Lease payments included in the measurement of the lease liabilities include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from the change in rate, or if the Group changed its assessment of whether it will exercise an extension or termination option.

The total cash outflow for the leases in the financial period ended 30 September 2025 for the Group amounted to RM1,097,000 (2024: RM396,001). The effective interest rates of the lease liabilities ranged from 5% (2024: 5%) per annum.

Notes to the Financial Statements (cont'd)

30 September 2025

17. BANK BORROWINGS

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Repayable within 12 months:-		
Bankers' acceptances-Secured	4,041,000	3,377,000
Bank overdraft-Secured	1,405,567	1,746,691
Term loan-Secured	105,234	99,188
	<u>5,551,801</u>	<u>5,222,879</u>
Repayable after 12 months:-		
Term loan-Secured	2,881,398	3,028,252
	<u>8,433,199</u>	<u>8,251,131</u>

Bank borrowings are secured on the following:

- The pledge of RM11,715,938 (2024: RM11,310,877) fixed deposits of its subsidiary, Chip Ngai Engineering Works Sdn. Bhd.;
- Legal charge over a vacant agricultural land held under H.S.(M) 23504, Lot 5856, Mukim Tanjung Dua Belas, Daerah Kuala Langat, Negeri Selangor (*Note 6*);
- Letter of Subordination of advances from Directors/Related Companies for at least RM4,670,000; and
- Corporate Guarantee for RM3,400,000 to be executed by the Company.

The bankers' acceptances bear interest rates ranging from 3.50% to 4.19% (2024: 3.76% to 4.27%) per annum.

The term loan bears interest rates ranging from 4.40% to 4.65% (2024: 4.40% to 4.65%) per annum.

The bank overdraft bears interest rates ranging from 4.47% to 8.65% (2024: 4.47% to 8.65%) per annum.

18. TRADE AND OTHER PAYABLES

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Trade payables				
Third parties	1,911,852	1,475,160	-	-
Other payables and accruals				
Other payables	270,687	363,431	11,580	284,268
Accruals	1,191,176	677,250	134,826	427,770
	<u>1,461,863</u>	<u>1,040,681</u>	<u>146,406</u>	<u>712,038</u>
	<u>3,373,715</u>	<u>2,515,841</u>	<u>146,406</u>	<u>712,038</u>

Notes to the Financial Statements (cont'd)

30 September 2025

19. CONTRACT LIABILITIES

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Contract liabilities in relation to:-		
- manufacturing of tanks and vessels	<u>3,014,841</u>	<u>1,321,842</u>

Contract liabilities primarily relate to the advance consideration received from customers for manufacturing of tanks and vessels, for which revenue is recognised at a point in time when the Group satisfies its performance obligation.

20. REVENUE

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
		<i>Restated</i>		<i>Restated</i>
Revenue from contracts with customers:				
Sale of goods	35,439,061	15,903,307	-	-
Construction contracts	<u>653,292</u>	<u>2,422,801</u>	<u>-</u>	<u>-</u>
	<u>36,092,353</u>	<u>18,326,108</u>	<u>-</u>	<u>-</u>
Revenue from other sources:				
Management fees	-	-	90,000	60,000
Interest income	<u>2,070,000</u>	<u>1,225,603</u>	<u>-</u>	<u>-</u>
	<u>2,070,000</u>	<u>1,225,603</u>	<u>90,000</u>	<u>60,000</u>
Total revenue	<u>38,162,353</u>	<u>19,551,711</u>	<u>90,000</u>	<u>60,000</u>
Timing of revenue recognition:-				
- at a point in time	35,439,061	15,903,307	-	-
- over time	<u>653,292</u>	<u>2,422,801</u>	<u>90,000</u>	<u>60,000</u>
	<u>36,092,353</u>	<u>18,326,108</u>	<u>90,000</u>	<u>60,000</u>

Notes to the Financial Statements (cont'd)

30 September 2025

20. REVENUE (CONT'D)

Sale of goods

Sale of goods is recognised at a point time when the goods have been transferred to the customers and coincide with the delivery of goods and services and acceptance by customers.

Construction contracts

Revenue from construction contracts is recognised over time using input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Interest income

Interest income is recognised at effective interest method.

Management fees

Revenue from management fees is recognised over time during the period in which the services are rendered, as subsidiaries simultaneously receive and consume the benefits of the Group's and the Company's performance.

21. OTHER OPERATING INCOME

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Interest income from subsidiaries	-	-	600,000	396,000
Interest income from licensed financial institution	405,730	297,990	669	1,749
Rental income	120,000	-	-	-
Other income	39,100	11,050	-	-
Gain on foreign exchange				
- realised	7,677	754	-	-
- unrealised	-	21,712	-	-
	<u>572,507</u>	<u>331,506</u>	<u>600,669</u>	<u>397,749</u>

Notes to the Financial Statements (cont'd)

30 September 2025

22. FINANCE COSTS

	<i>Group</i>	
	01.04.2024	01.04.2023
	to	to
	30.09.2025	31.03.2024
	RM	RM
Interest expenses:		
Bankers' acceptances	269,347	112,647
Bank overdrafts	131,743	82,891
Lease liabilities	139,868	23,132
Term loan	211,002	146,570
	<u>751,960</u>	<u>365,240</u>

23. LOSS BEFORE TAX

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Loss before tax is stated				
<i>after charging:</i>				
Auditors' remuneration	230,000	93,000	80,000	32,500
Amortisation of intangible asset	-	32,018	-	-
Depreciation of property, plant and equipment	1,908,585	1,283,426	-	-
Depreciation of right-of-use asset	1,313,937	397,975	-	-
Impairment loss of:				
- receivables	10,554,492	7,356,000	-	-
- investment in subsidiaries	-	-	33,305,363	7,166,624
- amount due by subsidiaries	-	-	11,489,440	16,447,966
- right-of-use asset	12,447	-	-	-
- property, plant and equipment	-	2,678,614	-	-
- intangible asset	-	56,033	-	-
Property, plant and equipment written off	69,733	-	-	-
Inventories written off	777,005	-	-	-
Staff costs (Note 26)	9,706,740	5,963,050	558,000	363,881
Unrealised loss on foreign exchange translation	29,811	-	-	-

Notes to the Financial Statements (cont'd)

30 September 2025

24. TAX (INCOME)/EXPENSES

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Malaysia income tax:				
- current year provision	94,429	223,000	-	15,000
- over provision in respect of prior years	(164,221)	(25,958)	(7,075)	(16,459)
	<u>(69,792)</u>	<u>197,042</u>	<u>(7,075)</u>	<u>(1,459)</u>

A reconciliation of tax expense applicable to loss before tax at the statutory income tax rate to tax expense at the effective income tax rate is as follows:

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Loss before tax	<u>(11,025,468)</u>	<u>(9,990,900)</u>	<u>(45,163,461)</u>	<u>(23,706,542)</u>
Tax expense at Malaysian statutory tax rate of 24% (2024: 24%)	(2,646,112)	(2,397,816)	(10,839,231)	(5,689,570)

- Adjustments for the following tax effects:

- expenses not deductible for tax purposes
- utilisation of deferred tax assets not recognised during the financial period
- deferred tax assets not recognised during the financial period

3,135,688	2,615,670	10,837,164	5,704,570
(397,214)	-	-	-
2,067	5,146	2,067	-
2,740,541	2,620,816	10,839,231	5,704,570

- Over provision of current tax in respect of prior years

(164,221)	(25,958)	(7,075)	(16,459)
<u>(69,792)</u>	<u>197,042</u>	<u>(7,075)</u>	<u>(1,459)</u>

Notes to the Financial Statements (cont'd)

30 September 2025

24. TAX (INCOME)/EXPENSES (CONT'D)

The amount of temporary differences for which no deferred tax assets have been recognised in the statement of financial position are as follows:

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Property, plant and equipment	(2,110,643)	(3,615,012)	-	-
Unutilised business losses	19,613,626	22,502,548	8,611	-
Reinvestment allowance	-	261,895	-	-
	<u>17,502,983</u>	<u>19,149,431</u>	<u>8,611</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of these items as it is not probable that the future taxable profit of the Group and the Company will be available against which the deductible temporary differences can be utilised.

The unrecognised unutilised business losses shall be disregarded after the end of the assessment as follows:

	<i>Group</i>		<i>Company</i>	
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
2018 and before	16,454,317	19,351,850	-	-
2020	1,082,648	1,082,648	-	-
2021	700,782	700,782	-	-
2022	780,257	780,257	-	-
2023	587,011	587,011	-	-
2025	8,611	-	8,611	-
	<u>19,613,626</u>	<u>22,502,548</u>	<u>8,611</u>	<u>-</u>

Notes to the Financial Statements (cont'd)

30 September 2025

25. LOSS PER SHARE

	<i>Group</i>	
	01.04.2024	01.04.2023
	to	to
	30.09.2025	31.03.2024
	RM	RM
Loss attributable to owners of the Company	<u>(10,955,676)</u>	<u>(10,187,942)</u>
In units		
Weighted average number of ordinary shares in issue		
- ordinary shares as at 1 April	244,656,910	244,656,910
- effect of private placements	<u>13,215,429</u>	<u>-</u>
	<u>257,872,339</u>	<u>244,656,910</u>
Basic/diluted loss per share (sen)*	<u>(4.25)</u>	<u>(4.16)</u>

*600,000 options pursuant to the Share Issuance Scheme ("SIS") granted have not been included in the calculation of diluted loss per share because they are anti-dilutive.

26. STAFF COSTS

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
Directors' emoluments:				
- fees	270,000	171,881	270,000	171,881
- remuneration	810,000	525,000	-	-
- defined contribution plan ("EPF")	97,200	63,000	-	-
- social security costs	<u>2,228</u>	<u>1,486</u>	<u>-</u>	<u>-</u>
	<u>1,179,428</u>	<u>761,367</u>	<u>270,000</u>	<u>171,881</u>
Other staff costs:				
- salaries, allowances and wages	7,750,214	4,704,224	288,000	192,000
- defined contribution plan ("EPF")	436,860	283,286	-	-
- social security costs	63,619	39,178	-	-
- other staff related expenses	<u>276,619</u>	<u>174,995</u>	<u>-</u>	<u>-</u>
	<u>8,527,312</u>	<u>5,201,683</u>	<u>288,000</u>	<u>192,000</u>
	<u>9,706,740</u>	<u>5,963,050</u>	<u>558,000</u>	<u>363,881</u>

Notes to the Financial Statements (cont'd)

30 September 2025

27. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as the chief operating decision makers in order to allocate resources to segments and to assess performance of the Group. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into main business segments as follows:

- (a) Manufacturing
Manufacture of tanks and related products, engineering works and fabrication works.
- (b) Investment
Investment holdings and comprise companies providing management services and dormant companies.
- (c) Financial services
Provision of finance through money lending business.
- (d) Energy Management
The business of energy management focused on nano technology lighting and urban farming.

The Executive Directors assess the performances of the operating segments based on operating profits or losses which is measured differently from those disclosed in the consolidated financial statements.

The Executive Directors are of the opinion that all inter segment transactions are entered into in the normal course of business and have been established based on negotiated and mutually agreed terms.

Geographical information

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location from which the sale transactions originated.

All the assets and liabilities of the Group are derived from Malaysia. Hence, no additional disclosure is made on geographical breakdown/details of the segment assets and liabilities of the Group.

Revenue information based on geographical location is as follows:

	<i>Group</i>	
	01.04.2024 to 30.09.2025 RM	01.04.2023 to 31.03.2024 RM
Revenue from external customers:		
Malaysia	34,080,347	18,386,644
Hong Kong	1,621,158	617,910
Singapore	893,403	547,157
Brunei	345,484	-
Philippines	1,221,961	-
	<u>38,162,353</u>	<u>19,551,711</u>

Notes to the Financial Statements (cont'd)

30 September 2025

27. OPERATING SEGMENTS (CONT'D)

(a) Business segments

Business segments

Group

01.04.2024 to 30.09.2025

Revenue

External revenue	36,092,353	-	2,070,000	-	-	-	38,162,353
Inter-segment revenue	-	-	-	90,000	-	(90,000)	-
External revenue	36,092,353	-	2,070,000	90,000	-	(90,000)	38,162,353

Results

Segment results	(1,723,275)	(122,087)	(8,016,805)	(817,071)	-	-	(10,679,238)
Interest income	405,061	-	-	669	-	-	405,730
Interest expense	(751,960)	-	(600,000)	-	600,000	-	(751,960)
Loss before tax	(2,070,174)	(122,087)	(8,616,805)	(816,402)	600,000	-	(11,025,468)
Tax income/(expense)	(92,283)	-	155,000	7,075	-	-	69,792
Loss after tax	(2,162,457)	(122,087)	(8,461,805)	(809,327)	600,000	-	(10,955,676)

Assets

Segment assets	33,280,074	281,344	3,778,512	2,990,343	-	-	40,330,273
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Liabilities

Segment liabilities	17,436,818	-	70,852	185,706	-	-	17,693,376
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Other information

Capital expenditure	890,041	-	-	-	-	-	890,041
Impairment loss on right-of-use asset	12,447	-	-	-	-	-	12,447
Depreciation	3,222,657	5,250	-	(5,385)	-	-	3,222,522

Notes to the Financial Statements (cont'd)

30 September 2025

27. OPERATING SEGMENTS (CONT'D)

(a) Business segments (Cont'd)

Business segments

Group

01.04.2023 to 31.03.2024

Revenue

External revenue	18,326,108	-	1,225,603	-	-	19,551,711
Inter-segment revenue	-	-	-	60,000	(60,000)	-
External revenue	18,326,108	-	1,225,603	60,000	(60,000)	19,551,711

Results

Segment results	(3,127,584)	(99,010)	(6,234,633)	(462,423)	-	(9,923,650)
Interest income	296,241	-	-	1,749	-	297,990
Interest expense	(365,240)	-	(396,000)	-	396,000	(365,240)
Loss before tax	(3,196,583)	(99,010)	(6,630,633)	(460,674)	396,000	(9,990,900)
Tax income/(expense)	(53,000)	-	(145,501)	1,459	-	(197,042)
Loss after tax	(3,249,583)	(99,010)	(6,776,134)	(459,215)	396,000	(10,187,942)

Assets

Segment assets	29,919,126	288,771	11,439,543	2,716,547	(27,916)	44,336,071
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Liabilities

Segment liabilities	11,643,751	-	42,078	723,019	(27,916)	12,380,932
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Other information

Capital expenditure	383,060	-	-	-	-	383,060
Depreciation	1,652,593	-	-	28,808	-	1,681,401
Impairment loss on property, plant and equipment	2,678,614	-	-	-	-	2,678,614
Impairment loss on intangible asset	-	-	-	56,033	-	56,033

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS

(a) Categories of Financial Instruments

The table below provides an analysis of financial instruments as at reporting date categorised as follows:

	Carrying amount RM	Amortised cost RM
30.09.2025		
<i>Financial assets</i>		
<u>Group</u>		
Trade receivables	8,149,498	8,149,498
Other receivables and deposits	3,100,897	3,100,897
Fixed deposits with licensed banks	11,715,938	11,715,938
Cash and bank balances	527,392	527,392
	<u>23,493,725</u>	<u>23,493,725</u>
<u>Company</u>		
Deposits	2,701,000	2,701,000
Cash and bank balances	7,584	7,584
	<u>2,708,584</u>	<u>2,708,584</u>
<i>Financial liabilities</i>		
<u>Group</u>		
Trade payables	1,911,852	1,911,852
Other payables and accruals	1,461,863	1,461,863
Lease liabilities	2,871,621	2,871,621
Bank borrowings	8,433,199	8,433,199
	<u>14,678,535</u>	<u>14,678,535</u>
<u>Company</u>		
Other payables and accruals	146,406	146,406
	<u>146,406</u>	<u>146,406</u>

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(a) Categories of Financial Instruments (Cont'd)

	Carrying amount RM	Amortised cost RM
31.03.2024		
<i>Financial assets</i>		
<u>Group</u>		
Trade receivables	14,288,978	14,288,978
Other receivables and deposits	1,938,835	1,938,835
Fixed deposits with licensed banks	11,310,877	11,310,877
Cash and bank balances	192,619	192,619
	<u>27,731,309</u>	<u>27,731,309</u>
<u>Company</u>		
Deposits	1,801,000	1,801,000
Amount owing by subsidiary companies	11,057,940	11,057,940
Cash and bank balances	2,825	2,825
	<u>12,861,765</u>	<u>12,861,765</u>
<i>Financial liabilities</i>		
<u>Group</u>		
Trade payables	1,475,160	1,475,160
Other payables and accruals	1,040,681	1,040,681
Lease liabilities	292,118	292,118
Bank borrowings	8,251,131	8,251,131
	<u>11,059,090</u>	<u>11,059,090</u>
<u>Company</u>		
Other payables and accruals	712,038	712,038
	<u>712,038</u>	<u>712,038</u>

(b) Financial Risk Management

The Group has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

i. Credit Risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its loan receivables from customers, trade receivables, contract assets, other receivables and cash and cash equivalents. There are no significant changes as compared to prior periods.

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

i. Credit Risk (Cont'd)

Trade receivables, loan receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

A significant portion of these trade receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables.

The gross carrying amounts of credit impaired trade receivables, loan receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables, loan receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables, loan receivables and contract assets are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The Group has no significant concentration of credit risk that may arise from exposure to a single receivable or to groups of receivables except for the amount owing by 4 (2024: 4) major customers constituting approximately 66% (2024: 74%) of the outstanding trade receivables and loan receivables of the Group at reporting date.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables and loan receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade debtors will pay within 60 days, whereas loan debtors will pay between 30 to 365 days.

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables, loan receivables and contract assets.

The Group uses a provision matrix to measure ECLs of trade receivables and loan receivables for all segments except for construction segment. Invoices which are exceeded the credit period will be considered as credit impaired.

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

i. Credit Risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the financial period.

For construction contracts, as there is only a customer, the Group assessed the risk of loss of the customer individually based on its financial information and past trend of payments. The customer has low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivables, loan receivables and contract assets as at 30 September 2025 which are grouped together as they are expected to have similar risk nature.

<i>Group</i>	Gross carrying amount RM	Lifetime allowance RM	Credit impaired RM	Net balance RM
Current (not past due)	3,622,035	-	(345,000)	3,277,035
1 - 30 days past due	282,000	-	-	282,000
31 - 60 days past due	-	-	-	-
More than 61 days past due	28,576,282	-	(23,985,819)	4,590,463
	<u>32,480,317</u>	<u>-</u>	<u>(24,330,819)</u>	<u>8,149,498</u>
Trade receivables	5,784,280	-	(1,134,782)	4,649,498
Loan receivables	26,696,037	-	(23,196,037)	3,500,000
Contract assets	-	-	-	-
	<u>32,480,317</u>	<u>-</u>	<u>(24,330,819)</u>	<u>8,149,498</u>

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

i. Credit Risk (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The aging of trade receivables as at 31 March 2024 was as follows:

<i>Group</i>	Gross carrying amount RM	Lifetime allowance RM	Credit impaired RM	Net balance RM
Current (not past due)	5,717,689	-	(146,115)	5,571,574
1 - 30 days past due	1,082,230	-	-	1,082,230
31 - 60 days past due	421,937	-	-	421,937
More than 61 days past due	21,270,157	(70,327)	(13,559,885)	7,639,945
	<u>28,492,013</u>	<u>(70,327)</u>	<u>(13,706,000)</u>	<u>14,715,686</u>
Trade receivables	3,439,268	(70,327)	(510,000)	2,858,941
Loan receivables	24,626,037	-	(13,196,000)	11,430,037
Contract assets	426,708	-	-	426,708
	<u>28,492,013</u>	<u>(70,327)</u>	<u>(13,706,000)</u>	<u>14,715,686</u>

Cash and cash equivalents

The cash and cash equivalents are held on hand and with banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Credit risks on other receivables are mainly arising from deposits paid for utilities. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

i. Credit Risk (Cont'd)

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries have low credit risk. 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 subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advance to be credit impaired when:

- The subsidiary is unlikely to repay its advance to the Company in full;
- The subsidiary's advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' advances as at reporting date:

	Gross carrying amount RM	Impairment loss allowance RM	Net balance RM
30.09.2025			
<i>Company</i>			
Credit impaired	<u>32,670,000</u>	<u>(32,670,000)</u>	<u>-</u>
31.03.2024			
<i>Company</i>	RM	RM	RM
Credit impaired	<u>32,238,500</u>	<u>(21,180,560)</u>	<u>11,057,940</u>

The Company provides secured corporate guarantees to banks in respect of banking facilities provided to subsidiary. The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary.

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

i. Credit Risk (Cont'd)

Financial Guarantee

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiary. The Company monitors the results of the subsidiary and their repayment on an ongoing basis. The maximum exposure to credit risk amounting to RM3,400,000 (2024:RM3,400,000) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in the financial statements. Generally, the Company considers the financial guarantees have low credit risk. As at the reporting date, there was no loss allowance for expected credit losses as determined by the Company for the financial guarantees.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantees are provided as credit enhancements to the subsidiary's secured borrowings.

ii. Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's exposure to liquidity risk arises principally from its various payables and short-term borrowings.

The Group maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

ii. Liquidity Risk (Cont'd)

Maturity analysis

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

	Contractual interest rate/ Discount rate %	Carrying Amount RM	Contractual Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	More than 5 Years RM	Total RM
30.09.2025								
<i>Group</i>								
<u>Non-derivative financial liabilities</u>								
Trade payables	-	1,911,852	1,911,852	1,911,852	-	-	-	1,911,852
Other payables and accruals	-	1,461,863	1,461,863	1,461,863	-	-	-	1,461,863
Lease liabilities	5.00	2,871,621	3,040,000	1,360,000	1,680,000	-	-	3,040,000
Bankers' acceptance	3.50 - 4.19	4,041,000	4,041,000	4,041,000	-	-	-	4,041,000
Bank overdraft	4.47 - 8.65	1,405,567	1,405,567	1,405,567	-	-	-	1,405,567
Term loan	4.40 - 4.65	2,986,632	3,694,005	234,540	703,620	2,521,305	-	3,694,005
		14,678,535	15,554,287	10,414,822	1,914,540	703,620	2,521,305	15,554,287
<i>Company</i>								
<u>Non-derivative financial liabilities</u>								
Financial guarantee contract	-	-	3,400,000	3,400,000	-	-	-	3,400,000
Other payables and accruals	-	146,406	146,406	146,406	-	-	-	146,406
		146,406	3,546,406	3,546,406	-	-	-	3,546,406

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

ii. Liquidity Risk (Cont'd)

Maturity analysis (Cont'd)

	Contractual interest rate / Discount rate %	Carrying Amount RM	Contractual Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	More than 5 Years RM	Total RM
31.03.2024								
<i>Group</i>								
<u>Non-derivative financial liabilities</u>								
Trade payables	-	1,475,160	1,475,160	1,475,160	-	-	-	1,475,160
Other payables and accruals	-	1,040,681	1,040,681	1,040,681	-	-	-	1,040,681
Lease liabilities	5.00	292,118	693,000	396,000	297,000	-	-	693,000
Bankers' acceptance	3.76 - 4.27	3,377,000	3,377,000	3,377,000	-	-	-	3,377,000
Bank overdraft	4.47 - 8.65	1,746,691	1,746,691	1,746,691	-	-	-	1,746,691
Term loan	4.40 - 4.65	3,127,440	4,045,814	234,539	234,540	703,620	2,873,115	4,045,814
		11,059,090	12,378,346	8,270,071	531,540	703,620	2,873,115	12,378,346
<i>Company</i>								
<u>Non-derivative financial liabilities</u>								
Financial guarantee contract	-	-	3,400,000	3,400,000	-	-	-	3,400,000
Other payables and accruals	-	712,038	712,038	712,038	-	-	-	712,038
		712,038	4,112,038	4,112,038	-	-	-	4,112,038

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

iii. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's financial position or cash flows.

(i) Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Singapore Dollar ("SGD"), Brunei Dollar ("BND") and Euro ("EUR").

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period are as follows:

Currency risk

	EUR RM	SGD RM	BND RM	USD RM	Total RM
30.09.2025					
<i>Financial Assets</i>					
Trade receivables	-	130,402	168,727	45,390	344,519
Cash and bank balances	33	401,550	-	38,518	440,101
	33	531,952	168,727	83,908	784,620
<i>Financial Liabilities</i>					
Trade payables	-	-	-	-	-
	-	-	-	-	-
Net financial assets	33	531,952	168,727	83,908	784,620
Foreign currencies exposures	33	531,952	168,727	83,908	784,620
	EUR RM	SGD RM	BND RM	USD RM	Total RM
31.03.2024					
<i>Financial Assets</i>					
Trade receivables	-	319,877	149,647	-	469,524
Cash and bank balances	33	88,530	-	31,997	120,560
	33	408,407	149,647	31,997	590,084
<i>Financial Liabilities</i>					
Trade payables	-	-	-	-	-
	-	-	-	-	-
Net financial assets	33	408,407	149,647	31,997	590,084
Foreign currencies exposures	33	408,407	149,647	31,997	590,084

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

iii. Market Risk (Cont'd)

(i) Currency risk (Cont'd)

Currency sensitivity analysis

A 10% (2024: 10%) strengthening and weakening of the functional currency against the following currencies at the end of the reporting period would have increased / (decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
	Increase/ (Decrease)	Increase/ (Decrease)
Effects on loss after taxation/equity		
Strengthened by 10%		
- EUR	3	3
- SGD	53,195	40,841
- BND	16,873	14,965
- USD	8,391	3,200
Weakened by 10%		
- EUR	(3)	(3)
- SGD	(53,195)	(40,841)
- BND	(16,873)	(14,965)
- USD	<u>(8,391)</u>	<u>(3,200)</u>

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial Risk Management (Cont'd)

iii. Market Risk (Cont'd)

(ii) Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Fixed deposits with licensed banks and short term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
<i>Fixed rate instruments</i>		
Financial assets	11,715,938	11,310,877
Financial liabilities	<u>(4,041,000)</u>	<u>(3,377,000)</u>
	<u>7,674,938</u>	<u>7,933,877</u>
<i>Floating rate instruments</i>		
Financial liabilities	<u>(4,392,199)</u>	<u>(4,874,131)</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Effects on loss before tax/equity		
Increase of 100 basis points	(43,922)	(48,741)
Decrease of 100 basis points	<u>43,922</u>	<u>48,741</u>

Notes to the Financial Statements (cont'd)

30 September 2025

28. FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair Value Information

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

29. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain an optimal capital in ensuring the availability of funds for the day-to-day operations as well as future business requirement and to maintain investors, creditors, and market confidence.

The Board of Directors monitors and determines a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with covenants and regulatory requirements.

The Group was in compliance with externally imposed capital requirements as at the reporting date.

There were no changes made in the objectives and approach to the capital management during the financial period.

The general debt-to-equity ratio of the Group as follows:

	<i>Group</i>	
	30.09.2025	31.03.2024
	RM	RM
Equity attributable to owners of the Company	<u>22,636,897</u>	<u>31,955,139</u>
Bank borrowings	8,433,199	8,251,131
Lease liabilities	<u>2,871,621</u>	<u>292,118</u>
Total debt	<u>11,304,820</u>	<u>8,543,249</u>
Debt-to-equity ratio (times)	<u>0.50</u>	<u>0.27</u>

30. RELATED PARTY DISCLOSURE

(a) Identity of Related Parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the parties are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group.

The Group has related party relationship with its subsidiaries and key management personnel.

Notes to the Financial Statements (cont'd)

30 September 2025

30. RELATED PARTY DISCLOSURE (CONT'D)

(b) Significant Related Party Transactions

Related party transactions have been entered into in the normal course of business under negotiated and mutually agreed terms. The significant related party transactions of the Group and the Company are shown below.

	<i>Group</i>		<i>Company</i>	
	01.04.2024	01.04.2023	01.04.2024	01.04.2023
	to	to	to	to
	30.09.2025	31.03.2024	30.09.2025	31.03.2024
	RM	RM	RM	RM
<u>Subsidiaries</u>				
Management fees	-	-	(90,000)	60,000
Interest income	-	-	(600,000)	(396,000)
Salaries and allowance	-	-	288,000	192,000
	<u>-</u>	<u>-</u>	<u>288,000</u>	<u>192,000</u>
<u>Related Party</u>				
SMT Turbojet Resources Sdn. Bhd.				
Revenue	(630,000)	(315,000)	-	-
Impairment loss on receivables	4,445,000	-	-	-
	<u>4,445,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Key management personnel</u>				
<i>Directors</i>				
- fees	270,000	171,881	270,000	171,881
- remuneration	810,000	525,000	-	-
- defined contribution plan	97,200	63,000	-	-
- social security costs	2,228	1,486	-	-
	<u>1,179,428</u>	<u>761,367</u>	<u>270,000</u>	<u>171,881</u>

SMT Turbojet Resources Sdn. Bhd. is a subsidiary of SMTrack Berhad, a director Datuk Seri Tan Choon Hwa of the Company has financial interest in SMTrack Berhad.

31. SHARE ISSUANCE SCHEME ("SIS")

The Company established a Share Issuance Scheme ("SIS" or "Scheme") to eligible employees of the Group. The SIS was approved at the Extraordinary General Meeting of the Company held on 11 May 2021 and became effective on 15 June 2021 with a duration of 5 years, expiring on 14 June 2026.

The main feature of the SIS are as follows:-

- (a) The SIS shall be in force for a period of five years from the date it became effective.

Notes to the Financial Statements (cont'd)

30 September 2025

31. SHARE ISSUANCE SCHEME ("SIS") (CONT'D)

- (b) Eligible Persons are employees of the Group (including directors) who have been confirmed in the employment of the Group. The eligibility for participation in the SIS shall be at the discretion of the SIS Committee appointed by the Board of Directors.
- (c) The total number of shares to be issued under the SIS shall not exceed in aggregate 15% of the issued and paid-up share capital of the Company at any point of time during the tenure of the SIS.
- (d) The exercise price for each new share shall be determined by the Board upon recommendation of the SIS Committee and fixed based on the 5-day weighted average market price of the underlying shares, before the SIS Options are granted, with a discount of not more than ten percent (10%).
- (e) No option shall be granted for less than 100 shares to any Eligible Persons.
- (f) An option granted under the SIS shall be capable of being exercised by the grantee by notice in writing to the Company, at any time and no restriction on percentage of SIS Options exercisable, before the expiry of the SIS Options on 14 June 2026.
- (g) All new ordinary shares issued upon exercise of the SIS Options granted under the SIS will rank pari passu in all respect with the existing ordinary shares of the Company.
- (h) The SIS Options shall not carry any right to vote at a general meeting of the Company.
- (i) Any unexercised SIS Option shall be automatically terminated in the following circumstances:-
- Upon cessation of directorship or employment of the Grantee with the Group;
 - Upon happening of any event which results in the Grantee being deprived of the beneficially ownership of the SIS Option;
 - If the Grantee becomes a bankrupt;
 - Winding up or liquidation of the Company; or
 - Termination of the Scheme pursuant to the By-Law.

The terms of share options outstanding as at end of the financial period are as follows:

Grant date	Expiry date	Exercise price (RM)	<-- Number of share options over ordinary share -->			
			As at 01.04.2024	Granted	Exercised	As at 30.09.2025
25.02.2022	14.06.2026	0.350	600,000	-	-	600,000

Notes to the Financial Statements (cont'd)

30 September 2025

32. COMPARATIVE FIGURES

The comparative figures are in respect of 1 April 2023 to 31 March 2024. As such the comparative figures in the statements of financial position, statements of profit or loss and comprehensive income, statements of changes in equity, statements of cash flows and related notes are not comparable

	As previously reported 31.03.2024 RM	Reclassification 31.03.2024 RM	As restated 31.03.2024 RM
Group			
Statements of financial position:			
Property, plant and equipment	11,204,171	(4,162,131)	7,042,040
Right-of-use asset	<u>264,974</u>	<u>4,162,131</u>	<u>4,427,105</u>
Company			
Statement of profit or loss and other comprehensive income:			
Revenue	457,749	(397,749)	60,000
Other operating income	<u>-</u>	<u>397,749</u>	<u>397,749</u>

33. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

The Company received notice on 14 July 2025 from Registrar of Companies confirming that the reduction of share capital amounting to RM35,000,000. Accordingly, the Share Capital Reduction ("SCR") is effective on 11 July 2025. The completion of SCR has resulted the issued share capital of the Company to reduce to RM41,683,717 comprising 269,182,510 ordinary shares as at 30 September 2025.

34. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 January 2026.

The Properties Owned by the Group

as at 30 September 2025

	Owned and Location	Description/ Existing Use	Tenure / Date Lease Expiring / Age of Building	Land / Build-up Area (Sq.Ft.)	Approximate Net Book Value (RM'000)
1	CHIP NGAI ENGINEERING WORKS SDN BHD				
	H.S.(M) 26497, PT No. 51066 Mukim of Tanjung Dua Belas District of Kuala Langat State of Selangor	Industrial land / construction of factory building in progress	99 years / lease expiring on 12 June 2117 / -	114,248,14/ -	4,000

Analysis of Shareholdings

as at 09 January 2026

Issued and Fully Paid-Up Capital : RM41,683,717
 Class of Shares : Ordinary Shares
 Voting Rights : One Vote Per Share

Disturbution of Shareholdings

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
1-99	113	4.44	3,244	0.00
100-1,000	493	19.39	108,230	0.04
1,001-10,000	1,049	41.25	5,157,286	1.92
10,001-100,000	671	26.39	24,494,550	9.10
100,001-less than 5% of issued shares	216	8.48	221,062,200	82.12
5% and above of issued shares	1	0.04	18,357,000	6.82
Total	2,543	99.99	269,182,510	100.00

Thirty Largest Shareholders

	Name	No. of Shares Held	% of Issued Capital
1	XU TIAN TIAN	18,357,000	6.82
2	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)	12,466,800	4.63
3	NG CHEE CHENG	12,171,000	4.52
4	LOW MAY JEAN	12,131,500	4.51
5	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAI TEAN SENG	11,779,000	4.38
6	JACQUELINE LEE FEI FEI	10,427,500	3.87
7	SAZINI BINTI ABDULLAH	9,200,000	3.42
8	MUNIANDY A/L RAMSAMY	8,675,000	3.22
9	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHOU SING HOAN	8,099,100	3.01
10	LAI FU-KHATE	7,300,000	2.71
11	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH CHUN SEAN	7,000,000	2.60
12	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH CHEE TEONG	5,490,000	2.04
13	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEO ANN SECK (MY0696)	5,180,000	1.92
14	AZMI BIN OSMAN	5,000,000	1.86
15	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM WEI YEE	4,675,500	1.74
16	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHOON HWA (7007201)	4,568,100	1.70
17	TAI SUE YEAN	4,258,500	1.58
18	LOW TEH BENG	3,800,000	1.41
19	POH CHIN TONG	3,255,700	1.21
20	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FRANCIS CHAI KIM LUNG	3,000,000	1.11
21	YIN YIT FUN	2,125,000	0.79
22	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAI KUET FAR (DAMANSARA UTAMA-CL)	2,020,400	0.75

Analysis of Shareholdings(cont'd) as at 09 January 2026

Thirty Largest Shareholders (Cont'd)

	Name	No. of Shares Held	% of Issued Capital
23	GOH CHEE NG	1,951,100	0.72
24	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH CHOW SEANG	1,850,000	0.69
25	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR VINCENT PHUA CHEE EE	1,782,700	0.66
26	GAN SMT SDN. BHD.	1,662,500	0.62
27	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR YAP CHOG LIN	1,550,000	0.57
28	BERJAYA EQUITY NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEN, QUANQING (AC0106)	1,500,000	0.56
29	LOONG KAM SENG	1,500,000	0.56
30	SOON MEI LING	1,500,000	0.56
	Total	174,276,400	64.74

Directors' Shareholdings

	Name	No. of Shares Held		% of Issued Capital	
		Direct	Indirect	Direct	Indirect
1	DATUK SERI TAN CHOON HWA	4,583,100	-	1.70	-



CN ASIA CORPORATION BHD
[Registration No.:199601027090 (399442-A)]
(Incorporated in Malaysia)

FORM OF PROXY

(To be completed in block letters)

Twenty-Ninth (29th) Annual General Meeting

No. of Shares held	CDS Account No.

*I/We _____

I/C or Passport or Company No. : _____ of _____

being a Member/Members of the abovenamed Company, hereby appoint *THE CHAIRMAN OF THE MEETING or:

Full Name (in Block Letters)	I/C/ Passport No.	Proportion of shareholdings	
		No. of Shares	%

Full Name (in Block Letters)	I/C/ Passport No.	Proportion of shareholdings	
		No. of Shares	%

as *my/our proxy/proxies to attend and vote for *me/us on *my/our behalf at the **29th Annual General Meeting ("AGM")** of the Company to be held at **Office Building, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor on Thursday, 26 March 2026 at 10:00 a.m.** or any adjournment thereof, in respect of *my/our shareholding in the manner indicated below:

ORDINARY NO.	ORDINARY BUSINESS	FOR	AGAINST
1	The payment of Directors fees and benefits of up to RM500,000 for the period from the 29th AGM until the next AGM of the Company		
2	The re-election of YM Tengku Shamsulbhari Bin Tengku Azman Shah as Director		
3	The re-election of Datuk Seri Tan Choon Hwa as Director		
4	The re-election of Mr. Nadanarajah A/L Ramalingam as Director		
5	The appointment of Messrs SBY Partners PLT as the Company's External Auditors for the ensuing year and to authorize the Directors to fix their remuneration.		
	SPECIAL BUSINESS		
6	Proposed Authority to Allot and Issue Shares		

Please indicate with an (V) or (X) in the space above on how you wish to cast your vote, in the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2026

Tel No. (during office hours)	
Email Address	

Signature(s) of Member
(if member is a corporation, this form should be executed under common seal)

Notes:

Members entitled to attend

- Only depositors whose name appear in the record of depositors as at **16 March 2026** shall be regarded as members and entitled to attend, speak and vote at the meeting or appoint a proxy or proxies to attend and/or vote in his hand.

Appointment of Proxy

- A member of the Company entitled to attend and vote at the meeting is entitled to appoint up to two (2) proxies to attend, participate, speak and vote on the same meeting instead of him and that a proxy may but need not be a member of the Company and there should not be no restriction as to the qualification of the proxy.
- Where a member appoints two (2) proxies, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies. The appointment shall not be valid unless he specifies the proportions of his holdings to be represented by each proxy.
- A member who is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA") may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
Where a member 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. An Exempt Authorised Nominees refers to an authorised nominee as defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised. Any alteration to the proxy forms must be initialled.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is sign on notarially certified copy of such power or authority, shall be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd (*Registration No.1971101000970 (11324-H)*) at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or the drop in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, alternatively online via Share Registrars' website, Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Please refer to Administrative Notes for further information on submission via The Portal. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote or, in the case of a poll, not less than twenty-four (24) hours before the time for the taking of the poll and in default the instrument of proxy shall not be treated as valid
- By submitting the duly executed proxy form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein under the Personal Data Protection Act 2010 for this meeting and any adjournment thereof.

* Delete where applicable

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To:
The Share Registrar
Tricor Investor & Issuing House Services Sdn. Bhd.
(Registration No. 197101000970 (11324-H))
Unit 32-01, Level 32,
Tower A, Vertical Business Suite
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia
Tel: (03) 2783 9299 Fax: (03) 2783 9222

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CN ASIA CORPORATION BHD
((Registration No.: 199601027090 (399442-A))
(Incorporated In Malaysia)

29TH ANNUAL GENERAL MEETING OF CN ASIA CORPORATION BHD

Date : Thursday, 26 March 2026
Time : 10.00 a.m.
Broadcast Venue : Office Building, Lot 7907, Batu 11, Jalan Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan

Entitlement to Participate and Appointment of Proxy

- Only members whose names appear on the Record of Depositors as at **16 March 2026** shall be eligible to attend, speak and vote at the 29th AGM or appoint a proxy(ies) and/or the Chairman of the Meeting to attend and vote on his/her behalf.
- If you are unable to attend the meeting on 26 March 2026, you may appoint the Chairman of the meeting as proxy and indicate the voting instructions in the Proxy Form.
- If you wish to participate in the 29th AGM yourself, please do not submit any Proxy Form for the 29th AGM. You will not be allowed to participate in the 29th AGM together with a proxy appointed by you.
- Accordingly, proxy forms and/or documents relating to the appointment of proxy/corporate representative/ attorney for the 29th AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than **Tuesday, 24 March 2026 at 10.00 a.m.**

(i) In Hard copy:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the drop in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur;

(ii) By Electronic form:

All members can have the option to submit proxy forms electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> and the steps to submit are summarised below:

Procedure		Action
i. Steps for Individual Holders		
(a)	Register as a User with The Portal	- Using your computer, please access the website at Vistra Share Registry and IPO (MY) portal ("The Portal") at https://srmy.vistra.com. Register as a user under the "e-Services". Select the "Sign Up" button and followed by "Create Account by individual Holder". Please do refer to the tutorial guide posted on the homepage for assistance. - If you are an existing user with The Portal or our online TIIH Online Portal previously, you are not required to register again.

Procedure		Action
(b)	Proceed with submission of Proxy Form	- After the release of the Notice of Meeting by the Company, login with your user name (i.e. email address) and password. - Select the corporate event: "CN ASIA 29TH AGM". - Read and agree to the Terms & Conditions and confirm the Declaration. - Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". - Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. - Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy. - Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide your vote. - Review and confirm your proxy(s) appointment. - Print Proxy Form for your record.
ii. Steps for Corporation or Institutional Holders		
(c)	Register as a User with The Portal website	- Access The Portal website at https://srmy.vistra.com. - Under e-Services, the authorised or nominated representative of the corporation or institutional holder selects "Create Account by Representative of Corporate Holder". - Complete the registration form and upload the required documents. - Registration will be verified, and you will be notified by e-mail within one (1) to two (2) working days. - Proceed to activate your account with the temporary password given in the e-mail and re-set your own password. - Note: The representative of a corporation or institutional holder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.

Procedure	Action
(d) Proceed with submission of Proxy Form	• Login to The Portal website at https://srmy.vistra.com. • Select the corporate exercise name: "CN ASIA 29TH AGM". • Agree to the Terms & Conditions and Declaration. • Navigate to the 3 dots at the end of the corporate event and choose "SUBMISSION OF PROXY FORM". • Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein. • Prepare the file for the appointment of proxies by inserting the required data. • Submit the proxy appointment file. • Login to The Portal, select corporate exercise name: "CN ASIA 29TH AGM". • Proceed to upload the duly completed proxy appointment file. • Select "Submit" to complete your submission. • Print the confirmation report of your submission for your record.

Meeting Registration

- Registration will start at 9.30 a.m.
- Please present your original MyKad/passport to the registration staff for verification.
- Upon verification, you are required to write your name and sign the Attendance list placed on the registration table.
- You will be given a wristband for the purpose of voting at this 29th AGM.
- You must wear the wristband throughout the 29th AGM as no person will be allowed to enter the meeting hall without the wristband. There will be no replacement in the event you lose or misplace the wristband.
- If you are attending the meeting as a member as well as a proxy, you will be registered once and will be given only one wristband to enter the meeting hall.
- No person will be allowed to register on behalf of another person even with the original Mykad/passport of the other person.
- Help Desk
 - Please proceed to the Help Desk for any clarification or queries apart from registration details.
 - The Help Desk will also handle revocation of proxy's appointment.

ADMINISTRATIVE NOTES (cont'd)

Voting at Meeting

- The Voting at the 29th AGM will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements.
- The voting session will commence as soon as the Chairman calls for the poll to be opened.
- Upon completion of the voting session for the 29th AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

Results of the voting

- The resolutions proposed at the 29th AGM and the results of the voting will be announced at the 29th AGM and subsequently via an announcement made by the Company through Bursa Malaysia at www.bursamalaysia.com.

No Breakfast / Lunch Pack, Door Gift or Food Voucher

- There will be no distribution of breakfast / lunch packs, door gifts or food vouchers during the 29th AGM.

Parking

- Kindly note that parking is free for all attendees.

No Recording or Photography of the Meeting Proceedings

- Strictly **NO** unauthorised recording or photography of the proceedings of the 29th AGM is allowed.

Annual Report

- The Annual Report is available on the Company's website at <https://www.cnasia.com/investor-relations/annual-reports/> and Bursa Malaysia's website at www.bursamalaysia.com under Company's announcements.
- You may request for a printed copy of the Annual Report at <https://srmy.vistra.com> by selecting "Request for Annual Report" under the "Investor Services".
- Kindly consider the environment before you decide to request for the printed copy of the Annual Report. The environmental concerns like global warming, deforestation, climate change and many more affect every human, animal and nation on this planet.

Enquiry

- If you have any enquiry prior to the meeting, please call our Share Registrar, Tricor at +603-2783 9299 during office hours i.e. from 8.30 a.m. to 5.30 p.m. (Monday to Friday).

CN ASIA CORPORATION BHD

(199601027090 (399442-A))
(Incorporated in Malaysia)

Lot 7907, Batu 11, Jalan Balakong,
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