



40 Years Strong

Annual Report
2025

COVER RATIONALE

49TH

ANNUAL GENERAL MEETING

VENUE

Melur Room, Level 3, Bangi Resort Hotel,
Off Persiaran Bandar,
43650 Bandar Baru Bangi,
Selangor, Malaysia

DATE Tuesday, 24 June 2025

TIME 11.00 a.m.

40 Years Strong

Celebrating 40 years of SIB with the refreshed logo taking centre stage. Its bold, streamlined design reflects strength and forward motion. The arrow symbolises progress and innovation, while "40 Years Strong" marks a four-decade milestone of delivering high-value products and services with trust, integrity, and commitment to our stakeholders.



Scan the QR code to view
our Annual Report online



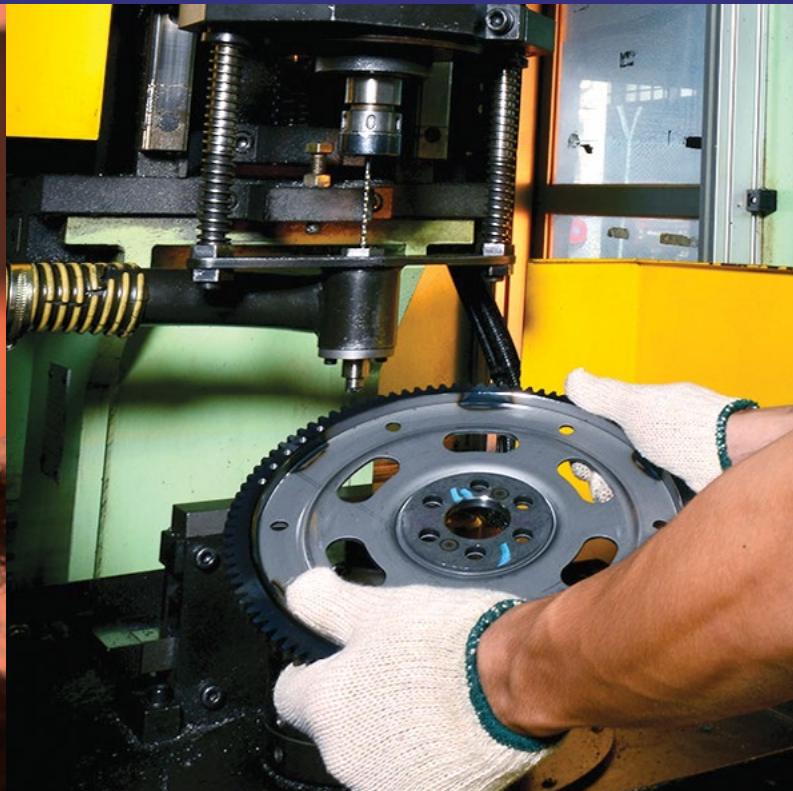
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PEOPLE

People are at the heart of everything we do.





MESSAGE FROM

Our Founder

“

As we celebrate 40 years of SIB, I am proud to see how far we have come. From one product to many. From one factory to a growing group.

This journey has only been possible because of our people. They worked hard. They stayed focused. We kept learning.

I believe in the path we are taking to build the new chapter for SIB. The leadership team will continue to take SIB forward with the same integrity, focus and hard work.

To our customers, partners, and shareholders, thank you for your unwavering support and belief in our vision and our people. Together, we will continue our legacy and build a strong future for Malaysia.

”

TAN SRI DATO' SERI IR. SHAMSUDDIN BIN ABDUL KADIR

Founder & Advisor to the Board

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 49th Annual General Meeting of the Company will be held at the Melur Room, Level 3, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor, Malaysia on Tuesday, 24 June 2025 at 11.00 a.m. to transact the following businesses:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements together with the Directors' and Auditors' reports for the financial year ended 31 January 2025. ***Please refer to Note 1***

- To consider and if thought fit, to pass the following Ordinary Resolutions:

2. To approve payment of a final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 January 2025. ***Ordinary Resolution 1***

3. Re-election of Directors ***Please refer to Note 5***
 - (i) To re-elect Puan Sri Datin Seri Mariam Parineh who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, offers herself for re-election. ***Ordinary Resolution 2***

 - (ii) To re-elect Datuk Syed Izuan bin Syed Kamarulbahrin who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 3***

 - (iii) To re-elect Ms. Emily Kok who retires pursuant to Article 114 of the Company's Constitution and being eligible, offers herself for re-election. ***Ordinary Resolution 4***

 - (iv) To re-elect Datuk Zainol Izzet bin Mohamed Ishak who retires pursuant to Article 114 of the Company's Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 5***

4. To reappoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 January 2026 and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 6***

5. Directors' Fees
 - (i) To approve the payment of Directors' fees amounting to RM354,877 for the Non-Executive Directors in respect of the financial year ended 31 January 2025. ***Ordinary Resolution 7***
Please refer to Note 4

 - (ii) To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM175,000, from the date of this Annual General Meeting until the next Annual General Meeting of the Company in year 2026. ***Ordinary Resolution 8***
Please refer to Note 4

Notice of Annual General Meeting

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

6. Authority for Directors to issue shares under Sections 75 & 76 of the Companies Act 2016

Ordinary Resolution 9
Please refer to Note 6

"THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company from time to time and at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a final single tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 January 2025, if approved by the shareholders at the 49th Annual General Meeting, will be payable on 30 July 2025 to Depositors registered in the Record of Depositors at the close of business on 15 July 2025.

A Depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 15 July 2025 in respect of ordinary transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

LIYANA LEE BINTI ABDULLAH
(SSM Practising Certificate No. 202008001402)
(MIA 10293)
Company Secretary

Bandar Baru Bangi, Selangor Darul Ehsan
26 May 2025

Notice of Annual General Meeting

NOTES:

1. Audited Financial Statements

This Agenda is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act 2016 and the Company's Constitution, the Audited Financial Statements need not be approved by the shareholders and hence, the matter will not be put forward for voting.

2. Proxy Forms

A member whose name appears in the Record of Depositors of the Company as at 13 June 2025 shall be entitled to participate and vote at this Meeting.

A member of the Company who is entitled to participate and vote at this Meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation as to the qualification of the proxy.

Where a member is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), it may appoint at least one (1) proxy 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 appoints two (2) proxies to participate at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporate member, shall be either under its Common Seal or signed by its attorney or an officer of the corporation duly authorised.

The instrument appointing a proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or deposit the proxy form electronically via TIIH Online at <https://tiih.online>, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

3. Corporate Representative

As an alternative to the appointment of a proxy, a corporate member may appoint its corporate representative to participate and vote at this Meeting pursuant to Section 333(1) of the Companies Act 2016. For this purpose and pursuant to Section 333(5) of the Companies Act 2016, the corporate member shall provide a certificate as prima facie evidence of appointment of the corporate representative. The corporate member may submit the certificate to the Registrar's Office of the Company prior to the commencement of this Meeting.

4. Directors' Fees and Remuneration

Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 49th Annual General Meeting on the directors' remuneration in two (2) separate resolutions as below:

- Ordinary Resolution 7 on payment of Directors' fees for the financial year ended 31 January 2025 amounting RM354,877.
- Ordinary Resolution 8 on payment of Directors' remuneration (excluding Directors' fees) in respect of the period from the date of this Annual General Meeting until the next Annual General Meeting in year 2026 up to an amount of RM175,000, comprising meeting allowances, directors' and officers' liability insurance premium, medical coverage and other claimable benefits.

The Company pays Directors' fees and benefits to the Non-Executive Directors. The Executive Directors do not receive any fees and benefits as Directors but they are remunerated with salary, benefits and other emoluments by virtue of their Employment Contract.

5. Re-election of Directors who retire in accordance with Article 110 and 114 of the Company's Constitution

Article 110 of the Company's Constitution provides that at each annual general meeting in every subsequent year one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office PROVIDED ALWAYS that all Directors, shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Article 114 of the Company's Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board but so that the total number of Directors does not at any time exceed the number determined in accordance with the Constitution. Any Director so appointed shall hold office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Notice of Annual General Meeting

At this 49th Annual General Meeting, Puan Sri Datin Seri Mariam Parineh and Datuk Syed Izuan bin Syed Kamarulbahrin are due to retire under Article 110 of the Company's Constitution, and Ms. Emily Kok and Datuk Zainol Izzet bin Mohamed Ishak are due to retire under Article 114 of the Company's Constitution. All the four (4) Directors are eligible to stand for re-election.

In determining the eligibility of the retiring Directors to stand for re-election, the Board Nomination and Remuneration Committee ("BNRC") considered the following:

- Evaluation on the effectiveness of the retiring Directors in accordance with the criteria as set out in the Company's Fit and Proper Policy for the Board, which includes character, experience, integrity, competency, time and commitment in discharging their roles as Directors of the Company; and
- The current board balance and composition.

The BNRC (save for the retiring Directors who had abstained from deliberation and decision on their own re-election), was satisfied that the retiring Directors met the criteria as set out in the Company's Fit and Proper Policy for the Board. Hence, BNRC was of the view that the retiring Directors are eligible to stand for re-election.

Further information on the details of Puan Sri Datin Seri Mariam Parineh, Datuk Syed Izuan bin Syed Kamarulbahrin, Ms. Emily Kok and Datuk Zainol Izzet bin Mohamed Ishak can be found on pages 17 to 21 of this Annual Report.

PERSONAL DATA PRIVACY:

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

6. Ordinary Resolution pursuant to Sections 75 & 76 of the Companies Act 2016

The proposed Ordinary Resolution 9 is intended to renew the authority granted to the Directors of the Company at the last 48th Annual General Meeting of the Company held on 10 July 2024, to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being ("renewed mandate"). Should the renewed mandate be exercised, it will enable the Directors to take swift action in case of a need for corporate exercises or fund-raising activities or in the event business opportunities arise which involve the issuance of new shares and to avoid delay and cost in convening general meetings to approve such issuance of shares. The proceeds raised from the corporate exercises or fund-raising activities will be utilised for funding future investment projects, working capital and/or acquisitions.

After having considered all aspects of the renewed mandate, the Board is of the opinion that the adoption of the renewed mandate would be in the best interest of the Company and its shareholders, on the basis that it is the most optimum and cost efficient method of fund raising for the Company.

As at the date of this Notice, no new shares in the Company had been issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 10 July 2024 which will lapse at the conclusion of the forthcoming 49th Annual General Meeting.

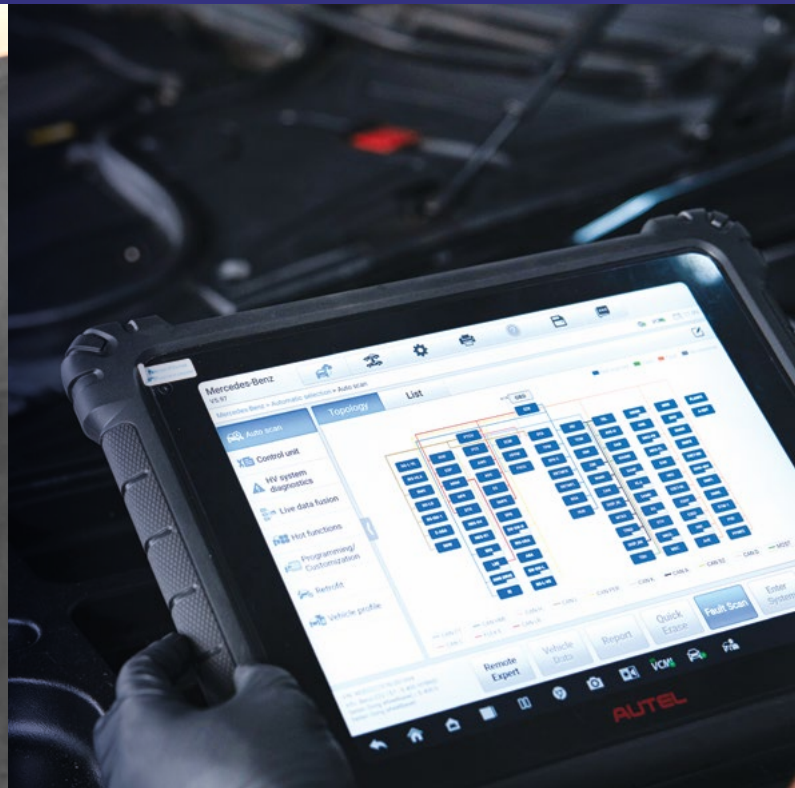
STATEMENT ACCOMPANYING NOTICE OF THE 49TH ANNUAL GENERAL MEETING

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

The details of the Directors who are standing for re-election as per Agenda 3 of the Notice of 49th Annual General Meeting are provided in the "Directors' Profile" on pages 17 to 21 of this Annual Report. Details of their interests in the securities of the Company are set out in the "Analysis of Shareholdings" on page 174 of this Annual Report.

INTEGRITY

We uphold **Integrity**
in every decision and
relationship.





CORPORATE PROFILE

Sapura Industrial Berhad (SIB) started its business in automotive components manufacturing in the early 1980s through an acquisition of a coil spring business from Henderson's Ltd., Australia. Taking off as a single product manufacturer – SIB later expanded its business to include high precision machining of engine, transmission and brake components, manufacture of stabiliser bars, and assembly of chassis modular components. Today, SIB is a diversified company; manufacturing and non-manufacturing businesses in automotive and non-automotive industries.

In 1994, Sapura Motors Berhad was established as a holding company, later achieved public listing on Bursa Malaysia in 1997. The Company transitioned to the Main Board in 2004 and assumed the name Sapura Industrial Berhad, reflecting our broader ambitions to expand our industrial business. In 2025, SIB unveils a refreshed corporate identity and logo—signalling a new phase of growth within the automotive industry and strategic diversification into new sectors.

At the heart of our evolution lies a strong set of core values – people, integrity, experience, growth and collaboration. These values define our culture, shape our decisions, and serve as the foundation of our performance-driven organisation. Our people remain the cornerstone of our business, driving innovation, quality, and progress.

SIB has earned its standing in the industry through sheer determination, far-sightedness and plain hard work. Recognised for our quality, reliability, and customer-centric approach, SIB has received accolades from major automotive brands and industry bodies in Malaysia. Backed by a solid track record of success and aspiration to grow further, we are into new, high-potential sectors including electric vehicle, battery, non-metal, high-precision components, and healthcare sectors.

As we grow, we remain focused on creating long-term value for our stakeholders and contributing meaningfully to the industrial growth in Malaysia.

Corporate Profile



CORPORATE INFORMATION

BOARD OF DIRECTORS

1	2	3	4	5	6	7
Tan Sri Dr. Azmil Khalili bin Dato' Khalid	Puan Sri Datin Seri Mariam Parineh	Datuk Syed Izuan bin Syed Kamarulbahrin	Datin Noor Lily Zuriati binti Abdullah	Datuk Zainol Izzet bin Mohamed Ishak	Ms. Emily Kok	Ir. Md. Shah bin Hussin
<i>Independent Non-Executive Chairman</i>	<i>Executive Vice Chairman</i>	<i>Managing Director</i>	<i>Independent Non-Executive Director</i>	<i>Independent Non-Executive Director</i>	<i>Independent Non-Executive Director</i>	<i>Non-Independent Non-Executive Director</i>

BOARD AUDIT COMMITTEE

Datin Noor Lily Zuriati binti Abdullah
(*Chairperson*)
Ir. Md. Shah bin Hussin
Ms. Emily Kok

COMPANY SECRETARY

Liyana Lee binti Abdullah
(SSM Practising Certificate No. 202008001402)
(MIA No. 10293)

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.

Office:
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : +603-2783 9299

BOARD NOMINATION AND REMUNERATION COMMITTEE

Datuk Zainol Izzet bin Mohamed Ishak (*Chairman*)
Datin Noor Lily Zuriati binti Abdullah
Ir. Md. Shah bin Hussin

Nor Azhani binti Amran
(SSM Practising Certificate No. 202008001351)
(LS No. 0009127)

REGISTERED OFFICE

Lot 2 & 4, Jalan P/11, Seksyen 10
Kawasan Perindustrian Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Tel : +603-8925 6011

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : SAPIND
Stock Code : 7811

BOARD INVESTMENT COMMITTEE

Ms. Emily Kok (*Chairperson*)
Puan Sri Datin Seri Mariam Parineh
Datin Noor Lily Zuriati binti Abdullah
Datuk Zainol Izzet bin Mohamed Ishak
Ir. Md. Shah bin Hussin

AUDITORS

Ernst & Young PLT
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : +603-7495 8000
Fax : +603-2095 9076/78

DIRECTOR IN CHARGE OF SHAREHOLDERS' COMMUNICATIONS

Tan Sri Dr. Azmil Khalili bin Dato' Khalid
Senior Independent Non-Executive Director

Email:
director-sib@sapuraindustrial.com.my
or

Mail to:
Lot 2 & 4, Jalan P/11, Seksyen 10
Kawasan Perindustrian Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan

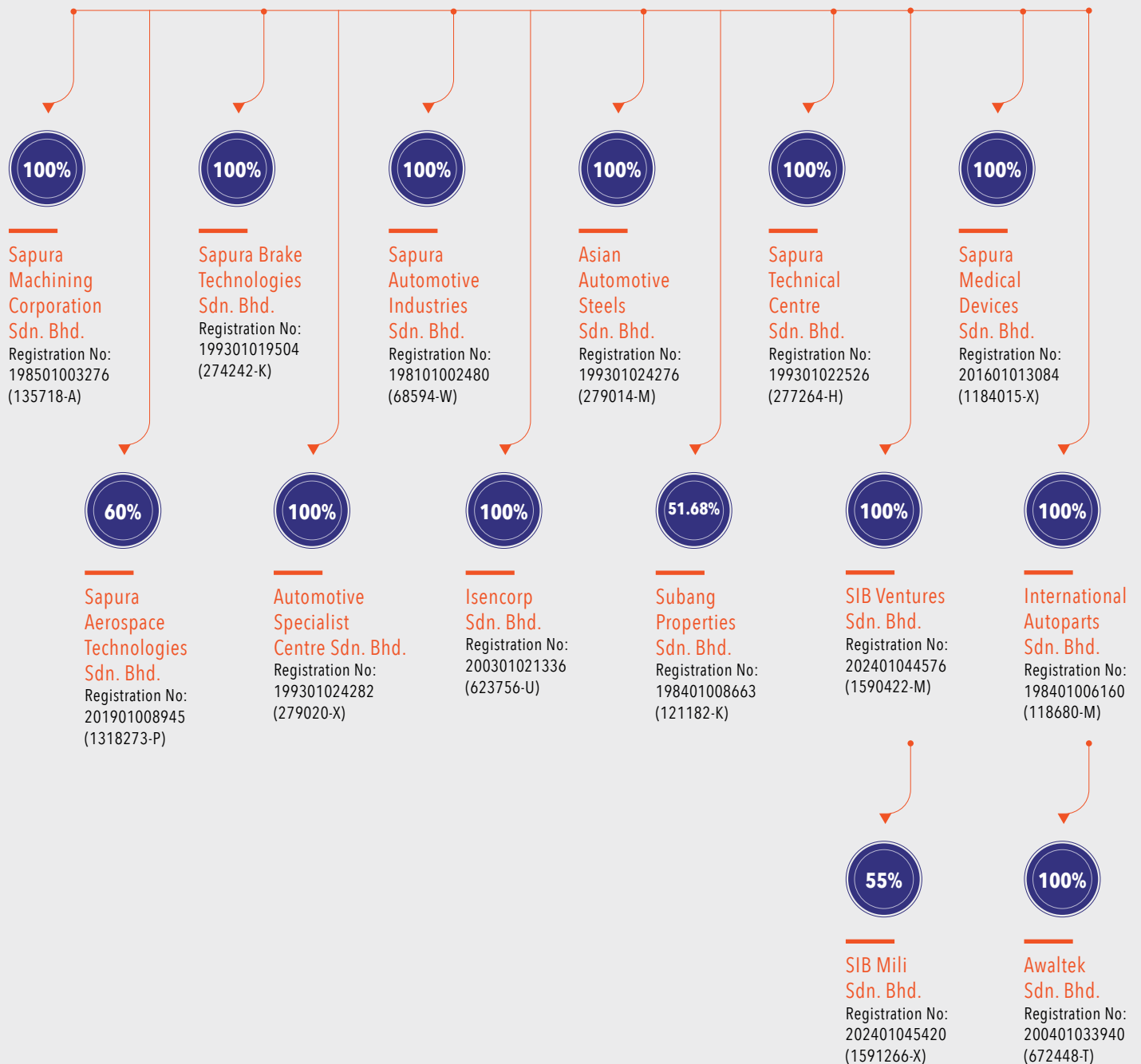
CORPORATE STRUCTURE

As at 13 May 2025



Sapura Industrial Berhad

Registration No.: 197401000510 (17547-W)



BOARD OF DIRECTORS

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Datuk Zainol Izzet bin Mohamed Ishak
Independent Non-Executive Director

Ms. Emily Kok
Independent Non-Executive Director

Tan Sri Dr. Azmil Khalili bin Dato' Khalid
Independent Non-Executive Chairman



Board of Directors

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Puan Sri Datin Seri Mariam Parineh

Executive Vice Chairman

Ir. Md. Shah bin Hussin

Non-Independent Non-Executive Director

Datuk Syed Izuan bin Syed Kamarulbahrin

Managing Director

Datin Noor Lily Zuriati binti Abdullah

Independent Non-Executive Director



DIRECTORS' PROFILE



Tan Sri Dr. Azmil Khalili bin Dato' Khalid

Independent Non-Executive Chairman

Gender:

Male

Age:

64

Nationality:

Malaysian

Date of Appointment:

20 March 2023

Membership of Board Committee:

Nil

Number of Board Meetings Attended:

5/5

Tan Sri Dr. Azmil Khalili bin Dato' Khalid was appointed to the Board of Sapura Industrial Berhad on 20 March 2023 as an Independent Non-Executive Director. He was redesignated as Deputy Chairman on 14 June 2023 and subsequently as Independent Non-Executive Chairman of the Board on 1 May 2025.

Tan Sri Dr. Azmil provides seasoned leadership and strategic oversight to the Group. He brings with him a highly valuable experience spanning multiple industries including construction, infrastructure development, financial services, and engineering.

He began his career in the United Kingdom with Tarmac National Construction. Upon returning to Malaysia, he held key roles at Trust International Insurance and Citibank N.A. He joined MTD Capital Berhad as General Manager of Corporate Planning in 1993 and then become the Group Managing Director and Chief Executive Director in 1996. He subsequently served as the Group President and Chief Executive Officer for MTD Capital Berhad from 2005 to 2011.

From April 2011 to August 2017, Tan Sri served as the President and CEO of The Alloy MTD Group and ANIH Berhad, as the President and CEO of MTD ACPI Engineering Berhad, a listed subsidiary of MTD Capital Berhad and, as the Chairman of MTD Walkers PLC, a Sri Lanka-based subsidiary listed on the Colombo Stock Exchange.

Currently, Tan Sri serves as Chairman of UEM Edgenta Berhad, Elridge Energy Holdings Berhad, and Cenviro Sdn. Bhd. In addition, he is a Director of AFA Prime Berhad (formerly known as ANIH Berhad), a public company involved in highway operations and infrastructure.

Tan Sri Dr. Azmil holds a Doctorate of Science (Honorary) from the University of Hertfordshire, United Kingdom. He also holds a Master of Business Administration from California State University, Dominguez Hills, United States, and a Bachelor of Science in Civil Engineering from both the University of Hertfordshire, United Kingdom, and Northrop University, Los Angeles, United States.

Directors' Profile



Puan Sri Datin Seri Mariam Parineh

Executive Vice Chairman

Gender:

Female

Age:

48

Nationality:

American / Malaysian PR

Date of Appointment:

7 September 2020

Membership of Board Committee:

Board Investment Committee - Member

Number of Board Meetings Attended:

5/5

Puan Sri Datin Seri Mariam Parineh was first appointed to the Board of Sapura Industrial Berhad on 7 September 2020 as a Non-Independent Non-Executive Director. She was subsequently appointed as Executive Director on 1 January 2024 and redesignated as Executive Vice Chairman on 1 May 2025. She also serves as a member of the Board Investment Committee.

A seasoned entrepreneur and strategic leader, Puan Sri Mariam brings with her over two decades of experience in business development, marketing strategy, and innovation-driven growth. Known for her ability to align business vision with execution, she is passionate about building sustainable, customer-focused organisations that are agile and impact-oriented.

She began her entrepreneurial journey in Malaysia with a successful stone care and restoration business, which she later exited to establish a business consultancy. Since then, she has guided numerous companies through business model pivots, market expansion, and strategic transformation. Her portfolio spans diverse industries, including retail fashion, consumer products, digital healthcare, and agotech marketplace solutions.

Puan Sri Mariam is also the founder of a purpose-driven investment company focused on supporting women entrepreneurs and customer empowerment ventures. Most recently, she founded VivaValet.com, an award-winning agotech start-up designed to revolutionise ageing-in-place experiences by integrating intuitive design and digital services for older adults.

Beyond her corporate engagements, she is deeply committed to social impact and women's empowerment. She co-founded and actively supports the Malaysia Baby Box Project, a social initiative aimed at improving outcomes for underserved mothers and newborns.

Puan Sri Mariam holds a Bachelor of Science in Managerial Economics from the University of California, Davis. She has furthered her executive education through the Executive Management Programme at Columbia University, New York, and the Harvard Business School, Massachusetts.

Directors' Profile



Datuk Syed Izuan bin Syed Kamarulbahrin

Managing Director

Gender:

Male

Age:

55

Nationality:

Malaysian

Date of Appointment:

21 January 2022

Membership of Board Committee:

Nil

Number of Board Meetings Attended:

5/5

Datuk Syed Izuan bin Syed Kamarulbahrin was appointed to the Board of Sapura Industrial Berhad on 21 January 2022 as an Independent Non-Executive Director, and subsequently assumed the role of Managing Director on 1 January 2025.

With over 30 years of experience in corporate finance, mergers and acquisitions, accounting, and advisory, Datuk Syed Izuan brings deep financial acumen and strategic leadership to the Group, necessary for its growth and expansion.

His career began in 1993 with Price Waterhouse, where he did statutory audits for both private and public companies across various sectors. He later joined the Business Development & Corporate Affairs Department at Malaysian Resources Corporation Berhad in 1996, for strategic planning and corporate restructuring initiatives.

From 1998 to 2021, he was the Investment Manager and subsequently became the Chief Financial Officer at The Sapura Group, contributing to the it's expansion and financial transformation. He was the Chief Financial Officer at Tradewinds Plantation Berhad, overseeing financial operations and investment decisions. He also served as the Group Financial Adviser at The Weststar Group, a diversified conglomerate with businesses in automotive, aviation, construction & property, defence, and engineering.

In addition to his current executive role at Sapura Industrial Berhad, Datuk Syed Izuan also serves as an Independent Non-Executive Director on the Board of Kumpulan Perangsang Selangor Berhad, and as a Board Member of Wasiyyah Shoppe Berhad, a public trust company.

Datuk Syed Izuan is a Fellow Member of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and a member of both the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA). He is a graduate of the Emile Woolf College of Accountancy, London.

Directors' Profile



Datin Noor Lily Zuriati binti Abdullah

Independent Non-Executive Director

Gender:

Female

Age:

66

Nationality:

Malaysian

Date of Appointment:

10 August 2023

Membership of Board Committee:

Board Audit Committee - Chairperson
Board Nomination and Remuneration Committee
- Member
Board Investment Committee - Member

Number of Board Meetings Attended:

5/5

Datin Noor Lily Zuriati binti Abdullah was first appointed to the Board of Sapura Industrial Berhad on 10 August 2023 as an Independent Non-Executive Director. Datin Noor Lily serves as the Chairperson of the Board Audit Committee and is also a member of the Board Nomination and Remuneration Committee and the Board Investment Committee of Sapura Industrial Berhad.

Datin Noor Lily brings over 27 years of experience in legal advisory as a corporate and business lawyer, in managing corporate governance and compliance, and company secretarial services, alongside a decade of expertise in corporate communications and stakeholder engagement, primarily within the oil and gas sector.

Datin Noor Lily began her career in 1985 as a Legal Officer, responsible for loan and security documentations with Bank Pertanian Malaysia Kuala Lumpur (now known as Agro Bank). From 1991 to 1992, she was a Legal Manager, Procurement, Tender & Contract at PETRONAS Holdings. She spent the next 9 years with Malaysia LNG Group of Companies as Senior Legal Manager & Company Secretary for the Group.

Datin Noor Lily joined PETRONAS Dagangan Berhad in 2002 as Senior Manager, Legal & Company Secretary. In 2009 to 2011, she was a Senior Manager of Legal & Corporate Affairs, Stakeholder Management and Communication in PETRONAS Int. Corp. Ltd., Egypt. She then returned to PETRONAS Holdings as its General Counsel/Head of Legal for Engineering, Technology & Intellectual Property Business Division in 2011 to 2014. She was appointed as General Counsel/Head of Legal for the Group, Company Secretary for PETRONAS Chemical Group Bhd, and Non-Independent Non-Executive Director for the Group of subsidiaries from 2014 to May 2018.

Datin Noor Lily was an Independent Non-Executive Director of KLCC Property Holdings Berhad between December 2021 until April 2025.

Datin Noor Lily holds a Bachelor of Laws Degree (LLB Hons) from the University of London, United Kingdom and a legal practitioner certified by the Qualifying Board for Legal Profession, Malaysia. She has also attended Senior Management Development Programme at INSEAD and PETRONAS' Leadership Excellence (LEAP) Programme. She is a member of the Institute of Corporate Directors Malaysia.

Directors' Profile



Datuk Zainol Izzet bin Mohamed Ishak

Independent Non-Executive Director

Gender:

Male

Age:

64

Nationality:

Malaysian

Date of Appointment:

1 May 2025

Membership of Board Committee:

Board Nomination and Remuneration Committee

- Chairman

Board Investment Committee - Member

Number of Board Meetings Attended:

N/A

Datuk Zainol Izzet bin Mohamed Ishak was appointed to the Board of Sapura Industrial Berhad on 1 May 2025 as an Independent Non-Executive Director. He currently serves as Chairman of the Board Nomination and Remuneration Committee and is a member of the Board Investment Committee.

Datuk Izzet Ishak brings to the Group his experience and strategic leadership from over four decades of growing companies in the telecommunications, energy, and oil & gas sectors.

He began his professional career in 1982 as a Consultant with Hymans Robertson & Co., Consulting Actuaries, in London. Upon returning to Malaysia in 1985, he joined Kassim Chan & Co. as a management consultant before transitioning into the manufacturing sector as General Manager of Seccolor (M) Industries from 1988 to 1992.

He joined the Sapura Group of Companies in 1992 as General Manager of Corporate Planning, responsible for driving group-wide strategic initiatives and business development. In 1994, he was appointed Chief Executive Officer of Sapura Digital Sdn. Bhd., one of Malaysia's pioneering digital cellular service providers (ADAM). Datuk Izzet Ishak became the Senior Vice-President of the Energy Division, and then the Chief Executive Officer of SapuraCrest Petroleum Berhad from 2003 to 2010.

In 2010, he joined Perisai Petroleum Teknologi Berhad as a Board member and was subsequently redesignated as Managing Director, a position he held until 2020, driving strategic transformation and expanding the company's upstream capabilities.

Datuk Izzet Ishak holds a Master of Business Administration from The Cranfield Institute of Technology, United Kingdom and a Bachelor of Actuarial Studies from Macquarie University, Sydney, Australia.

Directors' Profile



Ms. Emily Kok

Ms. Emily Kok was appointed to the Board of Sapura Industrial Berhad on 19 February 2025 as an Independent Non-Executive Director. She serves as Chairperson of the Board Investment Committee and as a member of the Board Audit Committee.

Independent Non-Executive Director

Gender:

Female

Age:

58

Nationality:

Malaysian

Date of Appointment:

19 February 2025

Membership of Board Committee:

Board Investment Committee - Chairperson

Board Audit Committee - Member

Number of Board Meetings Attended:

N/A

Ms. Emily brings over two decades of leadership experience in venture capital, private equity, entrepreneurship, and corporate governance. Her diverse career spans founding and managing businesses across multiple sectors, including technology, financial services, and consumer products.

She co-founded several ventures across IT, financial services and fast-moving consumer goods space, notably serving as the Chairman of Rentwise Sdn. Bhd. and later as its CEO, Malaysia's only homegrown independent IT equipment lessor, from 2004 to 2011. Earlier in her career, she was Vice President at 3i Group plc, playing a key role in establishing its Asia Pacific investment presence. Ms. Emily later held executive leadership at Prima Gading Sdn. Bhd. and ICAN College, where she served as CEO from 2017 to 2019 and remains on the Board of Governors. Her diverse board experience underscores her strategic acumen across multiple industries.

Ms. Emily currently sits on the Board of Hong Leong Financial Group Berhad as an Independent Non-Executive Director.

Ms. Emily holds a Master of Enterprise Innovation & Entrepreneurial Studies from Swinburne University of Technology, Australia and a Bachelor of Science (Honours) in Mathematical and Information Sciences from La Trobe University, Australia. She had also attended various C-suites executive programmes in INSEAD, IMD (Lausanne, Switzerland) and Harvard Business School. Ms. Emily is a Fellow of the Institute of Corporate Directors Malaysia and a member of the Chartered Institute of Management Accountants and Institute of Certified Sustainability Practitioners. She is a Chartered Global Management Accountant and a sustainability reporting specialist.

Directors' Profile



Encik Ir. Md. Shah bin Hussin

Non-Independent Non-Executive Director

Gender:

Male

Age:

74

Nationality:

Malaysian

Date of Appointment:

1 September 1997

Membership of Board Committee:

Board Audit Committee - Member

Board Nomination and Remuneration Committee - Member

Board Investment Committee - Member

Number of Board Meetings Attended:

5/5

Encik Ir. Md. Shah bin Hussin was appointed to the Board of Sapura Industrial Berhad on 1 September 1997. Since then he served in various capacities, Managing Director from 1997 to 2009, Non-Independent Non-Executive Director from 1 August 2009, Independent Non-Executive Director from 25 September 2013, and then redesignated as a Non-Independent Non-Executive Director on 1 May 2025. He is also a member of the Board Audit Committee, Board Nomination and Remuneration Committee, and Board Investment Committee of Sapura Industrial Berhad.

With a career spanning over four decades, Encik Ir. Md. Shah brings extensive leadership and operational experience in engineering, manufacturing, and corporate management as well as legacy knowledge and experience within Sapura Industrial Berhad.

He began his professional journey as a Project Executive at Guthrie Engineering Sdn. Bhd., followed by progressively senior roles including Assistant Manager – Project Implementation at Heavy Industries Corporation of Malaysia, Assistant General Manager at HICOM-Yamaha Manufacturing (M) Sdn. Bhd., and General Manager roles at both Body Fashion (M) Sdn. Bhd. and H & R Johnson (M) Berhad.

In 1994, he was appointed as the Group General Manager, and played a pivotal role in steering Sapura Industrial Berhad's successful listing on the Main Market of Bursa Malaysia. During his tenure as Managing Director, he was instrumental in driving strategic growth and operational excellence across the organisation.

Encik Ir. Md. Shah is also the Executive Chairman of ZDA Corporation Sdn. Bhd., furthering his contributions to the engineering and manufacturing sectors.

He holds a Bachelor of Science in Mechanical Engineering from West Virginia University, USA, and a Master of Business Administration from Ohio University, USA. He has been a Member of the Institution of Engineers, Malaysia (IEM) since 1990.

Save as disclosed in this Annual Report, none of the Directors has:

- any family relationship with any Director and/or major shareholder of the Company;
- any other directorship in public companies and listed issuers;
- any actual or potential conflict of interest, including interest in any competing business with the Group;
- any conviction of offences within the past five (5) years other than traffic offence, if any; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT'S PROFILE

01

Encik Mohd Fahmi bin Md Isa

Head of Manufacturing Business

Gender:	Age:	Nationality:
Male	47	Malaysian

Encik Mohd Fahmi bin Md Isa was appointed as the Head of Manufacturing Business of Sapura Industrial Berhad on 14 July 2023. He leads the Group's core manufacturing business, with a strategic focus on productivity enhancement, operational excellence, and continuous improvement.

Encik Mohd Fahmi brings over 22 years of experience in the automotive manufacturing industry, with expertise in quality control, engineering inspections, casting, machining, and assembly operations.

He began his career as an engineer at Perodua Manufacturing Sdn. Bhd. in 2002. He grew within Perodua and held several senior leadership roles, including Deputy General Manager of Quality Control at Perodua Manufacturing Sdn. Bhd. and Deputy General Manager of Production at Perodua Engine Manufacturing Sdn. Bhd. He played a pivotal role in the development and optimisation of the KR Engine and KR Turbo Engine Assembly Lines, contributing to enhanced operational capability and manufacturing efficiency.

He holds a Bachelor of Science in Mechanical Engineering from Universiti Tenaga Nasional, Malaysia.

02

Encik Fazal Othman bin Mohd Ghazali

President Industrial Business

Gender:	Age:	Nationality:
Male	53	Malaysian

Encik Fazal Othman bin Mohd Ghazali was appointed as the President Industrial Business of Sapura Industrial Berhad (SIB) on 16 January 2023. He leads the Group's new businesses segment, driving strategic initiatives, stakeholder engagement, and business expansion within Malaysia.

With a career spanning several industries—including banking, automotive, petrochemicals, energy, and utilities. Encik Fazal brings in 30 years of expertise relevant for the Group's diversification into new industries.

Encik Fazal career started in 1996 as an Executive Corporate Planning & Business Development at Tenaga Nasional Berhad. From 1999 to 2022, he served several companies including Tanjong Energy Holdings, Titan Chemicals Corp. Bhd. and Citibank (M) Berhad. He has also served on the Boards of international asset companies in Egypt, Dubai, and Bangladesh, and was previously the Group Chief Operating Officer of NUR Power Sdn. Bhd., a power utility provider for Kulim Hi-Tech Park in Kedah. His areas of expertise include business strategy, corporate finance, regulatory affairs, manufacturing systems, planning and development.

Encik Fazal holds a Master of Science in Advanced Mechanical Engineering and a Diploma of Imperial College from Imperial College London and, a Bachelor of Science (Honors) in Mechanical Engineering from Columbia University, New York. He is also an alumnus of INSEAD, having completed its Advanced Management Programme.

Key Senior Management's Profile

03

Puan Liyana Lee binti Abdullah

Head of Corporate Services

Gender:	Age:	Nationality:
Female	58	Malaysian

Puan Liyana Lee binti Abdullah was appointed as the Head of Corporate Services of Sapura Industrial Berhad on 1 July 2023. Prior to this, she served as the Group Financial Controller of Sapura Industrial Berhad Group from 1 February 2009, overseeing group-wide financial operations and governance. Currently, she leads the Group's corporate services to support its current operations and aspired expansions.

Puan Liyana provides expertise in financial control, corporate secretarial and compliance matters and, human resource planning gained from 27 years of experience within listed conglomerates involved in automotive manufacturing, property investment, education, and car dealership sectors.

In 1990, she began her professional career as an auditor with Arthur Andersen and in 1994 joined Sapura Group. Since then, for over 30 years she has held various senior leadership roles within Sapura Group of Companies, contributing to corporate restructuring, fund-raising exercises, and group transformation initiatives.

A professionally qualified accountant, Puan Liyana is an Associate Member of the Chartered Institute of Management Accountants (CIMA), United Kingdom, and a Chartered Accountant registered with the Malaysian Institute of Accountants (MIA). She is also a licensed Company Secretary.

04

Encik Mohd Salleh bin Jani

Senior General Manager,
Group Business Development & Operations

Gender:	Age:	Nationality:
Male	59	Malaysian

Encik Mohd Salleh bin Jani was appointed as a Senior General Manager, Group Business Development & Operations of Sapura Industrial Berhad (SIB) on 1 July 2023. Prior to the appointment, he was the General Manager of Group Business and Development of SIB since 1 February 2015.

Encik Salleh holds a Bachelor of Science in Mechanical Engineering (Design) from University of Hiroshima, Japan.

Encik Salleh began his career as an Engineer in Sapura Machining Corporation Sdn. Bhd., a subsidiary of SIB in March 1993. He has held various positions in SIB Group since 1993, which includes General Manager of Sapura Brake Technologies Sdn. Bhd. and International Autoparts Sdn. Bhd. before assuming his present position.

Prior to joining SIB, Encik Salleh was attached to Sony Kisarazu, Japan from 1990 until 1991 and Sony Video, Malaysia from 1991 until 1993 as the Production Engineering Engineer.

Key Senior Management's Profile

05

Encik Kamaluddin bin Abdul Aziz

General Manager,
Group Supply Chain Management

Gender:	Age:	Nationality:
Male	54	Malaysian

Encik Kamaluddin bin Abdul Aziz was appointed as a General Manager, Group Supply Chain Management of Sapura Industrial Berhad (SIB) on 1 July 2015.

Encik Kamaluddin holds a Master of Business Administration (MBA) and a Bachelor of Mechanical Engineering from Universiti Kebangsaan Malaysia.

Encik Kamaluddin began his career as a Plant Manager in Sapura Brake Technologies Sdn. Bhd., a subsidiary of SIB from 2003 until 2011 before assuming his present position.

Prior to joining SIB, Encik Kamaluddin was working as a Supplier Development Engineer at Perusahaan Otomobil Nasional Sdn. Bhd. (Proton) from 1995 until 2003.

06

Encik Shariman bin Abdul Sofi

General Manager,
Business Planning & Development

Gender:	Age:	Nationality:
Male	54	Malaysian

Encik Shariman bin Abdul Sofi was appointed as a General Manager, Business Planning & Development of Sapura Industrial Berhad (SIB) on 1 December 2021.

Encik Shariman holds a Master in Accountancy from Universiti Teknologi MARA, Malaysia and a Bachelor in Accounting & Financial Management from University of Sheffield, United Kingdom.

Encik Shariman began his career as an Assistant Manager, Finance & Accounts in Sapura Automotive Industries Sdn. Bhd., a subsidiary of SIB in 2004. He has held several positions in SIB since 2004, which includes Senior Manager and General Manager, Group Finance & Accounts of SIB before assuming his current position.

Prior to joining SIB, Encik Shariman held various accounting related positions in construction and property development companies and higher education institutions. Encik Shariman has more than 27 years of experience in finance & accounting.

07

Mr. Sherman Yew Dan Ee

General Manager,
Group Finance & Accounts

Gender:	Age:	Nationality:
Male	32	Malaysian

Mr. Sherman Yew Dan Ee was appointed as General Manager, Group Finance & Accounts of Sapura Industrial Berhad (SIB) on 2 September 2024.

Mr. Sherman is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA). He holds a Bachelor of Science (Honours) in Applied Accounting from Oxford Brookes University, United Kingdom.

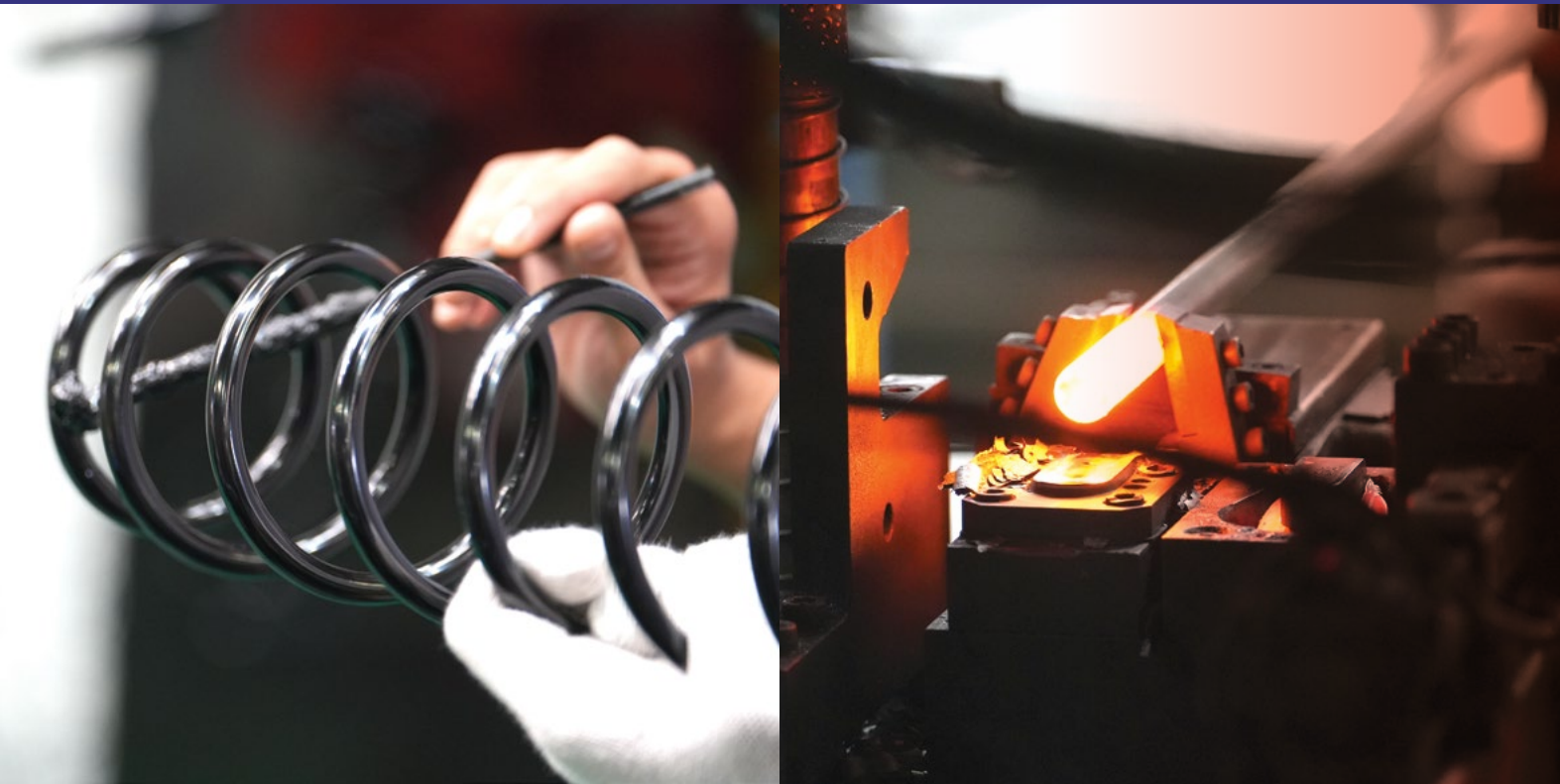
Mr. Sherman began his career with Ernst & Young in 2014, where he gained over 10 years of experience in statutory audits of both private and public listed companies before joining SIB.

None of the abovementioned Key Senior Management personnel has:

- any directorship in public companies and listed issuers;
- any family relationship with any Director and/or major shareholder of the Company;
- any actual or potential conflict of interest, including interest in any competing business with the Group;
- any conviction of offences within the past five (5) years other than traffic offence, if any; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

EXPERIENCE

We bring deep **Experience**
and technical know-how to
every solution.





MANAGEMENT DISCUSSION AND ANALYSIS

For the financial year ended 31 January 2025, Sapura Industrial Berhad (“SIB” or “the Group”) achieved RM287.0 million in revenue and RM8.9 million in profit after tax. Our financial performance underscores the Group’s core strengths and strategic preparedness to leverage market demand.

NEW CORPORATE IDENTITY

As part of the Group’s strategy, we developed a refreshed Corporate Identity that reflects both our legacy and our aspirations for the future. This transformation went beyond visual branding – it embodied the essence of who we had become and how we engaged with our people, partners, and communities.

SIB’s Values:



People:

We place people first — recognising their worth, enabling growth, and caring for their well-being.



Integrity:

We uphold trust, consistency, and the highest ethical standards.



Experience:

We build on decades of expertise to learn, innovate, and lead.



Growth:

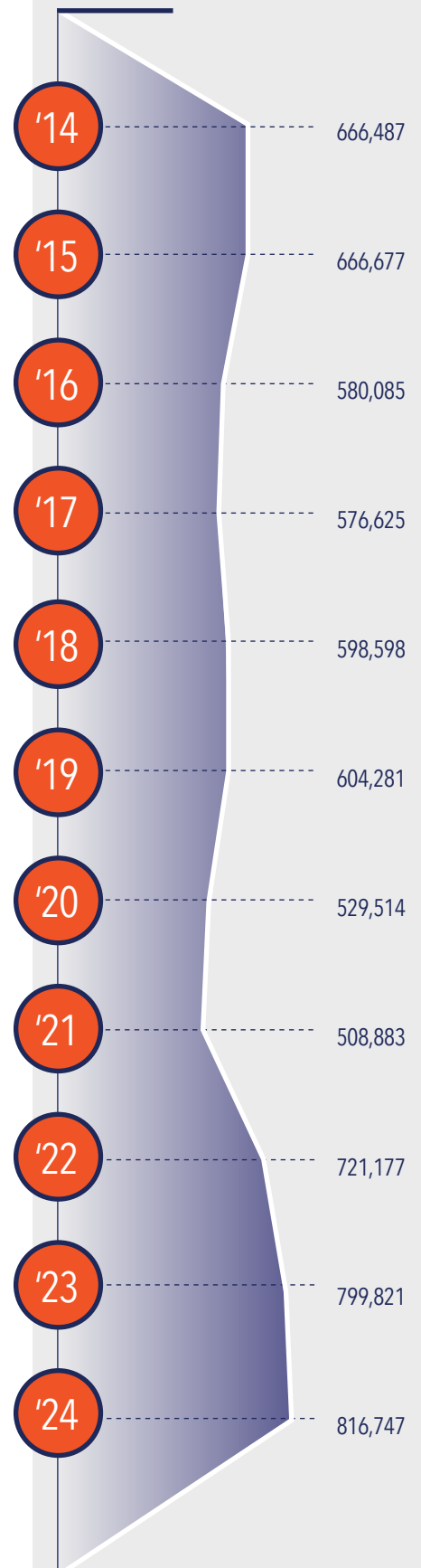
We pursue strategic growth through knowledge, collaboration, and continuous development.



Collaboration:

We believe in shared success through partnerships, teamwork, and collective intelligence.

Malaysian Total Industry Volume (TIV) Trend 2014 - 2024





SIB's Personalities:



Local:

We proudly represented Malaysia and support local progress.



Friendly:

We are approachable, respectful, and easy to work with.



Trusted:

We consistently deliver with transparency and reliability.



Supportive:

We stand by our community, partners, and nation.



Confident:

We deliver with conviction, backed by a strong track record.



Humble:

We let our work and reputation speak for us, without boastfulness.

MALAYSIAN ECONOMY

In 2024, Malaysia's economy demonstrated resilience and growth, with GDP growing by 5.1% (2023: 3.6%) on the back of resilient domestic demand, a rebound in exports and favourable labour market conditions.

Headline inflation in 2024 moderated to an average of 1.8% (2023: 2.5%) while core inflation averaged at 1.8% (2023: 3%) driven by easing cost pressures resulting from declining global commodity prices, improvement in global supply chain conditions, and the ringgit's appreciation against major currencies. *(Source: Bank Negara Malaysia Annual Report 2024).*

MALAYSIAN AUTOMOTIVE INDUSTRY

Malaysian TIV grew by 2.1% to reach an unprecedented high of 816,747 units, surpassing the 800,000 unit mark for the first time and marking the industry's third consecutive year of growth. This milestone was driven by strong domestic demand, aggressive promotional campaigns and a stable economic environment.

The passenger vehicle segment was the primary growth driver, with sales increasing by 3.9% from 2023, on the back of strong sales performances by the national makes, in particular by Perodua. The electrified vehicle (xEV) segment also showed remarkable growth, with Battery Electric Vehicles (BEV) sales increasing by 45%.

Management Discussion and Analysis

Despite the overall industry growth, the commercial vehicles segment faced challenges, experiencing a 13.8% decline following the removal of diesel subsidies in June 2024.

Strong demand for new vehicles have put continued pressure on most OEMs and the supply chain ecosystem of vendors and suppliers to operate at near-full capacity, demonstrating the industry's collective resilience and strength to deliver. (Source: Malaysian Automotive Association (MAA) Market Review 2024, 21 January 2025).

Looking ahead, the Malaysian economy is expected to remain resilient with steady household spending, manageable inflationary pressures and robust investment activity despite uncertainties surrounding tariffs and

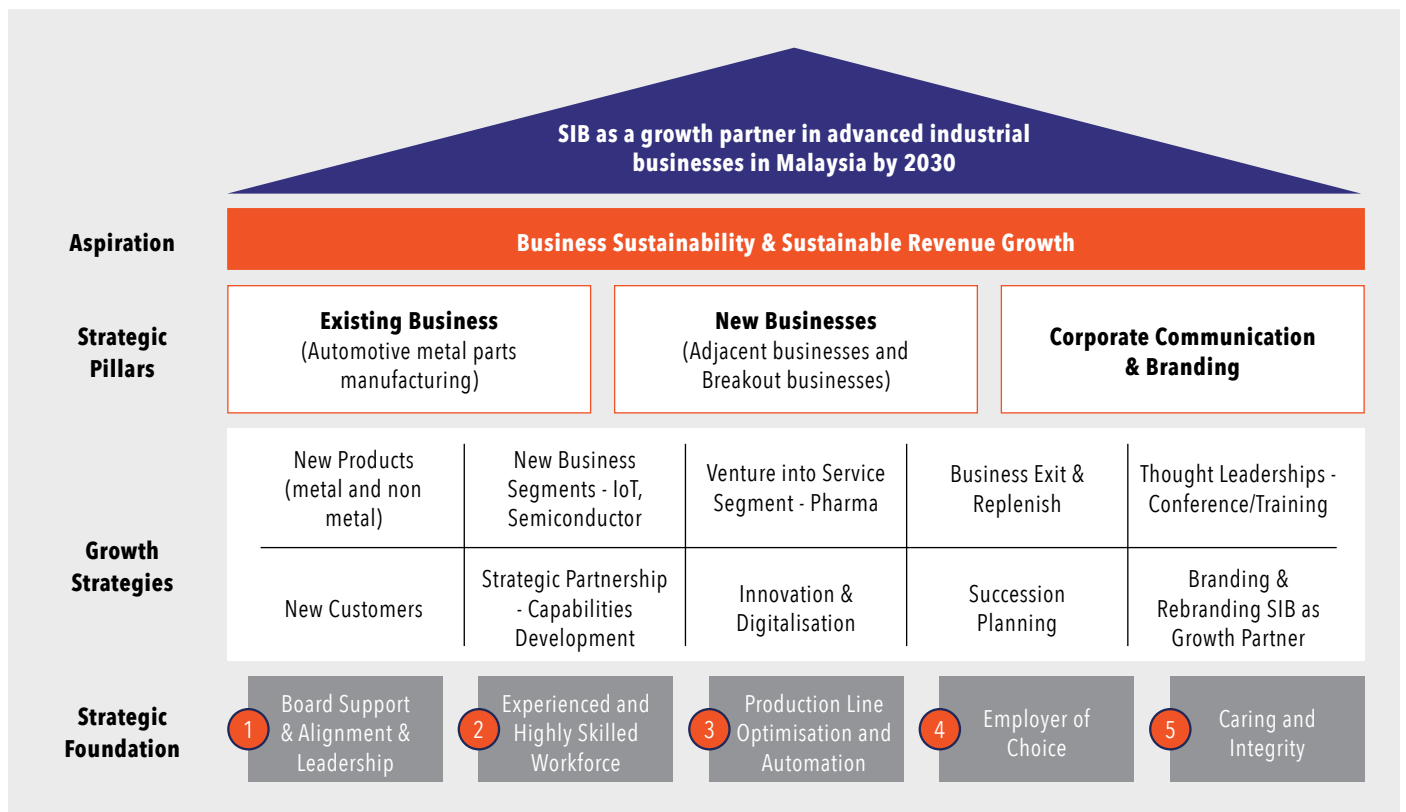
other policies from major economies. (Source: Bank Negara Malaysia Annual Report 2024).

In the automotive industry, the MAA anticipates a 4.5% reduction in TIV to 780,000 units in 2025, influenced by uncertainties surrounding the US-China trade war and the impact of the petrol subsidy rationalisation on higher engine capacity vehicles.

Despite the above, the MAA anticipates growth opportunities in the industry stemming from higher private consumption and investment, a stable labour market with low employment rates, continued new model launches and the expiry of duty exemptions for Battery Electrified Vehicles towards the end of 2025 which is expected to spur demand. (Source: MAA Market Review 2024).

SIB'S GROWTH AND DIVERSIFICATION STRATEGY 2025 - 2030

With the promising yet challenging outlook in the coming years, the Group is positive in its continuous pursuit of growth. We have set an ambitious goal to be a growth partner in advanced industrial businesses by 2030. The growth and diversification strategy is aimed at protecting and expanding our core manufacturing business while also capitalising on emerging sectors. Our core business remains centered on automotive metal parts manufacturing, but we are diversifying into niche sectors within high-potential industries such as electric vehicles, mobility, industrial technology and healthcare.



Management Discussion and Analysis

This strategic shift is supported by a comprehensive organisational structure that includes experienced leadership, a skilled workforce, and optimised production lines. Through new ventures, the Group will leverage its existing capabilities while tapping into innovative technologies to ensure long-term growth and profitability. Additionally, we are committed to fostering an employer-of-choice culture, aiming to attract and retain top talent to support its expansion into new markets.

The Group will strengthen its leadership team, with dedicated heads for each of its new venture sectors, including EV batteries, mobility, industrial technologies, non-metal parts manufacturing, and healthcare. By optimising its support functions in research and development, marketing, finance, human resources, and information technology, the Group ensures seamless integration of its diverse business units, positioning itself for sustainable growth in an increasingly competitive global market.

We are confident that our efforts position us for future growth both within and beyond the automotive industry, locally as well as globally.

OPERATIONS REVIEW

Among the notable achievements this year were the successful mass production of a new part for our customer, Mitsubishi, the receipt of an award to supply suspension components for Perodua's first electrified vehicle and the establishment of a partnership with Germany-based Mubea Fahrwerksfedern GmbH to boost the Group's technical capabilities in the production of hollow stabiliser bars and high-stress coil springs.

In recognition of our commitment towards safety, Sapura Machining Corporation was acknowledged with the "2025 Best Safety Supplier Award" by a customer.



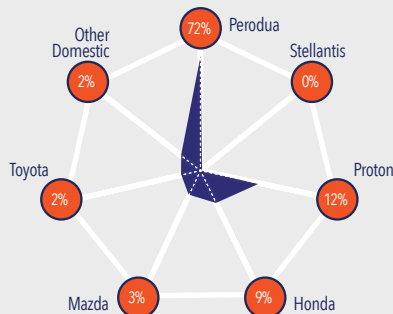
In line with our strategic goals of growth and diversification, and Malaysia's broader national vision for increased xEV adoption, the Group, together with Mili Tech Sdn. Bhd., formed a strategic joint venture through SIB Mili Sdn. Bhd. to accelerate growth of xEVs in the Malaysian market by focusing on after-sales service and maintenance for xEVs, refurbishment, repurposing and recycling of xEV batteries, as well as training and certification of local talent to meet growing demand for xEV-related expertise.

GROUP FINANCIAL PERFORMANCE

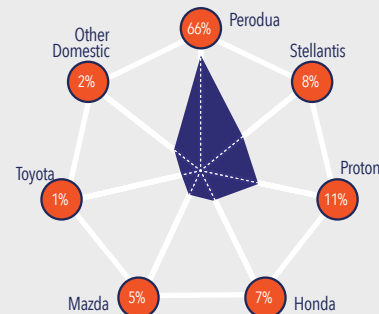
In FY2025, the Group generated revenue of RM287.0 million compared to RM295.6 million in FY2024. The slight reduction was a result of the conclusion of an assembly project with Stellantis Malaysia which ended during the year, compensated by an overall increase in volumes supplied to OEMs.

Net profit was RM8.9 million for the current financial year, an increase from RM7.4 million in FY2024, following the complete relocation of the Group's coil spring plant from Port Klang to Bangi during the financial year.

Revenue by Customers



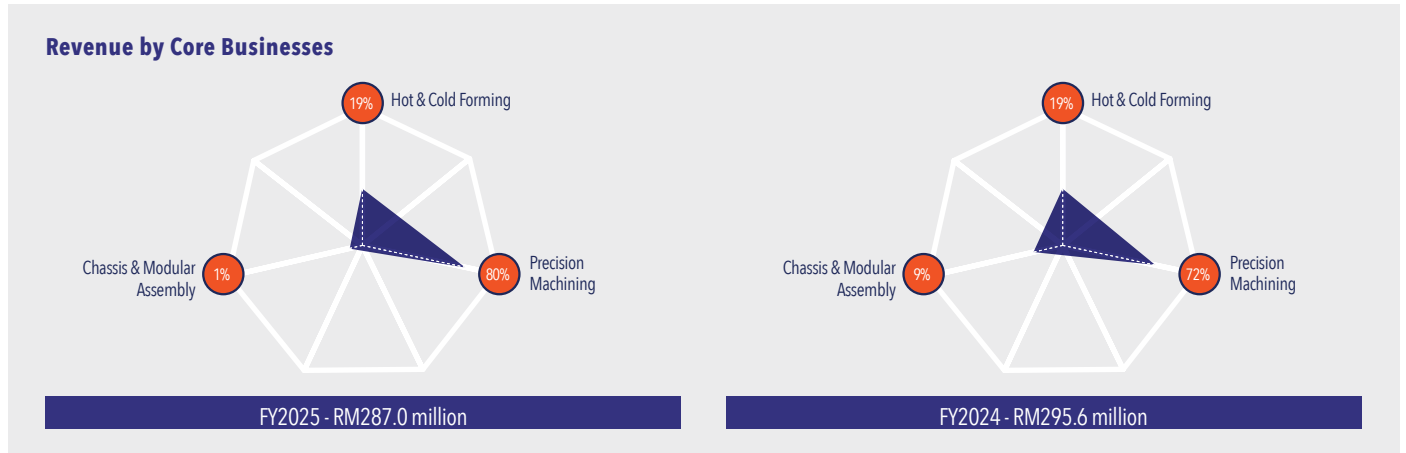
FY2025 - RM287.0 million



FY2024 - RM295.6 million

Management Discussion and Analysis

In FY2025, the Group's revenue composition continued to be anchored by Perodua, constituting 72% (RM207.3 million) of the Group's revenue. Other recurring customers include Proton, Honda, Mazda and Toyota; contributing 26% or RM73.6 million of total revenue.



Precision Machining, historically the dominant revenue generator, continues to generate a larger share of revenue at 80% or RM228.8 million (FY2024: 72% or RM212.1 million) while revenue contribution from Chassis & Modular Assembly reduced to 1% or RM4.0 million (FY2024: 9% or RM27.9 million) as a result of the conclusion of an assembly project with Stellantis Malaysia during the year. Hot & Cold Forming continues to contribute 19% of revenue but saw a reduction of RM0.7 million in terms of value.

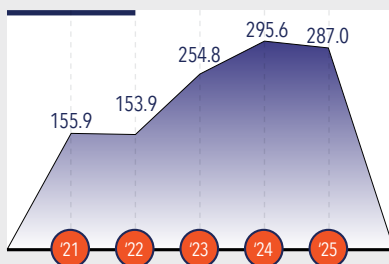
DIVIDENDS

Having assessed the Group's financial performance, liquidity, and requirements for future expansion; the Board of Directors is recommending a final single-tier dividend of 4.0 sen per ordinary share for FY2025. This proposed dividend, totalling RM2,911,029, will be presented for approval at the upcoming Annual General Meeting.

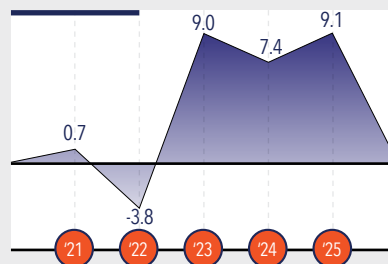
FINANCIAL HIGHLIGHTS

	31 January				
	2021	2022	2023	2024	2025
Revenue (RM' million)	155.9	153.9	254.8	295.6	287.0
Profit/(loss) attributable to owners of the parent (RM' million)	0.7	(3.8)	9.0	7.4	9.1
Equity (RM' million)	106.8	101.3	107.8	112.9	118.5
Basic/diluted earnings/(loss) per share (sen)	1.00	(5.19)	12.39	10.15	12.45
Net asset per share attributable to owners of the parent (RM)	1.47	1.39	1.48	1.55	1.63

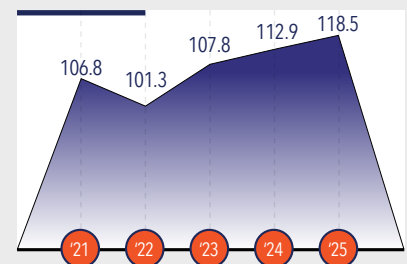
REVENUE (RM' MILLION)



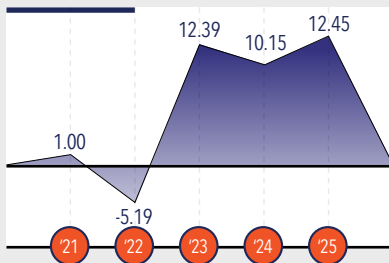
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT (RM' MILLION)



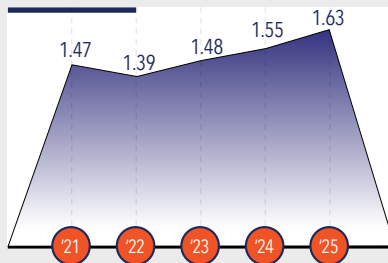
EQUITY (RM' MILLION)



BASIC/DILUTED EARNINGS/(LOSS) PER SHARE (SEN)

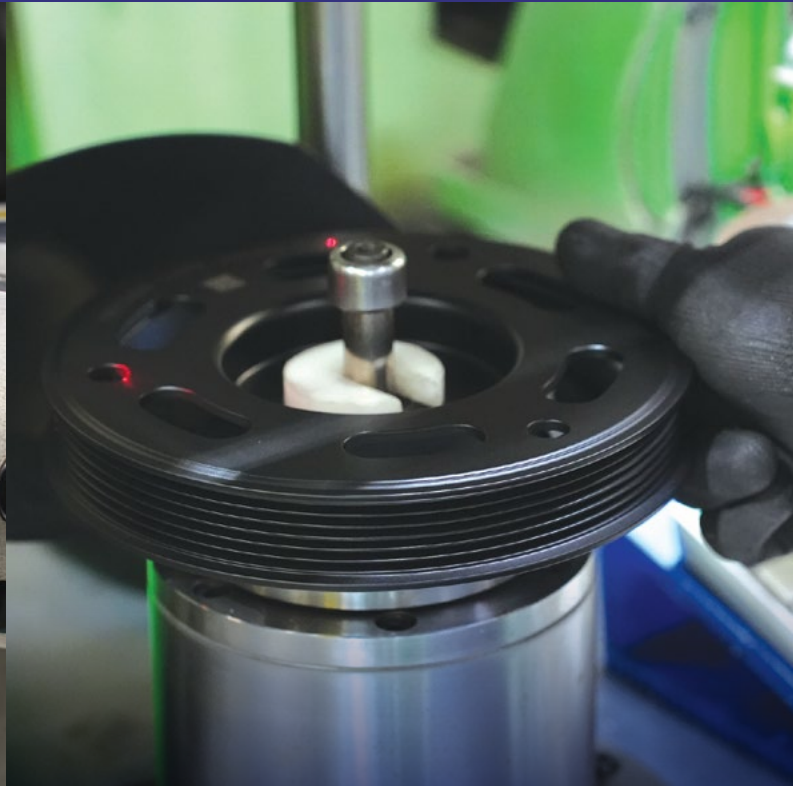
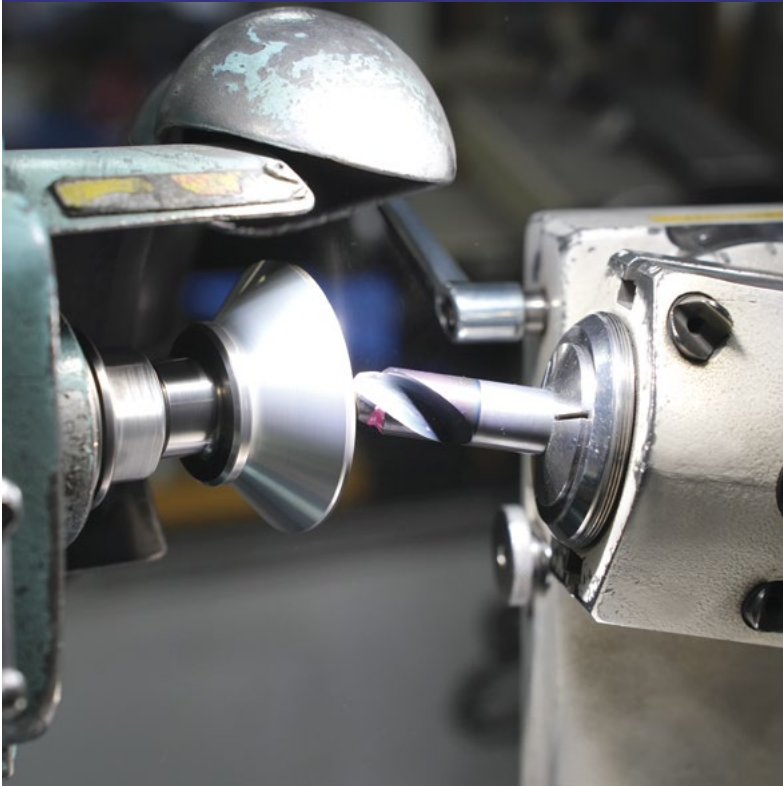


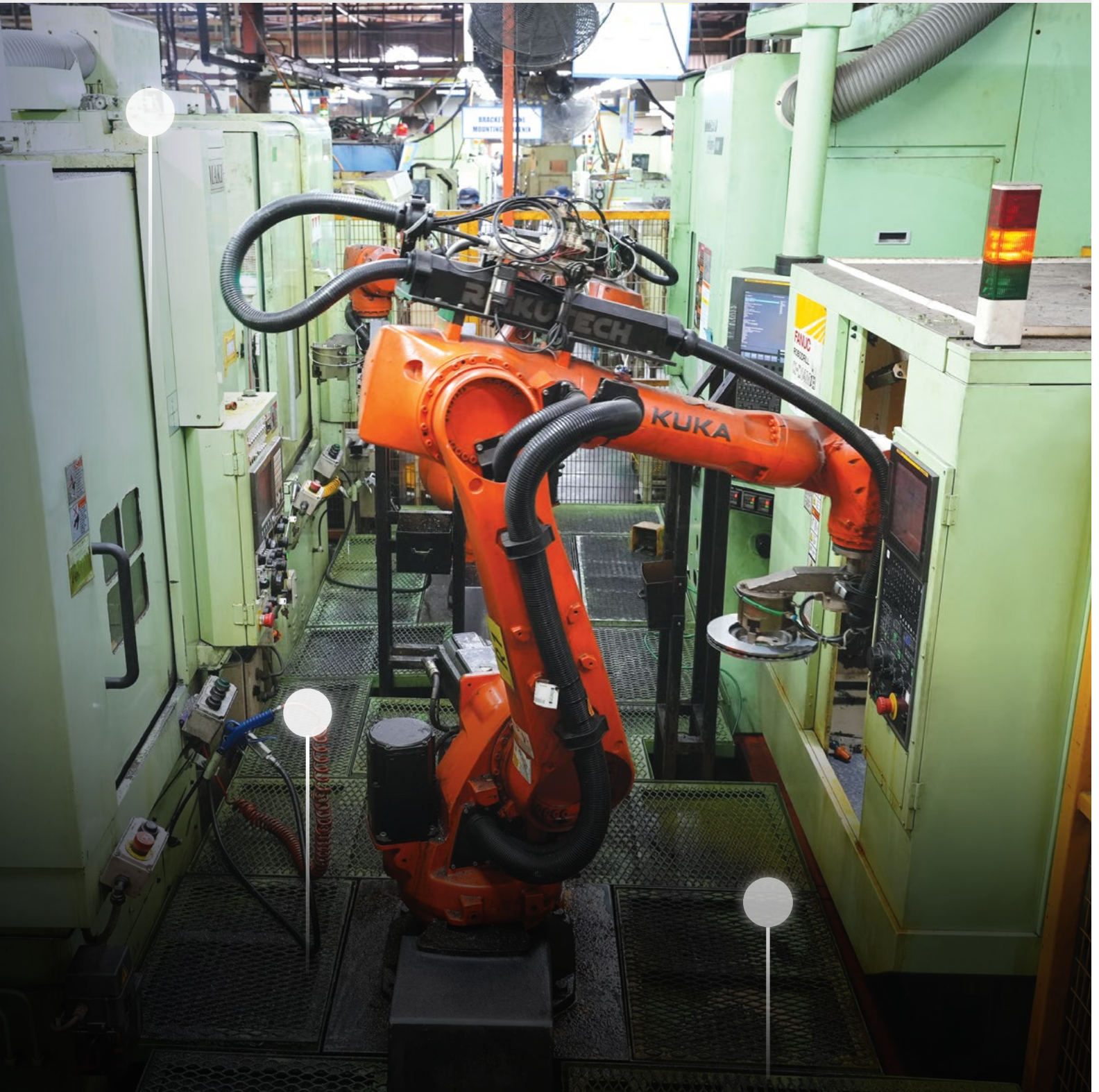
NET ASSET PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT (RM)



GROWTH

We pursue **Growth** for our customers, our teams, and our communities.





SUSTAINABILITY REPORT

This Sustainability Report is prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide (SRG), fulfilling the Main Market Listing Requirements (MMLR) Paragraph 9.45(2) and Paragraph 29, which requires a narrative statement on the management of material economic, environmental, social, and governance (EESG) risks and opportunities. This report has not been subjected to an independent assurance process.



Sapura Industrial Berhad ("SIB" or "the Group") is committed to integrating Economic, Environmental, Social, and Governance (EESG) principles into our business strategy and operations. As we continue to diversify and innovate, we aim to create long-term value for our stakeholders, including customers, employees, shareholders, partners, and the communities we serve.

Our Sustainability Approach

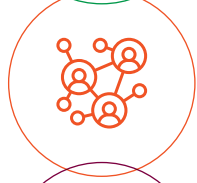
Our sustainability strategy anchored on environmental stewardship, social responsibility, and strong governance, aligned with our 2030 goals. We have committed to achieving carbon emission reduction and energy conservation, along with our growth and diversification efforts. Reinforcing our role as a responsible and forward-thinking industrial leader, we have integrated the Economic, Environmental, Social, and Governance (EESG) framework into our Risk Management Framework, in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) and COSO recommendations. We have adopted a strategic EESG identity centered on three principles:



ECONOMIC



ENVIRONMENTAL



SOCIAL



GOVERNANCE



CLEAN - lean processes, minimal waste, and full regulatory compliance

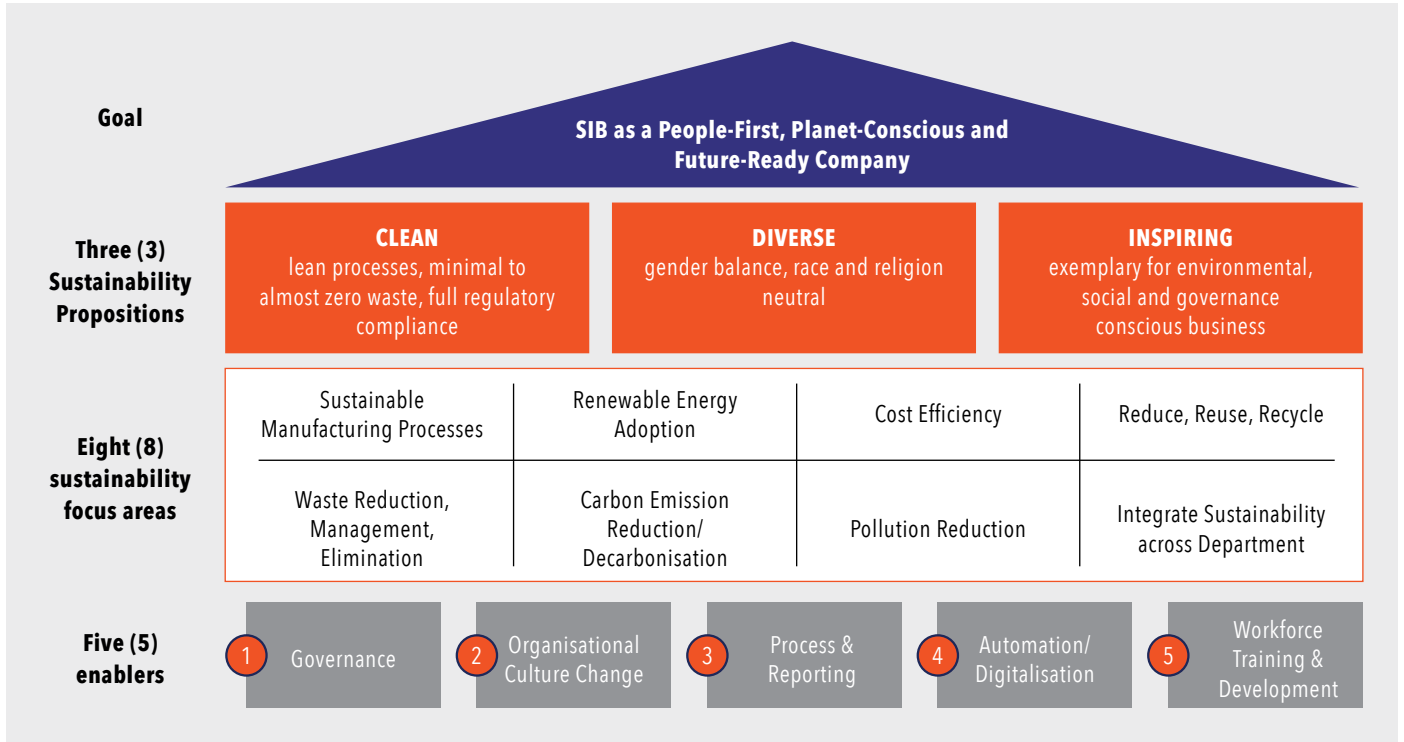


DIVERSE - inclusive and acceptance across gender, race, age, and religion



INSPIRING - exemplary in EESG leadership and conscious business conduct

Sustainability Report



We are focused on reducing our environmental impact through efficient manufacturing processes, ongoing innovation, and investment in sustainable technologies. Our efforts include improving resource efficiency, reducing waste, and managing our carbon footprint across all operations. New ventures, such as battery remanufacturing, repurpose & recycle (3R) and IoT solutions, support the national and global transition to a low-carbon and circular economy. We are exploring opportunities to apply circular economy principles in our processes and products.

People are central to SIB's success. We are committed to creating a safe, inclusive, and supportive workplace that promotes diversity, continuous learning, and employee well-being. As an employer of choice, we focus on talent development, career growth, and fostering a culture of integrity and care. We engage with local communities to support education, well-being, and positive social impact.

Our governance practices are built on integrity, accountability, and transparency. The Board and leadership team maintain the highest standards

of ethics, ensuring responsible decision-making and compliance throughout the organisation. We implement strong risk management practices and maintain open communication with stakeholders to ensure long-term sustainability. EESG considerations are integrated into our strategic and operational planning to meet our sustainability objectives.

We have identified and addressed eight (8) sustainability focus areas for SIB including sustainable manufacturing, decarbonisation, renewable energy adoption, waste reduction, cost efficiency, and inclusive practices. These initiatives have been supported by enablers such as strong governance, organisational culture transformation, process standardisation, digitalisation, and workforce development, ensuring alignment with our vision and long-term goals.

The Group is committed to balancing profitability with social and environmental responsibility, driving progress through innovation and strong governance.

Sustainability Report

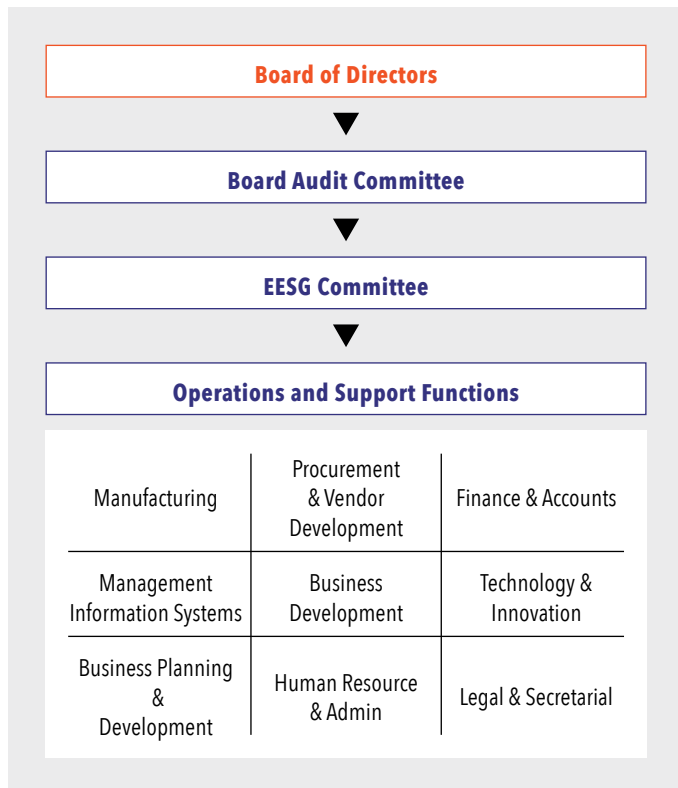
Scope of Reporting

This Sustainability Report covers the Group’s performance in managing EESG risks and opportunities throughout our operations during the financial year ended on 31 January 2025 (FY2025). We have assessed and reported on our sustainability initiatives, ensuring our supply chains, workplace safety, product stewardship, and regulatory compliance have remained robust and aligned with international and local standards. The report has been reviewed and endorsed by the Group’s EESG Committee.

We have also aligned this report with Bursa Malaysia’s recommended nine key sustainability matters, ensuring relevance, materiality, and transparency in our disclosure.

Sustainability Governance

SIB has established a strong governance structure to drive and monitor sustainability efforts across the Group. Our Sustainability Governance Structure ensures shared responsibility and commitment across all levels of leadership, operations and support functions to continuously improve and achieve the desired sustainability goals.



Board of Directors (BOD)

- Oversee the Group’s sustainability framework and strategy, and provides direction to the Board Audit Committee and EESG Committee.

Board Audit Committee

- Oversees the implementation of sustainability strategies and plans approved by the BOD.
- Review sustainability related issues and reports.

EESG Committee

- The Committee is led by Management Committee which comprises SIB Group Senior Management Team together with Head of Strategy.
- The Committee is also supported by Head of Business Units and Corporate Functions that have direct involvement in managing sustainability matters.
- The latest trends and emerging EESG issues that could become relevant to the Group will be brought up and discussed at the Committee level.
- Where necessary, experts and representatives from other areas in the organisation are invited to the Committee.
- The Committee prepares and submits the Sustainability Report to the Board of Directors for approval.

Operations and Support Functions

- Ensure compliance to SIB Sustainability Framework and Risk Management Framework.
- Manage EESG-related risks reports to EESG Committee.

The EESG Committee develops sustainability plans and initiatives for the Group, while the Board Audit Committee ensures the adequacy and effectiveness of the Group’s governance, risk management and internal control systems as well as monitors compliance with policies and procedures.

The role of the EESG Committee, as delegated by the BOD, consists of the following:

- To identify and recommend sustainability strategies for approval and adoption by the BOD;
- To ensure that sustainability strategies incorporate Economic, Environmental, Social and Governance areas;
- To monitor and report on a timely basis to the BOD on the execution, progress and results of sustainability strategies and action plans;
- To conduct sustainability assessment and stakeholder engagement for prioritisation; and
- To oversee the preparation of Sustainability Report in accordance with the Sustainability Reporting Guide of Bursa Malaysia.

Sustainability Report

OUR COMMITMENT AND VALUES

The Group's EESG strategy are driven by our Aspiration to be a trusted leader in advanced industrial business and our Commitment to deliver value through innovation, collaboration and fostering growth.

We are guided by Our Values, which define who we are and how we operate:



People

We place people first—recognising their worth, enabling growth, and caring for their well-being.



Integrity

We uphold trust, consistency, and the highest ethical standards.



Experience

We build on decades of expertise to learn, innovate, and lead.



Growth

We pursue strategic growth through knowledge, collaboration, and continuous development.



Collaboration

We believe in shared success through partnerships, teamwork, and collective intelligence.

These values shape a purpose-driven and high-performance culture at SIB. We reinforce ethical conduct through a robust Code of Ethics and Business Conduct, complemented by a Whistle-Blowing Policy that supports accountability, transparency, and fairness.

Key Stakeholders Engagement

A consistent and effective stakeholder engagement and communications framework is essential to create a shared understanding of the Group's desired sustainability goals; considering the expectations, limitations and overall concerns of our stakeholders. Transforming the Group to embrace future growth possibilities would require a common understanding of the challenges and risks involved, as well as commitment to collectively adhere to the control procedures.

STAKEHOLDERS	DESCRIPTION	ENGAGEMENT APPROACH
Customers	Original Equipment Manufacturers (OEM), Replacement Equipment (RE) distributors, end users	Meetings, customer satisfaction surveys, customer audits, annual report, corporate website
Regulators	Government bodies and ministries, regulators	Forums, summits, support government initiatives, site visits
Vendors & Financial Institutions	Business partners providing goods or services	Meetings, supplier audits, site visits
	An entity which commits capital in expectation of financial returns	Annual report, quarterly report, corporate website, press release
Employees	People engaged by the Company to provide services to facilitate operations	Meetings, briefings, social activities, intranet, employee training, survey
Shareholders	Owners of the Company	Annual general meeting, annual report, quarterly report, board of directors

Sustainability Report

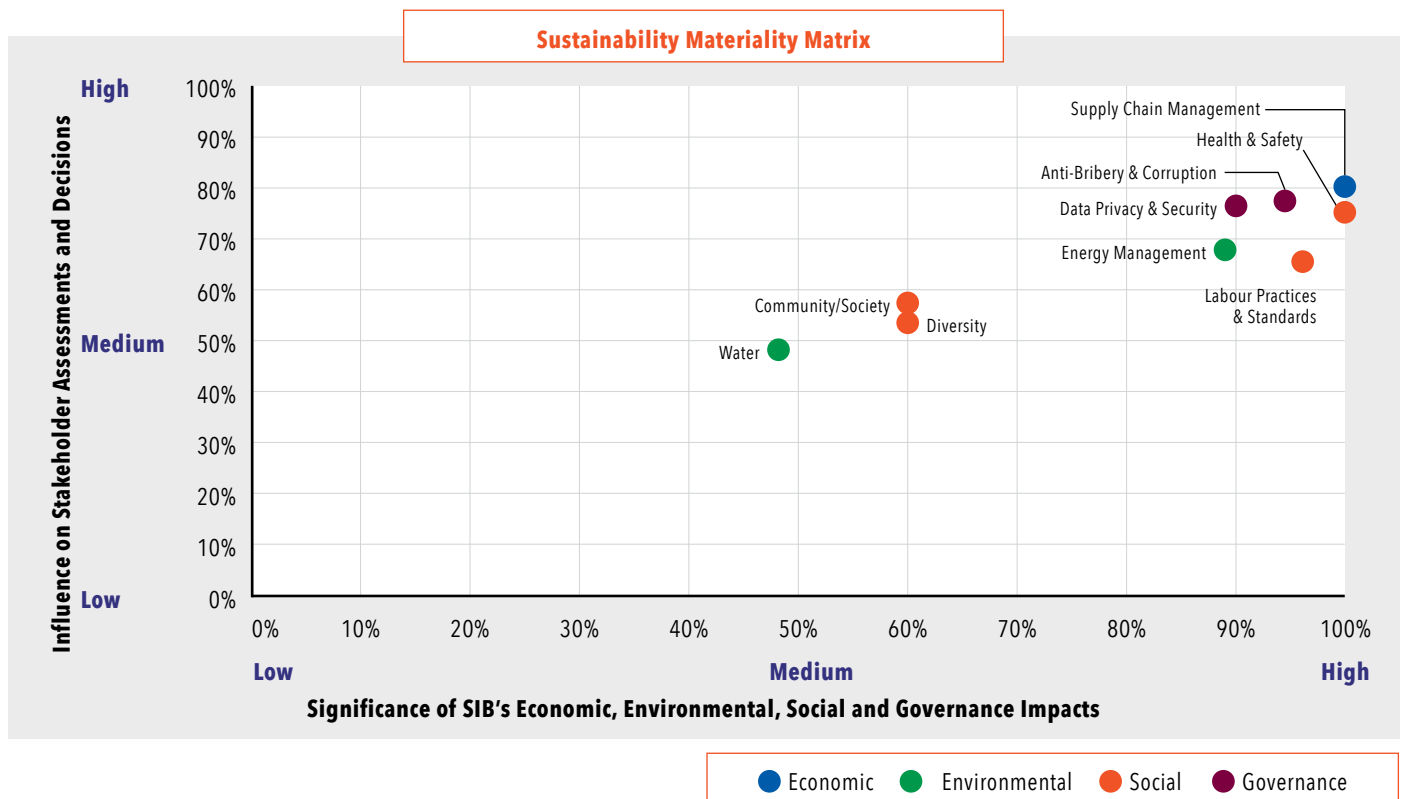
MATERIALITY ASSESSMENT

The assessment of sustainability matters focuses on the EESG matters that are most significant to the Group and our stakeholders. This assessment enables SIB to identify potential key sustainability risks and opportunities that may impact the Group's business and its stakeholders, by conducting a thorough screening process of our business activities and any changes within the internal and external environments. The assessment conforms to Bursa Malaysia's SRG which requires all listed companies to disclose 9 common sustainability matters that are Anti-Bribery & Corruption, community, diversity, energy management, health and safety, labour practices and standards, supply chain management, data privacy and security and water management.

The materiality assessment process in SIB is as follows:



Assessment of sustainability matters was conducted during the reporting period to update the Group's Sustainability Materiality Matrix and aligned with Bursa Malaysia's SRG. SIB's updated Sustainability Materiality Matrix is shown below:



Sustainability Report

The materiality assessment produced the following list of topics, which was presented to and approved by the Board of Directors.

PILLARS	INDICATORS	OBJECTIVES
PILLAR 1 - ECONOMIC		
(A) Supply Chain Management	<ul style="list-style-type: none"> Proportion of spending on local suppliers 	<ul style="list-style-type: none"> Promote local and sustainable procurement Enhance vendor capability Gain accreditation to international quality certifications
PILLAR 2 - ENVIRONMENTAL		
(B) Energy Management	<ul style="list-style-type: none"> Usage of energy such as electricity and gas 	<ul style="list-style-type: none"> Efficient energy usage Energy conservation from efficient modern equipment and improved processes
(C) Water	<ul style="list-style-type: none"> Usage of water 	<ul style="list-style-type: none"> Efficient water usage
PILLAR 3 - SOCIAL		
(D) Labour Practices & Standards	<ul style="list-style-type: none"> Total hours of training by employee category Percentage of employees who are contract staff Total number of employee turnover by employee category Number of substantiated complaints concerning human rights violations 	<ul style="list-style-type: none"> Regular engagement with employees to attract, retain and re-skill good employees Fair treatment of employees on terms and conditions of employment
(E) Health & Safety	<ul style="list-style-type: none"> Number of work-related fatalities Loss time incident rate Number of employees trained on health and safety standards 	<ul style="list-style-type: none"> Maintain a safe work environment with injury prevention procedures in place
(F) Community/Society	<ul style="list-style-type: none"> Total amount invested in community where target beneficiaries are external to listed issuer Total number of beneficiaries of investment in communities 	<ul style="list-style-type: none"> Strengthen relationships with surrounding communities Corporate Social Responsibility (CSR) Community health and well-being
(G) Diversity	<ul style="list-style-type: none"> Percentage of employees by gender and age group Percentage of Board of Directors by gender and age group 	<ul style="list-style-type: none"> Culture of inclusion; mutual respect and acceptance to creating a sharing and learning community
PILLAR 4 - GOVERNANCE		
(H) Anti-Bribery & Corruption	<ul style="list-style-type: none"> Percentage of employees who have received training on anti-corruption by employee category Percentage of operations assessed for corruption-related risks Confirmed incidence of corruption and action taken 	<ul style="list-style-type: none"> Comply with regulatory requirements
(I) Data Privacy & Security	<ul style="list-style-type: none"> Number of substantiated complaints on breaches of customer privacy and losses of customer data 	<ul style="list-style-type: none"> Protect from unauthorised access and breach of confidential data

Sustainability Report

MATERIAL SUSTAINABILITY MATTERS

PILLAR 1 - ECONOMIC

Supply Chain Management

Product quality, timely delivery and process efficiency are significant considerations within our supply chain. Our Vendor Development Programme (VDP) creates a platform for our vendors to continuously improve and strengthen their capabilities with the goal of growing with SIB as we continue to address more business opportunities. The vendors are also encouraged to elevate their positions by pursuing accreditation to international quality certifications.

Supplier Performance Audits are done periodically as a means to identify preferred vendors with high performance rating and Supplier Delivery Performance Review was also carried out to ascertain timely delivery.

We continue to provide support and advice to all our vendors and suppliers in striving for excellence in key areas of quality, safety, cost and delivery. As an active member of the OEMs Vendor Associations, SIB serves as an intermediary between the car makers and vendors, to increase overall productivity, efficiency and robustness of the automotive supply chain, putting particular emphasis in developing the domestic supply chain.

The Group's Research and Development Team continued to focus on the development of innovative products consistent with customer requirements.

All SIB operating plants are certified with IATF 16949 quality management standards. The certification affirms our culture of continuous improvement hinged on our focus on customer satisfaction which drives our ability to deliver high-value and differentiated products and solutions.



We also believe that exceeding customers' expectations is a direct outcome of the knowledge, experience, ingenuity and commitment of our people. We recognise the importance of recruiting the right people, developing and providing them with the right opportunities to realise their true potential.

Realtime Overall Equipment Effectiveness (OEE) was implemented, which allows for real-time data collection and continuous OEE monitoring, enabling immediate feedback and action to be taken to improve production efficiency and effectiveness. Continuous improvement through standardisation, measurement and strengthening operational processes to result in optimised financial outcomes remain the key focus in this programme.

Performance Data - Supply Chain Management

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C7(a): Proportion of spending on local suppliers	Percentage	49	47	51

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Sustainability Report

PILLAR 2 - ENVIRONMENTAL**Energy Management**

Being in the manufacturing sector where energy consumption can be substantial, we recognise the need for energy conservation and efficient energy usage. Various measures have and will be implemented within the Group to meet these objectives. These efforts include the installation and commissioning of roof mounted solar photovoltaic systems for our plants in Bangi.

Our Coil Spring manufacturing plant in Port Klang was successfully relocated and combined with our Stabiliser Bar plant in Bangi in April 2024. The combined operations have enabled the Group to operate with more efficient processes and facilities.

**Performance Data - Energy Management**

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C4(a): Total energy consumption - Electricity	Kilowatt-Hours	7,968,076	8,805,228	9,277,379
Bursa C4(a): Total energy consumption - Gas	Gigajoules	36,055	40,251	35,086

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Water

Water is an essential but increasingly scarce resource, making sustainable water management imperative for environmental and operational sustainability. Effective water management helps in conserving water, reducing dependency on municipal supplies, and minimising the environmental impact of industrial processes. This approach not only supports global water conservation efforts but also aligns with regulatory requirements and enhances corporate responsibility.

Performance Data - Water

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C9(a): Total volume of water used	Megalitres	34.160	43.946	30.864

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Sustainability Report

PILLAR 3 - SOCIAL

Labour Practices and Standards

The Group believes that developing our workforce with the right skills and knowledge is crucial as our business grows and the environment in which we operate becomes more complex and challenging. We have a range of staff development programmes that are targeted for employees at different levels, from factory operators and entry-level to mid-career up to senior leadership. These programmes include formal trainings, job rotations, workshops, seminars and mentoring that will equip our employees with the right knowledge and skills required for their career progression.

In addition, SIB also established Career Development Programme (CDP) that aims to develop individual professionalism and skill competency with intention to prepare them for career advancement and succession planning by sponsoring selected and qualified candidates to further their studies at local universities in courses relevant to the Group’s business.

The Group is mindful in hiring new employees with the right skills, knowledge and talent for the right job, who would be able to contribute in enhancing our business competitiveness.

The Group also realises that young graduates play a significant role as next generation of employees. Therefore, SIB encourages university and college students to apply to our internship programmes that will provide them opportunities to understand SIB business operations, learn how businesses function and gain exposure in the areas of technical and commercial trades, thereby accelerating their career experience.

To promote a sustainable and engaging experience at the workplace, we connect and communicate with our employees regularly through various far-reaching initiatives. These initiatives include townhalls and periodic meetings with in-house and trade union representatives. Additionally, the Group also introduced Engagement Programmes that organises engagement activities according to different staff categories with the intention to have effective two-way communication for them to share feedback.

Employee motivation and satisfaction are also enhanced with other organisational benefits such as “early bird” allowance and rewards for staff with no medical leave and medical expense. In recognition of employees’ overall performance and work contribution, Monthly Best Worker recognitions are awarded in every operating company with monetary and non-monetary benefits given.

Performance Data - Labour Practices and Standards

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C6(a): Total hours of training by employee category	Hours			
- Executive		1,197	1,407	2,859
- Non-Executive		5,824	4,949	6,252
Bursa C6(b): Percentage of employees who are contract staffs	Percentage	18	18	15
Bursa C6(c): Total number of employee turnover by employee category	Number			
- Executive		8	9	12
- Non-Executive		173	102	123
Bursa C6(d): Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	Nil

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Sustainability Report

Health and Safety

The Group is committed in upholding an incident-free and a safe and healthy working environment for our employees. Health and Safety remain of highest priority across the Group, as it underscores our work culture and is central to our operations. The Group is also certified and complies with ISO 45001:2018 Occupational Health and Safety Management Systems that shows our commitment to provide safe and healthy workplaces by preventing work-related injury and ill-health.

Our Group's Occupational Safety & Health Policy requires production facilities to adhere to the OHSAS 18001:2007 Occupational Health and Safety Management Certification Standards and Occupational Safety and Health Act 1994. Internal and external audits are conducted to ensure compliance.

The following principles are outlined in the Group's Occupational Safety & Health Policy:

- Compliance with applicable safety, health and environmental laws and regulations;
- Establish Health, Safety and Environment (HSE) Committees at all operating units;
- Develop and implement HSE management systems in all operating units with a dedicated Safety Officer to ensure that the system is enforced;
- Provide information and training on HSE and conduct safety campaigns to create awareness on a regular basis;
- Inspect and supervise that HSE is maintained in all workplaces and work systems; and
- Report immediately, investigate and implement corrective actions on all incidents.

One of the key focus in occupational safety, health and wellbeing is noise management. Long-term hearing loss can be linked to occupational noise, especially when employees are exposed to continuous and intermittent noise from processes and machinery. This makes noise a significant material issue for the Group's manufacturing plant where specific policies are in place to protect workers from damaging noise levels. We have also implemented a system to mitigate noise pollution much possible at our factories.

A KPI based on the total area exposed to noise level above 82dB (International Standard) has been established at our factories and we continuously work towards reducing these exposed areas. We also engaged external environmental consultants to conduct annual noise monitoring and provide recommendations to reduce noise levels. Several Audiometric Tests were conducted during the year involving our manufacturing plant employees as part of noise monitoring initiative. In addition to engineering change, employees are provided with personal protective equipment (PPE) and hearing protection, with appropriate signage placed in high noise level areas. Regular awareness and briefings such as during daily morning assembly are conducted to ensure work and occupational health standards are followed within the workplace.

Performance Data - Health and Safety

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C5(a): Number of work-related fatalities (death within 1 year of accident)	Number	Nil	Nil	Nil
Bursa C5(b): Lost time incident rate	Rate	4.23	5.86	1.47
Bursa C5(c): Number of employees trained on health and safety standards	Number	166	192	63

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Effective implementation of the Group's Occupational Safety & Health Policy across the organisation allows a safe, secure and healthy working environment in SIB at all times.

Sustainability Report

Community/Society

SIB sees itself as being part of the greater community which means that our responsibilities also extend beyond the confines of the Group. In affirming our position as a responsible corporate citizen, we are dedicated in establishing a strong relationship with the surrounding communities in which we operate, contributing to their overall health and wellbeing through community projects and supply of local goods and services.

Employee and community engagement, teamwork and camaraderie outside the workplace are essential in building a dynamic and committed workforce. In turn, employees feel a sense of belonging to the Group, motivating them to take ownership of their roles and responsibilities, respecting the need for work-life integration and overall wellbeing.

Performance Data - Community/Society

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C2(a): Total amount (in RM) invested in community where target beneficiaries are external to listed issuer (NGOs, public, etc)	MYR	73,840	76,534	55,717
Bursa C2(b): Total number of beneficiaries of investment in communities (No. of organisation/recipient)	Number	50	83	13

(#) Indicator as per disclosure template under Bursa link (ESG Platform)



Sustainability Report

Diversity

SIB strongly values diversity and acknowledges that a diverse workforce will bring many benefits to the organisation including diverse perspectives, skills and experiences that will enhance the working environment. The Group is fully committed to ensure that diversity remains a top priority. Through targeted initiatives, ongoing training and inclusive policies, the Group strive to cultivate an environment where every employee feels valued, respected and supported.

Performance Data - Diversity

Indicator (#)	Measurement Unit	FY2023		FY2024		FY2025	
		Non-Executive	Executive	Non-Executive	Executive	Non-Executive	Executive
Bursa C3(a): Percentage of employees by gender and age group, for each employee category	Percentage						
Age Group							
- Below 30 years old		46	7	50	10	48	13
- Between 30 to 40 years old		21	25	21	24	23	20
- Between 40 to 50 years old		25	26	21	26	21	28
- Above 50 years old		8	43	8	40	8	39
Gender							
- Male		87	76	90	75	90	77
- Female		13	24	10	25	10	23

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Performance Data - Diversity

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C3(b): Percentage of Board of Directors by gender and age group	Percentage			
Gender				
- Male		71	57	67
- Female		29	43	33
Age Group				
- Below 40 years old				
- Between 40 to 50 years old		14	14	17
- Above 50 years old		86	86	83

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Sustainability Report

PILLAR 4 - GOVERNANCE

Anti-Bribery and Corruption

Complying with regulatory requirements is crucial in ensuring that all necessary standards, processes and systems are in place in running our operations without risking either the Group’s commerciality or competitiveness.

The Group has implemented SIB Anti-Bribery and Corruption Policy and revised its Whistle-Blowing Policy effective 29 May 2020, complying with the requirements of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (MACC Act 2009). Periodical review of the policies was conducted for improvement and alignment with the recommendations from Institute of Internal Auditors Malaysia (IIAM). SIB understands that proactive actions should be taken to ascertain adequate controls and procedures are in place across the organisation to prevent associated persons from undertaking conduct that would be in breach of the provision. A breach of the Corporate Liability provision is a criminal offence that comes with hefty penalties.



Integrity and Governance function led by an Integrity Officer is responsible to oversee and manage these policies and undertakes the following functions:

- Complaints Management
- Detection and Verification
- Integrity Compliance and Enhancement
- Governance

As a result, we are pleased to report that the Group has not been fined or penalised for any major environmental or statutory violation by the relevant authorities during this reporting period.

Performance Data - Anti-Corruption

Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C1(a): Percentage of employees who have received training on anti-corruption by employee category	Percentage			
- Executive		100%	100%	100%
- Non-Executive		100%	100%	100%
Bursa C1(b): Percentage of operations assessed for corruption-related risks		100%	100%	100%
Bursa C1(c): Confirmed incidents of corruption and action taken	Number	Nil	Nil	Nil

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

Sustainability Report

Data Privacy and Security

The Group has an IT Policy in place to manage all IT and data related activities and security. We are committed to protecting data privacy of our stakeholders and our IT Security Policy ensures that we are compliant with relevant regulations, including the Personal Data Protection Act (PDPA) 2010. We remain vigilant against the risk of unlawful access and use of our customers' data.

Performance Data - Data Privacy and Security

Common Indicator (#)	Measurement unit	FY2023	FY2024	FY2025
Bursa C8(a): Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	Nil	Nil	Nil

(#) Indicator as per disclosure template under Bursa link (ESG Platform)

OUR COMMITMENT

Sustainability remains a continuous journey at SIB - one that we embrace with purpose, discipline, and collaboration. As we integrate Economic, Environmental, Social, and Governance (EESG) principles across our business, we strengthen our commitment to responsible growth, operational excellence, and long-term value creation. Guided by our 2030 aspirations, we actively partner with stakeholders to address emerging business, environmental, and community needs with agility and accountability.

We recognise the critical role we play in shaping a more sustainable and inclusive future. Our actions focus on decarbonisation, innovation, strong risk management, sound governance, and social impact. We continue to invest in sustainable technologies, empower our workforce, and engage meaningfully with the communities around us.

Our values—People, Integrity, Experience, Growth, and Collaboration - serve as the foundation of how we lead, operate, and contribute to society. We remain steadfast in embedding these values into every aspect of our sustainability journey, ensuring that our business continues to deliver positive impact for all.

This Sustainability Report was made in accordance with a resolution of the Board of Directors dated 14 May 2025.



2025 AKIM (AKASHI KIKAI INDUSTRY (M) SDN. BHD.) Supplier Award

Sustainability Report

Summary of Performance Data as per Bursa Securities ESG Reporting platform disclosed in this Sustainability Report (pages 42 to 49).

Indicator	Measurement Unit	2023	2024	2025
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Executive	Percentage	100.00	100.00	100.00
Non-Executive	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	73,840.00	76,534.00	55,717.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	50	83	13
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Executive Below 30 years old	Percentage	7.00 *	10.00	13.00
Executive Between 30-40 years old	Percentage	25.00 *	24.00	20.00
Executive Between 40-50 years old	Percentage	26.00 *	26.00	28.00
Executive Above 50	Percentage	43.00	40.00	39.00
Non-Executive Below 30 years old	Percentage	46.00 *	50.00	48.00
Non-Executive Between 30-40 years old	Percentage	21.00 *	21.00	23.00
Non-Executive Between 40-50 years old	Percentage	25.00 *	21.00	21.00
Non-Executive Above 50	Percentage	8.00	8.00	8.00
Gender Group by Employee Category				
Executive Male	Percentage	76.00	75.00	77.00
Executive Female	Percentage	24.00	25.00	23.00
Non-Executive Male	Percentage	87.00	90.00	90.00
Non-Executive Female	Percentage	13.00	10.00	10.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	71.00	57.00	67.00
Female	Percentage	29.00	43.00	33.00
Below 40 years old	Percentage	0.00	0.00	0.00
Between 40-50 years old	Percentage	14.00 *	14.00	17.00
Above 50 years old	Percentage	86.00 *	86.00	83.00

Internal assurance External assurance No assurance

(*)Restated

Sustainability Report

Indicator	Measurement Unit	2023	2024	2025
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	17,983.36 *	19,986.06 *	19,023.49 *
Bursa C4(a): Total energy consumption - Electricity	Kilowatt - Hour	7,968,076.00 *	8,805,228.00	9,277,379.00
Bursa C4(a): Total energy consumption - Gas	Gigajoules	36,055.00 *	40,251.00	35,086.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.23 *	5.86 *	1.47
Bursa C5(c) Number of employees trained on health and safety standards	Number	166 *	192 *	63
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Executive	Hours	1,197	1,407	2,859
Non-executive	Hours	5,824	4,949	6,252
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	18.00 *	18.00 *	15.00
Bursa C6(c) Total number of employee turnover by employee category				
Executive	Number	8	9	12
Non-executive	Number	173	102	123
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	49.00	47.00	51.00
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	34.160000 *	43.946000	30.864000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	0.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	0.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	-	0.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	-	0.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	0.00

Internal assurance

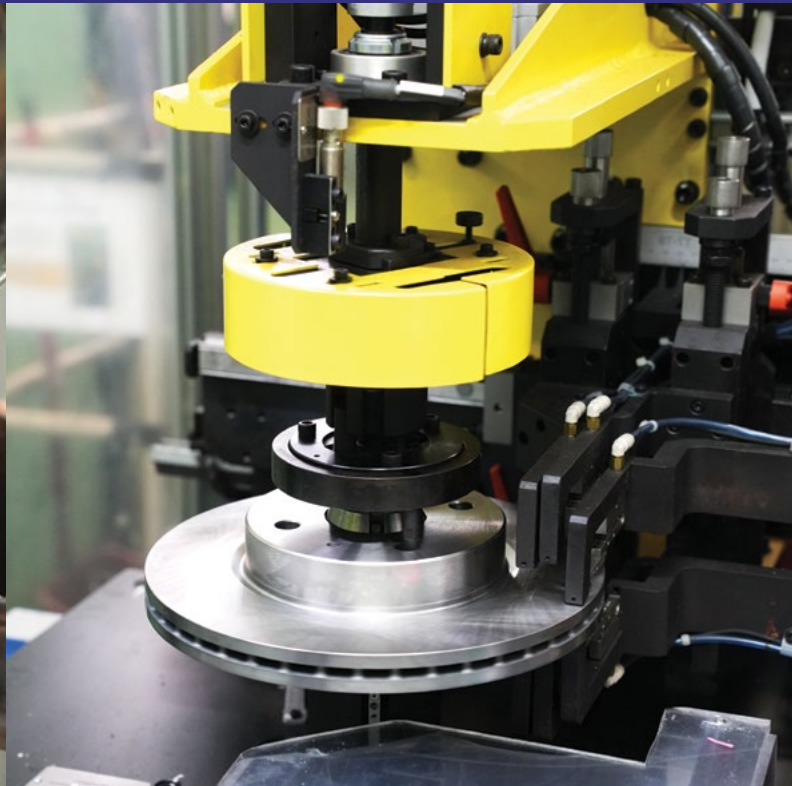
External assurance

No assurance

(*)Restated

COLLABORATION

And we believe in
Collaboration because
together, we go further.





CORPORATE GOVERNANCE OVERVIEW STATEMENT

Sapura Industrial Berhad's ("SIB" or "the Company") Board of Directors ("the Board") regards sound Corporate Governance as vital to the success of the Company's business. It is about commitment to values and ethical conduct. Thus, the Board is fully committed to ensuring that the interests of all stakeholders are not just safeguarded, but continually enhanced to ensure the sustainability and the long-term growth of the Group's businesses. Accordingly, the stakeholders' expectations must be assessed and managed, and not assumed.

This Corporate Governance Overview Statement is augmented with Corporate Governance Report, based on prescribed format as enumerated in Paragraph 15.25(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR) so as to provide a detailed articulation on the application of the Group's corporate governance practices vis-à-vis the Malaysian Code on Corporate Governance 2021 ("the Code"). The Corporate Governance Report is available on the Company's corporate website at www.sapuraindustrial.com.my. This Corporate Governance Overview Statement should also be read together with the Statement on Risk Management & Internal Control, the Audit Committee's Report and Sustainability Report stated in this Annual Report. The Board is pleased to report to shareholders the manner in which the Company has applied the Code.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the Group's affairs. To discharge the Board's stewardship responsibilities, the Board has assumed the following principal roles and responsibilities:-

- i) Review and approve annual corporate plan, which includes overall corporate strategy, marketing plan, human resources plan, financial plan and budget and risk management plan;
- ii) Oversee and review the performance of the business and to evaluate whether the business is being properly managed;
- iii) Identify principal risks and ensure the implementation of appropriate systems to manage these risks;
- iv) Ensure that there is an appropriate succession plan for members of the Board and Senior Management;
- v) Develop and implement an investor relations programme or shareholders' communications policy;
- vi) Review the adequacy and integrity of internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines; and
- vii) Review and approve financial statements.

To assist in the discharge of its stewardship role, the Board has established board committees, namely the Board Audit Committee (BAC) and Board Nomination and Remuneration Committee (BNRC) to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making however, lies with the Board.

Corporate Governance Overview Statement

Board Charter

The Board has established and adopted the Board Charter with the objective of ensuring good Corporate Governance is applied in all of the Company's business dealings. The Board Charter serves as reference and guidance, providing Board members and Management insight into the functions of the Board. The Board shall update the Charter as and when need arises to reflect changes to the Company's policies, procedures as well as to comply with the latest regulations and legislations.

Code of Ethics & Business Conduct

The Board recognises the importance of having in place a Code of Ethics, setting out the standards of conduct expected from directors and employees, to cultivate and promote good corporate behaviour. Through its "Code of Ethics and Business Conduct", the Board strives to adhere to the highest ethical standards in discharging its responsibilities and continues to promote integrity and ethical conduct among its members, employees and third parties in all aspects of the Company's business operations, including confidentiality of information, conflicts of interest, health, safety and health, insider trading as well as establishing whistle-blowing policy among others.

Whistle-Blowing Policy

The Company is committed to promote a highly ethical culture of integrity and accountability. The Board has adopted a Whistle-Blowing policy to provide and facilitate the handling of wrongdoings and protection to whistle-blowers. The Policy outlines how and to whom a genuine concern may be raised, in good faith about fraud, illegal, unethical or improper business conduct within the Group.

Anti-Bribery and Corruption Policy

Acknowledging the need to raise awareness and inculcate a zero-corruption culture throughout the Group, an Anti-Bribery and Corruption Task Force has been set up to formalise the Anti-Bribery and Corruption Policy as well as to implement the anti-corruption and bribery programmes ("ABC Programmes"). The ABC Programmes involve continuous education for our employees, suppliers, subcontractors and business partners. In addition, monitoring potential corruption risk is included in the annual risk assessment of the Group.

The Board Charter, Code of Ethics and Business Conduct, Whistle-Blowing Policy and Anti-Bribery and Corruption Policy are available on the Company's corporate website at www.sapuraindustrial.com.my.

Role of Chairman

The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is responsible for managing the business of the Board to ensure that all directors are properly briefed on issues arising at board meetings, leading the Board in setting the values and standards of the Company, maintaining a relationship of trust with and between the Executive and Non-Executive Directors and ensuring the provision of accurate, timely and clear information to directors.

The Chairman, in consultation with the Management and the Company Secretary, sets the agenda for board meetings and ensures that all relevant issues are on the agenda and that sufficient time is allowed for the discussion of complex or contentious issues. Where appropriate, informal meetings are arranged beforehand to enable thorough preparation for the Board discussion. The Chairman also ensures that every board resolution is put to vote to ensure the will of the majority prevails.

Role of Executive Director

The Executive Director's role is to assist the Chairman in overseeing the business, provide leadership and oversees the formulation of business directive and strategy with the objective of achieving growth for SIB Group through diversification into new core businesses. The Executive Director also provides advice and direction on business development, corporate strategy and communication with stakeholders.

Role of Managing Director

The Managing Director is the conduit between the Board and the Management in ensuring the success of the Company's governance and management functions. The Managing Director has the executive responsibility for the day-to-day operation of the Company's business, ensuring business excellence and operational efficiency, responsible for leading the overall direction and growth of SIB Group. He implements and coordinates the policies, corporate strategies and decisions adopted by the Board. In addition, the Managing Director is expected to lead sustainability efforts, build strong relationships with stakeholders, and drive innovation and technology improvements.

Corporate Governance Overview Statement

The Managing Director is supported by the Senior Management and Group Functional Teams who possessed vast experience, skill and knowledge in the industry.

Profiles of the Key Senior Management personnel are stated on pages 23 to 25 of this Annual Report.

II. BOARD COMPOSITION

The Board is mindful that the Code recommends that at least half of the Board comprises independent directors. Currently, the Board has two (2) executive directors, four (4) independent non-executive directors and one (1) non-independent non-executive director. In line with the Code on gender diversity, the Board has three (3) female directors namely Puan Sri Datin Seri Mariam Parineh, Datin Noor Lily Zuriati Abdullah and Ms. Emily Kok. The diverse professional backgrounds of the directors provide the Board with an effective mix of members with industry-specific knowledge and broad business and commercial experience. A brief profile of the directors is presented on pages 16 to 22 of this Annual Report.

The Board continually assesses the composition and the tenure of its independent directors to ensure they have the appropriate balance of skills, expertise and experience to bring an independent view in the consideration of board issues and provide appropriate advice to maintain the highest level of corporate ethics. SIB measures the independence of its directors based on the criteria prescribed under the MMLR in which a director should be independent and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company. Our independent directors, who are professionals of credibility and repute, demonstrate independent judgement and objectivity in the Board's deliberations.

Practice Note 1.1(h) of MMLR says that an Independent Director is one who has not served as an Independent Director in any Corporations for more than 12 years from the date of his appointment as Independent Director. Practice 5.3 of the Code recommended that the tenure of an Independent Director does not exceed a term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain an Independent Director beyond a cumulative term limit of nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

Currently, Encik Ir. Md. Shah bin Hussin ("Encik Md. Shah") has been the Company's Independent Director for eleven (11) years and eight (8) months. Following an assessment by the BNRC and the Board, the Board has agreed to redesignate Encik Md. Shah as Non-Independent Non-Executive Director. His vast experience, knowledge and skills in manufacturing business allows him to participate actively and contribute during the deliberations or discussions at the Board and Committee meetings.

The non-executive directors contribute significantly in areas such as policy and strategy, performance monitoring, allocation of resources as well as improving governance and controls. They also ensure that the strategies proposed by the management are fully discussed and examined, and take into account the long-term interest not only of the shareholders, but also of employees, customers and suppliers. Together with the Management who has an in-depth knowledge of the business, the Board constitutes individuals who are committed to steer the business with vision, integrity and professionalism.

The Board recognises and embraces the benefits of having a diverse board and sees increasing diversity at board level as an essential element in maintaining a competitive advantage. A truly diverse board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All board appointments are made on merit, taking into account the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

We believe a more diversified board would promote multiple perspective analysis of issues and deliberations, and therefore result in higher quality decision making. Leveraging on input from a broader and diverse experience and knowledge base, the Board would also benefit from a more comprehensive oversight into a wider range of possible risks and sensitivities including reputation and compliance risks.

The value of a more strengthened board composition is critical to provide necessary oversight and leadership to support the Company's growth plan.

Each board member is expected to commit sufficient time to carry out his/her role as director and/or member of the Board Committee in which he is a member. In accordance with the requirements of the MMLR, none of the directors of the Company holds more than five (5) directorships in public listed companies. This ensures the directors' commitment, resources and time are focused for an effective input to the Board.

Corporate Governance Overview Statement

Board Meetings

Meetings and Procedure

All Board and Board Committee meetings for the ensuing financial year are scheduled in advance so as to enable the directors to plan and organise their respective schedules for the year.

The Board ordinarily meets at least four (4) times a year at quarterly intervals, with additional/special meetings convened as and when deemed necessary. At each regularly scheduled meeting, there is a full financial and business review and discussions, including evaluating the performance to date against the annual budget and business plan previously approved by the Board for that year. Whenever necessary, Senior Management and/or external advisors may be invited to attend the Board and/ or the Board Committee meetings to provide their professional views, advice and explanation on specific items so as to enable the Board and/or the Committees to arrive at a considered and informed decision.

During the financial year under review, the Board held five (5) meetings. Details of attendance at Board meetings are as follows:-

No.	Name of Directors	Position (as at 31 January 2025)	Meeting Attendance
1.	Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir <i>(retired on 1 May 2025)</i>	Executive Chairman	5/5
2.	Tan Sri Dr. Azmil Khalili bin Dato' Khalid <i>(redesignated as Independent Non-Executive Chairman with effect from (wef) 1 May 2025)</i>	Deputy Chairman, Independent Non-Executive	5/5
3.	Puan Sri Datin Seri Mariam Parineh <i>(redesignated as Executive Vice Chairman wef 1 May 2025)</i>	Executive Director	5/5
4.	Datuk Syed Izuan bin Syed Kamarulbahrin <i>(appointed as Managing Director wef 1 January 2025)</i>	Managing Director	5/5
5.	Encik Ir. Md. Shah bin Hussin <i>(redesignated as Non-Independent Non-Executive Director wef 1 May 2025)</i>	Independent Non-Executive	5/5
6.	Datin Noor Lily Zuriati binti Abdullah	Independent Non-Executive	5/5
7.	Datuk Wira Jalilah binti Baba <i>(resigned wef 19 April 2024)</i>	Independent Non-Executive	0/1

Corporate Governance Overview Statement

To facilitate an effective discharge of responsibilities, dedicated Board Committees have been established guided by clear terms of reference. The Board Committees are chaired by non-executive directors who exercise skilful leadership with in-depth knowledge of the relevant industry.

- **Board Audit Committee (BAC)**

The primary objective of the BAC is to assist the Board of Directors in discharging its responsibilities relating to financial accounting and reporting matters. In compliance with the MMLR and the Code, during the financial year and up to the date of this Statement, the members of the BAC comprise the following Directors:

Chairperson : Datin Noor Lily Zuriati binti Abdullah

Independent Non-Executive Director
(appointed as BAC Chairperson on 19 February 2025)

Datuk Syed Izuan bin Syed Kamarulbahrin

Managing Director
(resigned as BAC Chairman on 1 January 2025 following his appointment as Managing Director on the same date)

Members : Encik Ir. Md. Shah bin Hussin

Independent Non-Executive Director
(redesignated as Non-Independent Non-Executive Director on 1 May 2025)

Ms. Emily Kok

Independent Non-Executive Director
(appointed as BAC member on 19 February 2025)

The terms of reference of BAC are available on the Company's website at www.sapuraindustrial.com.my. The BAC held five (5) meetings during the financial year.

- **Board Nomination and Remuneration Committee (BNRC)**

The BNRC was set up with the primary responsibility of proposing and recommending to the Board, candidates for directorships to be filled in the Board and Board Committees. The BNRC evaluates

prospective candidates for the Board and its Committees based on their professional experience, competencies, and the value of diverse perspectives in enhancing Board effectiveness. In assessing appointments to Board Committees, the BNRC also considers the expected time commitment to ensure members are able to discharge their duties effectively, including consistent meeting attendance.

The BNRC is also responsible to propose, consider and recommend to the Board the remuneration packages for the Executive Chairman, Executive Director, Managing Director, Head of Manufacturing Business, President Industrial Business and Head of Corporate Services. Their remuneration are competitive and attractive as it has been benchmarked against the industry and commensurate with the performance of the Group's business.

During the financial year and up to the date of this Statement, the BNRC comprises the following Directors:

Chairman : Datuk Zainol Izzet Mohamed Ishak

Independent Non-Executive Director
(appointed as BNRC Chairman on 1 May 2025)

Tan Sri Dr. Azmil Khalili bin Dato' Khalid

Independent Non-Executive Director
(resigned as BNRC Chairman on 1 May 2025)

Members : Datin Noor Lily Zuriati binti Abdullah

Independent Non-Executive Director
(appointed as BNRC member on 19 February 2025)

Encik Ir. Md. Shah bin Hussin

Independent Non-Executive Director
(redesignated as Non-Independent Non-Executive Director on 1 May 2025)

Puan Sri Datin Seri Mariam Parineh

Executive Director
(resigned as BNRC member on 19 February 2025)

The above composition ensures that any decisions made are impartial and in the best interest of the Company without any element of fear or favour.

Corporate Governance Overview Statement

The BNRC meets as and when required and at least once every financial year. During the financial year under review, BNRC held three (3) meetings.

The BNRC's Terms of Reference cover the following areas:

- Objectives;
- Composition and appointment of its members;
- Meetings and procedures;
- Functions and duties;
- Selection and Assessment of Directors;
- Assessment and evaluation of Directors, Board and Board Committees; and
- Remuneration and terms of employment for Executive Directors and Top Management.

The BNRC's Terms of Reference is available on the Company's corporate website at www.sapuraindustrial.com.my.

Minutes of Meetings

The proceedings and resolutions passed at each Board and Board Committee meeting are minuted and kept in the statutory register at the registered office of the Company. In line with the Company's Conflict of Interest Policy & Procedure, in the event of any potential conflict of interests, the directors in such a position will make a declaration to that effect as soon as is practicable. The directors concerned will then abstain from any decision-making process in which they are involved.

Supply of Information

The Board has unrestricted access to timely and accurate information necessary in the furtherance of their duties. The Company Secretary ensures that all Board meetings are furnished with proper agendas. The notice of meetings is served at least seven (7) days prior to the meetings. Board papers, which include reports on Group performance and major operational, financial, strategic and regulatory matters, are circulated to all the directors within a reasonable period prior to the meeting, to allow the directors sufficient time for review. In most instances, senior management of the Company as well as external advisors are invited to be in attendance at Board meetings to provide fresh insights and to furnish clarification on issues that may be raised by the Board.

Company Secretary

The Directors have full and unrestricted access to the advice and services of the Company Secretary who supports and plays an advisory role to the Board in relation to the Board's policies and procedures and ensures compliance with the relevant regulatory requirements, codes, guidance, legislations and best practices on governance. The Company Secretary is also responsible for management of the Company's registers. The Company Secretary provides support to the Chairman of the Company to ensure the effective functioning of the Board and also organises and attends all Board meetings and Board Committees meetings, ensuring that an accurate and proper record of deliberation of issues discussed, decisions and conclusions are taken.

The Company Secretary records, prepares and circulates the minutes of the meetings of the Board and Board Committees and ensures that the minutes are properly kept at the registered office of the Company and produced for inspection, if required. In addition, the Company Secretary also updates the Board regularly on amendments to the Listing Requirements, practice and guidance notes, circular from Bursa Malaysia Securities Berhad, legal and regulatory developments and impact, if any, to the Company and its business. The appointment and removal of the Company Secretary is also a matter for the Board to decide to ensure qualified and suitable individual is selected.

Independent Professional Advice

There is a formal procedure sanctioned by the Board, whether as a full board or in their individual capacity to seek independent professional advice, where necessary, at the Group's expense from time to time. This is to enable the Board to discharge its duties in relation to matters being deliberated. The procedure will involve informing the Company Secretary who will propose a list of advisors for consideration. The advice given could also be shared with the other board members. Similar access is also extended to the Board Committees on the same basis.

Corporate Governance Overview Statement

Appointment to the Board

The proposed appointment of new Board members is reviewed and assessed by the BNRC. Thereafter the BNRC submits its recommendation on the proposed appointment to the Board for approval. The BNRC's primary role is to review the required mix of skills and experience of the directors on the Board, and determine the appropriate board balance and size of non-executive directors. It will establish procedures and processes towards an annual assessment of the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual director including time commitment. The Board is satisfied that the current composition of the Board brings the required mix of skills and experience required for the Board to function effectively.

Directors' Training

The Board acknowledges that its directors must keep abreast of developments in the Group's operating environment and business and will need to enhance their knowledge and business acumen to meet challenging commercial risks. All directors including the newly appointed director have completed the Mandatory Accreditation Programme prescribed by Bursa Malaysia. The Board endeavours to provide continual training and development of its current and new directors, by ensuring that the Directors participate in a specifically tailored training and induction programme. Details of the training programmes attended or participated by the Directors in respect of the financial year under review were as follows:

Directors	Training/Workshop/Conference
Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting
Tan Sri Dr. Azmil Khalili bin Dato' Khalid	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting • Management Lessons from Bursa's Listing Requirements • Anti-Corruption Anti-Bribery

Directors	Training/Workshop/Conference
Puan Sri Datin Seri Mariam Parineh	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting
Datuk Syed Izuan bin Syed Kamarulbahrin	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting • Being Sued as an INED – A Personal Journey • Beneficial Ownership & Section 17A MACC Act 2009 • Identification of Climate Risk • MMBS 2024: Charting The Course for Malaysia's Economy
Datin Noor Lily Zuriati binti Abdullah	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting • Cultivating Strategic Mindsets in Leadership • Navigating the ESG Risk in the Supply Chain • Global Internal Audit Standards
Encik Ir. Md. Shah bin Hussin	<ul style="list-style-type: none"> • Mandatory Accreditation Programme Part II: Leading for Impact (LIP) • Conflict of Interest • Growth and Diversification Strategy Taskforce - Offsite Meeting

Re-election and Reappointment of Directors

The Company's Constitution provides that all directors appointed by the Board are subject to election by the shareholders at their first Annual General Meeting and thereafter shall retire from office by rotation at least once in each three (3) years, but shall be eligible for re-election at each Annual General Meeting. The Board makes recommendations concerning the re-election, reappointment and the continuation in office of any director for shareholders' approval at the Annual General Meeting.

Corporate Governance Overview Statement

III. REMUNERATION

Level and Make-up of Remuneration

The BNRC is responsible for evaluating and recommending to the Board the level and make-up of the remuneration of the Executive Chairman, Executive Director, Managing Director, Head of Manufacturing Business, President Industrial Business and Head of Corporate Services, ensuring that they commensurate with the scope of responsibilities held in order to attract and retain the persons of necessary calibre, experience and quality needed to successfully lead the Company.

The BNRC is also responsible for reviewing and making recommendations to the Board the framework and remuneration packages of the Non-Executive Directors to ensure that the levels of remuneration are sufficient to attract and retain the directors needed to run the Company successfully. In its review, the BNRC considers various factors including the Directors' fiduciary duties, time commitments expected of them and the Company's performance.

For the financial year ended 31 January 2025, the total Directors' fees payable to the Non-Executive Directors amounting to RM354,877 have been recommended to the shareholders for approval at the Company's forthcoming Annual General Meeting.

Remuneration Committee

The Board is satisfied that the BNRC has effectively and efficiently discharged its roles and responsibilities with respect to its nomination and remuneration functions. As such, it is not necessary to separate the Nomination and Remuneration functions into distinct nomination and remuneration committees.

The details of the directors' remuneration for the financial year ended 31 January 2025 are as follows:

	Executive RM	Non-Executive RM	Total RM
Fees	-	354,877	354,877
Salaries and other emoluments	2,504,000	-	2,504,000
Bonus	360,000	-	360,000
Other emoluments	-	91,000	91,000
Benefits-in-kind	40,188	-	40,188
Contributions to defined contribution plan	123,434	-	123,434
Total	3,027,622	445,877	3,473,499

Corporate Governance Overview Statement

The number of directors whose remuneration fall into the following bands are as follows:

Bands	Executive	Non-Executive	Total
Below RM50,000	-	1	1
RM50,001 – RM100,000	*1	2	3
RM100,001 – RM150,000	-	2	2
RM150,001 – RM200,000	-	-	-
RM950,000 – 1,000,000	1	-	1
RM1,950,001 – RM2,000,000	1	-	1
Total	3	5	8

* Included within the remuneration band is the remuneration of a director in capacity as a Non-Executive Director amounting to RM114,224 for the period of 1 February 2024 to 31 December 2024

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Financial Reporting

The Board is committed to provide a balanced and meaningful assessment of the Group's financial performance and prospects. The usual channel for release of this information is through the audited financial statement, quarterly announcements and the Annual Report. In discharging its fiduciary responsibility, the Board is assisted by the Board Audit Committee whose primary responsibility is to oversee the Group's financial reporting processes and ensure the quality of its financial reporting.

Risk Management and Internal Control

The Board acknowledges its overall responsibility for maintaining a sound system of internal control and a risk management framework to safeguard shareholders' investment and Group assets and for reviewing the effectiveness of these systems. The Statement on Risk Management and Internal Control is presented on pages 67 to 71 of the Annual Report providing an overview of the risk management and status of internal control system within the Group.

Relationship with Auditors

The Board, through the Board Audit Committee, maintains a formal and transparent professional relationship with both the Group internal and external auditors.

The function of the Board Audit Committee in relation to the external auditors and the number of meetings held since the previous financial year end as well as the attendance record of each member is shown in the Audit Committee's Report on pages 64 to 66 of the Annual Report.

The membership of the Board Audit Committee, the terms of reference and a summary of the activities of the Committee are presented in the Audit Committee's Report on pages 64 to 66 of the Annual Report.

Directors' Responsibility Statement

The Directors are required by the Companies Act 2016 to ensure that financial statements prepared for each financial year give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the results and cash flow of the Group for the financial year.

Corporate Governance Overview Statement

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

General Meetings

The Company has been using the general meetings as a platform for communicating with its shareholders. All shareholders are welcome to attend the Company's general meetings and to actively participate in the proceedings. They are encouraged to give their views and suggestions for the benefit of the Company. Every opportunity is given to shareholders to ask questions and seek clarification on the business and performance of the Company. The Board, Senior Management of the Group as well as the Company's auditors are present to respond to issues raised during the meeting.

Notice of general meetings and annual reports/circulars are sent out with sufficient notice so as to enable shareholders to have the required information to make informed decisions. In line with MMLR, voting by poll shall be conducted for any resolutions set out in the notice of any general meetings in the presence of independent scrutineer.

The Company's Forty Eighth Annual General Meeting ("48th AGM") in 2024 was held as a fully virtual meeting through live streaming and online remote voting using the Remote Participation and Voting Facilities ("RPV"). To ensure effective participation of and engagement with shareholders, the Company encouraged the shareholders and proxies to submit their questions electronically to the Company before and during the AGM. Members of the Board, Senior Management and external auditors were present virtually to respond to questions raised by the shareholders or proxies. The Company had conducted poll voting via RPV for all resolutions set out in the Notice of the 48th AGM. The shareholders were provided with the Administrative Guide which sets out the guidelines for shareholders and proxies on the conduct and voting procedures in a fully virtual meeting together with the Notice of the 48th AGM. The results of the poll were verified by the independent scrutineer. The Company continues to explore ways to leverage on technology to enhance the quality of engagement with its shareholders, and facilitate further participation by shareholders at all general meetings of the Company.

Communication with Stakeholders

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and as such has various channels to maintain communication with them. The annual report, quarterly announcements on financial results, relevant announcements on the Group's business and activities, as well as the Company's website are the primary mode of communication to all its stakeholders.

The key objective of the Company's dialogue with its shareholders at the Annual General Meeting or Extraordinary General Meeting is to provide an opportunity for a two-way communication process between the Company and its private and institutional investors. In a process of engaging our stakeholders, the Company is able to answer any questions that may be raised while gaining insights into their views and perspectives. At the Annual General Meeting or Extraordinary General Meeting, shareholders are also encouraged to ask questions about the resolutions being proposed as well as the Group's operations in general.

Senior Independent Director

The Board has identified Tan Sri Dr. Azmil Khalili bin Dato' Khalid as the Senior Independent Non-Executive Director of the Board to whom any concerns on issues affecting the Company and the Group may be conveyed. He may be contacted at director-sib@sapuraindustrial.com.my.

Corporate Website

The Company has established a website at www.sapuraindustrial.com.my where shareholders and stakeholders can access information regarding Sapura Industrial Berhad Group. Information on the website includes the Group's corporate structure, main business activities and announcements to Bursa Malaysia.

The Corporate Governance Overview Statement and the Corporate Governance Report are made in accordance with a resolution of the Board of Directors dated 14 May 2025.

AUDIT COMMITTEE'S REPORT

The Board Audit Committee (BAC) of SIB is pleased to present their report for the financial year ended 31 January 2025 in compliance with paragraph 15.15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (MMLR).

COMPOSITION

BAC comprise three (3) members of which majority are Independent Non-Executive Directors who fulfil the criteria of independence as defined in the MMLR. Hence, the current composition is in compliance with paragraph 15.09(1)(a) and (b) of the MMLR. The Chairperson of the BAC is an Independent Non-Executive Director which is in compliance with paragraph 15.10 of the MMLR.

During the financial year and up to the date of this Report, the members of the Board Audit Committee comprised the following Directors:

Datin Noor Lily Zuriati binti Abdullah, Chairperson

Independent Non-Executive Director
(appointed as BAC Chairperson on 19 February 2025)

Datuk Syed Izuan bin Syed Kamarulbahrin

(resigned as BAC Chairman on 1 January 2025 following his appointment as Managing Director on the same date)

Encik Ir. Md. Shah bin Hussin, Member

Independent Non-Executive Director
(redesignated as Non-Independent Non-Executive Director on 1 May 2025)

Ms. Emily Kok, Member

Independent Non-Executive Director
(appointed as BAC member on 19 February 2025)

Ms. Emily Kok is a qualified accountant, currently a Member of Chartered Institute Management Accountants, UK, which is in compliance with paragraph 15.09(1)(c) of MMLR which requires at least one member of the Board Audit Committee to be a qualified accountant.

The Chairman of the Committee is not the Chairman of the Board. This is in line with Practice 9.1 of the Malaysian Code on Corporate Governance 2021 (MCCG).

TERMS OF REFERENCE

The Terms of Reference of the Board Audit Committee sets out the authority, duties and responsibilities of the Board Audit Committee which are consistent with the requirements of the MMLR and the MCCG. This Terms of Reference is accessible on the Group official website at www.sapuraindustrial.com.my.

MEETINGS HELD FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025

The Board Audit Committee held five (5) meetings during the financial year ended 31 January 2025 with the Head of Corporate Services cum Company Secretary in attendance. The Head of Manufacturing Business, President of Industrial Business, External Auditors and Internal Auditors were also invited to brief the Board Audit Committee on issues tabled for discussion.

The meetings were structured through distribution of relevant papers to members with sufficient notification.

Board Audit Committee Meeting Attendance

There were five (5) meetings held during the financial year ended 31 January 2025 and the details of attendance are as follows:-

No.	Name of Board Audit Committee Members	Position	Total Meetings Attended
1.	Datuk Syed Izuan bin Syed Kamarulbahrin (resigned as BAC Chairman on 1 January 2025 following his appointment as Managing Director on the same date)	Independent Non-Executive	5/5
2.	Encik Ir. Md. Shah bin Hussin	Independent Non-Executive	5/5
3.	Datin Noor Lily Zuriati binti Abdullah	Independent Non-Executive	5/5

Audit Committee's Report

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Committee carried out its duties in accordance with its terms of reference during the financial year.

The main activities undertaken by the Committee were as follows:

Financial Reporting

- Reviewed the quarterly and year-end financial statements before recommending to the Board for approval to announce to Bursa Malaysia Securities Berhad.
- Ensuring that financial statements comply with applicable financial reporting standards and considered the following on a regular basis:
 - > Changes in accounting policies and practices and implementation thereof.
 - > Significant adjustments arising from the external audit process.
 - > Going concern assumption.
 - > Adequacy and appropriateness of disclosure.

External Audit

- Reviewed the External Auditors' scope of work and audit plan for the financial year.
- Considered significant issues arising from the annual audit by the External Auditors.
- Held separate meetings with the External Auditors, excluding the attendance of the Management, to discuss any problems and reservations.
- Considered the suitability and independence of the External Auditors with the Management. Factors considered including the adequacy of experience and resources of the firm and professional staff assigned to the audit and level of non-audit services rendered for the financial year under review. The Board Audit Committee procures a confirmation from them that they are and have been independent throughout the conduct of the audit engagement.
- Considered together with Management the audit fees of External Auditors for recommendation to the Board for approval.

Internal Audit

- Reviewed the internal audit plan to confirm the annual audit of the Group.
- Reviewed and appraised the audit reports by the Internal Auditors.
- Reviewed and appraised the audit reports by the Internal Auditors and Management's response and follow-up actions to major findings.
- Monitored the implementation of the audit recommendations in subsequent meetings to obtain assurances that all key risks and control concerns have been fully addressed.
- Considered together with Management the audit fees of outsourced Internal Auditors for recommendation to the Board for approval.

Risk Management and Internal Control

- Reviewed and appraised the various corporate governance, risk management and internal control systems.
- Reviewed the adequacy and effectiveness of the governance and risk management processes as well as the internal control system through risk assessment reports from the Group Risk Management Committee and the Internal Auditors. Significant risk issues were summarised and communicated to the Board for consideration and resolution.
- Recommended to the Management any improvement on internal controls, procedures and systems of the Group to improve the robustness of its risk monitoring and control activities.

Related Party Transactions

- Reviewed the related party transactions entered into by the Group and any conflict of interest situation that may arise within the Group so as to ensure that transactions are fair and reasonable, and are not detrimental to the interest of the Group.

Others

- Reviewed the Audit Committee's Report, Statement on Risk Management and Internal Control and Sustainability Report before submission to the Board for consideration and approval for inclusion in Company's Annual Report.

The Board Audit Committee Chairman also continuously engaged with the Senior Management, External Auditors and Internal Auditors in order to be kept informed of matters affecting the Group. Through such engagements, relevant issues were brought to the attention of the Board Audit Committee in a timely manner.

Audit Committee's Report

INTERNAL AUDIT FUNCTION

The Group's Internal Audit function for financial year 31 January 2025 was carried out by BDO Governance Advisory Sdn. Bhd. (BDO) to assist the Board Audit Committee in the discharge of its duties and responsibilities. The Internal Auditors reports directly to the Board Audit Committee and its principal responsibility is to provide independent and objective assurance on the adequacy and effectiveness of the risk management, internal control and governance processes. The purpose, authority and responsibility of Internal Auditors are articulated in the engagement agreement between the Group and BDO. The Internal Auditors are free from any relationships or conflict of interest, which could impair their objectivity and independence.

The Internal Auditors reviewed and evaluated the adequacy and effectiveness of the Group's internal control system to anticipate any potential risks and recommended improvements, where necessary. The Internal Auditors also assessed:

- a. the Group's compliance to its established policies and procedures, guidelines and statutory requirements;
- b. reliability and integrity of financial and operational information;
- c. safeguarding of assets; and
- d. operational effectiveness and efficiency.

The Management was required to provide justification and rectification initiatives on the internal audit findings raised by the Internal Auditors pursuant to the internal audit reports issued, at the request of the Board Audit Committee. The Internal Audit reports, incorporating relevant action plans agreed with the Management, were circulated to the respective Senior Management and Business Units Head and were reviewed by the Board Audit Committee.

Validation of controls based on the key risk profile identified under the Group Risk Management framework were also conducted in major subsidiaries during the reviews to ensure those controls are in place and adequate. The results were included in the Internal Audit reports which were forwarded to the Management and Board Audit Committee for their response and endorsement respectively.

A follow-up internal audit review was also conducted to monitor and ensure that all internal audit recommendations have been effectively implemented.

The Internal Audit's function, including its activities was performed in accordance with the International Professional Practices Framework ("IPPF") adopted by the Institute of Internal Auditors Malaysia ("IIAM") and the overall opinions expressed were in accordance with the IPPF.

The total costs incurred for the internal audit function of the Group for the financial year was RM249,066.

REPORTING TO THE EXCHANGE

In the financial year ended 31 January 2025, the Board Audit Committee was of the view that the Group was in compliance with MMLR and as such, the reporting to Exchange under paragraph 15.16 of the MMLR is not required.

The Audit Committee's Report was made in accordance with a resolution of the Board of Directors dated 14 May 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("the Board") of SIB ("SIB" or "the Group") clearly understands the importance of risk-conscious culture hence is highly committed to maintain a sound internal control system and risk management framework within the Group. With this, the Board is pleased to present the following Statement on Risk Management and Internal Control ("SORMIC" or "the Statement") for the financial year ended 31 January 2025.

This Statement is made pursuant to paragraph 15.26(b) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad that requires the Board of public listed companies to include a statement on the state of their internal controls in their annual reports. The Board is also guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. In addition, Part II of Principle B in the Malaysian Code on Corporate Governance (MCCG) issued in 2021 requires the board of directors of public listed companies to maintain an effective risk management framework and internal control systems to safeguard shareholders' investment and the Group's assets.

RESPONSIBILITY

The Board acknowledges that in order to safeguard shareholders' investment, other stakeholders' interest and the assets of the Group, it is important to maintain a well-constructed and effective system of risk management and internal control. Accordingly, the Board recognises its overall responsibility in maintaining the Group's system of risk management and internal control, and for reviewing its effectiveness, adequacy and integrity of the system which is an integral part of good corporate governance. Such systems cover not only financial controls but also operational and compliance controls and risk management procedures.

In pursuing its responsibility, the Board has established an ongoing process for identifying, evaluating and managing significant risks faced by the Group and to regularly review this process. This SORMIC outlines the nature and scope of its risk management and internal control which has been in place during the financial year under review and up to the date of approval of this statement for inclusion in the annual report.

However, due to inherent limitations, the Board acknowledges that the system provides reasonable but not absolute assurance in eliminating the risks of failure in achieving the business objectives. Hence the system can only provide reasonable assurance against material misstatement, fraud or loss.

The Management is assigned by the Board with the responsibility to implement the policies and procedures on risk management, identify and assess the various risks faced by the Group and ensure appropriate controls are in place to mitigate, control and monitor these risks.

RISK MANAGEMENT

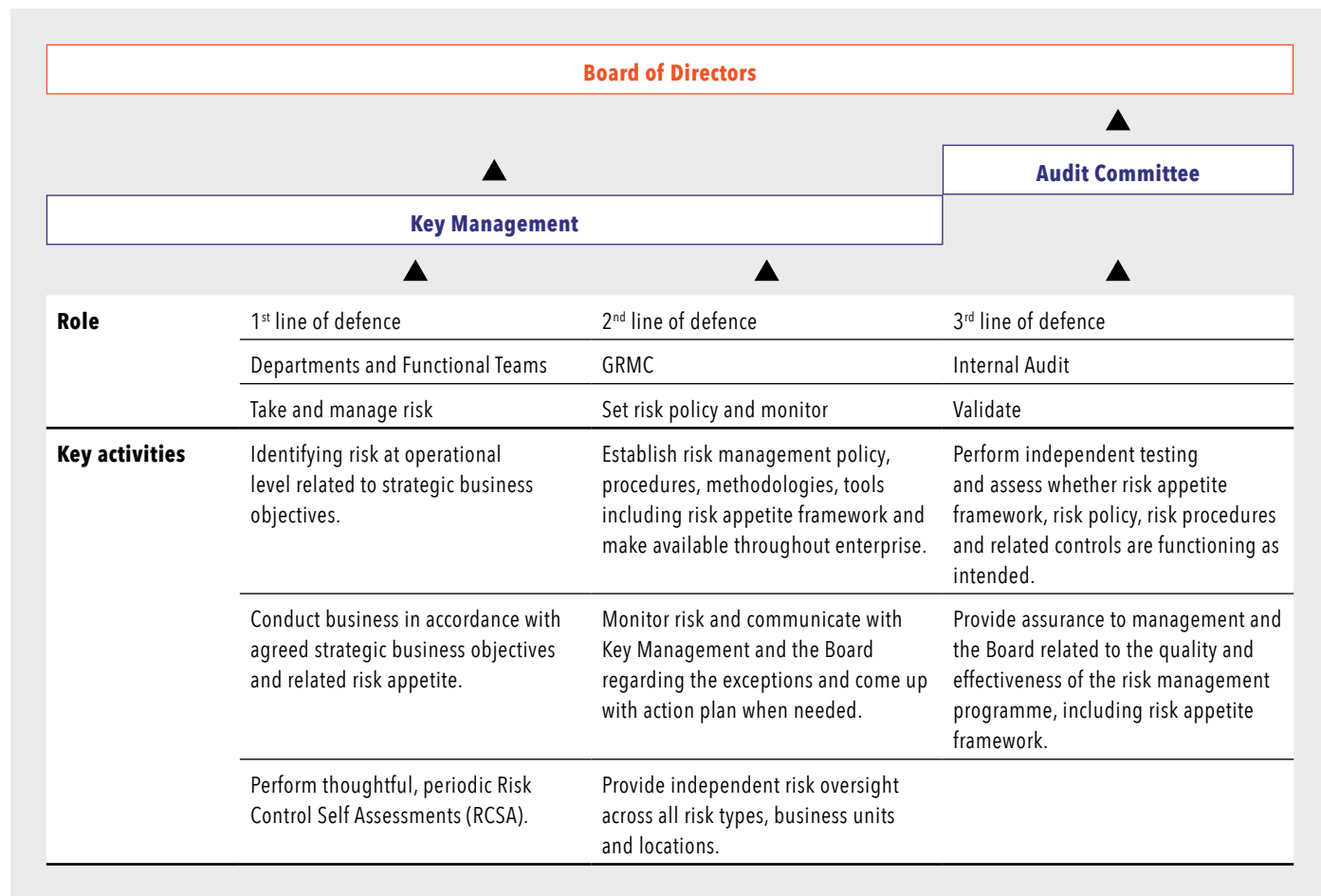
The Board firmly believes that system of risk management and internal controls is critical to the Group's business sustainability and key to good corporate governance. The Board has oversight over this critical area through the Audit Committee, which delegated the role of overseeing the Group's risk management to Group Risk Management Committee (GRMC), although the Board retains overall accountability of the Group's risk profiles.

An overview of the Group's overall risk management framework is illustrated in the following diagram:



Statement on Risk Management and Internal Control

The governance structure to manage risk allows the Group to have a “3 Lines Model” that defines the relationship between these functions and facilitate strong governance and risk management as per the following diagram:

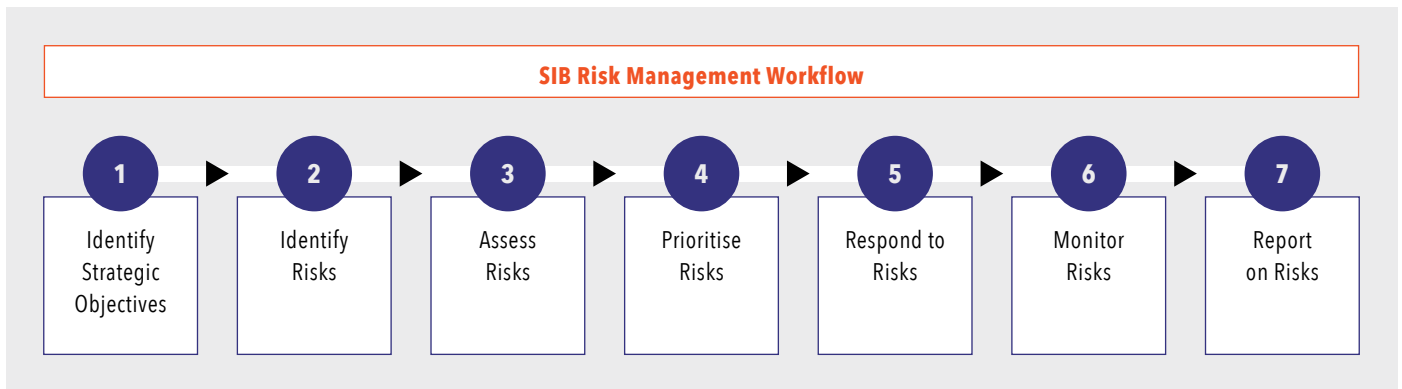


The Group’s Risk Management Framework sets out the overarching principle and approach in risk management. The primary objective of the Group’s Risk Management Framework is to support the achievement of the Group’s mission, vision and strategic objectives by sufficiently managing all its risks and safeguard the Group’s reputation, resources, people and finances.

The Group’s Risk Management Framework has been reviewed during the year to provide adequate guidance in managing the risks of the Group. The updated Risk Management Framework is aligned with the ISO31000:2018 and includes Economic, Environmental, Social and Governance (EESG) related risks as recommended by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) version 2018.

Statement on Risk Management and Internal Control

The following are 7 steps involved in the Group's Risk Management workflow:



The Group' Risk Management workflow starts with identifying the strategic objectives that will support the achievement of the Group's vision and mission as follows:



In performing risk identification, the Group categorises the risks as strategic or operational risks. Strategic risks are those that are mission-critical that have a direct negative impact to achievement of the Group's strategic objectives whereas operational risks are risks that are at granular level, in conducting daily business activities and operations. The Group has identified 10 strategic risks that are closely monitored by GRMC while operational risks are monitored by the respective Heads of Department.

The risks profiles of the Group are identified, assessed and evaluated during the risk workshops with input from Key Management. Risks identified are assessed by examining the potential impact on the Group based on the likelihood and impact of occurrence. A 5-point scale that contains 5 response options are used to determine the likelihood and impact of each risk profile. Members of GRMC and Heads of Department provide their responses to each strategic risk identified and the consolidated results are known as the inherent risk score.

At risk prioritisation stage, the GRMC together with the Key Management will determine risk response strategies by classifying the risks into 4 quadrants of avoid risk, transfer risk, mitigate risk and accept risk. This process provides the Group with clarity in understanding risk tolerance level and helps to establish the risk mitigation plan and the required internal control procedures. Controls identified are then classified and evaluated for appropriateness and effectiveness. Residual risks will then be identified and managed in a proper manner by assigning responsibility to relevant levels of management and operations.

The above process adopted in assessing risks provides a structured approach in identifying, prioritising and managing the Group's risks.

Monitoring and Reporting

The GRMC continuously monitors and reviews the adequacy and effectiveness of risk management and control systems within the Group. This process will ascertain those controls that are effective and those that require further improvement to ensure that sufficient controls are always in place. A control self-assessment system is also available for Management to monitor critical and routine risk areas under their jurisdiction using the Risk Profiles and Risk Heatmap. Additionally, report on risks is given high priority and is discussed extensively during Monthly Management Meeting.

The Audit Committee reviews and monitors the adequacy and effectiveness of the Group's risk management, internal control and governance processes on a periodic basis, based on reports provided by internal auditors. Formal procedures are put in place for action to be taken to remedy any significant weakness identified in these reports.

Statement on Risk Management and Internal Control

The Audit Committee has unrestricted access to internal auditors, external auditors and the employees of the Group and are also entitled to obtain third party independent professional advice should the requirement exist in the course of performing their responsibility.

This process has been in place throughout the financial year under review and up to the date of this report.

The Group will continue its focus on institutionalising risk management as a business culture within the Group.

INTERNAL CONTROL

The Audit Committee assists the Board in reviewing the adequacy and integrity of the Group's system of risk management and internal control. The Audit Committee, assisted by the Internal Auditors perform structured and systematic audit review that complies with the guidelines by International Professional Practice Framework (IPPF) of the Institute of Internal Auditors.

The Internal Auditors carry out internal control reviews on the financial and operating activities of the Group based on an annual plan presented and approved by the Audit Committee. Internal Audit functions are carried out objectively and reports directly to the Audit Committee and are independent from the management of the company and the functions which it audits.

The audit performed by Internal Auditors assesses the effectiveness of governance, risk management and internal control processes of the Group and the extent of compliance with Group's operating policies and procedures. The findings on weaknesses or deficiencies in internal control processes from the audit activities performed are presented to Audit Committee. This function serves an important source of information for Audit Committee to identify possible remedial course of actions to improve the weaknesses found in risk management and control systems.

The key elements of the framework of the internal control system of the Group are as follows:

- All major decisions require the approval of the Board and are only made after appropriate in-depth analysis. The Board meets regularly on a quarterly basis, and reviews the financial and operational performance of the Group.
- Clear Group organisational structure that is aligned with the business and operational requirements, defined lines of responsibilities and appropriate levels of delegation.

- All Departments and Divisions of the Group have clearly documented policies and standard operating procedures (SOP) incorporating control and scope of responsibilities. Periodic review is done to ensure their relevance and effectiveness. Nine policies and SOPs were reviewed and enhanced during the year.
- Consolidated risk register of the Group and any report received on any significant problem that has occurred during the year will be reviewed. Any potential impact to the existing risk profile and risk appetite will be assessed.
- Limits of Authority (LoA) sets out the authority limits throughout the Group in the areas of corporate, operations, financial and human resource. The LoA prescribes limits of authority and prohibits unfettered power within the various levels of management. LoA may be reviewed by the Board upon recommendation by management, to ensure its provisions are effective in managing risk and are practical for implementation.
- The Internal Auditors monitor compliance with the Group's policies and procedures and applicable laws, regulations and standards, and provide independent assurance on adequacy and effectiveness of the risk management and internal control system by conducting regular audit and continuous assessment. Major audit findings and recommendations for corrective actions and improvement are highlighted to Audit Committee and Key Management. Audit follow-up is carried out to ensure the implementation of corrective action plans in a timely manner.
- The Audit Committee, on behalf of the Board, regularly reviews and holds discussion with management on the action taken on internal control issues identified in various reports prepared by the Internal Auditors, External Auditors and the Management.
- An Annual Budget and Business Plan is prepared and adopted by the Board to facilitate the Group in its business and financial performance. The Board reviews and monitors the achievements of the Group's performance on a quarterly basis.
- Management Committee Meetings, attended by Key Senior Management and chaired by the Head of Manufacturing Business, are held to deliberate on business, financial and operational issues which include reviewing and approving all key strategic business measures and policies. Progress reports of any internal control measures recommended to the business units are also reviewed.

Statement on Risk Management and Internal Control

- Monthly Operational Performance Meetings at the Group and business unit levels attended by respective Business Unit Heads and chaired by the Head of Manufacturing Business are held to review operational performance and issues including progress of ongoing initiatives.
- Quality Management Systems have been implemented in all of the Group's manufacturing subsidiaries where documented internal procedures and standard operating procedures have been put in place. Internal quality audits are carried out by qualified management representatives and periodic surveillance audits are conducted by an independent certification body to ensure compliance.
- Code of Ethics and Business Conduct is established and adopted for all directors, officers and staff that emphasises on the principle of discipline, good conduct, professionalism and integrity that are critical to the success and wellbeing of the Group.
- Whistle-Blowing Policy has been put in place to facilitate the disclosure of concerns regarding unethical, unlawful or any improper conduct via a reporting channel within the Group. Stakeholders of the Group may report any unethical, unlawful and improper conduct via email at whistleblower@sapuraindustrial.com.my. The Whistle-Blowing Policy is available on the Group's corporate website under the Investor Relations section.
- Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (MACC Act) which came into force on 1 June 2020 governs the offence of corruption committed by persons associated with a commercial organisation. "Associated persons" referred to in this MACC Act would include the director, partner, employee and those who perform services for or on behalf of the commercial organisation. Pursuant to this enforcement of MACC Act, the Board has put in place Anti-Bribery and Corruption Policy to establish adequate procedures to prevent the commission of corrupt acts by persons associated to the Group. In addition, the risk of non-compliance to Anti-Bribery and Corruption Policy is also included in the annual risk assessment in accordance with paragraph 15.29(1)(c) of the MMLR of Bursa Malaysia Securities Berhad. The Anti-Bribery and Corruption Policy is available on the Group's corporate website under the Investor Relations section.

ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Head of Manufacturing Business and Head of Corporate Services have provided assurance to the Board and Audit Committee that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, to ensure the achievement of its business objectives. Based on the review on adequacy and effectiveness of the risk management and internal control framework of the Group and the assurance provided by the Management Team, the Board is of the view that the system of risk management and internal control is satisfactory and adequate to safeguard shareholders' investment and the Group's assets.

The Group will continue to identify, evaluate and monitor all major risks and take measures to strengthen the internal control and risk management environment.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of MMLR, the external auditors, Messrs. Ernst & Young PLT, have reviewed this Statement on Risk Management and Internal Control in accordance with the Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control (AAPG 3) issued by Malaysian Institute of Accountants for inclusion in this Annual Report and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of risk management and internal control within the Group.

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 made in accordance with a resolution of the Board of Directors dated 14 May 2025.

ADDITIONAL COMPLIANCE INFORMATION

Pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies involving the Company's directors and/or major shareholders' interests either still subsisting at the end of financial year, or which were entered into since the end of the previous financial year.

2. MATERIAL CONTRACTS RELATED TO LOAN

There were no material contracts related to loans entered into by the Company and/or its subsidiary companies involving the Company's directors and/or major shareholders' interests during the financial year under review.

3. RECURRENT RELATED PARTY TRANSACTIONS ENTERED INTO DURING FINANCIAL YEAR ENDED 31 JANUARY 2025 PURSUANT TO SHAREHOLDERS' MANDATE

Shareholders' mandate was not required to be procured for recurrent related party transactions entered into during financial year ended 31 January 2025.

4. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered by Messrs. Ernst & Young PLT by the Group and the Company for the financial year under review were as follows:

	Group (RM)	Company (RM)
Statutory audit fees	257,400	58,700
Non-audit fees	7,500	7,500

The non-audit fees comprised of professional fees in relation to Statement of Risk Management and Internal Control review.

5. PROFIT ESTIMATION, FORECAST OR PROJECTION

There were no profit estimation, forecast of projection made or released by the Company during the financial year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

Pursuant to Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Directors are responsible for the preparation of the audited financial statements for each financial year in accordance with the applicable approved accounting standards in Malaysia and give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and the cash flow of the Group and of the Company for the financial year.

In preparing the financial statements of the Group and of the Company, the Directors have adopted appropriate accounting policies and applied them consistently and prudently. The Directors have also ensured that those applicable accounting standards have been followed and confirmed that the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company and which enable them to ensure that the financial statements are in compliance with the provisions of the Companies Act 2016.

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

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the subsidiaries are described in Note 16 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit net of tax	8,940,761	2,369,243
Attributable to:		
Owners of the parent	9,063,594	2,369,243
Non-controlling interests	(122,833)	-
	8,940,761	2,369,243

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

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

DIVIDENDS

During the financial year, a final single tier dividend in respect of the financial year ended 31 January 2024 of 5.0 sen per ordinary share amounting to RM3,638,787 was paid on 7 August 2024.

At the forthcoming Annual General Meeting, a final single tier dividend in respect of the financial year ended 31 January 2025 of 4.0 sen per ordinary share, amounting to a dividend payable of RM2,911,029 will be proposed for shareholders' approval.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders will be accounted for in equity as an appropriation of distributable reserves in the financial year ending 31 January 2026.

Directors' Report

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year and at the date of this report are:

Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir (retired on 1 May 2025)
Puan Sri Datin Seri Mariam Parineh
Datuk Syed Izuan bin Syed Kamarulbahrin
Md. Shah bin Hussin
Tan Sri Dr. Azmil Khalili bin Dato' Khalid
Datin Noor Lily Zuriati binti Abdullah
Emily Kok (appointed on 19 February 2025)
Datuk Zainol Izzet bin Mohamed Ishak (appointed on 1 May 2025)
Datuk Wira Jalilah binti Baba (resigned on 19 April 2024)

The names of the directors of the subsidiaries in office since the beginning of the financial year and at the date of this report are:

Mohd Salleh bin Jani
Liyana Lee binti Abdullah
Noriyuki Wada
Noriharu Noshimura
Shariman bin Abdul Sofi
Mohd Fahmi bin Md Isa
Fazal Othman bin Mohd Ghazali
Mohd Farid bin Abd Manaf (appointed on 27 November 2024)
Nurshalliza binti Hajis (appointed on 27 November 2024)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, other than as disclosed in Note 30 to the financial statements.

Directors' Report

DIRECTORS' BENEFITS (CONT'D.)

The directors' benefits are as follows:

	Group and Company RM
Salaries and other emoluments	2,864,000
Fees	354,877
Contributions to defined contribution plan	123,434
Benefits-in-kind	131,188
	3,473,499

The Company maintains a liability insurance for the directors and officers of the Group. The total sum insured for the directors and officers of the Group for the financial year amounted to RM10,000,000.

The total insurance premium effected for any director and officer of the Company as at the financial year end is RM13,225.

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	At 1.2.2024	Acquired	Transferred	At 31.1.2025
The Company				
Sapura Industrial Berhad				
Direct interest:				
Datuk Syed Izuan bin Syed Kamarulbahrin	-	500,000	-	500,000
Indirect interest:				
Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir ¹	20,377,300	-	-	20,377,300
Puan Sri Datin Seri Mariam Parineh ²	20,377,300	-	-	20,377,300

¹ Interest by virtue of shares held by spouse.

² Deemed interested by virtue of being a substantial shareholder of SAK Asset Ventures Sdn. Bhd. ("SAK Asset Ventures") pursuant to Section 8 of the Companies Act 2016. SAK Asset Ventures is a substantial shareholder of Sapura Industrial Berhad.

Directors' Report

DIRECTORS' INTERESTS (CONT'D.)

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows: (cont'd.)

	Number of ordinary shares			
	At 1.2.2024	Acquired	Transferred	At 31.1.2025
Related Corporation				
SIB Mili Sdn. Bhd.				
Indirect interest:				
Mohd Farid bin Abd Manaf ³	-	225,000	-	225,000
Nurshalliza binti Hajis ³	-	225,000	-	225,000

³ Deemed interested by virtue of being shareholders of Mili Tech Sdn. Bhd. ("Mili Tech") pursuant to Section 8 of the Companies Act 2016.

Other than as disclosed above, none of the other directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance of expected credit losses and satisfied themselves that there were no known bad debts and that adequate allowance of expected credit losses had been made; and
 - to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- it necessary to write off any bad debts or the amount of the allowance of expected credit losses in the financial statements of the Group and the Company inadequate to any substantial extent; and
 - the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances 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.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

Directors' Report

OTHER STATUTORY INFORMATION (CONT'D.)

- (e) As 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 year which secures the liabilities of any other person other than as disclosed in Note 22 to the financial statements; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the abilities of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM	Company RM
Ernst & Young PLT		
- Statutory audit	257,400	58,700
- Other services	7,500	7,500
	264,900	66,200

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 January 2025.

Signed on behalf of the Board in accordance with a resolution of the directors dated on 14 May 2025.

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Datin Noor Lily Zuriati binti Abdullah and Datuk Syed Izuan bin Syed Kamarulbahrin, being two of the directors of Sapura Industrial Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 86 to 173 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and 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 31 January 2025 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 14 May 2025.

Datin Noor Lily Zuriati binti Abdullah

Datuk Syed Izuan bin Syed Kamarulbahrin

STATUTORY DECLARATION

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

I, Liyana Lee binti Abdullah, being the officer primarily responsible for the financial management of Sapura Industrial Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 86 to 173 are in my opinion 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
Liyana Lee binti Abdullah
at Bandar Baru Bangi, Selangor Darul Ehsan
on 14 May 2025.

Liyana Lee binti Abdullah
(MIA Membership No: 10293)

Before me,

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAPURA INDUSTRIAL BERHAD

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sapura Industrial Berhad, which comprise the statements of financial position as at 31 January 2025 of the Group and of the Company, and 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 86 to 173.

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 31 January 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Independent Auditors' Report to the Members of Sapura Industrial Berhad

(Incorporated in Malaysia)

*Revenue from sale of automotive parts
(Refer to Note 4 to the financial statements)*

Revenue from sale of automotive parts recognised by the Group during the year amounted to approximately RM286.84 million. We identified revenue from sales of automotive parts to be an area of audit focus, as we consider the voluminous transactions for numerous types of products to be a possible cause of material misstatement in the timing and recognition of revenue.

Our audit procedures for revenue from sales of automotive parts included amongst others the following procedures:

- (a) We updated our understanding and performed tests over the Group's internal controls over the timing and amount of revenue recognised;
- (b) We inspected the terms of new significant sales contracts to determine the point in time at which control of a promised good is transferred and the Group satisfies its performance obligations;
- (c) We focused on using analytics by obtaining general ledger data that enables us to establish the correlation between revenue, trade receivables and cash collection;
- (d) We reperformed testing over cash entries that settle trade receivables and inspected documents evidencing customer acceptance; and
- (e) We focused our testing on the recording of sales transactions close to year end, including credit and debit notes issued after year end, to establish whether transactions were recorded in the correct accounting period.

We also considered the Group's description of the accounting policy related to revenue, and the adequacy of the disclosures in Note 4 to the financial statements.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Independent Auditors' Report to the Members of Sapura Industrial Berhad

(Incorporated in Malaysia)

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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.

Independent Auditors' Report to the Members of Sapura Industrial Berhad

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

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

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

Other matters

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

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
14 May 2025

Abdul Hadi Bin Gonawan
No. 03676/07/2026 J
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 January 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	4	287,028,306	295,569,189	21,003,001	20,772,793
Cost of sales		(248,995,792)	(259,083,591)	-	-
Gross profit		38,032,514	36,485,598	21,003,001	20,772,793
Other income	5	6,934,711	6,455,428	1,891,464	1,962,099
Administrative expenses		(28,167,972)	(28,323,130)	(19,819,823)	(18,237,041)
Selling and marketing expenses		(672,185)	(585,065)	(479,498)	(318,461)
Other expenses		(62,331)	(87,745)	(55,631)	(82,945)
Profit from operations		16,064,737	13,945,086	2,539,513	4,096,445
Finance costs	6	(2,537,251)	(2,352,934)	(130,896)	(182,596)
Profit before tax	7	13,527,486	11,592,152	2,408,617	3,913,849
Taxation	10	(4,586,725)	(4,226,207)	(39,374)	(17,993)
Profit net of tax		8,940,761	7,365,945	2,369,243	3,895,856
Other comprehensive income					
Actuarial loss on retirement benefit net of tax		(56,496)	(396,602)	(13,344)	(87,899)
Total comprehensive income for the year		8,884,265	6,969,343	2,355,899	3,807,957
Profit/(loss) attributable to:					
Owners of the parent		9,063,594	7,389,477	2,369,243	3,895,856
Non-controlling interests		(122,833)	(23,532)	-	-
		8,940,761	7,365,945	2,369,243	3,895,856

Statements of Comprehensive Income

For the year ended 31 January 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Total comprehensive income/(loss) attributable to:					
Owners of the parent		9,007,098	6,992,875	2,355,899	3,807,957
Non-controlling interests		(122,833)	(23,532)	-	-
		8,884,265	6,969,343	2,355,899	3,807,957
Earnings per share attributable to owners of the parent (sen):					
Basic/diluted	11	12.45	10.15		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 January 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Assets					
Non-current assets					
Property, plant and equipment	13	74,097,164	75,432,971	782,132	1,767,309
Investment properties	14	31,673,152	31,915,893	13,400,708	13,600,159
Goodwill	15	116,724	-	-	-
Development expenditure	15	1,467,353	1,799,239	-	-
Investments in subsidiaries	16	-	-	30,381,000	30,457,880
Other receivables	18	103,893	-	10,800,000	10,800,000
Deferred tax assets	25	919,809	197,630	-	-
		108,378,095	109,345,733	55,363,840	56,625,348
Current assets					
Inventories	17	32,320,272	29,098,849	-	-
Tax recoverable		1,487,177	2,442,393	109,597	144,757
Trade and other receivables	18	32,675,761	37,351,117	26,289,300	28,450,260
Other current assets	19	3,399,130	3,855,761	890,283	221,860
Short term investments	20	23,186,024	29,965,073	-	-
Cash and cash equivalents		13,420,439	8,796,711	1,328,940	738,255
		106,488,803	111,509,904	28,618,120	29,555,132
Total assets		214,866,898	220,855,637	83,981,960	86,180,480
Equity and liabilities					
Current liabilities					
Retirement benefit obligations	21	143,786	134,632	84,264	9,197
Trade and other payables	26	33,661,156	46,040,545	2,974,644	2,993,494
Provisions	27	518,632	135,039	-	-
Tax payable		250,631	2,041,200	-	-
Loans and borrowings	22	9,413,405	8,012,737	95,629	992,554
		43,987,610	56,364,153	3,154,537	3,995,245
Net current assets		62,501,193	55,145,751	25,463,583	25,559,887

Statements of Financial Position

As at 31 January 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current liabilities					
Retirement benefit obligations	21	9,110,365	9,011,542	2,635,155	2,614,450
Loans and borrowings	22	38,819,125	37,152,168	280,299	375,928
Deferred tax liabilities	25	4,135,550	5,200,262	-	-
Provisions	27	290,625	191,091	-	-
		52,355,665	51,555,063	2,915,454	2,990,378
Total liabilities		96,343,275	107,919,216	6,069,991	6,985,623
Net assets		118,523,623	112,936,421	77,911,969	79,194,857
Equity attributable to owners of the parent					
Share capital	28	74,975,863	74,975,863	74,975,863	74,975,863
Retained profits		41,919,633	36,551,322	2,936,106	4,218,994
		116,895,496	111,527,185	77,911,969	79,194,857
Non-controlling interests		1,628,127	1,409,236	-	-
Total equity		118,523,623	112,936,421	77,911,969	79,194,857
Total equity and liabilities		214,866,898	220,855,637	83,981,960	86,180,480

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 January 2025

	Note	Attributable to owners of the parent			Non-controlling interests ("NCI") RM	Total equity RM
		Non-distributable Share capital RM	Distributable Retained profits RM	Total RM		
As at 1 February 2024		74,975,863	36,551,322	111,527,185	1,409,236	112,936,421
Issuance of equity instruments	16(b)	-	-	-	341,724	341,724
Total comprehensive income/(loss) for the year		-	9,007,098	9,007,098	(122,833)	8,884,265
Dividends on ordinary shares	12	-	(3,638,787)	(3,638,787)	-	(3,638,787)
At 31 January 2025		74,975,863	41,919,633	116,895,496	1,628,127	118,523,623
As at 1 February 2023		74,975,863	31,377,840	106,353,703	1,432,768	107,786,471
Total comprehensive income/(loss) for the year		-	6,992,875	6,992,875	(23,532)	6,969,343
Dividends on ordinary shares	12	-	(1,819,393)	(1,819,393)	-	(1,819,393)
At 31 January 2024		74,975,863	36,551,322	111,527,185	1,409,236	112,936,421

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 January 2025

	Note	Non-distributable Share capital RM	Distributable Retained profits RM	Total RM
As at 1 February 2024		74,975,863	4,218,994	79,194,857
Total comprehensive income for the year		-	2,355,899	2,355,899
Dividends on ordinary shares	12	-	(3,638,787)	(3,638,787)
At 31 January 2025		74,975,863	2,936,106	77,911,969
As at 1 February 2023		74,975,863	2,230,430	77,206,293
Total comprehensive income for the year		-	3,807,957	3,807,957
Dividends on ordinary shares	12	-	(1,819,393)	(1,819,393)
At 31 January 2024		74,975,863	4,218,994	79,194,857

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 January 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating activities				
Profit before tax	13,527,486	11,592,152	2,408,617	3,913,849
Adjustments for:				
Property, plant and equipment				
- depreciation	13,591,304	11,884,747	227,905	240,236
- written off	137,790	109,590	-	2,586
Investment properties				
- depreciation	242,741	233,338	199,451	195,321
Development expenditure				
- amortisation	564,936	484,260	-	-
Right-of-use assets				
- depreciation	806,021	1,232,251	827,224	867,635
- modification (gain)/loss	-	(12,701)	(1,037)	5,790
Provision for short term accumulating compensated absences	31,316	61,154	36,452	71,955
Net allowance for impairment on trade and other receivables	51,745	-	-	40,574
Allowance for impairment on investment in a subsidiary	-	-	76,980	-
Provision for warranty	907,347	155,284	-	-
Net unrealised (gain)/loss on foreign exchange	(113,871)	242,871	-	-
Increase in liability for defined benefit plan	819,663	802,131	320,398	235,272
Dividend income	-	-	(5,205,000)	(6,500,000)
Provision for slow moving inventories and stock obsolescence	-	401,820	-	-
Inventories written off	-	692,051	-	-
Gain on disposal of property, plant and equipment	(43,000)	-	-	-
Interest expense	2,537,251	2,352,934	130,896	182,596
Interest income	(75,360)	(96,028)	(2,029)	(5,526)
Interest income from advances to subsidiaries	-	-	(378,261)	(383,200)
Profit from short term investments	(713,882)	(399,508)	-	-
Operating profit/(loss) before working capital changes	32,271,487	29,736,346	(1,358,404)	(1,132,912)

Statements of Cash Flows

For the year ended 31 January 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating activities (cont'd.)				
(Increase)/decrease in inventories	(2,834,172)	3,635,544	-	-
Decrease/(increase) in trade and other receivables	4,519,718	2,361,607	959,110	(395,457)
Decrease/(increase) in other current assets	456,631	2,180,657	(668,423)	(35,776)
Decrease in trade and other payables	(12,296,834)	(8,613,850)	(55,302)	(715,082)
Utilisation of provisions	(424,220)	(103,452)	-	-
Net cash generated from/(used in) operations	21,692,610	29,196,852	(1,123,019)	(2,279,227)
Interest paid	(2,430,022)	(2,250,431)	(82,018)	(112,275)
Taxes paid	(7,185,067)	(3,791,156)	(93,150)	(130,780)
Taxes refunded	-	13,000	-	-
Retirement benefits paid	(792,084)	(1,008,771)	(242,184)	(556,076)
Net cash generated from/(used in) operating activities	11,285,437	22,159,494	(1,540,371)	(3,078,358)
Investing activities				
Purchase of property, plant and equipment	(12,307,193)	(19,819,723)	(90,600)	(371,781)
Proceeds from disposal of property, plant and equipment	43,000	182,516	-	182,516
Acquisition of business, net of cash acquired	(534,387)	-	-	-
Placement/(withdrawals) in short term investments	7,492,931	(12,936,383)	-	-
Dividend received from subsidiaries	-	-	6,500,000	5,550,000
Interest received	75,360	96,028	380,290	388,726
Investment in subsidiaries	-	-	(100)	-
Development expenditure incurred	(233,050)	(252,287)	-	-
Net cash (used in)/generated from investing activities	(5,463,339)	(32,729,849)	6,789,590	5,749,461

Statements of Cash Flows

For the year ended 31 January 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financing activities				
Net drawdown of term loans	2,934,824	9,727,768	-	-
Net drawdown/(repayment) of other short term borrowings	496,014	(1,519,761)	-	-
Repayment of hire purchase obligations	(117,351)	(330,875)	(117,351)	(330,875)
Repayment of lease liabilities	(873,070)	(1,308,960)	(902,396)	(945,176)
Dividends on ordinary shares	(3,638,787)	(1,819,393)	(3,638,787)	(1,819,393)
Net cash (used in)/generated from financing activities	(1,198,370)	4,748,779	(4,658,534)	(3,095,444)
Net increase/(decrease) in cash and cash equivalents	4,623,728	(5,821,576)	590,685	(424,341)
Cash and cash equivalents at beginning of year	8,796,711	14,618,287	738,255	1,162,596
Cash and cash equivalents at end of year	13,420,439	8,796,711	1,328,940	738,255

Cash and cash equivalents includes cash at bank and on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents at 31 January comprise:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash at bank and on hand	6,600,413	7,669,424	328,940	738,255
Short term deposits	6,820,026	1,127,287	1,000,000	-
	13,420,439	8,796,711	1,328,940	738,255

Short term deposit bear interest of 1.95% to 2.1% (2024: 1.85% to 2.1%).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 January 2025

1. CORPORATE INFORMATION

Sapura Industrial Berhad ("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 Malaysia"). The registered office of the Company is located at Lot 2 & 4, Jalan P/11 Seksyen 10, Kawasan Perindustrian Bangi, 43650 Bandar Baru Bangi, Selangor.

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are disclosed in Note 16. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 14 May 2025.

2. MATERIAL ACCOUNTING POLICIES INFORMATION

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards as issued by the International Accounting Standards Board, and the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost basis except where disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.

As of 1 February 2024, the Group and the Company have adopted new, amendments and revised MFRS (collectively referred to as "pronouncements") that have been issued by the Malaysian Accounting Standard Board ("MASB") as described fully in Note 2.2.

2.2 Changes in accounting policies

On 1 February 2024, the Group and the Company adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2024.

Effective for annual periods beginning on or after 1 January 2024

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of the above new and amended standards did not have any significant effect on the financial performance or position of the Group and the Company.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.3 New and revised pronouncements yet in effect

The Group has not adopted the following standards and interpretations that have been issued but are not yet effective.

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements - Volume 11

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
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Effective for annual periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

Deferred yet to be effective

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective. The initial application of the abovementioned pronouncements are not expected to have any material impact to the financial statements of the Group and the Company.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.4 Basis of consolidation (cont'd.)

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- (ii) Potential voting rights held by the Company, other vote holders or other parties;
- (iii) Rights arising from other contractual arrangements; and
- (iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

2.5 Subsidiaries

Subsidiaries are entities controlled by the Company.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control when such rights are substantive. The Company considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment charges. Dividends received from subsidiaries are recorded as a component of revenue in the Company's profit or loss.

2.6 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is also the Company's functional currency.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.6 Foreign currency (cont'd.)

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

2.7 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Building	2%
Plant, machinery, electrical installation, factory equipment and application tools	10% to 33%
Furniture, fittings, office equipment, renovation, computers and motor vehicles	10% to 25%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 Investment properties

Investment properties are land or buildings held by the Group or held under finance leases, to earn rental income or for capital appreciation or both. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated. Depreciation of other investment properties is provided for on a straight-line basis to write off the cost to its residual value over its estimated useful life at the following periods:

Leasehold land	Over lease period of 50 - 99 years
Buildings	Over a period of 50 years or period of the lease whichever is the shorter

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

When an indication of impairment exists, the carrying amount of the asset is written down immediately to its recoverable value.

2.9 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Development expenditure

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria for recognition are fulfilled:

- It is technically feasible to complete the intangible assets so that it will be available for use;
- Management's intention to complete the intangible asset for use;
- There is an ability to use the intangible asset;
- It can be demonstrated that the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use the intangible asset are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.9 Intangible assets (cont'd.)

Development expenditure (cont'd.)

Development expenditure is amortised over the intangible asset's estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of consideration paid over the net fair value of identifiable assets and liabilities of the acquiree. Where the net fair value of the identifiable assets and liabilities of the acquiree is in excess of consideration paid, a gain on bargain purchase is recognised immediately in the income statement.

2.10 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15, are measured at the transaction price determined under MFRS 15.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both. Financial assets held with the objective to only collect contractual cash flows are classified and measured at amortised cost. Otherwise, the financial assets are classified as fair value through OCI and measured at fair value.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.10 Financial assets (cont'd.)

(a) Initial recognition and measurement (cont'd.)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place ("regular way trades") are recognised on the trade date, that is the date that the Group or the Company commit to purchase or sell the asset.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- (i) Financial assets at amortised cost (debt instruments)
- (ii) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- (i) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

The Group's and the Company's financial assets at amortised cost includes trade and other receivables, cash and bank balances.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.10 Financial assets (cont'd.)

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- (i) The rights to receive cash flows from the asset have expired; or
- (ii) The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) The Group and the Company have transferred substantially all the risks and rewards of the asset, or
 - (b) The Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company would be required to repay.

2.11 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-month (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.11 Impairment of financial assets (cont'd.)

The Group considers a financial asset in default when contractual payments are 30 to 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Materials and component parts, spares and tools and consumables: purchase costs on a weighted average 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 basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.13 Financial liabilities (cont'd.)

Subsequent measurement (cont'd.)

The measurement of financial liabilities depends on their classification, as described below: (cont'd.)

(a) Financial liabilities at fair value through profit or loss

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(b) Loans and borrowings

This is the category most relevant to the Group and the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.14 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(c) Defined benefit plan

The Group operates an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The Group's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted in order to determine its present value. Actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statements of financial position to reflect the full value of the plan deficit or surplus. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the statements of financial position represents the present value of the defined benefit obligations adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of any past service costs, and the present value of any economic benefits in the form of refunds or reductions in future contributions to the plan.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.15 Leases

As a lessee

(a) Right-of-use assets

Right-of-use assets represent land, building, plant, machinery and factory equipment leased by the Group from third parties under operating leases.

Leasehold lands are depreciated over the period of respective leases of 99 years. Depreciation of right-of-use assets is computed on a straight-line basis over the estimated useful lives of the assets at the following annual rates:

Building	20% to 25%
Plant, machinery and factory equipment	25%

The Group presents right-of-use assets in 'property, plant and equipment' in the statement of financial position and the accounting policy for leased assets are the same for property, plant and equipment in all respects.

(b) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use its incremental borrowing rate at the lease commencement date if the implicit interest rate to the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease payments associated with short-term leases of twelve months or less and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss over the lease term.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.15 Leases (cont'd.)

As a lessor

When the Group and the Company act as a lessor, they determine at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group and the Company recognise lease payments received under operating leases as income on a straight-line basis over the lease term.

2.16 Revenue

The Group is in the business of manufacturing and sale of automotive parts in the automotive industry and the provision of vehicle maintenance services. Revenue from contracts with customers is recognised when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

(i) Revenue from contracts with customers

(a) Sale of automotive parts

Sales are recognised at a point in time upon control of the goods being transferred to the customers, generally on delivery of goods.

Advance payments received from customers are recognised as contract liabilities and are recognised as revenue when the Group satisfies its performance obligation under the contract.

(b) Vehicle maintenance services

Revenue from the provision of services is recognised over time as services are rendered to the customers.

(c) Training services

Revenue from the provision of services is recognised over time as services are rendered to the customers.

(d) Royalty fees

The performance obligation is satisfied over time as services are rendered to the customers.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.16 Revenue (cont'd.)

(ii) Interest income

Interest income is recognised using the effective interest rate method.

(iii) Management fees

The performance obligation is satisfied over time as services are rendered to the customers.

(iv) Dividend income

Dividend income is recognised when the Company's right to receive payment is established.

(v) Sale of scrap

Income from sale of scrap is recognised at a point in time upon control of the goods being transferred to the customer.

2.17 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

(b) Deferred tax

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Notes to the Financial Statements

31 January 2025

2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D.)

2.17 Income taxes (cont'd.)

(b) Deferred tax (cont'd.)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unabsorbed tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.18 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.19 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all conditions attached will be met. Where the grant relates to an asset, the grant is deducted from the carrying amount of the asset and is amortised over the expected useful life of the relevant asset as a reduction of depreciation expenses. Government grants receivable as compensation for expenses already incurred are recognised by the Group and the Company during the period that it becomes receivable as a deduction to the related expense.

Notes to the Financial Statements

31 January 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. 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.

3.1 Judgements made in applying accounting policies

There were no critical judgements made by management in the process of applying accounting policies that have significant effect on the amount recognised in the financial statements in the current year.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed allowances to the extent that it is probable that taxable profit will be available against which the losses and allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details of recognised and unrecognised deferred tax assets is disclosed in Note 25.

(b) Provision for expected credit losses of trade and other receivables

The Group uses the simplified approach to calculate ECLs for trade and other receivables. The provision rates are based on various customer's historical observed default rates. The Group will consider and assess the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the automotive sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 18.

(c) Provision for warranty

Warranty provisions are estimated based on historical experience of warranty claims on products sold and is adjusted to reflect anticipated changes in future claim rates. The actual outcome of product warranties may deviate from the expected outcome and materially affect the warranty costs and provisions in future periods. Further information on the Group's warranty provisions is disclosed in Note 27.

Notes to the Financial Statements

31 January 2025

4. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Type of goods or services				
Sales of automotive parts	286,836,346	295,569,189	-	-
Vehicle maintenance services	172,010	-	-	-
Training services	19,950	-	-	-
Management fees from subsidiaries	-	-	15,798,001	14,272,793
Total revenue from contracts with customers	287,028,306	295,569,189	15,798,001	14,272,793
Dividends from subsidiaries, representing total revenue from other sources	-	-	5,205,000	6,500,000
	287,028,306	295,569,189	21,003,001	20,772,793
Geographical markets				
Malaysia	287,028,306	294,982,674	15,798,001	14,272,793
Outside Malaysia	-	586,515	-	-
Total revenue from contracts with customers	287,028,306	295,569,189	15,798,001	14,272,793
Total revenue from other sources - Malaysia	-	-	5,205,000	6,500,000
	287,028,306	295,569,189	21,003,001	20,772,793

Notes to the Financial Statements

31 January 2025

4. REVENUE (CONT'D.)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Timing of revenue recognition				
At a point of time	286,836,346	295,569,189	-	-
Over time	191,960	-	15,798,001	14,272,793
Total revenue from contract with customers	287,028,306	295,569,189	15,798,001	14,272,793
Total revenue from other sources	-	-	5,205,000	6,500,000
	287,028,306	295,569,189	21,003,001	20,772,793

Performance obligationsSales of automotive parts

The performance obligation is satisfied upon delivery of the automotive parts. Payment is generally due within 30 to 90 days from the date of delivery.

Vehicle maintenance and training services

The performance obligation is satisfied over a period of time as services are rendered. Payment is generally due upon completion of service.

Management fees from subsidiaries

The Company recognises management fees over a period of time as services are rendered to its subsidiaries.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 January are, as follows:

	Group	
	2025 RM	2024 RM
Within 1 year (Note 26)	-	529,984

Notes to the Financial Statements

31 January 2025

4. REVENUE (CONT'D.)

Set out below is the amount of revenue recognised from:

	Group	
	2025 RM	2024 RM
Amounts included in contract liabilities at the beginning of the year	529,984	5,423,719

5. OTHER INCOME

Included in other income are:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income	877,198	852,207	1,476,968	1,572,668
Profit from short term investments (Note 20)	713,882	399,508	-	-
Interest income	75,360	96,028	2,029	5,526
Interest income from advances to subsidiaries	-	-	378,261	383,200
Income from sales of scrap	4,128,264	4,239,289	-	-
Gain on disposal of property plant and equipment	43,000	-	-	-
Unrealised foreign exchange gain	71,687	9,104	-	-
Other miscellaneous income	1,025,320	859,292	34,206	705
	6,934,711	6,455,428	1,891,464	1,962,099

Notes to the Financial Statements

31 January 2025

6. FINANCE COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expense on:				
- Term loans	2,008,633	1,710,697	-	-
- Revolving credits	-	47,999	-	3,912
- Hire purchase obligations	24,906	17,205	24,906	17,205
- Bankers' acceptances	226,608	275,446	-	-
- Lease liabilities (Note 24)	82,323	102,503	23,972	70,321
- Letter of credits	60,202	51,958	-	-
- Overdraft facility	10	-	-	-
Letter of guarantee charges	15,596	16,170	-	-
Facility fees	118,973	130,956	82,018	91,158
	2,537,251	2,352,934	130,896	182,596

Notes to the Financial Statements

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7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Employee benefits expense (Note 8)	50,573,384	49,228,639	16,200,031	14,931,523
Amortisation of development expenditure (Note 15)	564,936	484,260	-	-
Fees for statutory audits:				
- Ernst & Young PLT	257,400	232,800	58,700	58,700
Fees for non-audit services:				
- Ernst & Young PLT	7,500	7,500	7,500	7,500
Depreciation of property, plant and equipment (Note 13)	13,591,304	11,884,747	227,905	240,236
Depreciation of right-of-use assets (Note 13)	806,021	1,232,251	827,224	867,635
Depreciation of investment properties (Note 14)	242,741	233,338	199,451	195,321
Foreign exchange (gain)/loss				
- Unrealised	(113,871)	242,871	-	-
Provision for slow moving inventories and stock obsolescence	-	401,820	-	-
Inventories written off	-	692,051	-	-
Property, plant and equipment written off	137,790	109,590	-	2,586
(Gain)/loss on lease modification	-	(12,701)	(1,037)	5,790
Allowance for impairment on investment in a subsidiary (Note 16)	-	-	76,980	-
Allowance for impairment on trade and other receivables (Note 18)	51,745	-	-	40,574

Notes to the Financial Statements

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8. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Wages and salaries	37,763,922	36,651,116	11,247,236	10,568,171
Social security contribution	474,955	425,916	85,775	81,750
Contributions to defined contribution plan	3,400,450	2,914,489	1,307,729	1,042,765
Increase in liability for defined benefit plan (Note 21)	819,663	802,131	320,398	235,272
Short term accumulating compensated absences	31,316	61,154	36,452	71,955
Other benefits	8,083,078	8,373,833	3,202,441	2,931,610
	50,573,384	49,228,639	16,200,031	14,931,523

Included in employee benefits expense of the Group and of the Company are remuneration of executive directors of the Group and of the Company excluding benefit-in-kind amounting to RM2,987,434 (2024: RM1,996,257) as further disclosed in Note 9.

9. DIRECTORS' REMUNERATION

	Group and Company	
	2025 RM	2024 RM
Directors of the Company		
Executive:		
Salaries and other emoluments	2,864,000	1,988,000
Contributions to defined contribution plan	123,434	8,257
Benefits-in-kind	40,188	32,200
	3,027,622	2,028,457
Non-Executive:		
Fees	354,877	468,876
Other emoluments	91,000	161,000
	445,877	629,876
	3,473,499	2,658,333

Notes to the Financial Statements

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9. DIRECTORS' REMUNERATION (CONT'D.)

	Group and Company	
	2025 RM	2024 RM
Analysis excluding benefits-in-kind:		
Total executive director's remuneration, excluding benefits-in-kind	2,987,434	1,996,257
Total non-executive directors' remuneration, excluding benefits-in-kind	445,877	629,876
Total directors' remuneration excluding benefits-in-kind	3,433,311	2,626,133

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2025	2024
Executive directors:		
RM1,950,001 - RM2,000,000	1	1
RM900,001 - RM1,000,000	1	-
RM50,001 - RM100,000	*1	*1
Non-executive directors:		
RM100,001 - RM150,000	2	2
RM50,001 - RM100,000	2	2
Below RM50,000	1	3

* Included within the remuneration band is the remuneration of a director in capacity as Non-Executive Director amounting to RM114,224 for the period of 1 February 2024 to 31 December 2024 (2024: RM100,986 for the period 1 February 2023 to 31 December 2023).

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10. TAXATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current income tax:				
Malaysia income tax	6,208,903	4,283,361	-	-
Under/(over) provision in prior years	140,811	298,130	35,160	(9,765)
	6,349,714	4,581,491	35,160	(9,765)
Deferred tax (Note 25):				
Relating to origination and reversal of temporary differences	(1,715,272)	(352,437)	4,214	27,758
Over provision in prior years	(47,717)	(2,847)	-	-
	(1,762,989)	(355,284)	4,214	27,758
	4,586,725	4,226,207	39,374	17,993

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the year.

A reconciliation of income tax expenses/(credits) applicable to profit before tax at the statutory income tax rate to income tax expense/(credits) at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	13,527,486	11,592,152	2,408,617	3,913,849
Tax at Malaysian statutory tax rate of 24%	3,246,597	2,782,117	578,069	939,324
Income not subject to tax	-	-	(1,249,200)	(1,560,000)
Expenses not deductible for tax purposes	1,115,947	828,436	488,351	294,207
Deferred tax assets not recognised during the year	131,087	320,371	186,994	354,227
Under/(over) provision of income tax expense in prior years	140,811	298,130	35,160	(9,765)
Over provision of deferred tax expense in prior years	(47,717)	(2,847)	-	-
	4,586,725	4,226,207	39,374	17,993

Notes to the Financial Statements

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11. EARNINGS PER SHARE**(a) Basic/diluted**

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	2025	2024
Profit net of tax attributable to owners of the parent (RM)	9,063,594	7,389,477
Weighted average number of ordinary shares in issue (unit)	72,775,737	72,775,737
Basic/diluted earnings per share (sen)	12.45	10.15

(b) Diluted

The Group does not have any potential dilutive ordinary shares. Accordingly, the diluted earnings per share equals the basic earnings per share.

12. DIVIDENDS

	Group and Company	
	2025 RM	2024 RM
Recognised during the year:		
In respect of financial year ended 31 January 2024:		
Final single tier dividend of 5.0 sen per share	3,638,787	-
In respect of financial year ended 31 January 2023:		
Final single tier dividend of 2.5 sen per share	-	1,819,393
	3,638,787	1,819,393

At the forthcoming Annual General Meeting, a final single tier dividend in respect of the financial year ended 31 January 2025 of 4 sen per ordinary share, amounting to a dividend payable of RM2,911,029 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders will be accounted for in equity as an appropriation of distributable reserves in the financial year ending 31 January 2026.

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13. PROPERTY, PLANT AND EQUIPMENT

Group	Right-of-Use Assets		Owned Assets			Total RM
	Land and building RM	Plant, machinery, factory equipment and motor vehicle RM	Building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2025						
Costs						
At 1 February 2024	12,149,526	455,458	19,390,639	192,564,838	10,177,151	234,737,612
Additions	-	-	179,825	11,790,058	337,310	12,307,193
Acquired in business combination (Note 16(b))	154,817	365,162	-	204,908	167,228	892,115
Disposals	-	-	-	(86,600)	-	(86,600)
Write offs	-	-	(649,972)	(14,766,479)	(716,096)	(16,132,547)
Expiry of lease	(6,055,674)	-	-	-	-	(6,055,674)
At 31 January 2025	6,248,669	820,620	18,920,492	189,706,725	9,965,593	225,662,099
Accumulated depreciation						
At 1 February 2024	8,709,444	347,326	11,963,420	129,639,367	8,645,084	159,304,641
Depreciation charge for the year (Note 7)	747,617	58,404	229,684	12,877,383	484,237	14,397,325
Disposals	-	-	-	(86,600)	-	(86,600)
Write offs	-	-	(647,468)	(14,632,721)	(714,568)	(15,994,757)
Expiry of lease	(6,055,674)	-	-	-	-	(6,055,674)
At 31 January 2025	3,401,387	405,730	11,545,636	127,797,429	8,414,753	151,564,935
Carrying amount	2,847,282	414,890	7,374,856	61,909,296	1,550,840	74,097,164

Notes to the Financial Statements

31 January 2025

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

Group	Right-of-Use Assets		Owned Assets			Total RM
	Land and building RM	Plant, machinery, factory equipment and motor vehicle RM	Building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2024						
Costs						
At 1 February 2023	11,136,976	455,458	19,184,114	180,180,042	10,651,346	221,607,936
Additions	1,907,665	-	251,525	18,588,405	1,058,537	21,806,132
Lease modification	414,000	-	-	-	-	414,000
Disposals	-	-	-	-	(1,249,675)	(1,249,675)
Write offs	-	-	(45,000)	(6,203,609)	(283,057)	(6,531,666)
Expiry of lease	(1,309,115)	-	-	-	-	(1,309,115)
At 31 January 2024	12,149,526	455,458	19,390,639	192,564,838	10,177,151	234,737,612
Accumulated depreciation						
At 1 February 2023	8,850,011	283,623	11,610,267	124,671,644	9,570,448	154,985,993
Depreciation charge for the year (Note 7)	1,168,548	63,703	398,153	11,064,513	422,081	13,116,998
Disposals	-	-	-	-	(1,067,159)	(1,067,159)
Write offs	-	-	(45,000)	(6,096,790)	(280,286)	(6,422,076)
Expiry of lease	(1,309,115)	-	-	-	-	(1,309,115)
At 31 January 2024	8,709,444	347,326	11,963,420	129,639,367	8,645,084	159,304,641
Carrying amount	3,440,082	108,132	7,427,219	62,925,471	1,532,067	75,432,971

Notes to the Financial Statements

31 January 2025

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

Company	Right-of-Use Asset	Owned Assets		Total RM
	Land and building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2025				
Cost				
At 1 February 2024	6,055,674	10,423	3,697,263	9,763,360
Additions	-	-	90,600	90,600
Transfer to a related party	-	-	(13,319)	(13,319)
Expiry of lease	(6,055,674)	-	-	(6,055,674)
Write offs	-	-	(269,104)	(269,104)
At 31 January 2025	-	10,423	3,505,440	3,515,863
Accumulated depreciation				
At 1 February 2024	5,207,802	10,423	2,777,826	7,996,051
Charge for the year (Note 7)	827,224	-	227,905	1,055,129
Transfer to a related party	-	-	(13,319)	(13,319)
Expiry of lease	(6,055,674)	-	-	(6,055,674)
Lease modification	20,648	-	-	20,648
Write offs	-	-	(269,104)	(269,104)
At 31 January 2025	-	10,423	2,723,308	2,733,731
Carrying amount	-	-	782,132	782,132

Notes to the Financial Statements

31 January 2025

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

Company	Right-of-Use Asset	Owned Assets		Total RM
	Land and building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2024				
Cost				
At 1 February 2023	6,510,250	10,423	4,199,040	10,719,713
Additions	-	-	850,047	850,047
Transfer from a related party	-	-	53,126	53,126
Lease modification	(454,576)	-	-	(454,576)
Disposal	-	-	(1,249,675)	(1,249,675)
Write offs	-	-	(155,275)	(155,275)
At 31 January 2024	6,055,674	10,423	3,697,263	9,763,360
Accumulated depreciation				
At 1 February 2023	4,340,167	10,423	3,717,046	8,067,636
Charge for the year (Note 7)	867,635	-	240,236	1,107,871
Transfer from a related party	-	-	40,392	40,392
Disposal	-	-	(1,067,159)	(1,067,159)
Write offs	-	-	(152,689)	(152,689)
At 31 January 2024	5,207,802	10,423	2,777,826	7,996,051
Carrying amount	847,872	-	919,437	1,767,309

Notes to the Financial Statements

31 January 2025

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

- (a) During the financial year, the Group and the Company acquired property, plant and equipment at an aggregate cost of RM12,307,193 (2024: RM19,898,467) and RM90,600 (2024: RM850,047) respectively, of which RM nil (2024: RM491,000) was acquired by means of hire purchase.

The carrying amounts of property, plant and equipment held under hire purchase are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Motor vehicle	526,586	667,010	526,586	667,010

Details of the terms and conditions of the hire purchase obligations are disclosed in Note 23.

- (b) The carrying amounts of property, plant and equipment pledged as securities for borrowings (Note 22) are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Plant and machinery	19,109,452	23,327,923	-	-

- (c) Included in the property, plant and equipment of the Group and the Company are fully depreciated assets which are still in use with their carrying costs as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Plant, machinery and equipment	83,197,225	87,599,706	-	10,423
Furniture, fittings, office equipment, renovation and computers	7,216,815	8,595,372	2,433,653	2,894,662

- (d) During the year, the Group and the Company has written off certain property, plant and equipment as they are no longer in use and machinery that relates to phased out models with carrying amount amounting to RM137,790 (2024: RM109,590) and nil (2024: RM2,586) respectively.
- (e) During the year, the Group received grants amounting to RM1,893,105 (2024: RM1,011,060) in relation to the purchase of plant and machinery and accounted for it as a reduction to additions of property, plant and equipment.

Notes to the Financial Statements

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13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)**(f) Right-of-use assets****Group and Company as a lessee**

The Group and the Company have lease contracts that include extension options for land and building. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio in alignment with the Group's and the Company's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

Group and Company as a lessor

The Group and the Company have entered into operating lease agreements for the use of buildings. These leases have an average life of between 1 and 5 years with renewal but no purchase option included in the contracts.

The future aggregate minimum lease receivable under operating leases contracted for as at the reporting date are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Future minimum lease receivables:				
Not later than 1 year	581,290	653,637	1,552,356	393,488
Later than 1 year and not later than 5 years	339,056	551,344	339,056	551,344
	920,346	1,204,981	1,891,412	944,832

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES

	Freehold land RM	Leasehold land RM	Building RM	Total RM
Group				
At 31 January 2025				
Cost				
At 1 February 2024/31 January 2025	16,691,967	16,933,856	3,199,034	36,824,857
Accumulated depreciation				
At 1 February 2024	-	3,762,987	1,145,977	4,908,964
Charge for the year (Note 7)	-	212,317	30,424	242,741
At 31 January 2025	-	3,975,304	1,176,401	5,151,705
Carrying amount	16,691,967	12,958,552	2,022,633	31,673,152
At 31 January 2024				
Cost				
At 1 February 2023/31 January 2024	16,691,967	16,933,856	3,199,034	36,824,857
Accumulated depreciation				
At 1 February 2023	-	3,550,675	1,124,951	4,675,626
Charge for the year (Note 7)	-	212,312	21,026	233,338
At 31 January 2024	-	3,762,987	1,145,977	4,908,964
Carrying amount	16,691,967	13,170,869	2,053,057	31,915,893

Fair value of investment properties of the Group as at 31 January 2025 was estimated by an independent valuer to be approximately RM73,260,000 (2024: RM72,480,000).

The carrying amounts of investment property of the Group pledged as security for borrowings (Note 22) is RM16,691,967 (2024: RM16,691,967).

The fair values disclosed are categorised within the Level 3 fair value hierarchy which are described as inputs for assets or liabilities that are based on unobservable market data.

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES (CONT'D.)

	Leasehold land RM	Building RM	Total RM
Company			
At 31 January 2025			
Cost			
At 1 February 2024/31 January 2025	17,013,316	2,265,637	19,278,953
Accumulated depreciation			
At 1 February 2024	3,939,986	1,738,808	5,678,794
Charge for the year (Note 7)	174,678	24,773	199,451
At 31 January 2025	4,114,664	1,763,581	5,878,245
Carrying amount	12,898,652	502,056	13,400,708
At 31 January 2024			
Cost			
At 1 February 2023/31 January 2024	17,013,316	2,265,637	19,278,953
Accumulated depreciation			
At 1 February 2023	3,765,308	1,718,165	5,483,473
Charge for the year (Note 7)	174,678	20,643	195,321
At 31 January 2024	3,939,986	1,738,808	5,678,794
Carrying amount	13,073,330	526,829	13,600,159

Notes to the Financial Statements

31 January 2025

14. INVESTMENT PROPERTIES (CONT'D.)

Fair value of investment properties of the Company as at 31 January 2025 was estimated by an independent valuer to be approximately RM54,280,000 (2024: RM54,280,000).

Fair value disclosed in the financial statements are categorised within the Level 3 fair value hierarchy which is described as inputs for the assets or liabilities that are based on unobservable market data.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income derived from investment properties	877,198	852,207	1,476,968	1,572,668
Direct operating expenses (including repairs and maintenance) from properties:				
- generating rental income	(101,501)	(170,769)	(72,745)	(269,984)
- not generating rental income	(96,456)	(181,796)	(47,944)	(69,824)
Profit arising from investment properties	679,241	499,642	1,356,279	1,232,860

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Lot 5 & 7, Persiaran Usahawan, Taman IKS, Seksyen 9, 43650 Bandar Baru Bangi, Selangor Darul Ehsan. - land	Comparison method	<p>(a) A parcel of freehold industrial land located at PT 57460, Taman Industri Balakong Jaya, District of Ulu Langat with a land area of approximately 83,617 square feet was transacted on 30 May 2023 for RM10,786,000.</p> <p>(b) A parcel of freehold industrial land located at Lot 11329, Bandar Tasik Kesuma, Mukim of Beranang with a land area of approximately 62,465 square feet was transacted on 30 January 2023 for RM5,933,982.</p> <p>(c) A parcel of freehold industrial land located at Lot 5973, Taman Desa Karunmas, Mukim of Kajang with a land area of approximately 223,524 square feet was transacted on 30 March 2022 for RM25,704,418.</p>	The estimated fair value would increase/(decrease) if: - Transacted Price were higher/(lower)

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14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Lot 5 & 7, Persiaran Usahawan, Taman IKS, Seksyen 9, 43650 Bandar Baru Bangi, Selangor Darul Ehsan. - land (cont'd.)	Comparison method	(d) A parcel of freehold industrial land located at Lot 39359, Kawasan Perindustrian Sungai Purun, Mukim of Semenyih with a land area of approximately 90,603 square feet was transacted on 5 October 2022 for RM8,512,682.	The estimated fair value would increase/ (decrease) if (cont'd.): - Transacted Price were higher/(lower)
		(e) A parcel of freehold industrial land located at PK 78097, Pekan Kajang, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 51,496 square feet was transacted on 15 September 2023 for RM6,000,000.	
Plot 98, Mukim of Bukit Katil, District of Melaka Tengah, Melaka Bandaraya Bersejarah. - land	Comparison method	(a) A vacant parcel of leasehold industrial land located at Lot 9093, Mukim of Bukit Baru, District of Melaka Tengah, Melaka with a land area of approximately 38,502 square feet was transacted on 20 September 2024 for RM2,002,000.	The estimated fair value would increase/ (decrease) if: - Transacted Price were higher/(lower)
		(b) A vacant parcel of leasehold industrial land located at PT 19445, Mukim of Bukit Katil, District of Melaka Tengah, Melaka with a land area of approximately 549,734 square feet was transacted on 20 July 2022 for RM25,800,000.	
		(c) A vacant parcel of leasehold industrial land located at Lot 9105, Mukim of Bukit Baru, District of Melaka Tengah, Melaka with a land area of approximately 35,370 square feet was transacted on 10 January 2022 for RM1,998,417.	

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14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
No 58, Kawasan Perindustrian Gurun, Jalan Jeniang, 08300 Gurun Kedah Darul Aman. - land and building	Comparison method	(a) A leasehold industrial premise located at Lot 59, Kawasan Perindustrian Gurun, Jalan Jeniang, Gurun, Kedah Darul Aman with a land area of approximately 499,434 square feet was transacted on 7 June 2022 for RM8,100,000.	The estimated fair value would increase/ (decrease) if (cont'd.): - Transacted Price were higher/(lower)
		(b) A leasehold industrial premise located at No. 54, Kawasan Perindustrian Gurun, Jalan Jeniang, Gurun, Kedah Darul Aman with a land area of approximately 394,885 square feet was transacted on 4 March 2022 for RM10,388,000.	
		(c) A freehold industrial premise located at PT 631, Jalan Bukit Selambau, Bukit Selambau Industrial Park, Kedah Darul Aman with a land area of approximately 209,810 square feet was transacted on 26 May 2022 for RM10,000,000.	
		(d) A vacant parcel of industrial land located at PT 6747, Kawasan Perindustrian Gurun, Jalan Jeniang, Gurun, Kedah Darul Aman with a land area of approximately 1,541,315 square feet was transacted on 7 February 2024 for RM10,500,000.	
HS(D) 207937, PT 6409, Bandar Seri Sendayan, Seremban, Negeri Sembilan Darul Khusus. - land	Comparison method	(a) A vacant parcel of freehold industrial land (within Sendayan Techvalley) located at Lot 42839, Mukim of Labu, District of Seremban, Negeri Sembilan Darul Khusus with a land area of approximately 75,520 square feet was transacted on 17 April 2023 for RM4,757,735.	The estimated fair value would increase/ (decrease) if: - Transacted Price were higher/(lower)

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
HS(D) 207937, PT 6409, Bandar Seri Sendayan, Seremban, Negeri Sembilan Darul Khusus. - land (cont'd.)	Comparison method	<p>(b) A vacant parcel of freehold industrial land (within Sendayan Techvalley) located at Lot 45877, Bandar Sri Sendayan, District of Seremban, Negeri Sembilan Darul Khusus with a land area of approximately 219,368 square feet was transacted on 2 March 2023 for RM12,050,000.</p> <p>(c) A vacant parcel of freehold industrial land (within Sendayan Techvalley) located at Lot 43821, Bandar Sri Sendayan, District of Seremban, Negeri Sembilan Darul Khusus with a land area of approximately 52,845 square feet was transacted on 3 October 2022 for RM3,149,090.</p>	The estimated fair value would increase/ (decrease) if (cont'd.): - Transacted Price were higher/(lower)
Lot 1 & 3, Jalan P/11, Seksyen 10, Bandar Baru Bangi, Selangor. - land and building	Comparison method	<p>a) A parcel of freehold industrial land located at Lot 39359, Kawasan Perindustrian Sungai Purun, Mukim of Semenyih with a land area of approximately 90,603 square feet was transacted on 5 October 2022 for RM8,512,682.</p> <p>b) A parcel of leasehold industrial land located at PT 40847, Kawasan Perusahaan Bangi, Bandar Baru Bangi with a land area of approximately 854,682 square feet was transacted on 1 June 2022 for RM60,252,628.</p>	The estimated fair value would increase/ (decrease) if: - Transacted Price were higher/(lower)

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Lot 1 & 3, Jalan P/11, Seksyen 10, Bandar Baru Bangi, Selangor. - land and building (cont'd.)	Comparison method	(c) A freehold industrial premise located at No. 1, Jalan Hi-Tech 7/1, Semenyih Hi-Tech 7, Semenyih with a land area of approximately 37,376 square feet was transacted on 8 February 2024 for RM6,880,000. d) A freehold industrial premise located at No. 1, Jalan Hi-Tech 7/7, Semenyih Hi-Tech 7, Semenyih with a land area of approximately 44,252 square feet was transacted on 10 May 2023 for RM7,600,000. e) A freehold industrial premise located at No. 28, Jalan P10/21, Section 10, Bandar Baru Bangi with a land area of approximately 35,867 square feet was transacted on 8 February 2024 for RM5,820,000.	The estimated fair value would increase/ (decrease) if (cont'd.): - Transacted Price were higher/(lower)

Comparison method

Entails analysing recent transactions of similar properties in the vicinity or within similar localities for comparison purposes to derive the market value with adjustments made for differences in location, physical characteristics and time element to arrive at the market value.

The fair value of the investment property is at its highest and current best use.

Notes to the Financial Statements

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15. INTANGIBLE ASSETS

	Group 2025		
	Development expenditure RM	Goodwill RM	Total RM
Cost			
At beginning of year	3,684,223	-	3,684,223
Incurred during the year	233,050	-	233,050
Acquired in business combination (Note 16(b))	-	116,724	116,724
Write offs	(252)	-	(252)
At end of year	3,917,021	116,724	4,033,745
Accumulated amortisation and impairment			
At beginning of year	1,884,984	-	1,884,984
Amortisation during the year (Note 7)	564,936	-	564,936
Write offs	(252)	-	(252)
At end of year	2,449,668	-	2,449,668
Carrying amount	1,467,353	116,724	1,584,077

Notes to the Financial Statements

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15. INTANGIBLE ASSETS (CONT'D.)

	Group 2024		
	Development expenditure RM	Goodwill RM	Total RM
Cost			
At beginning of year	3,431,936	-	3,431,936
Incurred during the year	252,287	-	252,287
At end of year	3,684,223	-	3,684,223
Accumulated amortisation and impairment			
At beginning of year	1,400,724	-	1,400,724
Amortisation during the year (Note 7)	484,260	-	484,260
At end of year	1,884,984	-	1,884,984
Carrying amount	1,799,239	-	1,799,239

During the year, the amount of development expenditure recognised as an expense in cost of sales of the Group was RM564,936 (2024: RM484,260).

Notes to the Financial Statements

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16. INVESTMENTS IN SUBSIDIARIES

	Company	
	2025 RM	2024 RM
Unquoted shares, at cost		
At the beginning of the year	35,298,276	35,298,276
Additions	100	-
At the end of the year	35,298,376	35,298,276
Accumulated impairment losses		
At the beginning of the year	(4,840,396)	(4,840,396)
Allowance for impairment loss	(76,980)	-
At the end of the year	(4,917,376)	(4,840,396)
Carrying amount	30,381,000	30,457,880

Movement in accumulated impairment losses:

	2025 RM	2024 RM
At the beginning of the year	4,840,396	4,840,396
Allowance for impairment loss	76,980	-
At the end of the year	4,917,376	4,840,396

Notes to the Financial Statements

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Details of the subsidiaries, all of which are incorporated and having principal place of business in Malaysia, are as follows:

Name of subsidiaries	Principal activities	Equity interest held	
		2025 %	2024 %
Held by the Company			
Sapura Machining Corporation Sdn. Bhd.^	Manufacture, assemble and supply of high precision machining products for the automotive industry.	100	100
Asian Automotive Steels Sdn. Bhd.^	Manufacture and sale of stabiliser bar and cold drawn high grade structured steel bars used in the automotive, electronics and electrical industries.	100	100
Sapura Automotive Industries Sdn. Bhd.^	Manufacture and sale of coil springs, shock absorbers and strut assemblies, constant velocity joint, axle module and front corner module assemblies for the automotive industry.	100	100
International Autoparts Sdn. Bhd.^	Trading of auto parts in retail/after sales market.	100	100
Automotive Specialist Centre Sdn. Bhd.^	Dormant.	100	100
Sapura Brake Technologies Sdn. Bhd.^	Manufacture, supply and sale of brake systems for the automotive industry.	100	100
Sapura Technical Centre Sdn. Bhd.^	Computer aided design and computer aided manufacture of tools, jigs and dies and engineering services in design, modifications and fabrications of sub-system/system for the application in production and testing.	100	100
Isencorp Sdn. Bhd.^	Dormant.	100	100
Subang Properties Sdn. Bhd. ("SPSB")^	Dormant.	51.68	51.68
Sapura Aerospace Technologies Sdn. Bhd. ("SATSB")^	Manufacture and assemble aerospace sub-assemblies, tooling, jigs and fixtures for the aerospace industry.	60	60
Sapura Medical Devices Sdn. Bhd. ("SMDSB")^	Export and import of a variety of goods without any particular specialisation.	100	100
SIB Ventures Sdn. Bhd.^	Investment holding company for mobility, new energy vehicles, all types of electrified vehicles, parts and components, products, services and technologies.	100	-

Notes to the Financial Statements

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of subsidiaries	Principal activities	Equity interest held	
		2025 %	2024 %
Held by International Autoparts Sdn. Bhd.			
Awaltek Sdn. Bhd.^	Manufacture, supply, sale or service of equipment, machinery and related accessories for energy and manufacturing industries.	100	100
Held by SIB Ventures Sdn. Bhd.			
SIB Mili Sdn. Bhd. ("SIBM")^	Servicing, repair and maintenance of electrified vehicles ("xEV"), trading, manufacturing, import, export and sale of xEV parts	55	-

^ Audited by Ernst & Young PLT, Malaysia

(a) Incorporation of SIB Ventures Sdn. Bhd.

On 23 October 2024, the Company had incorporated SIB Ventures Sdn. Bhd. (Company Registration No. 202401044576 (1590422-M)) ("SIBV"), a private company limited by shares under the Companies Act 2016. SIBV was incorporated with paid up share capital of RM100 comprising 100 ordinary shares and is wholly owned by the Company.

(b) Incorporation of SIB Mili Sdn. Bhd.

On 29 October 2024, the Group had incorporated SIB Mili Sdn. Bhd. (Company Registration No. 202401045420 (1591266-X)) ("SIBM"), a private company limited by shares under the Companies Act 2016. SIBM was incorporated with paid up share capital of RM100 comprising 100 ordinary shares and is wholly owned by SIBV.

Subsequently on 11 November 2024 ("Acquisition Date"), SIBM had executed a Shareholders Agreement with Mili Tech Sdn. Bhd. ("MTSB") to enter into a joint venture for the purpose of operating and carrying out the business of repurposing, refurbishing and recycling of batteries in electrified vehicles and/or hybrid cars as well as the servicing, repair and maintenance of electrified vehicles and/or hybrid cars and the provision of training related to the servicing, repair and maintenance thereof.

Notes to the Financial Statements

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)**(b) Incorporation of SIB Mili Sdn. Bhd. (cont'd.)**

On the Acquisition Date:

- (i) SIBV increased its paid-up capital in SIBM by RM274,900 by way of subscription of 274,900 ordinary shares; and
- (ii) MTSB transferred its business and assets to SIBM in exchange for 45% equity interest in SIBM comprising 225,000 ordinary shares and cash consideration of RM534,387 payable by SIBM.

The fair value of identifiable assets acquired and liabilities assumed on the Acquisition Date were as follows:

	RM
Fair value on acquisition:	
Assets	
Property, plant and equipment	372,136
Right-of-Use Assets	519,979
Inventories	387,251
	1,279,366
Liabilities	
Lease liabilities	519,979
	Total identifiable net assets at fair value 759,387
Fair value of purchase consideration	
- Cash	534,387
- Ordinary shares of SIBM	341,724
	876,111
	Goodwill arising on acquisition 116,724

The goodwill of RM116,724 comprises the value of expected synergies arising from the acquisition.

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Non-controlling interests ("NCI")

	SIBM RM	SATSB RM	SPSB RM	Total RM
2025	45%	40%	48.32%	
NCI percentage of ownership interest and voting interest				
Carrying amount of NCI	233,117	925,753	469,258	1,628,127
Loss allocated to NCI	(108,608)	(12,555)	(1,670)	(122,833)
		SATSB RM	SPSB RM	Total RM
2024		40%	48.32%	
NCI percentage of ownership interest and voting interest				
Carrying amount of NCI		938,308	470,928	1,409,236
Loss allocated to NCI		(19,921)	(3,611)	(23,532)

Notes to the Financial Statements

31 January 2025

16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)**Non-controlling interests ("NCI") (cont'd.)**

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

	SIBM RM	SATSB RM	SPSB RM	Total RM
	45%	40%	48.32%	
Summarised statement of profit or loss for 2025:				
Revenue	191,960	-	-	-
Loss for the year, representing total comprehensive loss for the year	(241,350)	(31,387)	(3,457)	(276,194)
Summarised statement of profit or loss for 2024:				
Revenue	-	-	-	-
Loss for the year, representing total comprehensive loss for the year	-	(49,802)	(7,474)	(57,276)
Summarised statement of financial position as at 31 January 2025:				
Non-current assets	1,045,891	384,203	-	1,430,094
Current assets	807,706	2,245,283	1,648	3,054,637
Non-current liabilities	375,226	-	-	375,226
Current liabilities	1,102,999	315,097	17,192	1,435,288
Net assets/(liabilities)	375,372	2,314,389	(15,544)	2,674,217
Summarised statement of financial position as at 31 January 2024:				
Non-current assets	-	416,802	-	416,802
Current assets	-	2,188,303	1,693	2,189,996
Current liabilities	-	259,329	13,779	273,108
Net assets/(liabilities)	-	2,345,776	(12,086)	2,333,690

Notes to the Financial Statements

31 January 2025

16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)**Non-controlling interests ("NCI") (cont'd.)**

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations. (cont'd.)

	SIBM RM	SATSB RM	SPSB RM	Total RM
	45%	40%	48.32%	
Summarised statement of cash flows for 2025:				
Cash flows from/(used in)				
- operating activities	191,685	-	(45)	(45)
- investing activities	(6,996)	25,998	-	25,998
- financing activities	242,426	(27,000)	-	(27,000)
Net increase/(decrease) in cash and cash equivalents	427,115	(1,002)	(45)	(1,047)
Summarised statement of cash flows for 2024:				
Cash flows from/(used in)				
- operating activities	-	530,137	(45)	530,092
- financing activities	-	(27,000)	-	(27,000)
Net increase/(decrease) in cash and cash equivalents	-	503,137	(45)	503,092

Notes to the Financial Statements

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17. INVENTORIES

	Group	
	2025 RM	2024 RM
At cost:		
Materials and component parts	21,527,679	18,989,755
Work-in-progress	4,376,739	4,437,446
Finished goods	5,172,696	4,315,022
Spares and tools	980,215	925,954
Consumables	262,943	430,672
	32,320,272	29,098,849

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM171,085,396 (2024: RM184,492,360).

18. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current:				
Other receivables				
Third party	103,893	-	-	-
Amount due from a subsidiary	-	-	10,800,000	10,800,000
Current:				
Trade receivables				
Third parties	31,818,553	35,882,013	-	-
Less: Allowance for impairment	(51,745)	-	-	-
Trade receivables, net	31,766,808	35,882,013	-	-

Notes to the Financial Statements

31 January 2025

18. TRADE AND OTHER RECEIVABLES (CONT'D.)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables				
Amounts due from subsidiaries	-	-	43,196,485	43,991,362
Dividend receivable from subsidiaries	-	-	5,205,000	6,500,000
Refundable deposits	544,636	497,136	89,896	86,375
Other receivables	364,317	971,968	129,352	203,956
	908,953	1,469,104	48,620,733	50,781,693
Less: Allowance for				
Amounts due from subsidiaries	-	-	(22,331,433)	(22,331,433)
	-	-	(22,331,433)	(22,331,433)
Other receivables, net	908,953	1,469,104	26,289,300	28,450,260
Total current trade and other receivables	32,675,761	37,351,117	26,289,300	28,450,260
Total trade and other receivables	32,779,654	37,351,117	37,089,300	39,250,260
Add: Cash and bank balances	13,420,439	8,796,711	1,328,940	738,255
Total financial assets carried at amortised cost	46,200,093	46,147,828	38,418,240	39,988,515
Classification of trade and other receivables:				
Current	32,675,761	37,351,117	26,289,300	28,450,260
Non-current	103,893	-	10,800,000	10,800,000
	32,779,654	37,351,117	37,089,300	39,250,260

(a) Trade receivables

Trade receivables are non-interest bearing and the Group's normal trade credit terms range from 30 to 90 (2024: 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at original invoiced amounts which represent the fair value on initial recognition.

Notes to the Financial Statements

31 January 2025

18. TRADE AND OTHER RECEIVABLES (CONT'D.)**(a) Trade receivables (cont'd.)**Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2025 RM	2024 RM
Neither past due nor impaired	30,352,226	28,191,394
1 to 30 days past due not impaired	494,845	6,783,780
31 to 60 days past due not impaired	775,947	470
61 to 120 days past due not impaired	41,681	603,424
>120 days past due not impaired	50,365	302,945
	1,362,838	7,690,619
Impaired	51,744	-
	31,766,808	35,882,013

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to RM1,362,838 (2024: RM7,690,619) that are past due at the reporting date but not impaired. These represent amounts due from creditworthy customers which have an established relationship with the Group and have no history of default.

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18. TRADE AND OTHER RECEIVABLES (CONT'D.)**(a) Trade receivables (cont'd.)****Trade receivables that are impaired**

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group	
	2025 RM	2024 RM
Trade receivables	103,489	-
Less: Allowance for impairment	(51,745)	-
	51,744	-

The movement in allowance for impairment are as follows:

	Group	
	2025 RM	2024 RM
At the beginning of the year	-	-
Provision of allowance for impairment	51,745	-
At the end of the year	51,745	-

Trade receivables that are individually determined to be impaired at the reporting date relates to debtors that are financial difficulty and which have defaulted on payments. The receivables are not secured by any collateral.

Notes to the Financial Statements

31 January 2025

18. TRADE AND OTHER RECEIVABLES (CONT'D.)**(b) Other receivables**

The Group's and the Company's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables:				
Nominal value	-	-	22,331,433	22,331,433
Less: Allowance for impairment	-	-	(22,331,433)	(22,331,433)
	-	-	-	-
Movement in allowance account:				
At beginning of year	-	-	22,331,433	22,290,859
Provision of allowance for impairment	-	-	-	41,355
Reversal of allowance for impairment	-	-	-	(781)
At end of year	-	-	22,331,433	22,331,433

Other receivables that are impaired mainly relate to balances due from related parties which have been significantly long outstanding.

(c) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand, except for advances of RM11,300,000 (2024: RM10,800,000) which are subject to interest at rate ranging from 3.2% to 3.6% p.a. (2024: 3.6% p.a.).

(d) Credit risk

As at the reporting date, the Group has a concentration of credit risk in the form of outstanding balances due from 4 debtors (2024: 4 debtors) representing 66% (2024: 62%) of total net trade receivables.

Notes to the Financial Statements

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19. OTHER CURRENT ASSETS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Prepayments	3,399,130	3,855,761	890,283	221,860

20. SHORT TERM INVESTMENTS

	Group	
	2025 RM	2024 RM
As at 1 February	29,965,073	16,629,182
(Withdrawals)/investments during the year	(7,492,931)	12,936,383
Profit received during the year (Note 5)	713,882	399,508
Investment in money market funds, representing total financial assets at fair value through profit or loss	23,186,024	29,965,073

The fair value measurement of the Group's short term investments are categorised within Level 2 of the fair value hierarchy as disclosed in Note 31(g).

21. RETIREMENT BENEFIT OBLIGATIONS

The Group and the Company operate an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The Group's and the Company's obligations under the Scheme are determined based on the latest actuarial valuation by an independent valuer for the financial year 2025. Under the Scheme, eligible employees are entitled to retirement benefits on attainment of the retirement age.

Notes to the Financial Statements

31 January 2025

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D.)

The amounts recognised in the statement of financial position are determined as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Present value of unfunded defined benefit obligations, representing net liabilities	9,254,151	9,146,174	2,719,419	2,623,647
Analysed as:				
Current	143,786	134,632	84,264	9,197
Non-current	9,110,365	9,011,542	2,635,155	2,614,450
	9,254,151	9,146,174	2,719,419	2,623,647

The amount recognised in the statement of comprehensive income are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax				
Current service costs	429,258	388,164	204,262	109,800
Interest cost	390,405	413,967	116,136	125,472
Total, included in employee benefits expense (Note 8)	819,663	802,131	320,398	235,272
Other comprehensive income:				
Actuarial loss on retirement benefit, representing total included in other comprehensive income before tax	80,398	521,214	17,558	115,656

Notes to the Financial Statements

31 January 2025

21. RETIREMENT BENEFIT OBLIGATIONS (CONT'D.)

Movements in the net liability in the current year were as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of year	9,146,174	8,831,600	2,623,647	2,828,795
Recognised in profit or loss	819,663	802,131	320,398	235,272
Benefits paid	(792,084)	(1,008,771)	(242,184)	(556,076)
Actuarial loss in other comprehensive income	80,398	521,214	17,558	115,656
At end of year	9,254,151	9,146,174	2,719,419	2,623,647

Principal actuarial assumptions used:

	2025 %	2024 %
Discount rate	4.2	4.3
Expected rate of salary increases	4.0	4.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

The following table demonstrates the sensitivity of the present value of defined benefit obligations to changes in the discount rate and expected salary increment, with all other variables held constant.

	(Decrease)/increase in present value of defined benefit obligation			
	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Discount rate				
- 1% increase	(760,955)	(835,988)	(167,377)	(187,704)
- 1% decrease	862,283	951,899	186,606	210,426
Expected salary increment				
- 1% increase	914,248	910,661	164,825	162,167
- 1% decrease	(808,539)	(807,036)	(148,196)	(145,757)

Notes to the Financial Statements

31 January 2025

22. LOANS AND BORROWINGS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current				
Secured:				
Term loans	6,126,230	4,990,687	-	-
Hire purchase (Note 23)	95,629	92,445	95,629	92,445
Lease liabilities (Note 24)	531,773	765,846	-	900,109
	6,753,632	5,848,978	95,629	992,554
Unsecured:				
Bankers' acceptances	2,659,773	2,163,759	-	-
	9,413,405	8,012,737	95,629	992,554
Non-current				
Secured:				
Term loans	37,235,479	35,436,198	-	-
Hire purchase (Note 23)	280,299	375,928	280,299	375,928
Lease liabilities (Note 24)	1,303,347	1,340,042	-	-
	38,819,125	37,152,168	280,299	375,928
Total				
Bankers' acceptances	2,659,773	2,163,759	-	-
Term loans	43,361,709	40,426,885	-	-
Hire purchase (Note 23)	375,928	468,373	375,928	468,373
Lease liabilities (Note 24)	1,835,120	2,105,888	-	900,109
	48,232,530	45,164,905	375,928	1,368,482

Notes to the Financial Statements

31 January 2025

22. LOANS AND BORROWINGS (CONT'D.)

The remaining maturities of the loans and borrowings as at 31 January are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within 1 year	9,413,405	8,012,737	95,629	992,554
More than 1 year and less than 2 years	8,970,410	6,891,979	98,922	194,550
More than 2 years and less than 5 years	13,455,955	15,235,119	181,377	181,378
More than 5 years	16,392,760	15,025,070	-	-
	48,232,530	45,164,905	375,928	1,368,482

The weighted average effective interest rates per annum at the reporting date of borrowings, excluding hire purchase and lease liabilities, were as follows:

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Bankers' acceptances	3.74	3.74	-	-
Term loans	5.00	5.00	-	-

The term loans are secured by:

- (a) a first legal charge over certain plant and machinery of the Group (Note 13(b)); and
- (b) a first legal charge over an investment property of the Group (Note 14).

The Company has extended corporate guarantees amounting to RM134,765,000 (2024: RM129,605,000) as at the reporting date to banks and financial institutions for banking facilities granted to certain subsidiaries.

Notes to the Financial Statements

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22. LOANS AND BORROWINGS (CONT'D.)**Change in liabilities arising from financing activities****2025:**

	At 1 February 2024 RM	Non-cash movement RM	Net (repayment)/ drawdown RM	At 31 January 2025 RM
Group				
Bankers' acceptances	2,163,759	-	496,014	2,659,773
Term loans	40,426,885	-	2,934,824	43,361,709
Hire purchase (Note 23)	468,373	24,906	(117,351)	375,928
Lease liabilities (Note 24)	2,105,888	602,302	(873,070)	1,835,120
	45,164,905	627,208	2,440,417	48,232,530
Company				
Hire purchase (Note 23)	468,373	24,906	(117,351)	375,928
Lease liabilities (Note 24)	900,109	2,287	(902,396)	-
	1,368,482	27,193	(1,019,747)	375,928

Notes to the Financial Statements

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22. LOANS AND BORROWINGS (CONT'D.)**Change in liabilities arising from financing activities (cont'd.)****2024:**

	At 1 February 2023 RM	Non-cash movement RM	Net (repayment)/ drawdown RM	At 31 January 2024 RM
Group				
Bankers' acceptances	3,683,520	-	(1,519,761)	2,163,759
Term loans	30,699,117	-	9,727,768	40,426,885
Hire purchase (Note 23)	308,248	491,000	(330,875)	468,373
Lease liabilities (Note 24)	1,003,381	2,411,467	(1,308,960)	2,105,888
	35,694,266	2,902,467	6,568,172	45,164,905
Company				
Hire purchase (Note 23)	308,248	491,000	(330,875)	468,373
Lease liabilities (Note 24)	2,223,750	(378,465)	(945,176)	900,109
	2,531,998	112,535	(1,276,051)	1,368,482

Notes to the Financial Statements

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23. HIRE PURCHASE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Minimum lease payments:				
Not later than 1 year	106,896	106,896	106,896	106,896
Later than 1 year and not later than 2 years	106,896	213,792	106,896	213,792
Later than 2 years and not later than 5 years	187,042	187,041	187,042	187,041
	400,834	507,729	400,834	507,729
Less: Finance charges	(24,906)	(39,356)	(24,906)	(39,356)
	375,928	468,373	375,928	468,373
Analysis of present value of finance lease liabilities:				
Not later than 1 year	95,629	92,445	95,629	92,445
Later than 1 year and not later than 2 years	98,922	194,550	98,922	194,550
Later than 2 years and not later than 5 years	181,377	181,378	181,377	181,378
	375,928	468,373	375,928	468,373
Less: Amount due within 12 months (Note 22)	(95,629)	(92,445)	(95,629)	(92,445)
Amount due after 12 months (Note 22)	280,299	375,928	280,299	375,928

The Group and the Company have finance leases for motor vehicles (Note 13(a)). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term.

The finance leases of the Group and of the Company bear interest during the year at 3.39% per annum (2024: 3.39% per annum).

Notes to the Financial Statements

31 January 2025

24. LEASE LIABILITIES

The carrying amounts of lease liabilities recognised and the movements during the year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 February	2,105,888	1,003,381	900,109	2,223,750
Additions	-	1,907,665	-	-
Acquired in a business combination (Note 16(b))	519,979	-	-	-
Accretion of interest (Note 6)	82,323	102,503	23,972	70,321
Payments	(873,070)	(1,308,960)	(902,396)	(945,176)
Lease modification	-	401,299	(21,685)	(448,786)
At 31 January	1,835,120	2,105,888	-	900,109
Current	531,773	765,846	-	900,109
Non-current	1,303,347	1,340,042	-	-
	1,835,120	2,105,888	-	900,109

The remaining maturities of the lease liabilities as at 31 January are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within 1 year	531,773	765,846	-	900,109
More than 1 year and less than 2 years	786,351	422,529	-	-
More than 2 years and less than 5 years	516,996	917,513	-	-
	1,835,120	2,105,888	-	900,109

Notes to the Financial Statements

31 January 2025

24. LEASE LIABILITIES (CONT'D.)

The followings are the amounts recognised in profit or loss:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Depreciation on right-of-use assets (Note 13)	806,021	1,232,251	827,224	867,635
Interest expense on lease liabilities (Note 6)	82,323	102,503	23,972	70,321
Expense relating to short-term leases	84,443	105,186	-	-
Expense relating to leases of low-value assets	186,670	119,670	26,688	26,688
Variable lease payments	-	787,391	-	-
Total amount recognised in profit or loss	1,159,457	2,347,001	877,884	964,644

Total cash outflows for leases comprising of payments of lease liabilities, short-term leases, low value leases and variable lease payments for Group and Company amounted to RM1,114,183 (2024: RM2,321,207) and RM929,084 (2024: RM971,864) respectively.

Notes to the Financial Statements

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25. DEFERRED TAX**Recognised deferred tax (assets)/liabilities**

	Assets		Liabilities		Net	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
Group						
Accelerated capital allowances	-	-	10,489,424	10,907,064	10,489,424	10,907,064
Development expenditure capitalised	-	-	252,099	347,724	252,099	347,724
Provisions, lease liabilities, accruals and other payables	(3,768,536)	(3,464,917)	-	-	(3,768,536)	(3,464,917)
Unused tax losses	(124,639)	(52,421)	-	-	(124,639)	(52,421)
Unabsorbed capital allowances	(2,856,599)	(1,958,810)	-	-	(2,856,599)	(1,958,810)
Unutilised reinvestment and investment tax allowance	(776,008)	(776,008)	-	-	(776,008)	(776,008)
Deferred tax (assets)/liabilities	(7,525,782)	(6,252,156)	10,741,523	11,254,788	3,215,741	5,002,632
Offsetting	6,605,973	6,054,526	(6,605,973)	(6,054,526)	-	-
Net deferred tax (assets)/liabilities	(919,809)	(197,630)	4,135,550	5,200,262	3,215,741	5,002,632
Company						
Accelerated capital allowances	-	-	857,289	835,325	857,289	835,325
Provisions, lease liabilities, accruals and other payables	(857,289)	(835,325)	-	-	(857,289)	(835,325)
Deferred tax (assets)/liabilities	(857,289)	(835,325)	857,289	835,325	-	-
Offsetting	857,289	835,325	(857,289)	(835,325)	-	-
Net deferred tax (assets)/liabilities	-	-	-	-	-	-

Notes to the Financial Statements

31 January 2025

25. DEFERRED TAX (CONT'D.)

Unrecognised deferred tax assets

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unused tax losses	24,665,423	24,091,494	13,523,960	12,707,171
Unabsorbed capital allowances	560,068	457,619	511,551	415,423
Other temporary differences	1,740,233	1,870,415	1,383,444	1,517,221
	26,965,724	26,419,528	15,418,955	14,639,815

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits.

The carrying forward of unused tax losses is restricted to a maximum of ten consecutive years of assessments. The final year of assessment for utilisation of unused tax losses as at 31 January are, as follows:

Year of assessment	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
2028	19,596,747	19,596,747	12,419,775	12,419,775
2029	673,913	696,437	-	-
2030	1,826,668	2,154,907	-	-
2031	383,529	383,529	-	-
2032	766,237	774,562	287,396	287,396
2033	491,120	485,312	-	-
2034	927,209	-	816,789	-
	24,665,423	24,091,494	13,523,960	12,707,171

Notes to the Financial Statements

31 January 2025

25. DEFERRED TAX (CONT'D.)**Recognised deferred tax (assets)/liabilities**

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Group	At 1 February 2024 RM	Credited to profit or loss RM	Credited to OCI RM	At 31 January 2025 RM
Deferred tax liabilities				
Accelerated capital allowances	10,907,064	(417,640)	-	10,489,424
Development expenditure capitalised	347,724	(95,625)	-	252,099
	11,254,788	(513,265)	-	10,741,523
Deferred tax assets				
Provisions, lease liabilities, accruals and other payables	(3,464,917)	(279,717)	(23,902)	(3,768,536)
Unused tax losses	(52,421)	(72,218)	-	(124,639)
Unabsorbed capital allowances	(1,958,810)	(897,789)	-	(2,856,599)
Unutilised reinvestment allowances	(776,008)	-	-	(776,008)
	(6,252,156)	(1,249,724)	(23,902)	(7,525,782)

Notes to the Financial Statements

31 January 2025

25. DEFERRED TAX (CONT'D.)

Group (cont'd.)

Group	At 1 February 2023 RM	Charged/ (credited) to profit or loss RM	Charged to OCI RM	At 31 January 2024 RM
Deferred tax liabilities				
Accelerated capital allowances	10,838,988	68,076	-	10,907,064
Development expenditure capitalised	374,713	(26,989)	-	347,724
	11,213,701	41,087	-	11,254,788
Deferred tax assets				
Provisions, lease liabilities, accruals and other payables	(3,051,244)	(289,061)	(124,612)	(3,464,917)
Unused tax losses	(6,596)	(45,825)	-	(52,421)
Unabsorbed capital allowances	(1,547,078)	(411,732)	-	(1,958,810)
Unutilised reinvestment allowances	(1,126,255)	350,247	-	(776,008)
	(5,731,173)	(396,371)	(124,612)	(6,252,156)
Company				
Deferred tax liabilities				
Accelerated capital allowances	835,325	21,964	-	857,289
Deferred tax assets				
Provisions, lease liabilities, accruals, other payables and unabsorbed capital allowances	(835,325)	(17,750)	(4,214)	(857,289)

Notes to the Financial Statements

31 January 2025

25. DEFERRED TAX (CONT'D.)

Company	At 1 February 2023 RM	(Credited)/ charged to profit or loss RM	Charged to OCI RM	At 31 January 2024 RM
Deferred tax liabilities				
Accelerated capital allowances	850,527	(15,202)	-	835,325
Deferred tax assets				
Provisions, lease liabilities, accruals, other payables and unabsorbed capital allowances	(850,527)	42,960	(27,758)	(835,325)

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Trade payables - third parties	17,871,575	30,109,617	-	-
Other payables				
Accruals and other payables	15,413,175	15,393,370	2,974,644	2,993,494
Amount due to related parties	376,406	7,574	-	-
	15,789,581	15,400,944	2,974,644	2,993,494
Contract liabilities	-	529,984	-	-
Total trade and other payables	33,661,156	46,040,545	2,974,644	2,993,494
Add: Loans and borrowings (Note 22)	48,232,530	45,164,905	375,928	1,368,482
Less: Contract liabilities	-	(529,984)	-	-
Total financial liabilities carried at amortised cost	81,893,686	90,675,466	3,350,572	4,361,976

Notes to the Financial Statements

31 January 2025

26. TRADE AND OTHER PAYABLES (CONT'D.)**(a) Trade payables**

Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 60 (2024: 30 to 60) days.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term range from 30 to 60 (2024: 30 to 60) days.

(c) Amounts due to related parties

The amounts due to related parties are unsecured, non-interest bearing and are repayable upon demand.

27. PROVISIONS

The Group provides warranties on certain products to its customers. A provision is recognised for expected warranty claims on products sold, based on historical experience of warranty claims and recent trend analysis of expected future claims.

	Group	
	2025 RM	2024 RM
At 1 February	326,130	274,298
Provision utilised	(424,220)	(103,452)
Current year provision	907,347	155,284
At 31 January	809,257	326,130
Current	518,632	135,039
Non-current	290,625	191,091
	809,257	326,130
Expected outflow of resources:		
- Within one year	518,632	135,039
- Later than 1 year but not later than 2 years	253,665	191,091
- Later than 2 years but not later than 5 years	36,960	-
	809,257	326,130

A reimbursement asset amounting to RM362,006 (2024: RM nil) has been recognised in relation to refunds from suppliers, which decrease the Group's warranty costs, to the extent that these are considered to be certain.

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28. SHARE CAPITAL

	No. of shares		Group and Company Amount	
	2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid ordinary shares, at no par value:				
At 1 February/31 January	72,775,737	72,775,737	74,975,863	74,975,863

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

29. CAPITAL COMMITMENT

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Capital expenditures				
Property, plant and equipment:				
Approved and contracted for	2,431,247	6,415,719	34,565	-
Approved but not contracted for	4,504,067	3,914,160	608,000	-

Notes to the Financial Statements

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30. RELATED PARTY DISCLOSURES**(a) Significant related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Subsidiaries				
Interest income	-	-	(378,261)	(383,200)
Management fees	-	-	(15,798,001)	(14,272,793)
Dividend income	-	-	(5,205,000)	(6,500,000)
Rental income	-	-	(1,006,616)	(1,138,805)
Related parties				
Recovery of communication expenses	-	(13,833)	-	(13,833)
Rental income	(36,000)	(30,000)	(36,000)	(30,000)

Information regarding outstanding balance arising from related party transactions at 31 January are disclosed in Notes 18 and 26.

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed between parties.

(b) Compensation of key management personnel

The remuneration of members of key management during the year including executive directors of the Company and directors of subsidiary companies under the Group was as follows:

	Group and Company	
	2025 RM	2024 RM
Wages and salaries	6,234,077	5,318,450
Contributions to defined contribution plan	564,451	442,905
Benefits-in-kind	73,700	70,026
	6,872,228	5,831,381
Comprise amounts paid to:		
Directors of the Company	3,027,622	2,028,457
Other key management personnel	3,844,606	3,802,924
	6,872,228	5,831,381

Notes to the Financial Statements

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31. FINANCIAL INSTRUMENTS**(a) Financial risk management objectives and policies**

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its interest rate risk (both fair value and cash flow), foreign currency risk, liquidity risk, credit risk and market risk (equity price risk). It is, and has been throughout the year under review, the Group's and the Company's policy that no trading in derivative financial instruments shall be undertaken.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The interest rate profile of the Company's interest-bearing financial instruments, based on carrying amount as at reporting date was:

	Company	
	2025 RM	2024 RM
Floating rate instruments		
Financial assets	12,300,000	10,800,000

Sensitivity analysis for interest rate risk

At the reporting date; if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Company's profit net of tax and total equity would have been RM30,750 (2024: RM27,000) higher/lower, arising mainly as a result of higher/lower interest income on advances subject to floating interest rates.

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The Group is not exposed to interest rate risk as it does not have interest-bearing financial instruments which are subject to floating interest rates.

(c) Foreign exchange risk

The Group is exposed to various currencies, mainly United States Dollar ("USD"), Japanese Yen ("JPY"), Indonesian Rupiah ("IDR"), Thai Baht ("THB") and Chinese Yuan ("CNY"). Foreign currencies denominated assets and liabilities together with expected cashflows from highly probable purchases and sales give rise to foreign exchange exposures.

Foreign exchange exposures in transactional currencies other than functional currency of the Company and all its subsidiaries are kept to an acceptable level.

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31. FINANCIAL INSTRUMENTS (CONT'D.)**(c) Foreign exchange risk (cont'd.)**

The net unhedged financial liabilities of the Group that are not denominated in the Group's functional currency are as follows:

	2025 RM	2024 RM
Trade and other payables		
USD	2,153,236	3,778,256
JPY	3,088,391	4,395,668
IDR	3,056,576	5,436,787
THB	778,493	2,190,559
CNY	251,032	861,299

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, JPY, IDR, THB and CNY exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant.

	Group Effect on profit net of tax	
	2025 RM	2024 RM
USD/RM - strengthened 10% (2024: 10%)	(163,646)	(287,147)
JPY/RM - strengthened 10% (2024: 10%)	(59,165)	(334,071)
IDR/RM - strengthened 10% (2024: 10%)	(234,718)	(413,196)
THB/RM - strengthened 10% (2024: 10%)	(232,300)	(166,482)
CNY/RM - strengthened 10% (2024: 10%)	(19,078)	(65,459)

(d) Liquidity risk

The Group and the Company actively manage their debt maturity profiles, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintains sufficient levels of cash or cash convertible investments to meet their working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities of a reasonable level to their overall debt position. As far as possible, the Group and the Company raise committed funding from financial institutions and prudently balance their portfolios with some short term funding so as to achieve overall cost effectiveness.

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31. FINANCIAL INSTRUMENTS (CONT'D.)

(d) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2025			Total RM
	On demand or within one year RM	One to five years RM	More than five years RM	
Group				
Financial liabilities:				
Trade and other payables	33,661,156	-	-	33,661,156
Loans and borrowings, excluding lease liabilities	11,359,684	30,607,829	19,068,399	61,035,912
Lease liabilities	470,393	989,321	-	1,459,714
Total undiscounted financial liabilities	45,491,233	31,597,150	19,068,399	96,156,782
Company				
Financial liabilities:				
Trade and other payables	2,974,644	-	-	2,974,644
Loans and borrowings, excluding lease liabilities	106,896	293,938	-	400,834
Total undiscounted financial liabilities	3,081,540	293,938	-	3,375,478

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31. FINANCIAL INSTRUMENTS (CONT'D.)

(d) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

	2024			Total RM
	On demand or within one year RM	One to five years RM	More than five years RM	
Group				
Financial liabilities:				
Trade and other payables	45,510,561	-	-	45,510,561
Loans and borrowings, excluding lease liabilities	9,441,682	26,439,329	17,048,792	52,929,803
Lease liabilities	847,560	1,453,522	-	2,301,082
Total undiscounted financial liabilities	55,799,803	27,892,851	17,048,792	100,741,446
Company				
Financial liabilities:				
Trade and other payables	2,993,494	-	-	2,993,494
Loans and borrowings, excluding lease liabilities	106,896	400,833	-	507,729
Lease liabilities	924,673	-	-	924,673
Total undiscounted financial liabilities	4,025,063	400,833	-	4,425,896

(e) Credit risk

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors as at 31 January 2025, other than as disclosed in Note 18.

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31. FINANCIAL INSTRUMENTS (CONT'D.)**(f) Market risk**

Market risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from investment in unit funds. Investment in unit funds comprises of combination of money market instruments and institutional bonds which have lower risk as compared to equity and commodity investments. These instruments are classified as held for trading financial assets. The Group does not have any exposure to commodity price risk.

At the reporting date, the exposure to investments in unit funds at fair value was RM23,186,024 (2024: RM29,965,073). An increase or decrease of 10% on market index of investments in unit funds could have an impact of approximately RM2,318,602 (2024: RM2,996,507) on the profit of the Group.

(g) Fair values

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and current portion of loans and borrowings are reasonable approximate of their fair values due to the relatively short term nature of these financial instruments.

The following table analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position. The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values below are categorised within the Level 3 fair value hierarchy which is described as inputs for the asset or liability that are based on unobservable market data (unobservable input).

	Group		Company	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Financial liabilities				
At 31 January 2025:				
Term loans (non-current)	37,235,479	41,572,635	-	-
At 31 January 2024:				
Term loans (non-current)	35,436,198	36,162,766	-	-

The investments in unit funds of the Group amounting RM23,186,024 (2024: RM29,965,073) are measured as Level 2 hierarchy based on reference to fair value provided by the bank at the close of business on the reporting date.

The Group and the Company do not have any financial assets or financial liabilities measured at Level 1 hierarchy.

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32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 January 2025 and 2024.

The Group monitors capital using a gearing ratio, which is total loans and borrowings divided by total capital. Capital includes equity attributable to the owners of the parent less non-distributable share premium. The Group's policy is to keep the gearing ratio at an acceptable limit.

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Loans and borrowings	48,232,530	45,164,905	375,928	1,368,482
Equity attributable to the owners of the parent, representing total capital	116,895,496	111,527,185	77,911,969	79,194,857
Gearing ratio	41%	40%	0%	2%

33. SEGMENT INFORMATION**(a) Business segments:**

The Group is organised into three major business segments:

- (i) Manufacturing - the manufacture and supply of products for the automotive, electronics and electrical industries.
- (ii) Investment holding - the holding of investments and provision of management services to subsidiaries; and
- (iii) Others - trading of auto parts in retail and after sales market, providing computer aided design and manufacture of sub-systems and systems for applications in production and testing, provision of vehicle maintenance and training services and other dormant companies.

(b) Geographical segments:

The Group's operations are carried out solely in Malaysia.

(c) Allocation basis

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

Notes to the Financial Statements

31 January 2025

33. SEGMENT INFORMATION (CONT'D.)**(d) Information on major customers**

Included in the manufacturing segment are two major customers contributing to more than 50% of the Group's revenue, being RM207,301,512 (2024: RM193,876,342) and RM34,736,535 (2024: RM32,021,119) each in the current financial year.

Business segments

31 January 2025	Manufacturing RM	Investment Holding RM	Others RM	Eliminations RM	Notes	Consolidated RM
Revenue						
External	286,836,346	-	191,960	-		287,028,306
Inter-segment	9,542	21,003,001	576,247	(21,588,790)	A	-
Total revenue	286,845,888	21,003,001	768,207	(21,588,790)		287,028,306
Results						
Segment results, representing profit from operations	18,730,686	(2,587,786)	462,564	(540,727)		16,064,737
Finance costs	(2,843,569)	(130,896)	(17,281)	454,495		(2,537,251)
Taxation	(4,505,304)	(39,374)	(52,349)	10,302		(4,586,725)
Profit net of tax	11,381,813	(2,758,056)	392,934	(75,930)		8,940,761
Assets						
Consolidated segment assets	192,312,150	83,981,960	8,448,381	(69,875,593)		214,866,898
Liabilities						
Consolidated segment liabilities	119,699,076	6,069,991	26,802,967	(56,228,759)		96,343,275
Other information						
Capital expenditure	12,870,617	90,600	510,046	(558,884)	B	12,912,379
Depreciation	15,504,678	1,055,129	280,578	(2,200,319)		14,640,066
Amortisation	564,936	-	-	-		564,936
Non-cash expenditures other than depreciation and amortisation	1,541,483	356,850	(116,088)	-	C	1,782,245

Notes to the Financial Statements

31 January 2025

33. SEGMENT INFORMATION (CONT'D.)

Business segments (cont'd.)

31 January 2024	Manufacturing RM	Investment Holding RM	Others RM	Eliminations RM	Notes	Consolidated RM
Revenue						
External	294,113,769	-	868,905	-		294,982,674
Others	586,515	-	-	-		586,515
Inter-segment	375,116	20,772,793	404,340	(21,552,249)	A	-
Total revenue	295,075,400	20,772,793	1,273,245	(21,552,249)		295,569,189
Results						
Segment results, representing profit/(loss) from operations	16,895,362	4,096,445	76,340	(7,123,061)		13,945,086
Finance costs	(2,785,778)	(182,596)	(8,568)	624,008		(2,352,934)
Taxation	(4,198,703)	(17,993)	(9,511)	-		(4,226,207)
Profit net of tax	9,910,881	3,895,856	58,261	(6,499,053)		7,365,945
Assets						
Consolidated segment assets	205,192,701	86,180,480	5,662,241	(76,179,785)		220,855,637
Liabilities						
Consolidated segment liabilities	173,219,210	6,985,623	25,047,186	(97,332,803)		107,919,216
Other information						
Capital expenditure	19,194,927	850,047	214,752	(108,972)	B	20,150,754
Depreciation	13,994,160	1,303,192	253,303	(2,200,319)		13,350,336
Amortisation	484,260	-	-	-		484,260
Non-cash expenditures other than depreciation and amortisation	2,029,534	309,813	112,853	-	C	2,452,200

Notes to the Financial Statements

31 January 2025

33. SEGMENT INFORMATION (CONT'D.)

Notes Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Capital expenditure consist of:

	2025 RM	2024 RM
Property, plant and equipment	12,679,329	19,898,467
Development expenditure	233,050	252,287
	12,912,379	20,150,754

C Other material non-cash expense/(income) consists of the following items as presented in the respective notes to the financial statements:

	Note	2025 RM	2024 RM
Unrealised foreign exchange (gain)/loss	7	(113,871)	242,871
Development expenditure written off	7	-	-
Gain on lease modification	7	-	(12,701)
Net provision for slow moving inventories	7	-	401,820
Writeback of inventories	5	-	-
Increase in provisions	7	907,347	155,284
Property, plant and equipment written off	7	137,790	109,590
Inventories written off	7	-	692,051
Provision for/(reversal of) short-term accumulating compensated absences	8	31,316	61,154
Increase in defined benefit plan	7	819,663	802,131
		1,782,245	2,452,200

ANALYSIS OF SHAREHOLDINGS

As at 13 May 2025

Total Number of Issued Shares : 72,775,737 ordinary shares
 Class of Shares : Ordinary Shares
 Voting Rights : One vote per ordinary share
 No. of Shareholders : 3,735

DISTRIBUTION OF ORDINARY SHARES

Size of Holdings	No. of Holders	% Over Total Shareholders	No. of Shares	% Over Total Shares
Less than 100	648	17.35	6,618	0.01
100 to 1,000	613	16.41	260,355	0.36
1,001 to 10,000	2,139	57.27	6,566,214	9.02
10,001 to 100,000	296	7.93	7,735,761	10.63
100,001 to less than 5% of issued shares	36	0.96	17,865,850	24.55
5% and above of issued shares	3	0.08	40,340,939	55.43
Total	3,735	100	72,775,737	100

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Deemed Interest	
	No. of Shares Held	%	No. of Shares Held	%
Tan Sri Dr. Azmil Khalili bin Dato' Khalid	-	-	-	-
Puan Sri Datin Seri Mariam Parineh	-	-	20,377,300 ¹	28.00
Datuk Syed Izuan bin Syed Kamarulbahrin	500,000	0.69	-	-
Datin Noor Lily Zuriati binti Abdullah	-	-	-	-
Datuk Zainol Izzet bin Mohamed Ishak	1,500,000	2.06	-	-
Ir. Md. Shah bin Hussin	-	-	-	-
Ms. Emily Kok	-	-	-	-

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares Held	%	No. of Shares Held	%
SAK Asset Ventures Sdn. Bhd.	20,377,300	28.00	-	-
Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for The Ameis Trust (420140)	13,794,839	18.96	-	-
Koh Kok Hooi	8,057,600	11.08	-	-

¹ Deemed interested by virtue of being a substantial shareholder of SAK Asset Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Analysis of Shareholdings

As at 13 May 2025

THIRTY (30) LARGEST SHAREHOLDERS

Based on Record of Depositors as at 13 May 2025

No.	Name of Shareholders	No. of Shares Held	%
1	SAK Asset Ventures Sdn. Bhd.	20,377,300	28.00
2	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for The Ameis Trust (420140)	13,794,839	18.96
3	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Koh Kok Hooi	6,168,800	8.48
4	Puncak Exotika Sdn. Bhd.	2,100,000	2.89
5	Koh Kok Hooi	1,888,800	2.60
6	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ang Kooi Phing (6000914)	1,764,800	2.42
7	Datuk Zainol Izzet bin Mohamed Ishak	1,500,000	2.06
8	Tan Sri Dato' Seri Shahril bin Shamsuddin	1,426,875	1.96
9	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt AN for DBS Bank Ltd (SFS)	1,400,000	1.92
10	RHB Capital Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Su Ming Yaw	697,100	0.96
11	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB for Dato' Shahrman bin Shamsuddin (PB)	663,175	0.91
12	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kuek Siew Chyi (CCTS)	538,700	0.74
13	Lee Siew Hoon	508,000	0.70
14	Datuk Syed Izuan bin Syed Kamarulbahrin	500,000	0.69
15	Chia Siew Fung	382,000	0.52
16	Maybank Nominees (Tempatan) Sdn. Bhd. Chua Eng Ho Wa'a @ Chua Eng Wah	345,800	0.47
17	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Tan Tian Sang @ Tan Tian Song (E-PPG)	339,100	0.47
18	Yew Peng Chai	293,600	0.40
19	Tan Yee Seng	280,000	0.38
20	Khoo Keng Swee	265,800	0.36
21	Lim Kien Hua	259,200	0.36
22	Tan Yee Kong	245,000	0.34
23	Goh Sook Kee	243,000	0.33
24	Lim Chee Hoow	196,000	0.27
25	Lim Kian Huat	163,400	0.22
26	Chong Toke Chong	158,500	0.22
27	Wong Lay Heong	150,000	0.21
28	Yong Teng Oou	150,000	0.21
29	Tan Aik Choon	145,400	0.20
30	Lee Kim Seng	145,000	0.20
	Total	57,090,189	78.45

PARTICULARS OF PROPERTIES

Location	Description/ Existing Use	Land Area	Tenure/Year of Expiring	Approximate Age of Building (years)	Net Book Value as at 31.01.2025 RM'000/Date of Last Revaluation
HS (M) 9725, PT No. 11556 Mukim Kajang, Daerah Hulu Langat Selangor Darul Ehsan	Industrial land/ factory cum office	12,141m ²	99-year lease expiring 29.09.2086	34	4,626 31.01.2025
Postal address: No. 11, Jalan P/1, Seksyen 13 Kawasan Perindustrian Bangi 43650 Bandar Baru Bangi Selangor Darul Ehsan					
HS (D) 52700 & 52701 PT No. 40849 & 40850 Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Industrial land/ factory cum office	6,552m ² & 7,241m ²	99-year lease expiring 19.08.2098	30	4,383 31.01.2025
Postal address: Lot 2 & 4, Jalan P/11, Seksyen 10 Kawasan Perindustrian Bangi 43650 Bandar Baru Bangi Selangor Darul Ehsan					
PN 106755, Lot 48474 Seksyen 9, Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Vacant industrial land	20,460.5m ²	99-year lease expiring 18.07.2103	Nil	4,792 31.01.2025
Postal address: Lot 5, Persiaran Usahawan Taman IKS, Seksyen 9 43650 Bandar Baru Bangi Selangor Darul Ehsan					
PN 106756, Lot 48475 Seksyen 9, Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Vacant industrial land	20,502.6m ²	99-year lease expiring 18.07.2103	Nil	4,699 31.01.2025
Postal address: Lot 7, Persiaran Usahawan Taman IKS, Seksyen 9 43650 Bandar Baru Bangi Selangor Darul Ehsan					

Particulars of Properties

Location	Description/ Existing Use	Land Area	Tenure/Year of Expiring	Approximate Age of Building (years)	Net Book Value as at 31.01.2025 RM'000/Date of Last Revaluation
HS (D) 60852, PT No. 6733 Mukim Gurun, Daerah Kuala Muda Kedah Darul Aman	Industrial land/ factory cum office	49,824m ²	99-year lease expiring 06.02.2104	20	3,278 31.01.2025
Postal address: Lot 58, Kawasan Perindustrian Berat Gurun 08300 Gurun Kedah Darul Aman					
HS (M) 549, PT No. 98 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Vacant industrial land	2.163ha.	99-year lease expiring 22.10.2073	Nil	2,212 31.01.2025
Postal address: Lot 98, Jalan Usaha 7 Kawasan Perindustrian Ayer Keroh 75450 Melaka					
HS (D) 52726 & 52727 PT No. 40875 & 40876 Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Industrial land/ factory cum office	2,326m ² & 1,833m ²	99-year lease expiring 19.08.2098	29	1,697 31.01.2025
Postal address: Lot 1 & 3, Jalan P/14, Seksyen 10 Kawasan Perindustrian Bangi 43650 Bandar Baru Bangi Selangor Darul Ehsan					
HS (D) 207937, PT 6409 Bandar Sri Sendayan District of Seremban Negeri Sembilan Darul Khusus	Vacant industrial land	35,332m ²	Freehold	Nil	16,692 31.01.2025
Postal address: PT 6409, Jalan Techvalley 4/2 Sendayan Techvalley 71950 Bandar Sri Sendayan Negeri Sembilan Darul Khusus					

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PROXY FORM



Sapura Industrial Berhad
Registration No.: 197401000510 (17547-W)

Total number of Proxy(ies) appointed		
Proportion of shareholdings to be represented by each proxy	Proxy 1 %	Proxy 2 %
Total number of shares held		
CDS Account No.		

I/We _____ (FULL NAME IN CAPITAL LETTERS) NRIC No. _____

of _____ (FULL ADDRESS)

being a Member of SAPURA INDUSTRIAL BERHAD, do hereby appoint _____

_____ (FULL NAME IN CAPITAL LETTERS) NRIC No. _____

of _____ (FULL ADDRESS)

or failing him/her, _____ (FULL NAME IN CAPITAL LETTERS) NRIC No. _____

of _____ (FULL ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING, as my/our proxy to vote for me/us and on my/our behalf at the 49th Annual General Meeting to be held at Melur Room, Level 3, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor, Malaysia on Tuesday, 24 June 2025 at 11.00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the space provided below how you wish your vote to be cast. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/her discretion.

Resolutions		For	Against
Ordinary Resolution 1	Payment of final single tier dividend		
Ordinary Resolution 2	Re-election of Puan Sri Datin Seri Mariam Parineh		
Ordinary Resolution 3	Re-election of Datuk Syed Izuan bin Syed Kamarulbahrin		
Ordinary Resolution 4	Re-election of Ms. Emily Kok		
Ordinary Resolution 5	Re-election of Datuk Zainol Izzet bin Mohamed Ishak		
Ordinary Resolution 6	Reappointment of Messrs. Ernst & Young PLT as Auditors of the Company		
Ordinary Resolution 7	Payment of Directors' fees to the Non-Executive Directors		
Ordinary Resolution 8	Payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors		
Ordinary Resolution 9	Authority for Directors to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016		

Signature/Common Seal of Shareholder

Dated this _____ day of _____ 2025

Notes:

PROXY FORMS

A member whose name appears in the Record of Depositors of the Company as at 13 June 2025 shall be entitled to participate and vote at this Meeting.

A member of the Company who is entitled to participate and vote at this Meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation as to the qualification of the proxy.

Where a member is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), it may appoint at least one (1) proxy 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 appoints two (2) proxies to participate at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporate member, shall be either under its Common Seal or signed by its attorney or an officer of the corporation duly authorised.

The instrument appointing a proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or deposit the proxy form electronically via TIH Online at <https://tiah.online>, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 26 May 2025.

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Sapura Industrial Berhad

Registration No.: 197401000510 (17547-W)

Proxy Form

Stamp

Share Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Malaysia

www.sapuraindustrial.com.my

SAPURA INDUSTRIAL BERHAD

Registration No.: 197401000510 (17547-W)

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