ANNUAL REPORT 2025

STB

SANICHI TECHNOLOGY BERHAD

Registration No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

Property Developer and Mould Manufacturer for Automotive Segment

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NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth Annual General Meeting ("**20th AGM**" or "**Meeting**") of Sanichi Technology Berhad ("**Sanichi**" or the "**Company**") will be held at Sanichi Tower, Level 9, Tower 11, Avenue 5, Bangsar South, 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 29 August 2025 at 2.30 p.m. or at any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Reports of the Directors and Auditors thereon.	***Please refer to Explanatory Note 1 on Ordinary Business***
2.	To approve the payment of Directors' fees and benefits payable to the Directors of the Company of up to RM350,000.00 from 30 August 2025 until the next Annual General Meeting of the Company.	***Ordinary Resolution 1***
3.	To re-elect Dato' Sri Dr Pang Chow Huat as Director of the Company, who retires in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered himself for re-election.	***Ordinary Resolution 2***
4.	To re-elect Mr Ong Tee Kein as Director of the Company, who retires in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered himself for re-election.	***Ordinary Resolution 3***
5.	To re-appoint Messrs Morison LC PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	***Ordinary Resolution 4***

AS SPECIAL BUSINESS:

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

6. **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("THE ACT") AND WAIVER OF PRE-EMPTIVE RIGHTS OVER NEW ORDINARY SHARES IN THE COMPANY UNDER SECTION 85 OF THE ACT READ TOGETHER WITH CLAUSE 54 OF THE CONSTITUTION OF THE COMPANY**

Ordinary Resolution 5

"THAT subject always to the Act, the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Constitution of the Company and approvals of the relevant governmental/regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company, from time to time, at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares) for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued from Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting;

NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING
cont'd

AND THAT in connection with the above, pursuant to Section 85 of the Act read together with Clause 54 of the Constitution of the Company, approval be and is hereby given to the Company to waive and disapply the statutory pre-emptive rights conferred upon the shareholders of the Company AND THAT the Board is exempted from the obligation to offer New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares pursuant to the Mandate."

7. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

Foo Siew Loon
(MAICSA 7006874) (SSM PC No.: 202008002104)
Company Secretary

Kuala Lumpur
31 July 2025

Notes:

1. A member of the Company who is entitled to attend, participate, speak and vote at the 20th AGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

2. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint 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.

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

5. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing. If the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

6. To be valid, the instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking the poll, which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

7. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Constitution of the Company to issue a General Meeting Record of Depositors as at 21 August 2025. Only members whose names appear in the General Meeting Record of Depositors as at 21 August 2025 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

8. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING
cont'd

Explanatory Notes on Ordinary Business:

1. Agenda 1

Agenda 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act, the Audited Financial Statements do not require a formal approval of the members and hence, will not be put forward for voting.

2. Ordinary Resolution 1 – Directors' fees and benefits payable to the Directors

Section 230(1) of the Act provides amongst others, that Directors' fees and any benefits payable to the Directors of the listed company shall be approved by the shareholders at a general meeting. In this respect, the Board of Directors ("Board") wishes to seek shareholders' approval at this AGM for the payment of Directors' fees and benefits payable to the Directors of up to RM350,000.00 from 30 August 2025 until the next AGM. The estimated Directors' fees and benefits proposed are calculated based on the current Board size and number of scheduled Board and Board Committees meetings to be held. This resolution is to facilitate the payment of Directors' fees and benefits on current financial year basis. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

3. Ordinary Resolution 2 & 3 – Re-election of Directors who retire in accordance with Clause 85 of the Constitution of the Company

Dato' Sri Dr Pang Chow Huat is subject to retire in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered himself for re-election as Director of the Company at the 20th AGM. The Board had via the Nomination and Remuneration Committee of the Company assessed the performance, contributions and fitness of Dato' Sri Dr Pang Chow Huat and recommended for his re-appointment. The Board had endorsed the Nomination and Remuneration Committee's recommendation that he be re-appointed as Director of the Company.

Mr Ong Tee Kein is subject to retire in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered himself for re-election as Director of the Company at the 20th AGM. The Board had via the Nomination and Remuneration Committee of the Company assessed the performance, contributions and fitness of Mr Ong Tee Kein and recommended for his re-appointment. The Board (save for the retiring Director) had endorsed the Nomination and Remuneration Committee's recommendation that he be re-appointed as Director of the Company.

4. Ordinary Resolution 4 – Re-appointment of Messrs Morison LC PLT as Auditors of the Company

The Board and the Audit Committee ("AC") had assessed the performance of Messrs Morison LC PLT and are satisfied with the quality of services rendered and the competency and sufficiency of resources provided to the Company. The Board was satisfied with the assessment performed and reported by the AC and approved the AC's recommendation to the shareholders of the Company for approval on their re-appointment as the Company's external auditors for the financial year 2026.

Explanatory Notes to Special Business:

5. Ordinary Resolution 5 - Authority for Directors to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Act and Waiver of Pre-Emptive Rights

The Company had at its 19th AGM held on 30 August 2024 ("19th AGM"), obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time ("10% General Mandate"). This 10% General Mandate will expire at the conclusion of this AGM.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 30 August 2024 which will lapse at the conclusion of the 20th AGM.

NOTICE OF THE TWENTIETH ANNUAL GENERAL MEETING
cont'd

The Ordinary Resolution 5 proposed under item 6 of the Agenda, is to seek a general mandate to empower the Directors of the Company pursuant to Sections 75 and 76 of the Act, to issue and allot ordinary shares at any time to such person or persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company at any point in time ("10% General Mandate"). This 10% General Mandate, unless revoked or varied at general meeting, will expire at the next AGM.

This is also to approve the disapplication of statutory pre-emptive rights under Section 85 of the Act, to allot New Shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the General Mandate. The proposed ordinary resolution 5, if passed, will exclude your pre-emptive rights over all New Shares to be issued under the Authority for Directors to issue and allot shares.

Members Entitled to Attend 20th AGM

For the purpose of determining a member who shall be entitled to attend this 20th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 21 August 2025. Only a depositor whose name appears in the Record of Depositors as at 21 August 2025 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 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.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
(PURSUANT TO PARAGRAPH 8.29(2) OF THE AMLR OF BURSA SECURITIES)

1. Details of individuals who are standing for election as Directors

No individual is standing for election as director at the forthcoming 20th AGM of the Company.

The information required pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance in relation to the Directors who are standing for re-election at the 20th AGM is provided in the Directors' Profile of the Annual Report 2025, including their latest interests in the shares of the Company disclosed under Analysis of Shareholdings of the Annual Report 2025.

2. Statement relating to general mandate for issue of securities in accordance with Rule 6.04(3) of the AMLR of Bursa Securities.

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note 5 to Special Business of the Notice of 20th AGM.

CORPORATE STRUCTURE

SANICHI TECHNOLOGY BERHAD
Reg No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

- 100% — **Sanichi Precision Mould Sdn Bhd**
  Design and fabrication of precision moulds and tooling
- 100% — **Asia Pinnacle Sdn Bhd**
  Design and fabrication of precision moulds and tooling
- 100% — **Sanichi Property Sdn Bhd**
  Property investment and development
- 100% — **Sanichi Capital Sdn Bhd**
  ...lopment and ...tment holding
  - 100% Subsidiary — **Air King Inc**
    Investment holding
- 100% — **Sanichi Glove Sdn Bhd**
  Manufacturing, sales and distribution of hand gloves
- 100% — **Bina Bicara Sdn Bhd**
  Property development
- 100% — **Sanichi Asset Management Sdn Bhd**
  Operation of transmission, distribution and sales of electricity
- 100% — **Asia Glare Pte. Ltd.**
  Investment holding
- 100% — **Sanichi Mould (Thailand) Co. Ltd.**
  Design and fabrication of precision moulds and tooling
- 60% — **EC Victory Sdn Bhd**
  Transportation ...warehousing

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Abd Halim Bin Abd Hamid
Chairman / Non-Independent
Non-Executive Director

Dato' Sri Dr Pang Chow Huat
Group Managing Director

Mr Yong Ket Inn
Independent
Non-Executive Director

Mr Ong Tee Kein
Non-Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Independent
Non-Executive Director

AUDIT COMMITTEE

Mr Yong Ket Inn
Chairman / Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Member / Independent
Non-Executive Director

Mr Ong Tee Kein
Member / Non-Independent
Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Mr Yong Ket Inn
Chairman / Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Member / Independent
Non-Executive Director

Mr Ong Tee Kein
Member / Non-Independent
Non-Executive Director

COMPANY SECRETARY

Ms Foo Siew Loon
(MAICSA 7006874)
(SSM PC No: 202008002104)

AUDITORS

Messrs Morison LC PLT
Level 11-01, Uptown 3
Jalan SS21/39
Damansara Utama
47400 Petaling Jaya
Selangor
Tel : +603 7491 4419

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

SHARE REGISTRAR

ShareWorks Sdn Bhd
2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : +603 6201 1120
Fax : +603 6201 3121
Email : ir@shareworks.com.my

PRINCIPAL BANKER

Malayan Banking Berhad
136 & 137
Jalan Senai Utama, 5/17
81400 Senai
Johor Darul Takzim
Tel : +607 598 6233

WEBSITE

www.sanichimould.com

REGISTERED OFFICE

Unit 27.2, Menara 1MK
Kompleks 1 Mont Kiara
No.1 Jalan Kiara, Mont Kiara
50480 Kuala Lumpur
Tel : +603 6203 5828
Fax : +603 6203 2788
Email : slfgroup@slfch.com

BOARD OF **DIRECTORS' PROFILE**

DATO' ABD HALIM BIN ABD HAMID

Chairman / Non-Independent Non-Executive Director
Malaysian, Male, Aged 75

Dato' Abd Halim bin Abd Hamid was appointed to the Board on 28 May 2008.

He was formerly a senior police officer who had served over a span of 36 years in various parts of Malaysia since 1969. Throughout the period of service, he had served at various levels of commanding positions and gained wide range of experiences in management, criminal investigation, as well as administration in the police force.

He is a Diploma holder from the Malaysian Armed Forces Staff College and later obtained a Bachelor of Laws (Hons.) from the International Islamic University of Malaysia (IIUM). Besides the academic qualifications, he had also attended various training courses organized by the police force and Institut Tadbiran Awam Negara. He retired as the Deputy Commissioner of Police (DCP) in Bukit Aman in September 2005.

He does not hold directorships in any other public companies and listed corporations in Malaysia.

Dato' Abd Halim has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Dato' Abd Halim attended four (4) out of five (5) Board Meetings held during the financial year ended 31 March 2025.

DATO' SRI DR PANG CHOW HUAT

Group Managing Director | Key Senior Management
Malaysian, Male, Aged 51

Dato' Sri Dr Pang Chow Huat is the founder and Managing Director of Sanichi and was appointed to the Board on 20 June 2006. Equipped with more than twenty (20) years of experience in precision engineering in the plastic mould and tool industry, he is currently responsible for the overall strategy and direction of the Group as well as client relationship management.

He was conferred a Doctor of Philosophy in Design Technology from the InterAmerican University, Washington D.C. in December 2005. He began his career in 1991 as an apprentice with a local company specializing in the fabrication of plastic moulds and dies as well as plastic injection moulding.

In 1996, with his in-depth knowledge in plastic moulding and fabrication, he founded Sanichi Precision Mould Industries, specialised in servicing and repairing of moulds and tools. He has extensive experience and exposure in advanced design and technology of high-quality precision moulds and parts.

In February 2000, he established Sanichi Precision Mould Sdn Bhd ("SPMSB") and ventured into the design, engineering and fabrication of plastic mould products through Research and Development ("R&D"). He is also the initiator for many of the in-house developed solutions in SPMSB, which is attributed to his hands-on technical know- how garnered in his years of working in the industry.

Since 2015, Dato Sri Dr Pang established a property development division and had undertaken its maiden project in building high-end condominiums and a shopping mall in Klebang, Melaka.

Dato' Sri Dr Pang does not hold directorships in any other public companies and listed corporations in Malaysia.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2025.

BOARD OF DIRECTORS' PROFILE
cont'd

YONG KET INN
Independent Non-Executive Director
Malaysian, Male, Aged 68

Yong Ket Inn was appointed to the Board on 20 November 2023. He was also appointed as Chairman of the Audit Committee and Nomination and Remuneration Committee on 20 November 2024.

Mr Yong is a fellow member of the Institute of Chartered Accountants in England and Wales and Malaysian Institute of Taxation, and a member of the Malaysian Institute of Accountants since 1987. Mr Yong holds an honours degree in Bachelor of Science in Management and Administrative Studies from University of Aston in Birmingham, England. He is currently a director in NetX Holding Berhad, XOX Technology Berhad and Symphony Life Berhad

Mr Yong started his career as auditor at a Chartered Accountants firm in England in 1981 and has since accumulated over 30 years working experience in the field of accounting, auditing and taxation. During his career in the last 35 years, he held the position of Head of Finance in various offshore engineering and shipbuilding companies, integrated steel mill and IT companies.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2025.

ONG TEE KEIN
Non-Independent Non-Executive Director
Malaysian, Male. Aged 68

Ong Tee Kein was appointed to the Board on 3 November 2011. He is a member of the Audit Committee and a member of the Nomination and Remuneration Committee.

Mr Ong is a member of the Malaysian Institute of Accountants (MIA). He has experience in accounting and corporate restructuring of companies. He is currently a director in DGB Asia Berhad, Metronic Global Berhad, Fintec Global Berhad and Mlabs Systems Berhad.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2025.

DATIN ERDAWATY BINTI MOHAMED
Independent Non-Executive Director
Malaysian, Female, Aged 41

Datin Erdawaty Binti Mohamed was appointed to the Board on 8 July 2019. She is a member of the Audit Committee and a member of the Nomination and Remuneration Committee.

Datin Erdawaty has exposure and experience in the accounting field. Datin Erdawaty was actively involved with women associations for community activities and she was often engaged with NGOs for charitable works, Corporate Social Responsibilities for orphanage homes and welfare programmes around the areas of Semporna and Kota Kinabalu, Sabah. Datin Erdawaty was appointed to the Board of Advisors for Teratak Che Da Orphanage Home in Rawang, Selangor since 2015 and was a Committee Member of Yayasan (Foundation) Yasmin Malaysia since 2017.

She does not hold directorships in any other public companies and listed corporations in Malaysia.

Datin Erdawaty has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. She has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She attended all five (5) Board Meetings held during the financial year ended 31 March 2025.

KEY SENIOR **MANAGEMENT PROFILE**

DATO' SRI DR PANG CHOW HUAT

Group Managing Director
Malaysian, Male, Aged 51

Dato' Sri Dr Pang Chow Huat is the founder and Managing Director of Sanichi and was appointed to the Board on 20 June 2006. Equipped with more than twenty (20) years of experience in precision engineering in the plastic mould and tool industry, he is currently responsible for the overall strategy and direction of the Group as well as client relationship management.

He was conferred a Doctor of Philosophy in Design Technology from the InterAmerican University, Washington D.C. in December 2005. He began his career in 1991 as an apprentice with a local company specializing in the fabrication of plastic moulds and dies as well as plastic injection moulding.

In 1996, with his in-depth knowledge in plastic moulding and fabrication, he founded Sanichi Precision Mould Industries, specialised in servicing and repairing of moulds and tools. He has extensive experience and exposure in advanced design and technology of high-quality precision moulds and parts.

In February 2000, he established Sanichi Precision Mould Sdn Bhd ("SPMSB") and ventured into the design, engineering and fabrication of plastic mould products through Research and Development ("R&D"). He is also the initiator for many of the in-house developed solutions in SPMSB, which is attributed to his hands-on technical know- how garnered in his years of working in the industry.

Since 2015, Dato Sri Dr Pang established a property development division and had undertaken its maiden project in building high-end condominiums and a shopping mall in Klebang, Melaka.

Dato' Sri Dr Pang does not hold directorships in any other public companies and listed corporations in Malaysia.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

KUA KHAI LOON

Consultant
Malaysian, Male, Aged 46

Mr Kua Khai Loon was appointed as General Manager on 23 November 2011. He was redesignated as Consultant from 1 May 2019. He is currently the Executive Director of PNE PCB Berhad, Computer Forms (Malaysia) Berhad and BSL Corporation Berhad.

He holds a Degree in Marketing from La'Trobe University, Australia. He started his career in the banking industry in the sales department. He was formerly the Head of Sales & Marketing division of a Japanese based company in the plastic manufacturing industry.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS

The principal activities of our Group include investment holding, design and fabrication of precision moulds and tooling for the automotive sector, property development and investment. Our manufacturing facilities are located in Senai, Johor. In the past 2 years, we derived most of our revenue from property development and investment, while the precision moulds and tooling segment continues to be a stable revenue contributor.

In 2017, our Group ventured into the property development industry by embarking on our first project in Klebang, Melaka – the Marina Point project. This project is a freehold mixed development project comprising 122 retail units and 352 SOHO units with an estimated total gross development value of RM267 million and total gross development cost of RM176 million. Construction work on the Marina Point project commenced in January 2017 but was halted during the movement control order ("**MCO**") period. This project is 98% completed as at 31 March 2025 and is expected to complete before end 2025. As at 31 March 2025, we have sold 40.0% of the SOHO units and 46.0% of the retail units.

Following the surge in glove demand as a result of the COVID-19 pandemic, our Group had on 18 March 2021, our Group obtained the approval from Shareholders to diversify our existing business to include the manufacture, sale and marketing of gloves and other related products ("**Glove Business**").

However, the favourable condition of the glove industry was short-lived. As countries across the globe imposed various containment measures and rolled out vaccines to control the pandemic, the adverse impact arising from the COVID-19 pandemic had gradually subsided. As such, there was a decrease in demand for rubber gloves followed by a decrease in the average selling prices for rubber gloves.

Following the above, our Company had on 4 October 2024, announced our proposal to undertake the variation to utilisation of proceeds raised from our rights issue completed in 28 May 2021 (which was earmarked mainly for the Glove Business) to repayment of bank borrowings, funding for the Marina Point Project and working capital for our precision moulds and tooling business ("**Variation of Proceeds**"). The Variation of Proceeds was approved by Shareholders via an extraordinary general meeting on 28 November 2024.

For FYE 31 March 2025, most of our Group's revenue was derived from property development and investment (56.7%), followed by the design and fabrication of precision moulds and tooling (36.8%). For the property development segment, our revenue was generated mainly from sales to local buyers. For the precision moulds and tooling segment, our revenue was generated mainly from local sales (98%) while the remaining was from foreign sales (2% from the United States of America).

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

FINANCIAL PERFORMANCE AND POSITION

	Audited FYE 31 March 2025 RM'000	Audited 15-month FPE 31 March 2024 RM'000
Our financial performance		
Revenue	16,573	20,957
Gross profit ("**GP**") / (Gross loss) ("**GL**")	(6,844)	4,637
Loss before tax ("**LBT**")	(18,326)	(19,581)
Taxation	(485)	(220)
Loss after tax ("**LAT**")	(18,811)	(19,801)
GP / (GL) margin (%)	(41.3)	22.1
LBT margin (%)	(110.6)	(93.4)
LAT margin (%)	(113.5)	(94.5)
Our financial position		
Non-current assets	75,303	72,609
Current assets	210,401	233,384
Non-current liability	25,489	28,439
Current liabilities	15,357	18,210
Shareholders' equity	244,858	259,344

In FYE 31 March 2025, we recorded revenue of RM16.6 million as compared to RM21.0 million in 15-month FPE 31 March 2024.

The decline in revenue was mainly due to lower revenue from the design and fabrication of precision moulds and tooling as well as property development, resulting from the shorter assessment period for the FYE 31 March 2025 as compared to the 15-month FPE 31 March 2024. In FYE 31 March 2025, revenue from the design and fabrication of precision moulds and tooling was RM6.1 million (15-month FPE 31 March 2024: RM8.0 million) while revenue from property development was RM9.4 million (15-month FPE 31 March 2024: RM11.4 million).

Revenue from the design and fabrication of precision moulds and tooling declined as some of our automotive customers were holding back on orders, pending launching of new vehicles. Revenue from property development decreased as we recorded lower percentage of completion in the current financial year as compared to 15-month FPE 31 March 2024 (as we move closer towards completion of the entire Marina Point project).

We recorded a GL of RM6.8 million as compared to a GP of RM4.6 million in 15-month FPE 31 March 2024. The GL in the current financial year was mainly due to liquidated ascertained damages for the Marina Point project.

Our Group recorded a lower LAT of RM18.8 million in FYE 31 March 2025 (15-month FPE 31 March 2024: RM19.8 million). The lower LAT was mainly due to higher other operating income in FYE 31 March 2025 as well as lower general and administrative expenses.

Non-current assets mainly comprise property, plant and equipment of RM23.8 million as at 31 March 2025 (31 March 2024: RM29.8 million), investment properties of RM37.8 million as at 31 March 2025 (31 March 2024: RM33.9 million) and intangible assets of RM8.3 million as at 31 March 2025 (31 March 2024: nil).

The decrease in property, plant and equipment was mainly due to depreciation and amortisation. The addition of intangible asset in FYE 31 March 2025 relates to the capitalisation of a web server infrastructure and associated 5-year maintenance services. This amount was previously recognised under deposit and transferred to intangible assets upon meeting the recognition criteria under MFRS 138 Intangible Assets.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

FINANCIAL PERFORMANCE AND POSITION cont'd

Current assets decreased from RM233.4 million as at 31 March 2024 to RM210.4 million as at 31 March 2025, mainly due to decrease in trade and other receivables (from RM24.5 million as at 31 March 2024 to RM16.1 million as at 31 March 2025) and decrease in cash and cash equivalents (from RM93.9 million as at 31 March 2024 to RM75.7 million as at 31 March 2025). However, inventories increased from RM100.0 million as at 31 March 2024 to RM102.6 million as at 31 March 2025.

Non-current liability (mainly comprising our Group's borrowings) decreased from RM28.4 million as at 31 March 2024 to RM25.5 million as at 31 March 2025. Current liabilities mainly comprise trade and other payables as well as bank borrowings. Trade and other payables (includes contract liabilities and amount due to director) decreased from RM12.7 million as at 31 March 2024 to RM10.8 million as at 31 March 2025.

Our business operations were financed by a combination of internal and external sources of funds. Internal sources of funds comprise mainly existing cash reserves, shareholders' equity and internally-generated funds, while external source of funds comprises credit terms granted by our suppliers, equity fund-raising as well as borrowings. Credit terms granted to us by our suppliers range from 30 to 60 days for the precision moulds and tooling segment and 14 days for property development.

Save as aforementioned, we are not aware of any other known trends and events that are reasonably likely to have a material effect on our operations, performance, financial condition and liquidity.

ANTICIPATED OR KNOWN RISKS

Our Group is exposed to the following risks (which is not exhaustive) that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks have also been disclosed below.

(i) Recruitment of skilled personnel

The design and fabrication of precision moulds and tooling requires a large pool of skilled personnel across the entire manufacturing process from designers at the mould design stage to skilled machine operators at the manufacturing stage.

Recruitment of such skilled personnel continues to be a challenge for our Group. The proximity of our manufacturing plant in Johor to Singapore is one of the reasons many skilled technicians would leave to take up employment in Singapore, due to higher remuneration and to take advantage of the favourable currency exchange rate. As such, staff turnover continues to be a risk to our operations.

In response to the above challenges, our Group has increased our marketing efforts to increase our local customer base and taking on projects from local car manufacturers and related industries. Further, we have also recruited foreign contract skilled personnel and provided attractive remuneration and a conducive working environment to attract and retain employees.

(ii) Demand in the property sector

The Malaysian property sector remains lukewarm as property purchasers generally find it more challenging to secure end financing and developers have difficulty securing financing for their projects. If the Marina Point property project continues to experience a slow take up rate, this will exert financial strain on our Group as a significant percentage of the project ongoing development cost will need to be funded by internal funds.

To this end, the management will continue its marketing efforts to encourage sales for this project.

MANAGEMENT DISCUSSION AND ANALYSIS
cont'd

TREND AND OUTLOOK

The precision moulds and tooling segment continues to be a stable revenue contributor to our Group. For FYE 31 March 2025, sales from this segment declined as we continue to experience weak demand from our automotive customers. In this regard, we continuously engage with our customers to find new ways to meet their requirements and to improve sales.

According to the Malaysian Automotive Association, sales of new motor vehicles in 2024 rose 2.1% surpassing the 800,000 units threshold to hit a new all-time high, propelled mainly by passenger cars subsegment, amid a resilient economy with broad-based improvement in all key economic sectors, leading to an overall stronger domestic demand. The total registration of new passenger vehicles in 2024 rose to 747,180 units from 719,145 units in 2023, an increase of 3.9%. However, the total registration of new commercial vehicles in 2024 dropped to 69,567 units from 80,676 units in 2023, a decrease of 13.8%. Our Group hopes to take advantage of the increase in new vehicles in Malaysia and make further penetration into the local market for the precision moulds and tooling segment.

As for property development, the Marina Point property project continues to experience a slow take up rate. However, our Group hopes that the Malaysian economy will improve in the medium term and that the Marina Point property project in Malacca will benefit from the higher influx of tourists to this heritage city, which will help to stimulate sales. To this end, the management will continue its marketing efforts to encourage sales for this project.

Following the surge in glove demand as a result of the COVID-19 pandemic, our Group had on 18 March 2021, our Group obtained the approval from Shareholders to diversify our existing business to include the Glove Business. However, the favourable condition of the glove industry was short-lived. As countries across the globe imposed various containment measures and rolled out vaccines to control the pandemic, the adverse impact arising from the COVID-19 pandemic had gradually subsided. As such, there was a decrease in demand for rubber gloves followed by a decrease in the average selling prices for rubber gloves.

Following the above, our Company had on 4 October 2024, announced our proposal to undertake the Variation of Proceeds and this was approved by Shareholders via an extraordinary general meeting on 28 November 2024.

The Board remains cautiously optimistic to the future outlook of the Group with modest growth potential supported by the performance of its precision moulds and tooling segment. Sustained performance will depend on securing high-value contracts for the precision moulds and tooling segment while the performance of the property development segment for the near term depends on the successful sale of more units under the Marina Point property project. The Group will continue to explore new opportunities for the property development segment to enhance the performance of this segment.

DIVIDEND POLICY

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of our Board and any final dividend for the year is subject to shareholders' approval. Although we have not formulated a dividend policy or payout ratio, we recognise that it is important to reward our investors with dividends. The declaration of dividends will be subject to various factors including, amongst others, our financial performance, cash flow requirement, availability of distributable reserves and capital expenditure plans.

As our Company is an investment holding company, our income, and therefore our ability to pay dividends, is dependent on the dividends and other distributions that we receive from our subsidiaries. The payment of dividends or other distributions by our subsidiaries will depend on distributable profits, operating results, financial condition, capital expenditure plans and other factors that the Board of Directors deems relevant.

SUSTAINABILITY STATEMENT

ABOUT THE STATEMENT

As Sanichi Technology Berhad progresses in its business growth and development, sustainability stands as a central principle guiding our corporate direction. Sanichi Technology Berhad, referred to as “Sanichi” or “the Company”, along with its subsidiaries collectively known as "the Group", acknowledges that ethical business conduct, principled leadership and sound corporate governance form the basis of enduring achievement.

Our sustainability initiatives concentrate on vital aspects that propel financial, ecological and communal advancement, guaranteeing that our business activities yield constructive outcomes within the wider commercial environment. Through nurturing an organizational ethos rooted in honesty and responsibility, we aim to generate sustained benefits for all interested parties while contributing to a more durable and sustainable tomorrow.

Sanichi's dedication to sustainability transcends mere compliance, representing instead a fundamental aspect of our operational philosophy that influences our decision-making processes and strategic planning as we move forward.

SCOPE OF WORK

This sustainability statement encompasses the business divisions of Sanichi’s manufacturing plant in Senai, including our core manufacturing operations. As most of our workforce operates in this region, our reporting focuses primarily on activities under our direct operational control. We have noted instances where third party expertise is utilized in operations not under our direct management.

This Sustainability Statement covers the 12-month period from 1 April 2024 to 31 March 2025, in accordance with Sanichi's financial year cycle. The specified reporting period demonstrates our ongoing commitment to transparent and accountable disclosure of our sustainability performance and initiatives.

All data and information presented reflect our operations during this reporting period unless otherwise stated. We maintain rigorous standards in our reporting processes to ensure accuracy and completeness of all disclosed information.

REPORTING FRAMEWORKS

We have prepared this report following the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and guided by the Sustainability Reporting Guidelines Third Edition. While we have made every effort to comply with these standards, we acknowledge there is always more to learn in our sustainability journey.

As part of our commitment to responsible business practices, we are continuously working to improve our reporting framework. We aim not just to meet requirements but to provide meaningful and transparent disclosures about our progress. We understand sustainability is an evolving field, and we remain dedicated to enhancing our reporting in line with emerging best practices.

ASSURANCE

At Sanichi, we recognize that trust is built through transparency. While we have carefully prepared this sustainability statement with accurate data, we acknowledge that external verification would further strengthen its credibility. As we progress in our sustainability journey, we aspire to engage independent assurance in future reports to validate our disclosures. For now, we welcome any feedback from our stakeholders as we continue improving our reporting processes. This reflects our commitment to growing responsibly while maintaining humility about the work still ahead.

SUSTAINABILITY STATEMENT
cont'd

OUR SUSTAINABILITY APPROACH

As a plastic injection moulding specialist, we integrate ESG principles throughout our operations. We prioritize responsible sourcing, energy efficiency, and waste reduction in our manufacturing processes. Our social commitment includes ethical practices, worker safety, and community programs.

We recognize sustainability as an ongoing journey. While making progress, we remain committed to continuous improvement, aligning with global standards while creating value for all stakeholders.

SUSTAINABILITY FRAMEWORK

At Sanichi, we understand that true progress requires balancing business goals with environmental stewardship and social responsibility. This sustainability framework represents our earnest commitment to operating ethically, using resources wisely, and creating value for all stakeholders.

We recognize sustainability as an ongoing journey rather than a destination. Through practical actions in energy efficiency, waste reduction, employee wellbeing and transparent governance, we aim to make consistent, measurable improvements. Our approach remains grounded in humility, knowing we have much to learn and room to grow.

On the environmental front, the company should prioritize energy efficiency, waste management, and sustainable material sourcing to reduce its ecological impact.

Socially, we prioritize employee wellbeing through safe workplaces and fair treatment. We uphold ethical labor practices while fostering inclusion. Through community partnerships, we build trust and create shared value for all stakeholders.

Strong governance through transparency, compliance and ethics builds trust. Embedding sustainability via innovation and stakeholder partnerships ensures resilience and aligns with global standards for lasting impact.

By embracing sustainability as both a duty and an opportunity, we hope to contribute meaningfully to our communities while building a resilient business for future generations.

SUSTAINABILITY STATEMENT
cont'd

OUR ALIGNMENT WITH UN-SDG GOALS

Sanichi aligns its sustainability strategy with six key UN Sustainable Development Goals (SDGs), structured around Environmental, Social, and Governance (ESG) pillars. Environmentally, it supports SDG 7 (Clean Energy) through renewable energy adoption and SDG 12 (Responsible Production) via waste reduction and sustainable sourcing.

Socially, it addresses SDG 1 (No Poverty) through community upliftment and SDG 8 (Decent Work) by ensuring fair labor practices and employee welfare. In governance, it upholds SDG 16 (Peace & Justice) with anti-corruption measures and SDG 17 (Partnerships) through stakeholder collaborations.

This integrated approach ensures balanced progress toward ethical, ecological, and economic sustainability.

Minimizing waste through recycling and sustainable material sourcing.

Supporting local communities through job creation, fairwages, and anti-poverty initiatives.

Upholding anti-corruption policies, ethical governance, and legal compliance.

Reducing environmental footprint via emission controls and resource optimization.

Ensuring safe working conditions, gender equality, and employee development programs.

Collaborating with stakeholders to uphold transparency, compliance, and shared sustainability goals.

Sanichi's sustainability framework demonstrates its commitment to responsible business practices by aligning with key UN SDGs. Through environmental stewardship, social responsibility, and ethical governance, the company strives to create lasting value for stakeholders while contributing to a more sustainable future.

SUSTAINABILITY STATEMENT
cont'd

GOVERNANCE MATTERS

We recognize that robust governance forms the foundation of our sustainability journey. Our commitment to environmental stewardship, social responsibility, and economic resilience is guided by a structured governance framework that ensures accountability, transparency, and ethical decision-making at all levels of the organization.

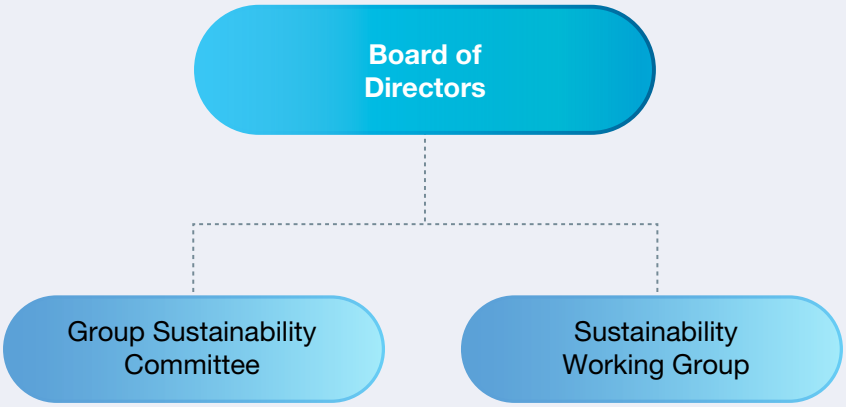
The Board and senior management oversee our sustainability strategy, aligning it with our core business objectives while meeting stakeholder expectations. Through clear policies, regular monitoring, and continuous improvement, we integrate sustainability into our operations, supply chain, and corporate culture. By upholding strong governance principles, we aim to create long-term value for our business, employees, communities, and the environment.

SUSTAINABILITY CORPORATE GOVERNANCE STRUCTURE

The Board of Directors ("Board") plays a pivotal role in embedding sustainability into Sanichi's overall business strategy. Leading this effort is the Group Managing Director, who also serves as the Chairman of the Sustainability Committee, ensuring direct oversight and alignment with the Board.

The Sustainability Committee is responsible for developing and recommending sustainability strategies, driving key initiatives, and monitoring their execution and progress. As the third tier of reporting, the committee identifies material sustainability matters, implements approved action plans, and oversees data collection for sustainability reporting.

This structured governance framework establishes clear accountability, fostering transparency and efficiency in advancing Sanichi's sustainability objectives. The chart below shows the corporate sustainability governance for Sanichi.



Roles and Responsibilities in Sustainability Governance

Roles	Responsibilities
Board of Directors	The Board oversees the integration of sustainability into Sanichi's corporate strategy, providing strategic direction and governance to ensure alignment with long-term business objectives.
Group Sustainability Committee	The Chairman leads the Sustainability Committee in developing sustainability policies, evaluating initiatives, and ensuring sustainability remains central to decision-making processes.
Sustainability Working Group	Members identify material sustainability risks and opportunities, implement action plans, and monitor performance metrics to support accurate reporting and continuous improvement.

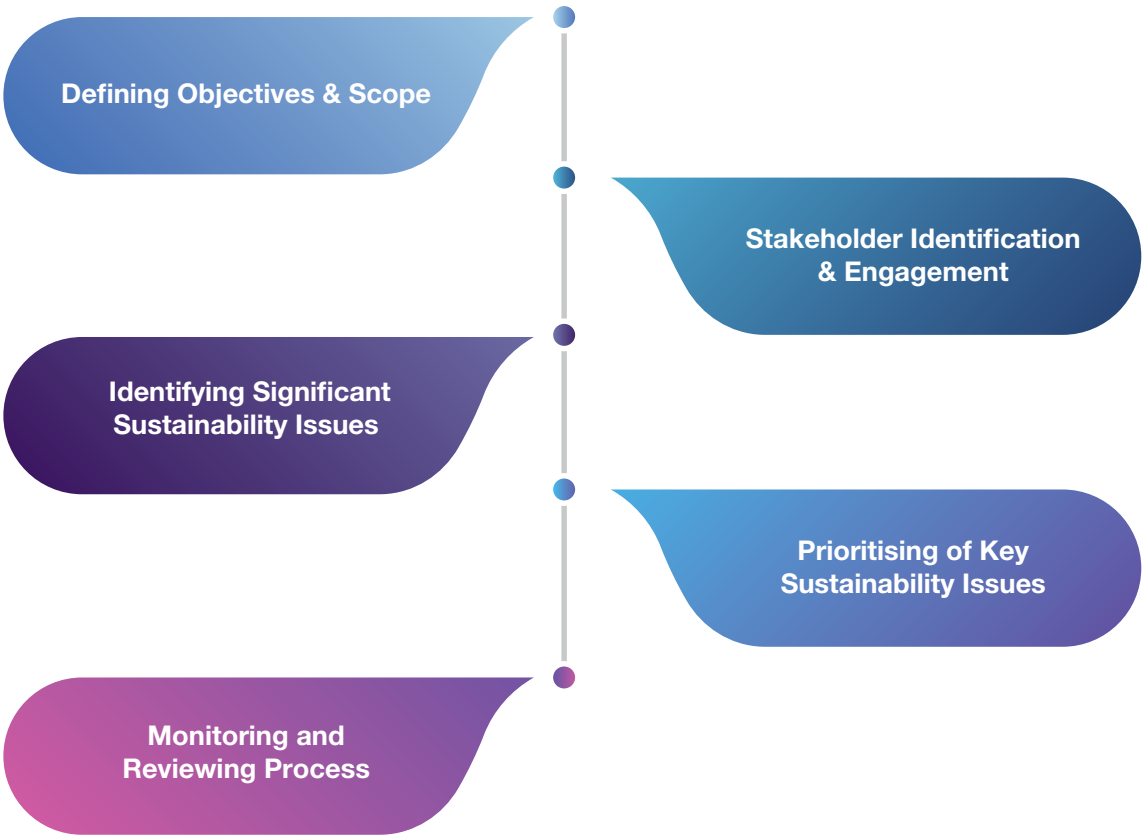
Sanichi maintains rigorous corporate governance standards to deliver sustainable value to stakeholders. Our commitment to ethical practices, transparency and accountability is detailed in the Corporate Governance Overview Statement of this Annual Report.

SUSTAINABILITY STATEMENT
cont'd

MATERIAL MATTERS AND ASSESSMENT PROCESSES

At Sanichi, we understand that identifying and addressing our most significant sustainability challenges is fundamental to creating lasting value for all stakeholders. In 2025, we undertook a thorough materiality assessment through extensive engagement with both internal teams and external partners. This process ensured our sustainability strategy remains closely aligned with evolving stakeholder priorities and industry expectations.

The following section details our systematic approach to determining and prioritizing material sustainability matters, reflecting our commitment to transparency and strategic focus in our sustainability journey.



- **Defining Objectives & Scope**

  Our materiality assessment begins by establishing clear goals and parameters, identifying the sustainability factors most critical to Sanichi's operations and stakeholder interests. This alignment with our corporate strategy ensures a targeted and impactful approach to material issues.

- **Stakeholder Identification & Engagement**

  We recognize stakeholders as both those affected by our operations and those influencing our business trajectory. Through structured dialogues across multiple channels, we gather insights to understand evolving expectations and concerns. This continuous engagement allows us to:

  - Incorporate stakeholder perspectives into our sustainability strategy
  - Strengthen relationships through meaningful interaction
  - Enhance our ESG performance and business resilience

SUSTAINABILITY STATEMENT
cont'd

The collected feedback directly informs our priority initiatives, creating shared value for all stakeholders

Shareholders & Investors	
Engagement Methods	**Key Areas of Interest**
• Annual and Extraordinary General Meetings • Corporate website • Quarterly financial announcements • Press releases and industry events	• Business performance • Operational efficiency • Return on investment

Suppliers, Service Providers & Consultants	
Engagement Methods	**Key Areas of Interest**
• Adherence to procurement policies • Performance assessments • Direct discussions and negotiations • On-site meetings and evaluations	• Establishing strong strategic partnerships • Ensuring service quality and reliability across the supply chain

Employees	
Engagement Methods	**Key Areas of Interest**
• Regular meetings and discussions • Training and development programmes • Performance appraisals	• Fostering a safe and supportive work environment • Enhancing internal communication and employee engagement • Career growth and professional development opportunities

Government & Regulatory Authorities	
Engagement Methods	**Key Areas of Interest**
• Compliance inspections and audits • Participation in seminars, briefings, and training sessions • Consultations with local authorities	• Adherence to legal and regulatory requirements • Securing approvals, licenses, and relevant certifications

Local Communities	
Engagement Methods	**Key Areas of Interest**
• Participation in social and environmental programmes • Initiatives to support environmental conservation • Corporate social responsibility efforts • Employment opportunities for local talent	• Supporting social development initiatives • Encouraging environmental sustainability • Creating job opportunities for the local community

SUSTAINABILITY STATEMENT
cont'd

- **Identifying Priority Sustainability Issues**

Our rigorous materiality assessment process evaluates environmental, social and governance factors against three key dimensions:

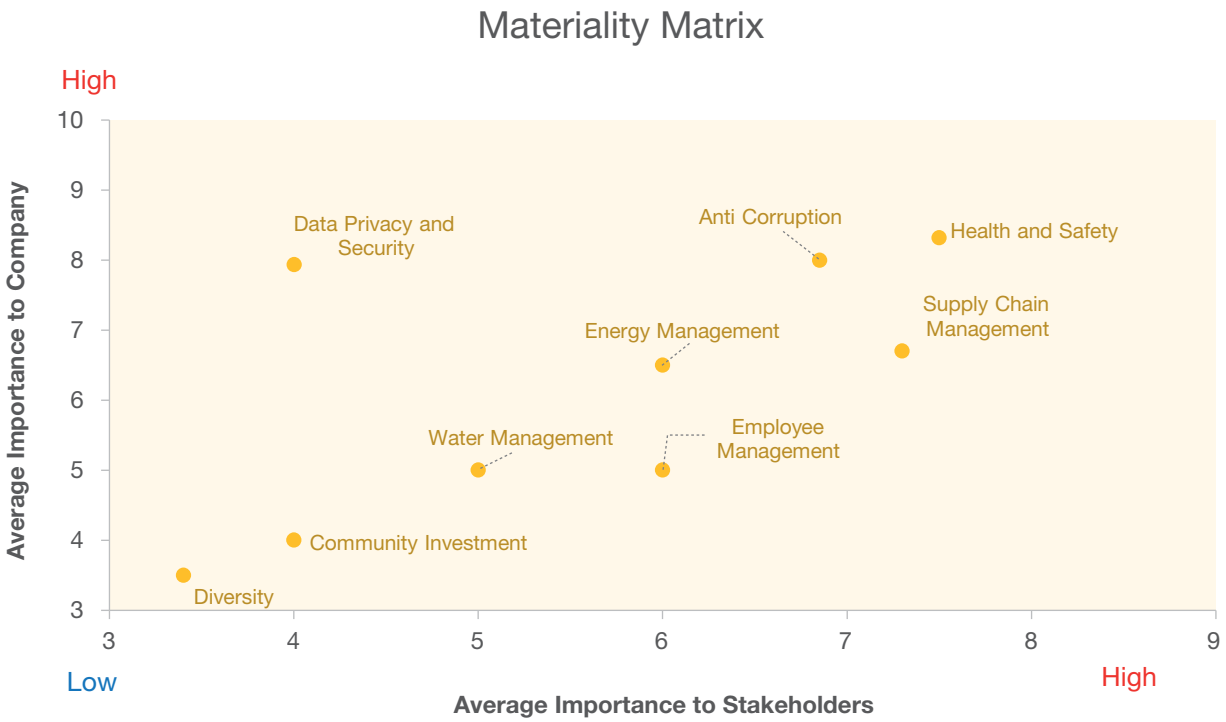
1. Relevance to Sanichi's business strategy and operations
2. Importance to stakeholder groups
3. Alignment with global sustainability standards

We analyze emerging industry challenges, regulatory developments and international best practices (including Bursa Malaysia's Sustainability Reporting Guidelines) to identify issues requiring strategic focus. This dual focus on internal operational impacts and external expectations ensures a balanced, forward-looking approach.

The result is a prioritized matrix of material topics that guides our sustainability strategy and reporting, as presented in the following section.

Material Matters		Description
1	Anti-Corruption	Upholding business transparency and actively preventing corruption in all forms.
2	Data Privacy and Security	Safeguarding sensitive customer information and ensuring robust data security measures to prevent breaches.
3	Diversity	Fostering an equitable work environment where employees are treated with respect and free from discrimination based on gender, ethnicity, religion, age, nationality, or disability.
4	Supply Chain Management	Implementing ethical and sustainable procurement policies, evaluating suppliers based on their social and environmental impact.
5	Employee Management	Attracting, developing, and retaining skilled employees while enhancing workforce productivity.
6	Health and Safety	Establishing a safe and supportive work environment by minimising risks and prioritising employee well-being.
7	Community Investment	Positively impacting underserved communities through meaningful engagement initiatives and social responsibility programmes.
8	Energy Management	Reducing environmental impact by optimising energy consumption and adopting sustainable energy solutions.
9	Water Management	Promoting responsible water usage and implementing strategies for long-term resource preservation.

SUSTAINABILITY STATEMENT
cont'd



- **Prioritization of Key Sustainability Issues**

  To foster sustainable growth and long-term value creation, we have conducted a thorough evaluation of sustainability matters most material to our business and stakeholders. This process assessed each issue based on its significance to our operations and stakeholder priorities, culminating in the Materiality Matrix presented earlier.

- **Monitoring and Review Process**

  The Sustainability Committee oversees the ongoing refinement of our materiality assessment to ensure its alignment with current priorities. Through regular reviews, we evaluate evolving stakeholder expectations, business developments, and emerging sustainability trends. This dynamic approach enables us to continuously adapt and strengthen our sustainability strategies in a rapidly changing landscape.

ANTI-BRIBERY AND ANTI-CORRUPTION

Business integrity forms the foundation of our corporate governance. We maintain rigorous ethical standards and full compliance with all regulatory requirements, including the Malaysian Anti-Corruption Commission (Amendment) Act 2018. Our Audit Committee, chaired by an Independent Non-executive Director, provides robust oversight of risk management, internal controls, and compliance frameworks.

Sanichi upholds a strict Anti-Bribery and Corruption Policy, reinforced by our "No Gift" Protocol to eliminate improper inducements. From 2023 through 2025, we have maintained our exemplary record with zero substantiated incidents of bribery or improper gift exchanges, achieving our target of operating with complete integrity.

This clean track record demonstrates our effective governance and commitment to ethical business practices that protect stakeholder interests and ensure sustainable operations.

The group has ZERO case of substantiated complaints concerning breaches of customer privacy and losses of customer data across 3 financial years

SUSTAINABILITY STATEMENT
cont'd

ANTI-BRIBERY & ANTI - CORRUPTION	FY 2022	FP 2024	FY 2025	Target
Substantiated complaints pertaining to Anti-Bribery & Corruption and gift giving incidents	0 case	0 case	0 case	0 case

Sanichi requires all new hires to complete Anti-Bribery and Anti-Corruption training during onboarding, establishing clear expectations around ethical conduct. We reinforce these principles through regular refreshers, recognising that integrity demands continuous commitment. While proud of our compliance framework, we remain dedicated to strengthening our approach as part of our ethical culture.

WHISTLEBLOWING POLICY

At Sanichi, we are committed to maintaining the highest standards of ethics, integrity, and transparency in all our operations. To reinforce this commitment, we have implemented a Whistleblowing Policy that provides a secure, confidential, and anonymous channel for employees, contractors, suppliers, and other stakeholders to report any concerns regarding misconduct, fraud, unethical behaviour, or violations of company policies.

Key Features of Sanichi's Whistleblowing Policy:

- Open to All: Applies to employees, contractors, suppliers, and any associated parties.
- Confidential & Protected: Whistleblower identities are safeguarded to the fullest extent permitted by law.
- Anonymous Reporting: Concerns can be raised without fear of retaliation.
- Annual Conflict-of-Interest Declarations: All employees complete mandatory disclosures to prevent integrity risks.

For a prompt and thorough investigation, reports must detail the nature of the concern, relevant dates, locations, involved parties, and supporting evidence if available.

Whistleblowing Channel:

- Email: lynn.hr@sanichimould.com

Sanichi treats all reports with strict confidentiality and ensures that whistleblowers are protected from retaliation. We are dedicated to fostering a culture of accountability, transparency, and trust, reinforcing our commitment to ethical business practices. By upholding these principles, Sanichi strengthens its foundation as a responsible and trustworthy organisation.

DATA PRIVACY AND SECURITY

Sanichi is committed to fair and ethical business practices. The Internal Audit Function plays a vital role in upholding the highest standards of integrity and compliance across all operations. The company strictly adheres to data protection regulations under the Personal Data Protection Act 2010, implementing strong security measures to safeguard personal and sensitive information from unauthorized access or disclosure. All critical documents, including approved blueprints and pricing information, are stored securely with access limited only to properly authorized personnel. This demonstrates Sanichi's firm dedication to maintaining confidentiality and protecting sensitive data at all times.

SANICHI TECHNOLOGY BERHAD
Registration No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

The group has ZERO case of substantiated complaints concerning breaches of customer privacy and losses of customer data across 3 financial years

DATA PRIVACY AND SECURITY	FY 2022	FP 2024	FY 2025	Target
No. of complaints on data breach	0 case	0 case	0 case	0 case

SUSTAINABILITY STATEMENT
cont'd

ECONOMIC MATTERS

We recognise that effective supply chain management is fundamental to ensuring the seamless and efficient delivery of goods and services throughout our operations. A well-optimized supply chain enables us to consistently meet customer expectations, maintain cost efficiency, and incorporate sustainable practices into our core business strategy. By continuously strengthening our supply chain network, we not only enhance our operational flexibility but also mitigate potential disruptions while fostering long-term, mutually beneficial relationships with our suppliers.

- **Supporting Local Communities Through Strategic Sourcing**

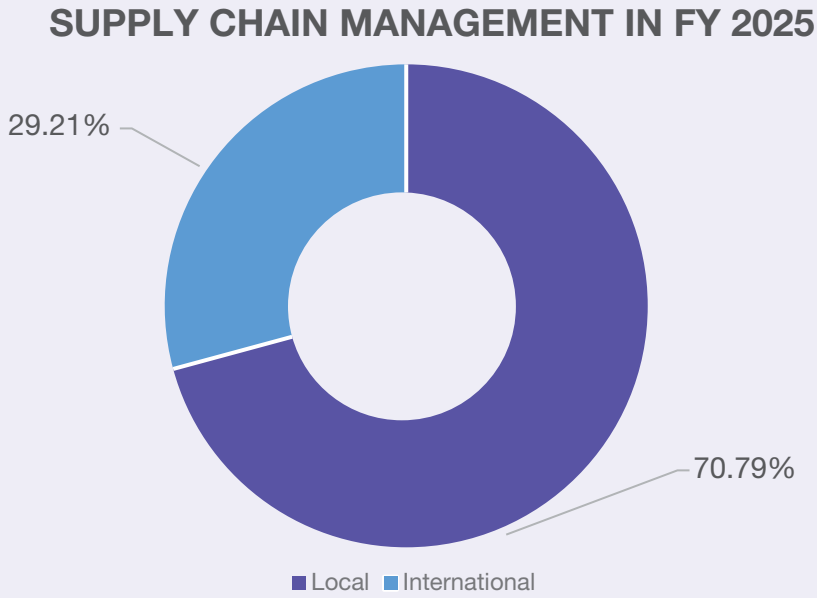
  Sanichi places significant importance on partnering with local suppliers, particularly for corporate and general services, as part of our commitment to driving economic growth within the communities where we operate. Our local sourcing strategy reflects our broader dedication to sustainable and socially responsible business practices.

- **Balancing Local and Regional Partnerships for Optimal Performance**

  To ensure we meet the varied and evolving needs of our customers, Sanichi conducts thorough assessments of key factors such as service accessibility, competitive pricing, and the capability to handle specialized requirements. This balanced and adaptive approach allows us to strengthen our competitive edge in the market while delivering reliable, efficient, and customer-centric solutions.

  Through these initiatives, Sanichi reinforces its position as a forward-thinking organization that values sustainability, operational excellence, and strong stakeholder relationships. Our supply chain strategy is designed not only to support our business objectives but also to create positive impacts for our partners, customers, and the broader community.

- **Spending on Suppliers**



SUSTAINABILITY STATEMENT
cont'd

ENVIRONMENTAL MATTERS

At Sanichi, sustainability is integral to our operations across all principal activities, including precision mould and tooling fabrication, advanced and conventional plastic injection moulding (APIM and CPIM), and property development and investment. As a responsible corporate entity with manufacturing operations in Senai, Johor, we are committed to aligning our business growth with environmental stewardship, social responsibility, and good governance (ESG) practices.

We recognise the environmental footprint of manufacturing processes, particularly in energy-intensive sectors such as plastic injection moulding and tooling fabrication. In response, we are taking proactive steps to improve our operational efficiency and reduce our environmental impact:

Energy Management: We are evaluating the adoption of energy-efficient machinery and process automation within our Senai facility to reduce electricity consumption.

Material Efficiency: Our Advanced Plastic Injection Mould (APIM) technology enables the production of highly precise components, minimising material waste and enhancing resource efficiency.

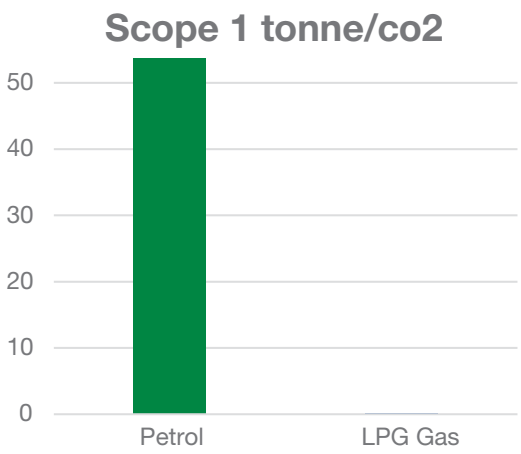
Waste Reduction: By initiating recycling programs for waste we plan to reduce the amount of waste that is disposed in landfills.

We are committed to understanding the sources and nature of our greenhouse gas (GHG) emissions as a foundational step toward effective emissions reduction and climate impact mitigation. Recognising the growing importance of climate accountability, our Group is progressively enhancing its capacity to identify, quantify, and manage GHG emissions across relevant scopes.

GHG emission type	Scope 1	Scope 2	Scope 3	Total
Tonne/co2	53.76	573.17	2.79	629.72

SUSTAINABILITY STATEMENT
cont'd

SCOPE 1

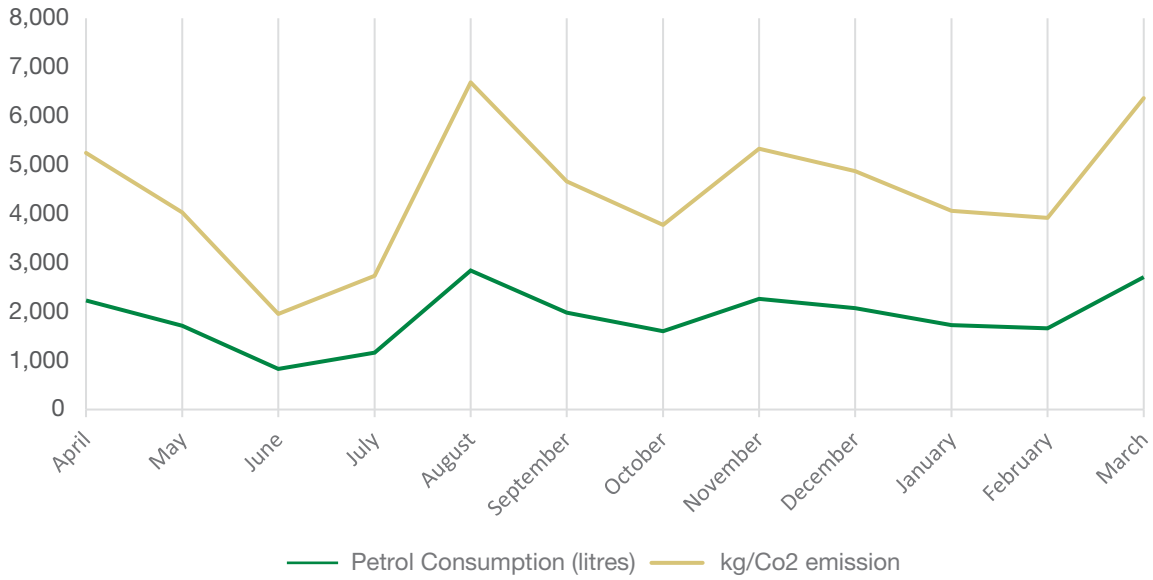


In the reporting period, our direct GHG emissions from fuel combustion totalled approximately 53.76 metric tons of CO_2. This includes 53.64 tonne/co2 from petrol consumption and 0.12 tonne/co2 from LPG gas usage.

Type of Fuel	Tonne/co2
Petrol	53.64
LPG Gas	0.12

These emissions are primarily associated with on-site operations and company-owned vehicles. While the LPG gas usage originates from one of the company's primary forklifts.

Scope 1 : Month-on-Month Petrol Consumption and CO2 Emission



Throughout the reporting period from April 2024 to March 2025, we tracked our petrol consumption and associated co2 emissions from company-owned vehicles and equipment to better understand our Scope 1 emissions profile. The data reveals monthly fluctuations in fuel usage and corresponding carbon output.

March recorded the highest petrol consumption at 2,706 litres, resulting in the peak co2 emissions level of 6,370 kilograms. In contrast, the lowest figures occurred in June, with only 830 litres consumed and 1,955 kilograms of co2 emitted, indicating a period of reduced operational activity or improved efficiency. On average, monthly petrol consumption was approximately 1,976 litres, and the associated carbon emissions averaged around 4,481 kilograms.

The month of August showed a significant increase in emissions, reaching 6,690 kilograms of co2 emissions, which coincided with a sharp rise in fuel usage to 2,842 litres. This spike may be attributed to intensified operational demands or changes in transport logistics during that time.

By analysing these trends, we are able to identify periods of higher environmental impact and target areas for improvement. Moving forward, we are exploring means to reducing our Scope 1 emissions through enhanced operational planning, vehicle maintenance, and exploring lower-carbon transport alternatives.

[1] Data for carbon emission is based on the operational data provided by Sanichi Technology Berhad's operation plant in Senai, Johor

SUSTAINABILITY STATEMENT
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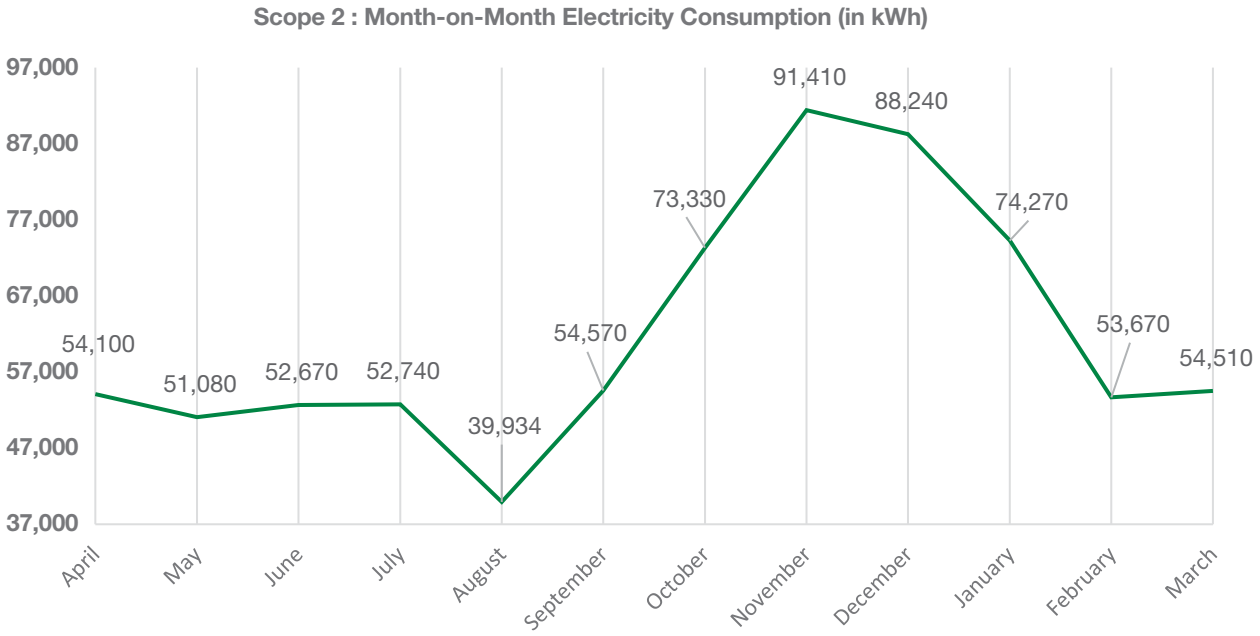
SCOPE 2



Our electricity consumption over the reporting period demonstrates variable energy demand, with significant increases in the latter half of the year. From April through August, electricity usage remained relatively stable, fluctuating between 51,080 and 54,100 kilowatt-hours, except in August where usage dropped sharply to 39,934 kilowatt-hours, the lowest monthly figure during the year.

A marked increase followed in September, with electricity consumption rising to 54,570 kilowatt-hours, and continuing to climb in the subsequent months. October recorded a substantial rise to 73,330 kilowatt-hours, while November saw peak usage at 91,410 kilowatt-hours due to increased production activities. Although electricity use began to decline in December, it remained high at 88,240 kilowatt-hours, suggesting sustained operational intensity during this period.

The first quarter of the new year showed a downward adjustment. January consumption decreased to 74,270 kilowatt-hours, followed by a notable drop in February to 53,670 kilowatt-hours. March saw a slight rebound, ending the period with 54,510 kilowatt-hours.

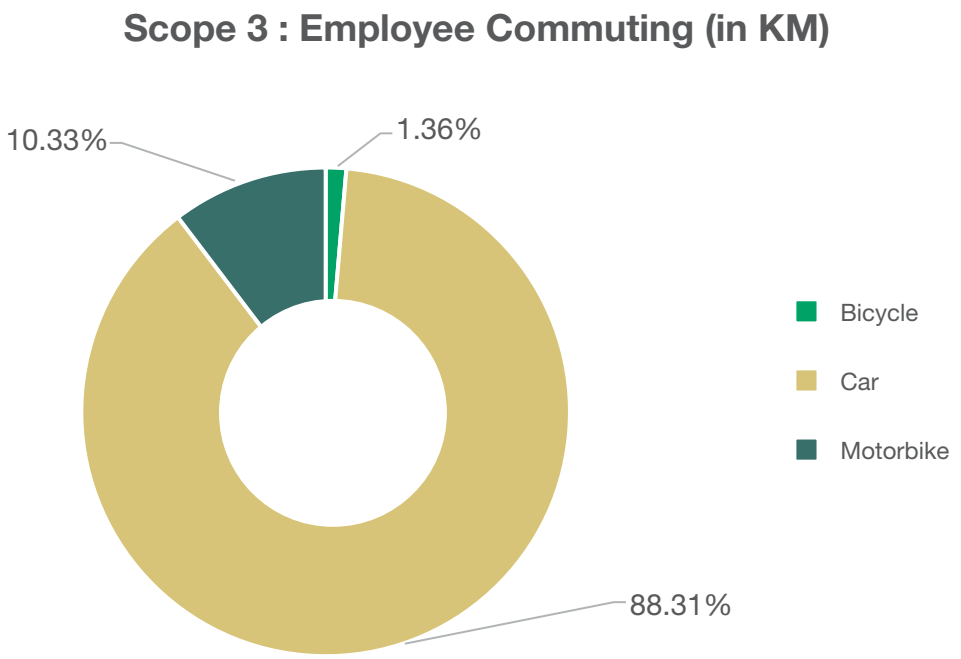
Overall Electricity Use	Total Scope 2 Emission (tonnes/co2)
740,524.00	573.17[2]

In total the organization recorded an overall electricity consumption of 740,524 kWh. This energy was sourced from purchased electricity, primarily from the local grid, and used across the organization's facilities for operational, production, and administrative purposes, generation a Scope 2 greenhouse gas emissions totalling 573.17 tonnes of co2.

[2] Scope 2 Grid Emission Factors for peninsular Malaysia is 0.774 and for East Malaysia is 0.525.
Source: https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b

SUSTAINABILITY STATEMENT
cont'd

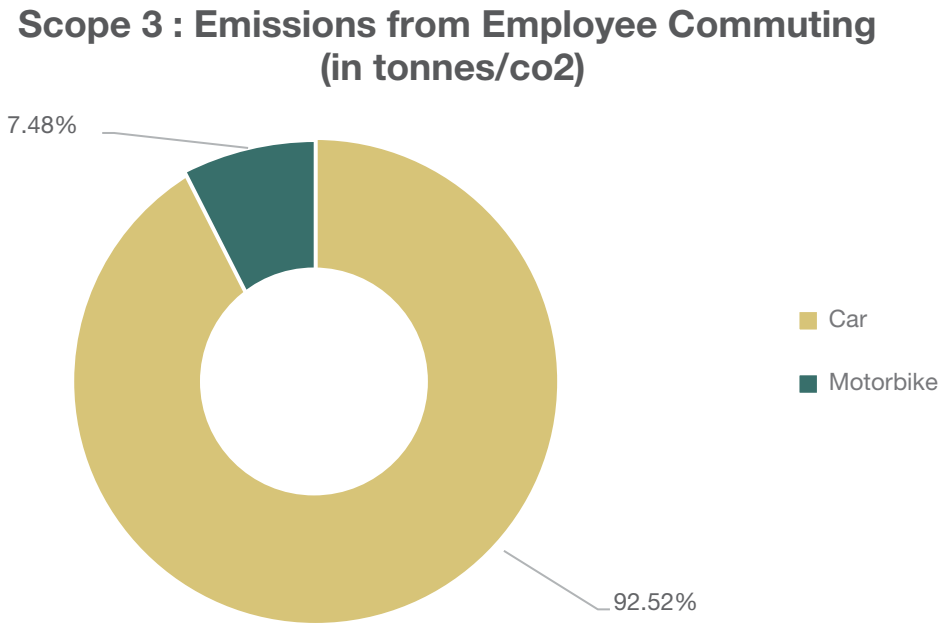
SCOPE 3 – Employee Commuting



As part of our commitment to understanding and managing indirect emissions across our value chain, we conducted a comprehensive assessment of employee commuting patterns over the reporting period. The total commuting distance recorded was approximately 385,632 km, spanning three primary modes of transport: car, motorbike, and bicycle.

Car travel accounted for the largest portion, representing 88.31 percent of total distance travelled, or 340,540.2 km. This mode alone resulted in an estimated 56.02 tonnes of co2 emissions, making it the dominant contributor to Scope 3 emissions from employee commuting.

Motorbike travel comprised 10.33 percent of the total distance, or 39,850.2 km, generating approximately 4.53 tonnes of co2 emissions. In contrast, bicycle commuting contributed 5,241.6 km or 1.36 percent of the total with no associated emissions, reaffirming its role as a sustainable, zero-carbon mobility option.



SUSTAINABILITY STATEMENT
cont'd

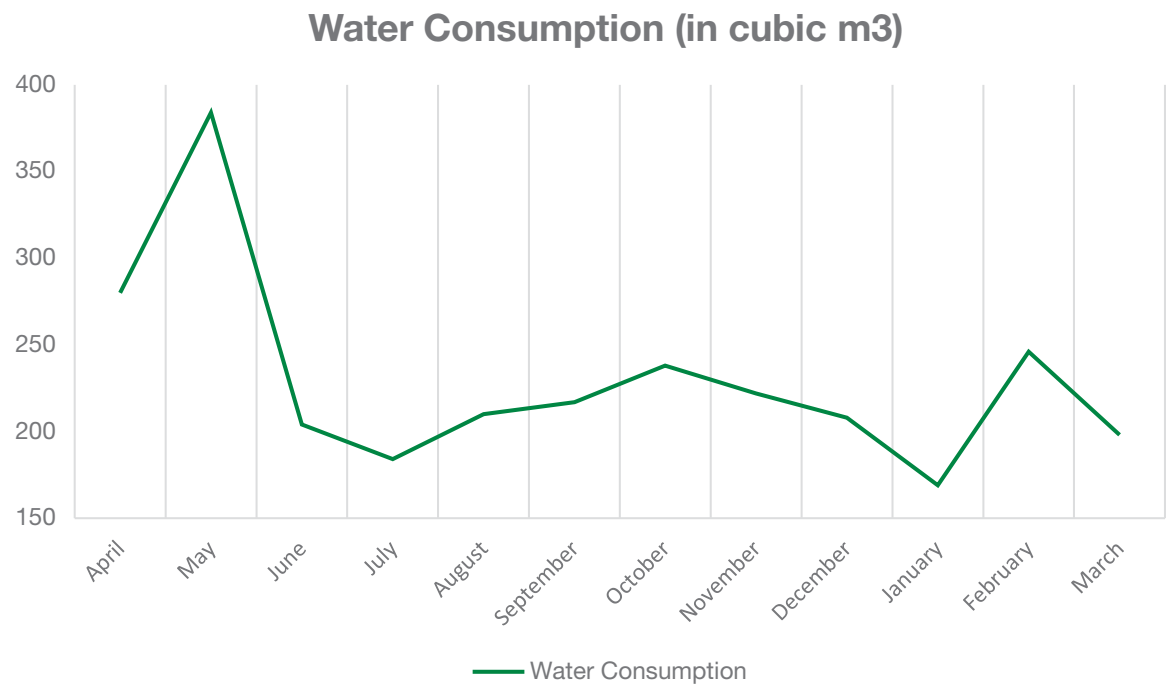
In total, employee commuting activities produced 60.55 tonnes of co2 emissions over the reporting year. These findings emphasise the environmental impact of private vehicle use and highlight the potential for emissions reductions through sustainable commuting solutions. As part of our broader climate strategy, we are evaluating targeted initiatives such as carpooling programmes. Encouraging these behavioural shifts will not only reduce indirect emissions but also strengthen our overall environmental stewardship and employee engagement.

SCOPE 3 – Business Travel

Number of round-trip flights FYE 2025	kg/co2
8	2732.85

During the reporting period for FYE 2025, there was a total of 8 round-trip flights undertaken for business purposes. These activities resulted in estimated Scope 3 greenhouse gas (GHG) emissions amounting to 2,732.85 kilograms of co2.

WATER CONSUMPTION



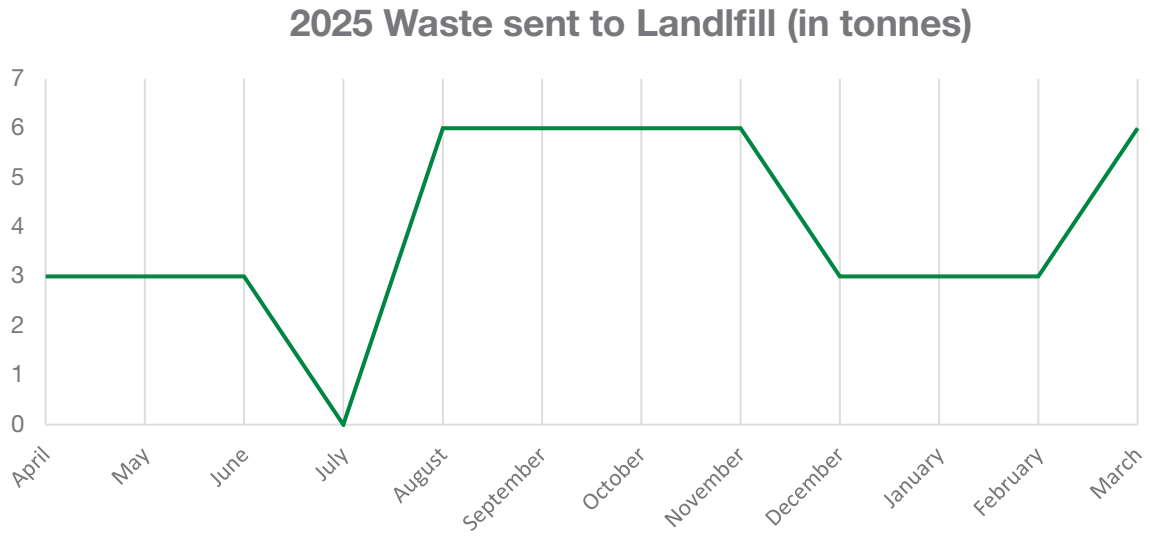
During the reporting period covering April to March (FYE 2025), Sanichi recorded a total water consumption of 2,840 cubic meters[3]. Monthly consumption varied throughout the year, with the highest usage observed in May (384 m³) and the lowest in January (169 m³). Sanichi will continue its efforts to monitor its water consumption monthly to identify fluctuations and potential areas for efficiency improvements.

[3] Data for water consumption is based on the operational data provided by Sanichi Technology Berhad's operation plant in Senai, Johor

SUSTAINABILITY STATEMENT
cont'd

WASTE MANAGEMENT

During the reporting period covering April to March (FYE 2025), Sanichi generated and managed waste across multiple categories, with a strong emphasis on recycling and responsible disposal. We recorded a total of 48[4] tonnes of waste sent to landfill. This waste falls under the category of non-hazardous waste directed to disposal. The monthly breakdown reveals a consistent generation of 3 tonnes in several months (April, May, June, December, January, February), with a notable absence of landfill waste in July, and a spike to 6 tonnes per month in August (as production orders resumed in this month) through November, as well as in March.



641 kg of waste were recycled; this waste was spent hydraulic oil which was sold to be reused by a third party. In addition, 187 kg of hazardous waste were disposed of through approved and regulated methods.

[4] Data for waste generated is based on the operational data provided by Sanichi Technology Berhad's operation plant in Senai, Johor

SUSTAINABILITY STATEMENT
cont'd

SOCIAL MATTERS

A sustainable future is only possible when businesses recognise their role in shaping society. Not just through products and profits, but through meaningful contributions to people's lives. For us, social responsibility means putting people first, whether they are our employees, partners, or the communities we serve.

Our Commitment in Social Matters

01 VALUING OUR WORKFORCE

- We foster a workplace built on dignity, safety and opportunity, ensuring fair wages, robust training and an inclusive culture where every voice matters.
- Employee wellbeing is prioritised through health initiatives, work-life balance policies and pathways for career growth.

02 SUPPORTING OUR COMMUNITIES

- We engage with local stakeholders through education programmes, skills development and social investments that create long-term opportunities.
- From youth employability schemes to partnerships with underserved groups, we aim to leave a positive, lasting footprint wherever we operate.

03 OPERATING WITH INTEGRITY

- Our supply chain adheres to strict ethical standards, ensuring fair labour practices, human rights compliance and environmental stewardship.
- We believe transparency and accountability are non-negotiable in our business operations.

Progress is not a solo endeavour. By listening to stakeholders, adapting to societal needs and embedding fairness and empathy into our decisions, we strive to build a business that uplifts as it grows.

SAFETY AND WELLBEING AMONG OUR WORKFORCE

At Sanichi, we believe that a safe, healthy workforce is the foundation of a sustainable business. Every employee deserves to work in an environment where their wellbeing is prioritised, risks are minimised, and their voices are heard.

Through proactive safety measures, continuous training, and a culture of care, we strive to ensure that everyone returns home safely each day because no goal is more important than the people who help us achieve it.

SUSTAINABILITY STATEMENT
cont'd

- **Occupational Safety and Health**

  We uphold occupational safety and health (OSHA compliance) as a fundamental responsibility, not merely a regulatory requirement. While we take pride in maintaining rigorous safety standards across our facilities, we recognize that safeguarding our workforce demands continuous vigilance and improvement.

Our approach integrates OSHA frameworks with proactive risk management, including:

SUSTAINABILITY STATEMENT
cont'd

We acknowledge that true safety excellence lies beyond compliance, it requires fostering a culture where every employee feels accountable and empowered. By combining structured protocols with ongoing engagement, we strive to ensure that our safety performance reflects both our values and the trust placed in us by our workforce.

This remains an evolving priority, and we welcome collaboration with employees, regulators, and industry peers to strengthen our practices. Below shows the data for Safe and Health in our Group for three financial years.

SANICHI TECHNOLOGY BERHAD
Registration No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

The group has ZERO case of work related facilities in FY 2025

Health and Safety	Unit	FY 2022
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	0
Health and Safety	**Unit**	**FP 2024**
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	19
Health and Safety	**Unit**	**FY 2025**
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	0

SUSTAINABILITY STATEMENT
cont'd

FIRE DRILL

SUSTAINABILITY STATEMENT
cont'd

TRAINING AND DEVELOPMENT

We believe our company's strength comes from the growth of our people. While we've established training programs to support our team's development, we know there's always more we can do to help everyone reach their full potential.

Our current learning initiatives include:

We measure the effectiveness of these initiatives not just by participation rates, but through their tangible impact on:

- Employee performance and productivity
- Career progression and retention metrics
- Innovation and process improvement contributions

The manufacturing sector faces continuous transformation through technological innovation and sustainability imperatives. We recognise these changes demand sustained commitment to professional development, while acknowledging the challenges of implementation. Our structured learning programmes and mentorship initiatives aim to facilitate gradual, measurable progress through collaborative effort.

We maintain realistic expectations about organisational development, understanding that meaningful adaptation occurs incrementally. By focusing on practical, sustainable improvements to our learning frameworks, we strive to build resilience while remaining open to refinement. This balanced approach seeks to align individual growth with organisational objectives through shared commitment and measured progress.

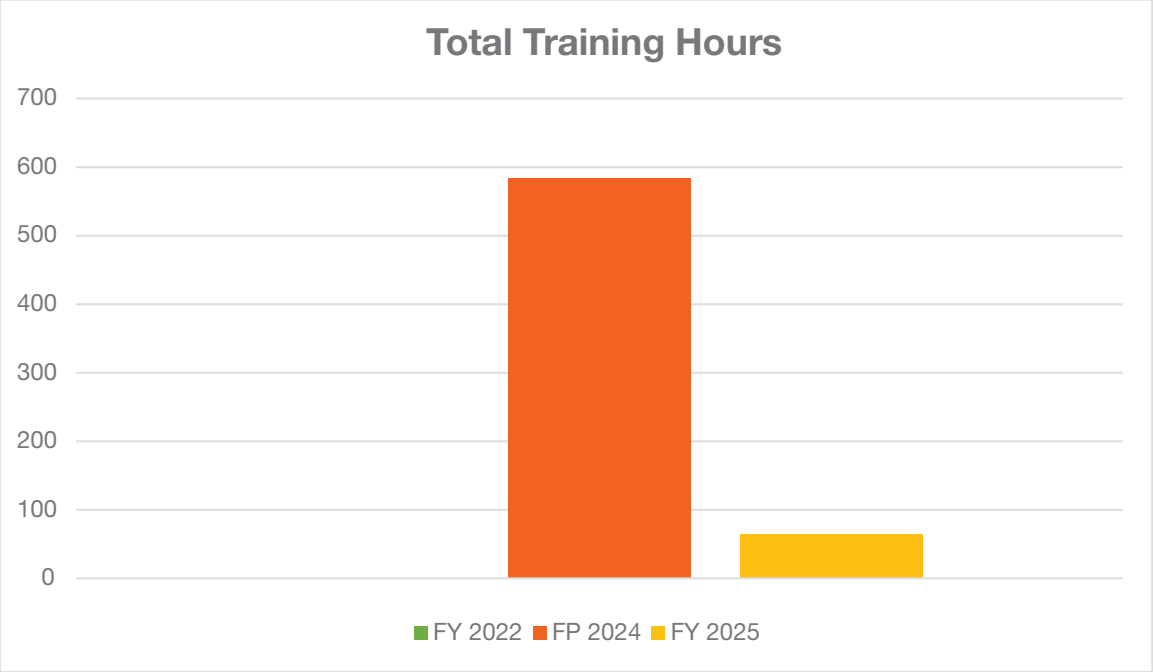
SUSTAINABILITY STATEMENT
cont'd

HR SEMINAR

ESG & TCFD MASTERCLASS

SUSTAINABILITY STATEMENT
cont'd

Below shows the total training hours completed by our workforce according to employee categories.



Training and Development	FY 2022	FP 2024	FY 2025
Total Training Hour	0 hour	584 hours	64 hours

EMPLOYEE ENGAGEMENT

We understand that strong workplace relationships are built through both professional collaboration and shared experiences. Our sports club initiative reflects this belief, though we acknowledge it is just one part of a much larger conversation about how we can foster genuine belonging.

Our recent team-building ATV adventure provided a valuable opportunity for colleagues to connect outside the office environment while developing important teamwork skills. The outdoor activity allowed employees to build trust through collaborative challenges, strengthen personal connections, and practice working together in a dynamic setting.

Initial feedback suggests the event successfully helped break down departmental barriers, improved cross-level communication, and created positive shared memories that contribute to better workplace dynamics. While we are pleased with these outcomes, we recognize that team-building preferences vary among staff members. That is why we committed to offering diverse engagement opportunities, incorporating employee feedback in our planning, and ensuring inclusive participation options for all comfort levels.

SUSTAINABILITY STATEMENT
cont'd

SPORT TEAM'S ATV ADVENTURES

Not only that, Sanichi's Annual Dinner is a much-anticipated event that celebrates the dedication and hard work of its employees while fostering a strong sense of teamwork and engagement. The evening features delicious food, lively entertainment, and well-deserved recognition for outstanding team members. Through enjoyable activities, awards, and heartfelt speeches, the company expresses its gratitude to its workforce, strengthening relationships and boosting morale. This special occasion highlights Sanichi's commitment to its staff and creates lasting memories, ensuring everyone feels valued and inspired for the year ahead.

SUSTAINABILITY STATEMENT
cont'd

ANNUAL DINNER

These initiatives reflect our core organizational values of trust, collaboration and mutual support. We sincerely appreciate the enthusiastic participation that made this event successful, and we welcome suggestions for future activities that will continue to strengthen our team while respecting individual preferences.

SUSTAINABILITY STATEMENT
cont'd

OUR WORKFORCE

The true measure of our Group is found in our people rather than our output. We are privileged to work with skilled professionals who demonstrate quiet dedication in their craft. Our operators possess exceptional attention to detail, our engineers show remarkable foresight, and our support staff maintain seamless operations. While we have developed training programs and career pathways, we acknowledge that our employees' willingness to learn, adapt and mentor each other is what truly drives our advancement. Our accumulated wisdom through years of hands-on experience constitutes our most valuable asset, one we are dedicated to fostering with respect. We understand that manufacturing excellence grows from daily collaboration.

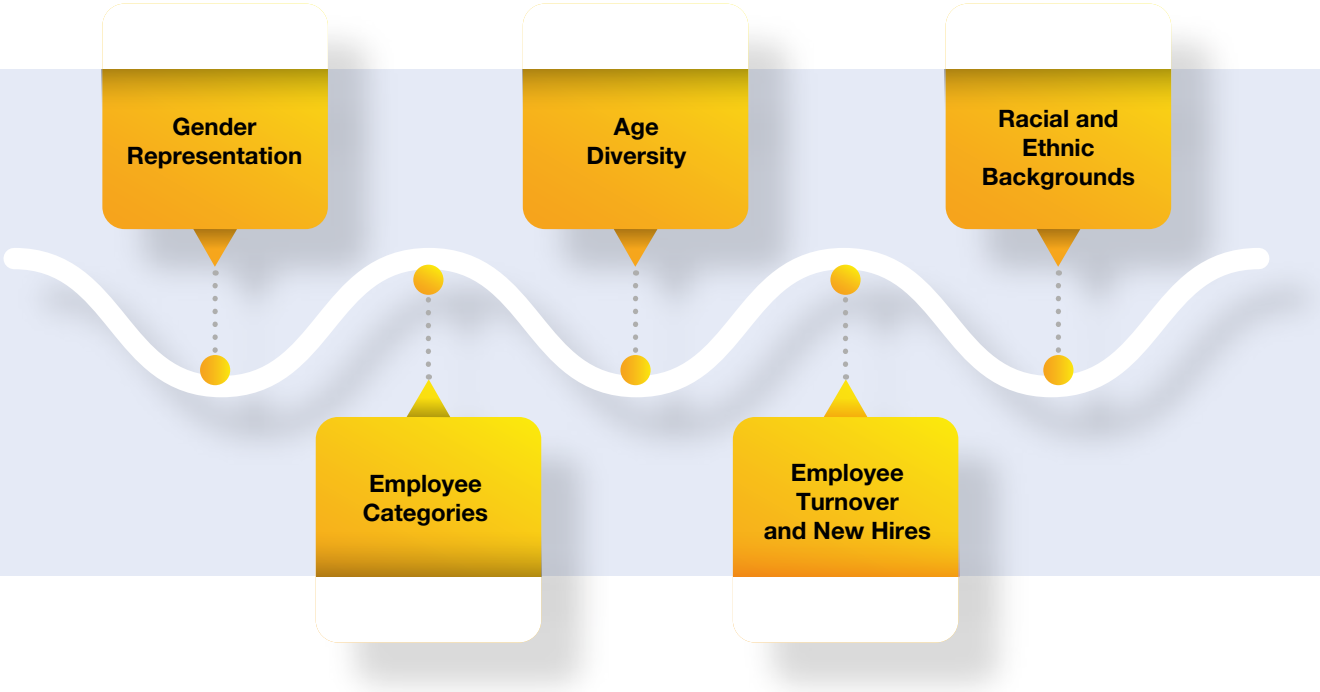
It manifests when experienced staff guide newcomers, when colleagues support each other during difficult periods, and when teams spontaneously unite to solve problems. These organic interactions demonstrate a culture where people care deeply about both quality and their coworkers. Although we have implemented safety protocols and efficiency systems, we recognize these frameworks only achieve their full potential through our employees' sound judgment, strong work ethic and shared dedication.

Year	Total Number of Employees
FY 2022	60
FP 2024	57
FY 2025	51

Moving forward, we aim to be worthy of our team's dedication by listening more than we prescribe, supporting as much as we expect, and recognizing that good ideas come from every level. There is much we still hope to improve, from better cross-training opportunities to more inclusive leadership pathways. However, we are guided by confidence in our people's abilities and humility about our role in their growth.

DIVESRITY, EQUITY AND INCLUSION (DEI)

At Sanichi, we believe our strength lies in the rich diversity of our people. As we grow, we are committed to fostering a workplace where every individual regardless of gender, age, role, or background everyone should feel valued, respected, and empowered to thrive. This DEI overview examines our workforce composition across key dimensions:



SUSTAINABILITY STATEMENT
cont'd

By transparently sharing this data, we aim to celebrate progress while honestly acknowledging gaps in representation and retention. From production floor to leadership, we recognize that building a truly inclusive environment requires ongoing effort from equitable hiring practices to career development opportunities for all.

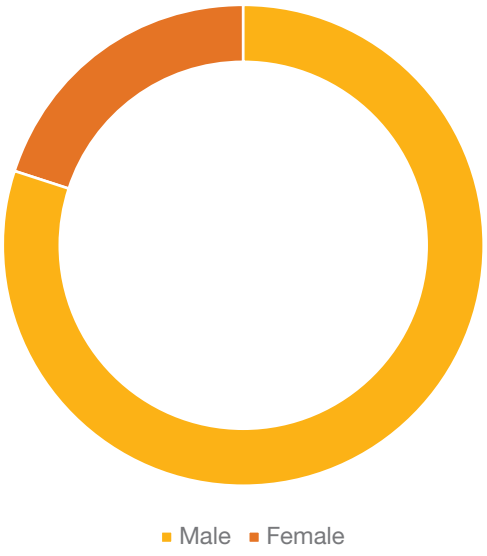
These metrics serve not as endpoints, but as starting points for meaningful conversations about how we can better support every member of our Sanichi family. Through this lens, we explore both where we are today and where we aspire to be tomorrow.

GENDER REPRESENTATION

We are committed to fostering a diverse, inclusive workplace with equal opportunities for all. While manufacturing has been male-dominated, we've made progress in gender diversity across all levels. We continue breaking barriers through targeted recruitment and development programs, ensuring all employees feel valued and empowered to contribute and thrive.

- Board of Directors

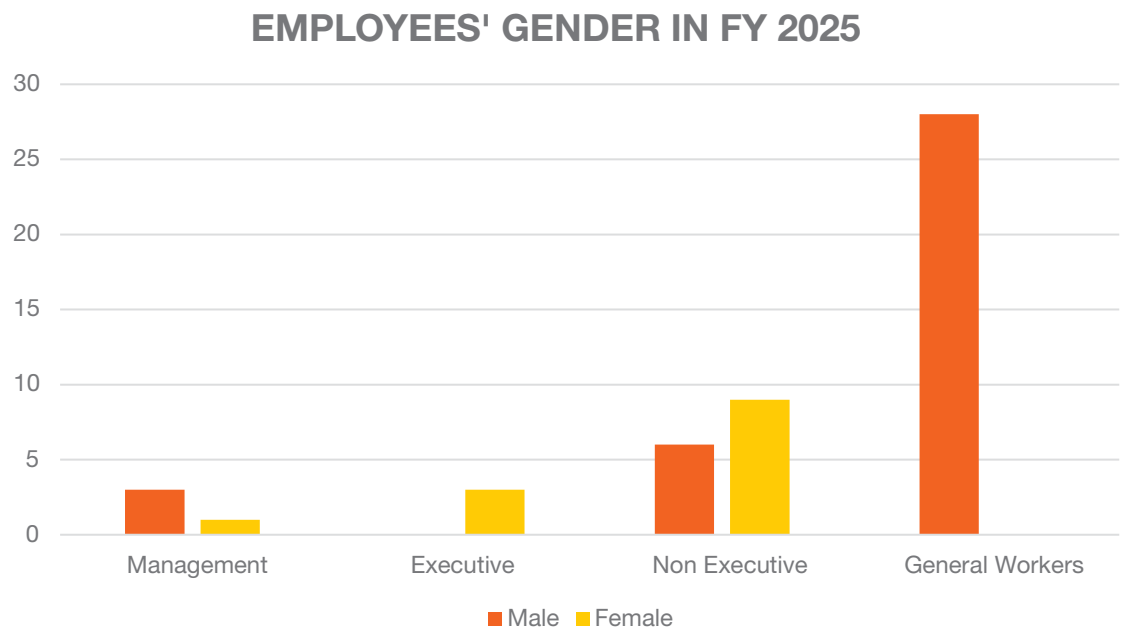
BOARD OF DIRECTORS' GENDER IN FY 2025



Gender	FY 2022	FP 2024	FY 2025
Male	3	4	4
Female	1	1	1

SUSTAINABILITY STATEMENT
cont'd

- Employees



FY 2022		
Employee Category	Male	Female
Management	2	1
Executive	0	3
Non Executive	7	9
General Worker	37	0

FP 2024		
Employee Category	Male	Female
Management	3	1
Executive	0	3
Non Executive	7	9
General Worker	40	0

FY 2025		
Employee Category	Male	Female
Management	3	1
Executive	0	3
Non Executive	6	9
General Worker	28	0

SUSTAINABILITY STATEMENT
cont'd

AGE DIVERSITY

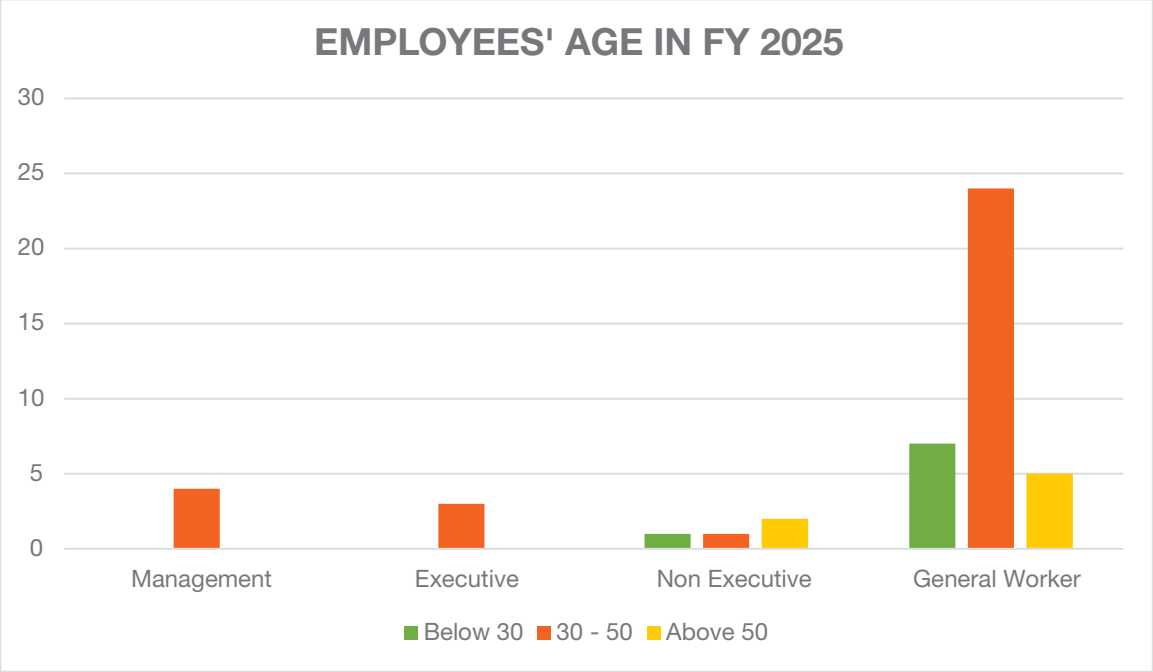
We view our multigenerational workforce as one of our greatest assets. The energy and fresh perspectives of our younger team members naturally complement the wisdom and seasoned judgment of our more experienced staff, creating a dynamic environment where innovation meets time-tested expertise. This blend of generations fosters a unique learning culture where digital fluency and technological adaptability flow alongside deep institutional knowledge and craftsmanship honed over decades.

- Board of Directors

Age	FY 2022	FP 2024	FY 2025
Below 30	0	0	0
30 – 50	2	1	1
Above 50	2	4	4

SUSTAINABILITY STATEMENT
cont'd

- Employees



FY 2022			
Employee Category	Below 30	30 -50	Above 50
Management	0	3	0
Executive	0	3	0
Non Executive	3	11	2
General Worker	10	27	0

FP 2024			
Employee Category	Below 30	30 -50	Above 50
Management	0	4	0
Executive	0	3	0
Non Executive	3	11	2
General Worker	11	29	0

FY 2025			
Employee Category	Below 30	30 -50	Above 50
Management	0	4	0
Executive	0	3	0
Non Executive	1	1	2
General Worker	7	24	0

SUSTAINABILITY STATEMENT
cont'd

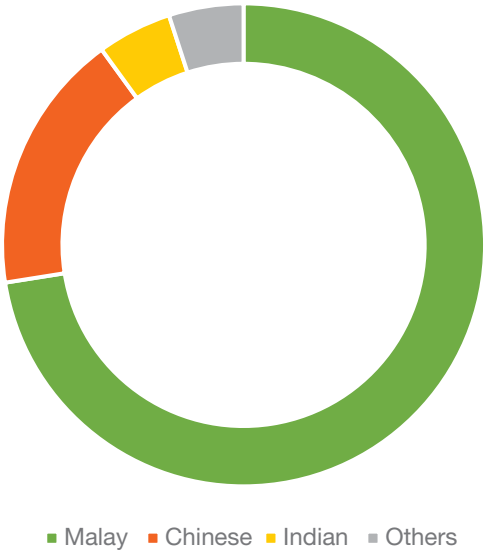
We actively cultivate this intergenerational synergy through mentoring partnerships and collaborative projects that bridge experience levels. Our workplace policies and development programs are designed to honour the contributions of employees at every career stage, recognizing that each generation brings distinct and valuable strengths to our collective success. While we're proud of our current age diversity, we remain committed to strengthening these intergenerational connections and ensuring all team members feel equally valued and supported in their professional journeys.

RACE AND ETHNIC BACKGROUNDS

Our strength lies in the rich diversity of our team, which brings together individuals from Malay, Chinese, Indian, and various other ethnic backgrounds.

This multicultural tapestry reflects Malaysia's vibrant heritage while fostering a workplace where different perspectives, traditions, and approaches converge to drive innovation. We actively cultivate an environment of mutual respect and inclusion, where cultural differences are valued as assets that enhance creativity, problem-solving, and teamwork. From celebrating diverse festivals to accommodating various cultural practices, we strive to create a sense of belonging for all employees.

RACE AND ETHNICITY IN FY 2025



Race and Ethnicity	FY 2022	FP 2024	FY 2025
Malay	33	30	29
Chinese	12	8	7
Indian	6	6	2
Others	9	13	8

Our multicultural composition not only mirrors the communities we serve but also strengthens our ability to understand and meet the needs of an increasingly diverse market. While we take pride in this diversity, we remain committed to ensuring equitable opportunities for growth and advancement across all ethnic groups within our organization.

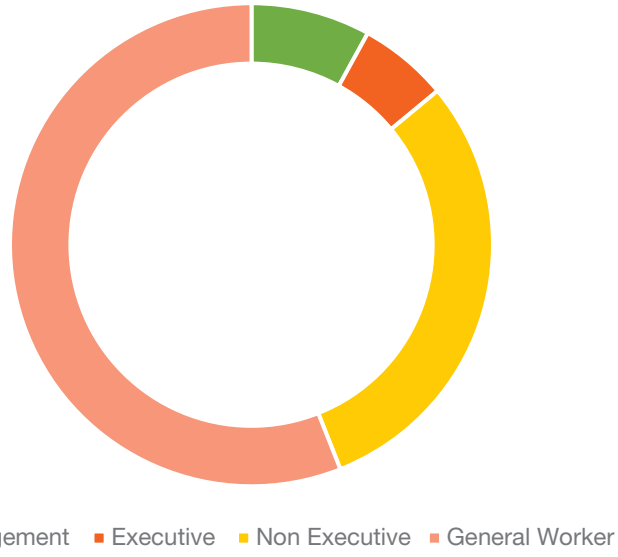
SUSTAINABILITY STATEMENT
cont'd

EMPLOYEES CATEGORY

The organization thrives through combined efforts of team members across all functional levels. The management team provides strategic leadership, guiding long-term vision and decision-making. Executives bridge strategy and implementation, ensuring operational plans align with business objectives. Non-executive specialists bring technical expertise to maintain quality standards and process efficiency, while dedicated general workers form the foundation of daily production with their hands-on skills and commitment.

This multi-layered structure represents more than just job categories. It reflects a shared ecosystem where each role contributes distinct yet interconnected value. From leadership to operations, every position plays a vital part in driving collective success. We maintain consistent principles of respect and professional development across all levels, while recognizing the unique contributions of each group.

EMPLOYEE CATEGORY IN FY 2025



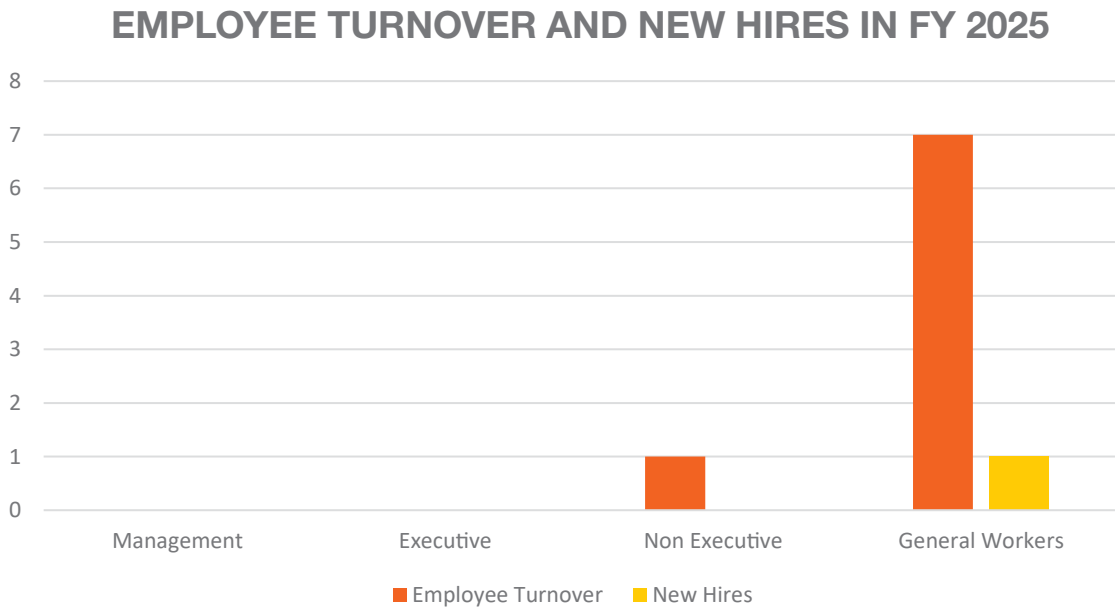
Employee Category	FY 2022	FP 2024	FY 2025
Management	3	4	4
Executive	3	3	3
Non Executive	16	16	15
General Worker	37	40	28

The flexibility within this structure allows for career progression across categories, supporting individual growth that strengthens the entire organization. Ongoing focus remains on fostering collaboration across levels and ensuring all team members have opportunities to develop and contribute to their full potential.

SUSTAINABILITY STATEMENT
cont'd

EMPLOYEES TURNOVER AND NEW HIRES

Sanichi recognizes employee turnover as an opportunity for organizational growth and renewal. We honor the contributions of departing colleagues while embracing fresh perspectives that drive innovation. To ensure seamless transitions, we prioritize knowledge retention, structured handovers, and the cultivation of strong professional relationships. For new hires, sustainability is integral to fostering long-term engagement. Through comprehensive onboarding, mentorship, and an inclusive workplace culture, we empower employees to thrive and contribute meaningfully to our shared vision.



FY 2022		
Employee Category	Employee Turnover	New Hires
Management	0	0
Executive	0	0
Non Executive	0	1
General Worker	0	6

FP 2024		
Employee Category	Employee Turnover	New Hires
Management	0	1
Executive	0	0
Non Executive	1	1
General Worker	8	6

SUSTAINABILITY STATEMENT
cont'd

FY 2025		
Employee Category	Employee Turnover	New Hires
Management	0	0
Executive	0	0
Non Executive	1	0
General Worker	7	1

By balancing continuity with evolution, we strengthen our organisational resilience. Our commitment to ethical talent management ensures that Sanichi remains a workplace where people thrive, ideas flourish, and sustainability is woven into every transition.

EMPLOYMENT STRUCTURE

All employees at Sanichi are 100% permanent, ensuring job security, stability, and long-term career growth within the company. This commitment reflects Sanichi's dedication to fostering a loyal and motivated workforce, providing employees with full benefits, fair labour practices, and opportunities for professional development. By maintaining a permanent workforce, Sanichi reinforces its reputation as a responsible employer that values sustainability, employee well-being, and a positive workplace culture.

COMMUNITY ENGAGEMENT AND DONATIONS

Sanichi reaffirmed its dedication to sustainability and social welfare through a series of impactful Corporate Social Responsibility initiatives, including a river cleanup, beach cleaning campaign, and donations for local communities. Recognising the urgent need to protect Malaysia’s natural ecosystems, employees volunteered to remove plastic waste, debris, and pollutants from a heavily polluted river and a nearby coastal area. These efforts not only restored the beauty of these environments but also raised awareness about the importance of conservation and responsible waste management.

Beyond environmental action, Sanichi extended its support to underprivileged communities by distributing essential supplies, educational materials, and financial aid to families in need. This holistic approach highlights combining hands-on environmental stewardship with tangible community assistance and the company’s commitment to creating lasting, positive change.

SUSTAINABILITY STATEMENT
cont'd

PASIR ASAM RIVERBANK CLEAN-UP

SUSTAINABILITY STATEMENT
cont'd




TELUK GOREK BEACH CLEAN-UP

By engaging employees in these initiatives, Sanichi fostered a culture of compassion, teamwork, and civic responsibility, inspiring both its workforce and the broader public to take an active role in building a cleaner, more sustainable future.

SUSTAINABILITY STATEMENT
cont'd

BURSA KPI LIST

Indicator	Measurement Unit	2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	6.0%
Executive	Percentage	6.0%
Non-executive/Technical Staff	Percentage	32.0%
General Workers	Percentage	56.0%
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.0%
Management Between 30-50	Percentage	100.0%
Management Above 50	Percentage	0.0%
Executive Under 30	Percentage	0.0%
Executive Between 30-50	Percentage	100.0%
Executive Above 50	Percentage	0.0%
Non-executive/Technical Staff Under 30	Percentage	25.0%
Non-executive/Technical Staff Between 30-50	Percentage	25.0%
Non-executive/Technical Staff Above 50	Percentage	50.0%
General Workers Under 30	Percentage	23.0%
General Workers Between 30-50	Percentage	77.0%
General Workers Above 50	Percentage	0.0%
Gender Group by Employee Category		
Management Male	Percentage	75.0%
Management Female	Percentage	25.0%
Executive Male	Percentage	0.00%

SUSTAINABILITY STATEMENT
cont'd

Indicator	Measurement Unit	2025
Executive Female	Percentage	100.0%
Non-executive/Technical Staff Male	Percentage	40.0%
Non-executive/Technical Staff Female	Percentage	60.0%
General Workers Male	Percentage	100.0%
General Workers Female	Percentage	0.0%
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.0%
Female	Percentage	20.0%
Under 30	Percentage	0%
Between 30-50	Percentage	40.0%
Above 50	Percentage	60.0%
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	740.524
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	0
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	16
Executive	Hours	16
Non-executive/Technical Staff	Hours	16
General Workers	Hours	16
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.0%
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	0
Executive	Number	0
Non-executive/Technical Staff	Number	1
General Workers	Number	7
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		

SUSTAINABILITY STATEMENT
cont'd

Indicator	Measurement Unit	2025
Bursa C7(a) Proportion of spending on local suppliers	Percentage	70.79%
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	2.84
Bursa (Waste Management)		
Bursa C10(a) Total Waste Generated	Metric Tonnes	48.83
Bursa C10(a)(i) Total waste diverted from disposal	Metric Tonnes	0.64
Bursa C10(a)(ii) Total waste directed to disposal	Metric Tonnes	48.19
Bursa (Emissions management)	Metric Tonnes	
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric Tonnes	53.76
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric Tonnes	573.17
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric Tonnes	2.79

(*) Restated

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

The Board of Directors ("Board") of Sanichi Technology Berhad ("Company" or "Sanichi") recognises the importance of good corporate governance and continues to be committed in ensuring that high standards of corporate governance are upheld within the Company and its subsidiaries (collectively, "the Group") to deliver long term sustainable value to the shareholders and other stakeholders.

The Board is pleased to present the Corporate Governance Overview Statement ("CG Overview Statement") for the financial year ended 31 March 2025 ("FYE 2025") which has been prepared in compliance with Rule 15.25 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE LR").

This CG Overview Statement is to be read together with the Corporate Governance Report of the Company for the FYE 2025 ("CG Report") which set out details on how the Company has applied the Practices as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG"). The CG Report is available on the Group's website at www.sanichimould.com and via announcement on the website of Bursa Securities at www.bursamalaysia.com.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Roles and Responsibilities

The Board leads and manages the Group in an effective and responsible manner as it recognised that it must set the Company's values and standards to ensure that its obligations to its shareholders and other stakeholders are understood and met. The following are the stewardship responsibilities and duties of the Board in discharging its fiduciary duty and leadership functions in the best interest of the Group:

i. Oversee the conduct of the Group's business including evaluating whether the business is being properly managed;

ii. Review and adopt a strategic business plan for the Group and address the sustainability of the Group's business;

iii. Identify principal risks and ensure implementation of an appropriate system to manage these risks;

iv. Ensure that the candidates who are appointed to senior management positions have the necessary qualifications, experience and skills, and that there is an orderly succession of senior management positions;

v. Review the adequacy and integrity of the management information and internal control systems of the Group; and

vi. Oversee the development and implementation of shareholder communication policy for the Group.

The Board shall at all times reserve full decision-making powers on the following matters:

i. Approval of corporate, strategic direction or plans, programs and budgets.

ii. Approval of investment in capital projects, new ventures, material acquisition and disposal of undertaking and properties.

iii. Approval of annual budgets, including major capital commitments.

iv. Changes to the management and control structure within the Group, including key policies.

v. Approval of authority levels and any matters in excess of any authority that it has delegated from time to time to the Managing Director and/or other Management personnel.

vi. Reviewing and updating of Board Charter, Whistleblowing Policy, Code of Ethics and Conduct and other policies.

vii. Appointment of Board members, Board Committee members, Managing Director, Chief Executive Officer, the Company Secretary and calling of meeting of shareholders.

viii. Announcements including approvals and releases of financial results and annual reports.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

2. Separation of Roles of Chairman and Managing Director

The position of Chairman is held by Dato' Abd Halim bin Abd Hamid. The Company does not have a Chief Executive Officer and the position is assumed by the Group Managing Director, Dato' Sri Dr Pang Chow Huat. There is a clear division of responsibilities between the Chairman and the Group Managing Director to ensure that there is a balance in the power and authority in the Board.

The Chairman is responsible for leading the Board, instilling good corporate governance and ensuring the Board functions effectively and independently of management. The Chairman also sets the board agenda, ensure the Board members receive complete and accurate information in a timely manner, acts as a facilitator at Board meetings to encourage active participation and ensure that contributions from the directors are forthcoming on matters being deliberated and that no Board member dominates discussions, promote constructive and respectful relations between all Board members and the Management, chairs shareholders' meetings and ensure there is an effective communication between the Board and its shareholders and stakeholders. The Managing Director is responsible for implementing the Group's strategies, policies and decisions adopted by the Board and overseeing the operations and business development of the Group.

The distinct roles of the Chairman and the Managing Director are stated in the Board Charter, which is available on the Group's website at www.sanichimould.com.

3. Qualified and Competent Company Secretary

The Board is supported by a qualified and competent Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016. She also possessed a valid Practicing Certificate issued by the Companies Commission of Malaysia. As a practicing Company Secretary, she has also attended continuous professional development programmes.

The Board has access to the advice and services of the Company Secretary, the Senior Management staff, the External Auditors and other independent professional at all times in discharging its duties and responsibilities. The Company Secretary is responsible for ensuring that all Board and Board Committees' meetings are properly convened in accordance with the Board procedures and terms of reference of the respective Board Committees.

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable, at Board Meetings.

The Company Secretary organises and attends the Board, Board Committee and general meetings, and ensure that deliberations of the issues discussed and conclusions reached are recorded in the minutes of each meeting. Such minutes of meetings are confirmed by the Board and the respective Board Committees at the subsequent meetings and signed by the Chairman of the meeting and kept in the statutory register maintained at the registered office of the Company.

4. Board Meetings and Access to Information

The Board meets at least four (4) times a year to facilitate the discharge of its responsibilities. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. The meeting agendas together with the relevant reports and Board and Board Committees papers are furnished to the Directors and Board Committee members well in advance to allow them sufficient time to peruse for effective discussion and decision-making during meetings. At the quarterly meetings of the Board, the Board reviews the business performance of the Group and also discusses issues covering financial, operational and regulatory compliance matters. Members of the Management are invited to attend and speak at meetings on matters relating to their sphere of responsibility as and when required.

The Directors, whether as a full Board or in their individual capacities, have full and timely access to all relevant information on the Group's businesses and affairs to discharge their duties effectively. The Directors also have direct access to the advice and services of the Company Secretary and to obtain independent professional advice, whenever necessary, at the expense of the Company.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

4. Board Meetings and Access to Information cont'd

The Chairman of the Audit Committee ("AC") informed the Directors at each Board meeting of any salient matters noted by the AC and which requires the Board's attention or direction. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings.

There were five (5) Board meetings held during the FYE 2025, with details of Directors' attendance set out below:

Board Of Directors	Number of meetings attended
Dato' Abd Halim Bin Abd Hamid (Chairman)	4/5
Dato' Sri Dr Pang Chow Huat	5/5
Yong Ket Inn	5/5
Ong Tee Kein	5/5
Datin Erdawaty Binti Mohamed	5/5

The Directors noted from the recommendations of the MCCG that they must notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment. To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, they must not hold directorships in more than five (5) public listed companies and must be able to commit sufficient time to the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board meetings during the FYE 2025.

5. Board Charter

The Board has in place a Board Charter where the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management as well as the issues and decisions reserved for the Board are clearly stated. The Board Charter is available on the Group's website at www.sanichimould.com.

6. Code of Ethics and Conduct

The Board acknowledges the importance of establishing a corporate culture which govern the standards of business conduct and ethical behavior expected from the Directors in the performance and exercise of their duties and responsibilities.

All Directors and employees of the Group in exercising and/or discharging their powers or duties shall comply with all applicable laws, rules and regulations including the Constitution of the Group.

The core areas of conduct include the following:

a) Compliance at all times with the Code of Ethics and Conduct and the Board Charter;
b) Observe high standards of corporate governance at all times;
c) Observe high standards of business, professional and ethical conduct, and to refrain themselves from offering, giving or receiving any gifts and any other form of benefits (in kind, cash, advantages and/or favor and etc) from persons or entities who deal with the Company where the gift would reasonably be expected to influence the performance of their duties in any aspect;
d) Adhere to the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership including fair dealing and the ethical handling of conflicts of interest;
e) Not misuse information gained in the course of duties for personal gain or for political purposes;
f) Uphold accountability and act in good faith and in the best interests of the Company and the Group;
g) Ensure the protection of the Company's legitimate business interests, including corporate opportunities, assets and confidential information;

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

6. Code of Ethics and Conduct cont'd

The core areas of conduct include the following: cont'd

h) Ensure full, fair, accurate, timely and understandable disclosure; and
i) Declaration of any personal, professional or business interests that may conflict with responsibilities.

In the event of any violation of this Code of Ethics and Conduct by any Director or employee of the Group, the Board of the Company shall determine the appropriate actions to be taken after considering all relevant information and circumstances.

The Board will review the Code of Ethics and Conduct regularly to ensure that it continues to remain relevant and appropriate.

7. Whistleblowing Policy

The Group's Whistleblowing Policy was established with the intention of promoting the highest standards of corporate governance and business integrity. This Policy aims to provide an avenue for employees of the Group and members of the public to raise concerns or make good-faith disclosures and report on any improper conduct within the Group and to take appropriate action to resolve them effectively. The Whistleblowing Policy is available on the Group's website at www.sanichimould.com.

8. Anti-Bribery and Corruption Policy

In line with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption which came into effect on 1 June 2020, the Board has adopted an Anti-Bribery and Corruption Policy ("ABC Policy") as part of the Company's commitment against all forms of bribery and corruption. The ABC Policy is available on the Group's website at www.sanichimould.com.

9. Conflict of Interest

The Directors shall submit their annual declaration of Conflict of Interest ("COI") as part of the Group's Code of Ethics and Conduct. The Directors are also aware that they shall immediately or as soon as practicable after becoming aware of the COI or potential or perceived COI, disclose the nature and extent of the conflict and the report on the disclosure received if any, shall be reported on a quarterly basis at the Board meetings of the company. In order to address and manage possible COI that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including restricting the participation of such Directors in the relevant Board and/or Board Committee meetings or general meeting and requiring them to abstain from deliberations during meetings and voting on any matter which they may also be interested or conflicted.

The ARMC reviews all related party transactions and conflict of interest situation that arose, persist or may arise within the Group that may challenge the Group's integrity.

10. Board Composition

The Board currently consists of five (5) members comprising a Non-Independent Non-Executive Chairman, one (1) Executive Director, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This composition complies with Rule 15.02(1) of the AMLR which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are independent directors. The profile of each Director is set out in this Annual Report.

The Board through its Nomination and Remuneration Committee ("NRC") conducted an annual review of its size and composition and was of the view that its new Board composition is appropriate in terms of membership and size as there is a good mix of skills and experience in the Board membership and no imbalance in power and authority. The Directors, with their differing backgrounds and specialisations, collectively bring with them a wide range of business, commercial and financial knowledge, expertise and skills essential in the management and direction of a corporation with regional presence.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

11. Tenure of Independent Directors

Practice 5.3 of the MCCG stipulates that the tenure of an independent director should not exceed a cumulative term of nine (9) years. However, such an independent director may continue to serve on the Board if re-designated as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent Director after the latter has served a cumulative term of nine (9) years, justifications from the Board and approval from shareholders through a two-tier voting process at a general meeting are required.

Our Board adheres to an open policy regarding the tenure of Independent Directors. We believe that the duration of an Independent Director's tenure does not compromise his/her objectivity or independent business judgment, always acting in the Company's best interests. In the event of proposing to retain an independent director for more than nine (9) years, the Board will provide justifications and seek shareholders' approval, following a prior review and recommendation from the NRC.

As of the date of this CG Statement, none of our Independent Directors has served beyond nine (9) years on the Board. The Board, in conjunction with the NRC, has conducted the annual assessment on the Board's effectiveness, Board Committees, and individual Directors for the FYE 2025. The assessments outcome, including self-assessment, peer evaluation, and overall Board effectiveness evaluation, indicate that our Independent Directors continue to demonstrate a high level of independence and are capable of acting in the Company's best interests. All the Independent Directors have declared and affirmed their independence from management and any affiliations. The Board affirms that our Independent Directors provide unbiased, objective judgement, contributing to balanced leadership within the Group and ensuring effective checks and balances to protect the interests of minority shareholders and other stakeholders.

12. Appointment of Board and Senior Management

The Board acknowledges the importance of having the right mix and skills, different background and experience among its Directors and Senior Management. Appointment of new Board members as well as the re-election of Directors are approved by the Board upon the recommendation of the NRC. Appointment of the Board and Senior Management are based on objective criteria, merit and due regard for diversity in skills, experience, age and cultural background.

The NRC will first evaluate the potential candidates and subsequently put up to the Board after assessing their profiles as well as character, skills, experience and their ability to commit sufficient time to the Company's matters.

Pursuant to the Company's Constitution, one-third (1/3) of the Directors including the Managing Director, shall retire from office, at least once every three (3) years. Retiring directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by shareholders at the next AGM held following their appointment. Newly appointed Directors shall hold office until the AGM following their appointment and shall then be eligible for re-election by shareholders. During the FYE 2025, no Director was appointed to the Board.

13. Gender Diversity Policy

The Board currently has one (1) woman Director, which represents 20% of the total number of Board members.

The Board acknowledges the call by the Government and MCCG for boards to comprise at least 30% woman on the Board. The Board is mindful that any gender representation should be in the best interest of the Company.

The Board will continue to identify suitable female candidates for appointment to the Board as well as Senior Management in the event that vacancies for Directors and Senior Management arise or when a decision is made to increase the size of the Board.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

14. Fit and Proper Policy

The Board has adopted the Directors' Fit and Proper Policy for the appointment, re-appointment and/or re-election of directors of the Company. This policy will enhance the governance of the Group in relation to the Board's quality and integrity as well as ensuring that each of its directors has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a director. The NRC shall conduct the fit and proper assessment prior to the appointment of any candidates as a director or making a recommendation for the re-election of an existing director of the Group. The Fit and Proper Policy is available on the Group's website at www.sanichimould.com.

15. Sustainability Governance

The Board has reviewed and revised the relevant amendments by incorporating the assessment of the Board's understanding of sustainability issues in the annual performance evaluation. The Board remains committed to continuously reviewing and enhancing its sustainability practices to ensure alignment with best practices and to create long-term shareholders' value.

16. Board Committees

In discharging its duties, the Board is assisted by the Board Committees namely the AC and NRC. Each Committee operates within its respective defined terms of reference which have been approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

a) AC

The composition, attendance at meeting, summary of work of the AC and summary of work of the internal audit functions are set out in the AC Report on pages 68 to 71 of this Annual Report.

b) NRC

The NRC consists of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, as follows:

Chairman	
Yong Ket Inn	Independent Non-Executive Director
Members	
Datin Erdawaty Binti Mohamed	Independent Non-Executive Director
Ong Tee Kein	Non-Independent Non-Executive Director

The Terms of Reference of the NRC is made available on the Group's website at www.sanichimould.com.

The primarily responsibilities of the NRC are to identify, select and recommend the right candidate to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board. It uses various approaches and sources to identify the most suitable candidate. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director, including Non-Executive Directors. However, the final decision on the appointment of a candidate recommended by the NRC rests with the Board.

At the forthcoming AGM, Dato' Sri Dr Pang Chow Huat and Mr Ong Tee Kein will retire in accordance with Clause 85 of the Constitution of the Company and being eligible, have offered themselves for re-election.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

16. Board Committees cont'd

A summary of activities undertaken by the NRC in the discharge of its duties during the FYE 2025 were as follows:

a) reviewed the structure, size, composition, mix of skills, experience, roles and responsibilities of the Board and Board Committees;
b) reviewed the effectiveness of the Board as a whole;
c) reviewed the independence of the Independent Non-Executive Directors;
d) reviewed the performance and effectiveness of the AC and each member of the AC; and
e) reviewed and recommended to the Board, the re-election and re-appointment of Directors who retired in accordance with the Constitution of the Company.

All assessments and evaluations carried out by the NRC were properly documented.

The Group aims to provide fair and competitive remuneration to its Board and Senior Management which are sufficient to attract and retain the Directors and Senior Management team needed to run the Group successfully.

The NRC is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of Executive Directors. The remuneration packages for the Executive Directors and Senior Management comprises a fixed and variable component together with benefits-in-kind, if any, taking into consideration the Company/Group's performance, the individual performance as well as the required qualification, skills, experience and comparable market statistics.

When reviewing the structure and level of Directors' fees, the NRC takes into consideration the Directors' roles and level of responsibilities undertaken by the Non-Executive Directors concerned. The Non-Executive Directors received a fixed fee and meeting allowance for each Board and Board Committee meetings that they attended. The fees for Directors are determined by the Board with the approval from the shareholders at the AGM.

In all instances, deliberations were conducted with the Directors concerned abstaining from discussions on their individual remuneration. The Board through the NRC has recognised that a formal remuneration framework or policy for Directors and Senior Management will continue to be one of the areas for further deliberation.

Details of Directors' remuneration for the FYE 2025 are as follows:

	GROUP			COMPANY		
	Salaries & Bonus* (RM)	Benefits-in-Kind (RM)	Total (RM)	Directors Fees (RM)	Meeting Allowances (RM)	Total (RM)
Executive Director						
• Dato' Sri Dr Pang Chow Huat	280,968	–	**280,968**	–	–	**–**
• Datin Sri Chen Choon Lee	261,366	–	**261,366**	–	–	**–**
Non-Executive Director						
• Dato' Abd Halim Bin Abd Hamid	-	-	**-**	66,000	5,000	**71,000**
• Yong Ket Inn	-	-	**-**	54,000	6,500	**60,500**
• Ong Tee Kein	-	-	**-**	60,000	6,500	**66,500**
• Datin Erdawaty Binti Mohamed	-	-	**-**	60,000	6,500	**66,500**
Total	**542,334**	**–**	**542,334**	**240,000**	**24,500**	**264,500**

* *The salaries and bonus include employer's contribution to the Employees Provident Fund (EPF).*

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

16. Board Committees cont'd

Senior Management Remuneration

The range of remuneration of the top two (2) senior management for the FYE 2025 which includes salary and other emoluments are as follows:

Range of remuneration during the year	Number of Senior Management
RM350,000 - RM450,000	2

The Board is of the opinion that disclosure on named basis is not required due to security and privacy reasons and the disclosures presented above is sufficient to allow shareholders to make an informed decision.

17. Directors' Training

All the Directors have attended and successfully completed the Mandatory Accreditation Programme ("MAP") required by Bursa Securities.

During the FYE 2025, all the Directors have attended the following training programmes and seminars:

Directors	Training Course / Seminar	Date
Dato' Abdul Halim Bin Abd Hamid	• Conflict of Interest & Disclosure Obligations • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	• 16 May 2024 • 09-10 October 2024
Dato' Sri Dr Pang Chow Huat	• Conflict of Interest & Disclosure Obligations • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	• 16 May 2024 • 09-10 October 2024
Yong Ket Inn	• Conflict of Interest & Disclosure Obligations • Seminar on "[SSM Webinar] Loan to Directors and Other Parties • SSM National Conference 2024 on Enhancing Corporate Transparency, Building Resilence • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	• 16 May 2024 • 1 August 2024 • 28-28 August 2024 • 09-10 October 2024
Ong Tee Kein	• Micro Credential: New Updates on Group Consolidation and Business Combination in IFRS for SMEs 3rd Edition • Essentials of International Standard Quality Management (ISQM) • Application of Five Transfer Pricing Methods & Transfer Pricing Considerations for Intra-group Services • Basics of Malaysian Financial Reporting Standards (MFRS) • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	• 2 January 2025 • 3 January 2025 • 3 January 2025 • 9 March 2025 • 12-13 February 2025
Datin Erdawaty Binti Mohamed	• Conflict of Interest & Disclosure Obligations • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	• 16 May 2024 • 09-10 October 2024

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

17. Directors' Training cont'd

The Board recognises the importance of continuous training for Directors to enable them to discharge their duties effectively. The Directors undergo training programme and seminars from time to time, as and when necessary, to constantly update themselves and keep abreast with industrial sector issues, the current and future developments of the Group's business and industry that may affect their roles and responsibilities.

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable, at Board Meetings.

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Effective and Independent AC

In assisting the Board to discharge its duties on financial reporting, the Board has established an AC. The AC comprises three (3) members, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The AC is chaired by an Independent Non-Executive Director, Mr Yong Ket Inn who is distinct from the Chairman of the Board. The composition of the AC, including its roles and responsibilities as well as a summary of its activities carried out during the financial year ended 31 March 2025, are set out in the AC Report of this Annual Report. One of the key responsibilities of the AC in its terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia. Such financial statements comprise the quarterly results and annual financial statements which is reviewed by the AC and recommended to the Board for approval prior to public release via Bursa Securities.

The composition, attendance at meeting and summary of work of the AC during the FYE 2025 are set out in the AC Report on pages 68 to 71 of this Annual Report.

2. Former Key Audit Partner Cooling-Off Period

Currently, there are no members of the AC who are former key audit partner of the Company.

3. Relationship with External Auditors

The Board has a formal and transparent relationship with the External Auditors through the AC. The AC meets with the External Auditors to discuss and review the audit plan, external audit fieldwork, statement on risk management and internal control, audit findings and the Group's audited financial statements. AC also had private dialogues with the External Auditors without the presence of the Executive Directors and the Management.

The AC conducted an annual assessment of the independence and effectiveness of the external auditors and the areas of assessment including the objectivity and independence, calibre, size, audit fees and competency of the audit team.

In assessing the independence of the External Auditors, the AC requires written assurance by the External Auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Malaysia (MIA) and the International Standards Board of Accountants' Code of Ethics for Professional Accountants.

4. Effective Risk Management and Internal Control Framework

The Board is updated through the AC on the Group's internal control system which encompasses risk management practices as well as financial, operational and compliance controls / system of internal controls and risk management process, as well as appropriateness and effectiveness of the corporate governance practices. Ongoing reviews are performed throughout the year to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effect controls are in place. The issues on risks were also discussed by the Management with the Managing Director who would articulate risks associated with projects and investment, including any risk exposure that the Group faced in its operations. It is a continuous review process and hence, was reviewed and conducted by the Group's outsourced Internal Auditors who reports directly to the AC. The Internal Auditors will report the findings to the AC. The key features of the Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Controls on pages 64 to 67 of this Annual Report.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
cont'd

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

5. Internal Audit Function

The Group's internal audit function is carried out by an outsourced third-party professional firm who supports the AC by providing independent assurance on the effectiveness of the Group's systems of internal control.

The internal audit function is set out on pages 66 and 71 of this Annual Report.

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

1. Communication with Stakeholders

The Company recognises the importance of effective communication with its shareholders and does this through the Annual Report, AGM, various disclosures, press releases and announcements made to Bursa Securities and the Company's corporate website.

2. Notice of AGM and Conduct of General Meeting

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's financial performance and business strategies via the Company's Annual Report. The Notice of AGM is sent to shareholders at least 28 days prior to the date of the meeting to give sufficient time to the shareholders and to enable them to go through the Annual Report and papers supporting the resolutions proposed. The Notice of AGM which sets out the businesses to be transacted at the AGM is also published in major local newspaper. Shareholders are invited to ask questions on the resolutions being proposed before putting a resolution to vote as well as matters relating to the Group's operations in general. The Board, Board Committees and the External Auditors were present to provide their clarification on the queries raised by the shareholders. All the resolutions set out in the Notice of the last AGM were put to vote by poll and the outcome of AGM was announced to Bursa Securities on the same meeting day.

The Board recognises the importance of being transparent and accountable to the Company's investors and, as such, has various channels to maintain communication with them. The various channels of communications are through the quarterly announcements of financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website, where shareholders can access pertinent information concerning the Group.

The Board also recognises that there are always opportunities for improvement in its corporate governance activities in order for the Group to continue to create trust and confidence amongst stakeholders.

The Board is satisfied that this CG Statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied and obligation are fulfilled under the MCCG and the AMLR throughout the financial under review.

STATEMENT BY THE BOARD ON CG STATEMENT

The Company shall continue to refine and seek to build upon the enhanced corporate governance practices and procedures in the best interest of all our stakeholders.

The Company has in all material aspects satisfactorily complied with the principles and practices set out in the MCCG, except for the departures set out in the CG Report.

This CG Statement is made in accordance with a resolution of the Board dated 23 July 2025.

STATEMENT ON RISK MANAGEMENT **AND INTERNAL CONTROL**

INTRODUCTION

The Board is committed to maintain a sound risk management and internal control system. The Group will continue to take appropriate steps to strengthen the risk management and internal control system.

The Board is pleased to provide the following Statement on Risk Management and Internal Control, which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 March 2025.

BOARD'S RESPONSIBILITY

The Board recognises its overall responsibility for the adequacy and effectiveness of the risk management framework and system of internal controls within the Group to safeguard shareholders' investment and Group's assets.

The Board has entrusted the Audit Committee to review the adequacy and effectiveness of the risk management and internal control system in relation to the internal audits conducted a t operating units by an independent assurance provider during the financial year under review. The audit observations, together with management's response and agreed action plans are presented to the Audit Committee on a quarterly basis. In addition, the review of the internal audit reports is part of the agenda of the Board meeting.

The Board ensures that the risk management and internal control systems manage the Group's relevant and key significant risks within its risk appetite in pursuing its strategies and business objectives. However, the Board is equally aware that such systems and processes are designed to manage, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. In this regard, the risk management framework and internal control system can only provide reasonable assurance, and not absolute assurance against material misstatement of financial information and records or against financial losses or fraud.

RISK MANAGEMENT

The Board maintains an on-going commitment for identifying, evaluating and managing significant risks for the Group during the financial year under review and up to the date of approval of this Statement.

The Group adopts enterprise risk management approach and all the active businesses of the companies within the Group are considered and categorised in accordance with their main functional activities. Responsibility of risk management and control is delegated to the appropriate levels of management within the Group. This process has been in place for the financial year under review and up to the date of approval of the annual report and financial statements.

During the financial year under review, management with the assistance of the internal audit consultants has performed a risk management review which includes the following:

- Defining a yearly understanding of risk classification tolerance;
- Identifying key risk affecting business objectives and strategic plans;
- Identifying changes to risks or emerging risks and promptly bringing these to the attention of the Board where appropriate; and
- Identifying and evaluating existing controls.

The Risk management process will be managed and modelled largely on the ISO 31000:2018 Risk Management Principles and Guidelines, which will be implemented across all main functional activities of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT cont'd

Internal controls and risk-related matters which warrant the attention of the Board will be recommended by the Audit Committee to the Board for its review and approval, and decisions made by the Audit Committee will be escalated to the Board. In the current financial year, the activities carried out by the Audit Committee included the following:

(i) Reviewed the Group's quarterly financial results and made suitable recommendations thereon to the Board for adoption prior to their release to Bursa Malaysia Securities Berhad.

(ii) Reviewed various variances arising from the comparisons of the Group's year-to-date actual results against the budget;

(iii) Reviewed and discussed the audit findings presented by the external auditors in respect of the audit for the current financial year;

(iv) Reviewed the assistance given by the management to the external auditors;

(v) Reviewed the audit plan with regards to the external auditors audit program and updates on new accounting standards/ interpretations/ amendments applicable to the Group's financial statements for the current financial year;

(vi) Reviewed internal audit report prepared by the internal audit consultants on the credit control & collections of the active business units of the Group;

(vii) Reviewed the performance and independence of the external auditors.

The Group's activities are subject to a variety of risk. The Board regularly reviews the risks summarised below:

(i) Strategic risk

Strategic risks are external events that have the potential to materially affect the achievement of Board's strategic objectives which is beyond the Board's control. The Board monitors the risk regularly.

(ii) Foreign exchange risk

The Group is exposed to foreign currency risk on sales that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to these risks are primarily in USD and THB. The Board and the management review and monitor the exchange rate quarterly to mitigate this risk.

(iii) Customer risk

The Group is exposed to customer risk as dependent on certain specific customer base which implications for business viability. Management maintains good relationship with existing customers and expand to new market through agency or local consultants.

(iv) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(v) Market risk

Market risk refers to decline in market demand due to amongst others, changes in the economic environment, locally or internationally. The Group has implemented promotional activities as well as incentives to attract buyers for its property business.

STATEMENT ON RISK MANAGEMENT **AND INTERNAL CONTROL**
cont'd

RISK MANAGEMENT cont'd

(vi) Project risk

The group has a project construction business division, there is potential that circumstances could arise that alters the outcome of a project, for better or for worse. Project risks affect deliverables, timelines, and budgets. They can lead to a project's failure if not managed properly. Management is continuously evaluating and monitoring the situation by implementing appropriate reporting system.

INTERNAL AUDIT FUNCTION

The principal objective of the internal audit function is to assess the adequacy, integrity and effectiveness of the Group's internal control system.

The Group's internal audit function is outsourced to an independent firm of internal audit consultants. The independent professional firm supports the Audit Committee (and by extension the Board) by providing independent assurance on the effectiveness of the Group's systems of internal control.

The internal audit plan entails the audit scope and coverage on a risk-based approach and is approved by the Audit Committee.

For the financial year, the outsourced internal audit function has carried out the following audits based on the internal audit plan approved by the Audit Committee:-

- Mould division: Quality Assurance (Production of Online Terminal Payment Kiosk)
- Property division: Billing and Collection

The internal audit report was presented to the Audit Committee who in turn reports to the Board on its activities, significant audit results or findings and the necessary recommendations or actions needed to be taken by the management to rectify highlighted issues. The cost incurred by the Group for the internal audit function for the current financial year was RM31,031.

In order to achieve a sound control environment, the key elements in the framework of the Group's internal control systems are described as follows:

(i) The Group has well-defined organisation structure with clear lines of reporting responsibility which is aligned to the Group's business and operational requirements. The proper segregation of duties and responsibilities to eliminate the incidence of an employee having total control of a business process;

(ii) Senior management, comprising the Group Managing Director, Consultant and Operation Manager, take an active management and decision-making role in the day-to-day operations of the Group;

(iii) The Group maintained documented policies and rules in terms of employment and termination of employees, performance appraisal and staff complaints to ensure satisfaction and efficiency in the work place;

(iv) Monthly management and operational meetings are held to ensure activities and risk mitigation actions are executed as proposed and to keep the Board updated on the Group's activities;

(v) The Group maintained sufficient insurance coverage for the Group's major assets against theft, disaster and loss of income that may results in material losses;

(vi) The Group maintained an open communication channel between the Board, senior management, accountants and the internal and external auditors to ensure timely conveyance of information;

(vii) The Group actively review next year's internal audit plan.

STATEMENT ON RISK MANAGEMENT **AND INTERNAL CONTROL**

cont'd

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors, Messrs Morison LC PLT, have performed limited assurance procedure on the Statement in accordance with Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report.

Messrs Morison LC PLT have reported to the Board that nothing has come to their attention that caused them to believe that the Statement included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is the Statement factually inaccurate.

CONCLUSION

Several internal control improvements and risk areas were identified by the internal auditors during the current financial year. These were reviewed by the Audit Committee and the Board and were then closely monitored by the management to ensure the integrity of internal controls and mitigation of risks. The Board and the management will continue to take adequate measures to strengthen the control environment in which the Group operates and review next year's audit plan.

This Statement is made in accordance with the resolution of the Board dated 23 July 2025.

AUDIT COMMITTEE **REPORT**

The primary objectives of the Audit Committee ("AC") of Sanichi Technology Berhad ("Sanichi" or "the Company") are to assist the Board of Directors ("Board") in discharging its fiduciary duties and responsibilities in the areas of corporate governance, systems of internal controls, risk management and financial reporting process of the Group which include the following:

- evaluate the quality of the audit work conducted by the internal auditors and external auditors and their performances;
- provide assurance that the financial information presented by management is relevant, reliable and timely;
- oversee the transparency of the financial reporting process;
- ensure that proper process and procedures are in place to comply with all laws, rules and regulations, directives and guidelines established by relevant regulatory bodies; and
- acts upon the Board's request to investigate and report on any issues or concerns in regard to the management.

1. COMPOSITION, MEETINGS AND ATTENDANCE

The AC members are appointed by the Board from amongst its members and consist of not less than three (3) members, with a majority of them being independent directors.

The members of the AC shall elect a Chairman from among their members who shall be an Independent Director. No alternate director shall be appointed as a member of the AC and no former key audit partner shall be appointed as member of AC unless the said former key audit partner has observed a cooling-off period of at least three (3) years before being appointed as member of the AC.

The AC held five (5) meetings during the financial year ended 31 March 2025 ("FYE 2025") and full attendance were recorded for all members.

The attendance of each member at the AC meetings is as follows:

Name	Directorship	Number of meetings attended
Yong Ket Inn	Chairman / Independent Non-Executive Director	5/5
Datin Erdawaty Binti Mohamed	Member / Independent Non-Executive Director	5/5
Ong Tee Kein	Member / Non-Independent Non-Executive Director	5/5

In carrying out its duties, the AC reported to and updated the Board on any significant issues of concerns and where appropriate, made necessary recommendations to the Board. The Company Secretary was responsible to record all proceedings and minutes of all meetings of the AC. Minutes of each AC meeting was then tabled for confirmation at the subsequent AC meeting, which was then presented to the Board for notation.

2. TERMS OF REFERENCE

The full details of terms of reference of the AC are published on the Company's website at www.sanichimould.com

AUDIT COMMITTEE **REPORT**
cont'd

3. SUMMARY OF WORK OF THE AC

The following activities were carried out by the AC during the FYE 2025:

3.1 Financial Reporting

a) Reviewed the unaudited quarterly results and the annual financial statements of the Company and the Group, before recommending to the Board for approval, focusing particularly on:

i) changes in or implementation of new or major accounting policies and practices;
ii) significant matters highlighted including financial reporting issues, significant judgment made by management, significant and unusual events or transactions and how these matters are addressed;
iii) significant adjustment arising from the audit;
iv) major judgmental areas;
v) the going concern assumption; and
vi) compliance with the applicable approved accounting standards, regulatory and other legal requirements.

b) Reviewed and provided advice on whether the financial statements taken as a whole, provided a true and fair view of the Company's financial position and performance.

c) Ensured that the financial statements are consistent with operational and other information, where there are significant matters requiring judgment.

3.2 External Auditors

a) Considered and recommended to the Board on the re-appointment of external auditors and to fix their fees (audit and non-audit services), after assessing their independence and capabilities as well as the effectiveness of the external audit process and their services.

b) Assessed the integrity, suitability, objectivity and independence of the external auditors on an annual basis and the annual performance evaluation of the external auditors undertaken by the AC which should include the following considerations:

i) criteria to decide on the appointment and re-appointment of the external auditors. The criteria should include an assessment of the competence, audit quality and resource capacity of the external auditors in relation to the audit including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
ii) the appropriateness of audit fees to support a quality audit;
iii) non-audit services must be approved by the AC before they are rendered by the external auditors and its affiliates while taking into account the nature and external of the non-audit services and the appropriateness of the level of fees;
iv) obtain written assurance from the external auditors confirming that they are and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and
v) conduct an annual evaluation on the performance of the external auditors by the management and the AC.

c) Reviewed the following with the external auditors and report the same to the Board:

i) audit plan, its scope and nature;
ii) the applicability and impact of the new accounting standards and new financial reporting regime;
iii) audit progress / update report;
iv) evaluation of the system of internal controls;
v) the assistance given by the employees to the external auditors, including any difficulties or disputes with management encountered during audit; and
vi) external auditors' management letter and management's response thereto.

d) Met the external auditors once on 24 May 2024 without the presence of the Executive Directors and management to discuss their audit findings and the level of co-operation and assistance rendered by the management during their audit.

AUDIT COMMITTEE **REPORT**
cont'd

3. SUMMARY OF WORK OF THE AC cont'd

3.3 Internal Audit

a) Reviewed the adequacy of the scope, resources and budget of the internal audit function, and that it has the necessary authority to carry out its work.

b) Reviewed the internal audit plan, programme and the reporting structure.

c) Reviewed the findings of the internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by the management, based on the recommendations of the internal auditors.

d) Reviewed the evaluation on the performance of the internal audit function on an annual basis.

3.4 Risk Management and Internal Control

a) Established an adequate and effective Group's risk management and internal control framework.

b) Reviewed and assessed the Group's level of risk appetite and risk tolerance.

c) Reviewed the risk management framework, policies and process, including identifying, managing, monitoring and mitigating the significant risks of the Group, and recommend for approval by the Board.

d) Reviewed significant risks identified (including operational, financial, regulatory compliance, sustainability and reputational risks) and assess the mitigating actions put in place to manage these risks.

e) Reviewed the adequacy of resources for managing the risk management and internal control framework.

3.5 Related Party Transactions ("RPT") and Conflict of Interest

a) Reviewed RPT and conflict of interest situations or potential conflict of interest situations that arose or persist or may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

3.6 Others

a) Reviewed financial related reports, Statement on Risk Management and Internal Control, Corporate Governance Statement as required by the LR for inclusion in the Annual Report.

b) Verified allocation of units of options issued pursuant to the share issuance scheme implemented by the Group.

c) Obtained regular updates from the management regarding compliance matters.

d) Reviewed regulatory and compliance reports and any other reports within the purview of the AC.

e) Carried out any other functions that may be mutually agreed upon by the AC and the Board.

4. CONFLICT OF INTEREST / POTENTIAL CONFLICT OF INTEREST

The AC has not come across any conflict of interest situations or potential conflict of interest situation within the Company or its subsidiaries including any transaction, procedure or course of conduct that raises questions of management integrity.

AUDIT COMMITTEE **REPORT**
cont'd

5. SUITABILITY AND INDEPENDENCE

To ensure that the external auditors' independence is not impaired, the Audit Engagement Partner would be rotated every 5 years. The external auditors would conduct an Independent Partner Engagement quality control review in order to preserve their independence and integrity.

The Company's external auditors, Messrs Morison LC PLT had declared to the AC that they were in compliance with the independent requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants. In maintaining their audit independence and objectivity, they had developed policies and important safeguards and procedures to address threats to their independence and objectivity.

The AC conducted an annual assessment of the performance of the external auditors based on the following criteria:

- quality of engagement team;
- quality of interaction and communication;
- independence, objectivity and professionalism;
- quality of services; and
- adequacy of resources;

Based on the annual assessment, the AC found that the external auditors had performed professionally and are independent. The AC recommended the external auditors' re-appointment to the Board to be proposed for shareholders' approval at the forthcoming Annual General Meeting.

6. INTERNAL AUDIT FUNCTION

The Company has outsourced its internal audit function to a third-party professional firm, Kloo Point Risk Management Services Sdn Bhd to assist the AC in discharging its responsibilities and duties. The role of the internal audit function is to undertake independent regular and systematic reviews of the system of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The fee (inclusive of government tax) paid to the professional firm in respect of the internal audit function for the FYE 2025 was RM31,031.

The internal audits cover the review of the adequacy of risk management, operational controls, and compliance with established procedures, guidelines and statutory requirements.

During the financial year under review, the internal auditors had reviewed and performed a Risk Review exercise for Sanichi and selected subsidiaries in the following areas:

(i) Execution of the approved internal audit plan;
(ii) Presentation of the internal audit findings and recommendations at the AC meetings; and
(iii) Conducted follow up reviews to ensure action plans are properly and appropriately implemented by the Management.

There were no significant issues in the internal control system during the year under review.

STATEMENT OF **DIRECTORS' RESPONSIBILITY**

The Directors are required to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and the results and cash flow of the Group and of the Company for the financial year. As required by the Companies Act 2016 and the ACE Market Listing Requirements of the Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the applicable approved Malaysian Financial Report Standards and International Financial Reporting Standards.

In preparing the financial statements, the Directors have ensured the following:

- Applied the appropriate and relevant accounting policies on a consistent basis;
- Made reasonable and prudent judgments and estimates; and
- Applicable approved accounting standards in Malaysia have been adopted.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records which disclose with reasonable accuracy the financial positions of the Group and of the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

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

This statement is made in accordance with the resolution of the Board dated 23 July 2025.

ADDITIONAL COMPLIANCE **STATEMENT**

A. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

At an Extraordinary General Meeting held on 28 November 2024, the shareholders of the Company had approved the variation to the utilisation of proceeds amounting to approximately RM75.74 million previously raised from the Rights Issue with Warrants exercise undertaken by the Company that was completed on 28 May 2021 ("Variation").

As at the expiry date of the timeframe (within 6 months from approval of the shareholders) to utilise the balance proceeds from the Rights Issue with Warrants, the Company has yet to fully utilise the balance proceeds amounting to RM56.49 million allocated for its property development and plastic moulding businesses as well as repayment of bank borrowings.

The Board after having deliberated, resolved to extend the timeframe for utilisation of the said balance proceeds for another twelve (12) months period from 29 May 2025 to 28 May 2026 ("Revised Timeframe") to provide additional time for the Group to utilise the balance proceeds.

Details of the Revised Timeframe are set out in the table below:

Purpose	Balance of Proceeds Raised (RM'000)	Utilisation as at 23/5/2025 RM'000	Balance of Proceeds Unutilised RM'000	Estimate Timeframe for Utilisation	Revised Timeframe for Utilisation
Repayment of bank borrowings	29,038	1,309	27,729	Within six (6) months	28 May 2026
Funding for the Marina Point Project	29,000	14,267	14,733	Within six (6) months	28 May 2026
Working capital for the Group's plastic moulding business	17,697	3,669	14,028	Within twenty-four (24) months	-
Total	**75,735**	**19,245**	**56,490**		

B. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors by the Group and the Company for the FYE 2025 are as follows:

	Group (RM'000)	Company (RM'000)
Audit fees	224,200	80,000
Non-audit fees	15,000	5,000
Total	**239,200**	**85,000**

C. MATERIAL CONTRACTS

There was no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders' interests during the FYE 2025.

ADDITIONAL COMPLIANCE **STATEMENT**
cont'd

D. RECURRENT RELATED PARTY TRANSACTIONS

The Company did not enter into any recurrent related party transactions of a revenue or trading nature during the FYE 2025.

E. EMPLOYEES SHARE OPTION SCHEME ("ESOS")

During the FYE 2025, the Company announced that it has offered ESOS of the Company to its eligible employees in accordance with the By-Laws of the ESOS as set out in the table below:

	Total
Number of options granted	240,000,000
Number of options exercised	240,000,000
Number of options outstanding	-

FINANCIAL STATEMENTS

DIRECTORS' **REPORT**

The directors of **SANICHI TECHNOLOGY BERHAD** hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 16 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Loss before tax	(18,326,290)	(1,884,790)
Income tax expense	(484,548)	(237,788)
Loss for the financial year	(18,810,838)	(2,122,578)
Loss attributable to:		
Owners of the Company	(18,801,719)	(2,122,578)
Non-controlling interests	(9,119)	-
	(18,810,838)	(2,122,578)

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

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

On 14 August 2024, the Company granted 240,000,000 share options under its Employees' Share Option Scheme ("ESOS") to eligible employees at an exercise price of RM0.016 per share, representing a discount to the market price of RM0.020 per share on the date of offer. The options carried no vesting conditions and were exercisable immediately. All options were fully exercised during the financial year, resulting in the issuance of 240,000,000 new ordinary shares.

On 16 December 2024, the Company completed a share consolidation of every 10 existing ordinary shares into 1 consolidated share, with fractional disregarded and resulting in the reduction in the number of ordinary shares from 1,643,095,559 ordinary shares to 164,309,556 consolidated ordinary shares.

DIRECTORS' REPORT
cont'd

ISSUE OF SHARES AND DEBENTURES cont'd

On 3 February 2025, the Company completed a reduction of its issued share capital from RM337,181,896 to RM293,152,909 pursuant to Section 117 of the Companies Act 2016, following the special resolution dated 1 November 2024 which was approved and executed. The reduction was effected by offsetting accumulated losses of RM44,028,987 against the issued share capital.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

No debentures were issued during the financial year.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company implemented an Employees' Share Option Scheme ("ESOS") governed by the New By-Laws approved by shareholders at the Extraordinary General Meeting held on 18 March 2021. The ESOS is in force for a period of five (5) years from the effective date, and may be extended as provided under the New By-Laws.

The ESOS is administered by an ESOS Committee appointed by the Board of Directors and is made available at the discretion of the Committee to eligible persons from time to time during the duration of the scheme. Eligible persons include full-time employees and executive Directors of the Group who are at least 18 years of age and not adjudicated bankrupt.

The salient features of the ESOS are as follows:

1. The maximum number of shares that may be issued under the ESOS shall not exceed such percentage of the total issued and paid-up share capital of the Company (excluding treasury shares) as permitted by prevailing regulations.
2. The number of new shares allocated to any eligible person who, either individually or collectively through persons connected to him/her, holds 20% or more of the issued shares of the Company (excluding treasury shares) shall not exceed 10% of the total number of options granted under the ESOS.
3. Not more than 70% of the total options available under the ESOS shall be allocated to Directors and senior management of the Group.
4. The ESOS Committee may at its discretion determine the number of options granted, the subscription price, and the terms and conditions of the grant.

On 14 August 2024, the Company offered 240,000,000 options to eligible employees under the ESOS. The exercise price of the options was fixed at RM0.016, based on a discount to the market price of RM0.020 per share on the date of offer. The options carried no vesting conditions and were exercisable immediately.

All 240,000,000 options were fully exercised during the financial year, resulting in the issuance of an equivalent number of new ordinary shares. The newly issued shares rank *pari passu* in all respects with the existing ordinary shares of the Company.

Date of offer	Exercise price	As at 1.4.2024	Granted	Exercised	As at 31.3.2025
14 August 2024	RM0.016	-	240,000,000	(240,000,000)	-

Warrants

On 28 May 2021, the issuance of 601,311,751 free warrants on the basis of 6 rights shares together with 3 free warrants for every 1 ordinary share held by the entitled shareholders on the entitlement date was completed upon admission of the warrants to the Official List of Bursa Malaysia Securities Berhad ("Bursa Securities") and the listing of and quotation for the warrants F on the ACE Market of Bursa Securities. The Warrants F of the Company are constituted by a Deed Poll dated on 8 April 2021. The issue date of the Warrants F is on 28 May 2021 and the expiry date is on 20 May 2024. The Warrants F expired and lapsed on 20 May 2024. Accordingly, there were no unexercised warrants outstanding as at 31 March 2025.

The salient features of Warrants F are disclosed in Note 26 to the financial statements.

DIRECTORS' **REPORT**
cont'd

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) 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; or

(d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

In the opinion of the directors, 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 operations of the Group and of the Company in the financial year in which this report is made.

DIRECTORS

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Dato Sri Dr. Pang Chow Huat*
Dato' Abd Halim bin Abd Hamid
Yong Ket Inn
Ong Tee Kein
Datin Erdawaty binti Mohamed

** Director of the Company and its subsidiary companies*

The directors of the subsidiary companies in office during the financial year and during the period from the end of the financial year to the date of this report are:

Datin Sri Chen Choon Lee
Robert Garretson
Datuk Tan Chor How Christopher
Yap Kim Choy

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS

The interests in shares in the Group and the Company of those who were directors of the Group and the Company at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

	Number of Ordinary Shares				
	Balance as at 1.4.2024	Bought	Share consolidation	Sold	Balance as at 31.3.2025
Shares in the Company					
Dato Sri Dr. Pang Chow Huat					
Direct interest	97,104,616	-	(87,394,155)	-	9,710,461
Indirect interest	886,771	-	(798,095)	-	88,676

Pursuant to the share consolidation exercise on 3 February 2025 from the existing 1,643,095,559 ordinary shares ("Shares") into 164,309,556 Shares, on the basis of 10 existing Shares into 1 Share in anticipation of the Company's listing of the Shares on the ACE Market of Bursa Securities.

By virtue of the above directors' interest in the shares of the Company, they are deemed to have beneficial interest in the shares of all the subsidiary companies to the extent the Company has an interest.

The other directors in office at the end of the financial year did not hold shares, nor had beneficial interest in the shares of the Company or its related corporation during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The details of the directors' remuneration of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Executive directors:		
Fee	240,000	240,000
Salaries and other emoluments	529,625	24,500
Defined contribution plans	59,760	-
	829,385	264,500

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

DIRECTORS' **REPORT**
cont'd

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for financial year ended 31 March 2025 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	224,200	80,000
Other services	15,000	5,000
	239,200	85,000

AUDITORS

The auditors, Morison LC PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

DATO' SRI DR. PANG CHOW HUAT **ONG TEE KEIN**

Kuala Lumpur,
30 July 2025

STATEMENT BY **DIRECTORS**

The directors of **SANICHI TECHNOLOGY BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of their financial performance and their cash flows for the financial year ended 31 March 2025.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

DATO' SRI DR. PANG CHOW HUAT **ONG TEE KEIN**

Kuala Lumpur,
30 July 2025

DECLARATION BY **THE DIRECTOR**

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **DATO' SRI DR. PANG CHOW HUAT**, the director primarily responsible for the financial management of **SANICHI TECHNOLOGY BERHAD**, do solemnly and sincerely declare that the accompanying financial statements 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.

DATO' SRI DR. PANG CHOW HUAT

Subscribed and solemnly declared by the abovenamed **DATO' SRI DR. PANG CHOW HUAT** at **KUALA LUMPUR in FEDERAL TERRITORY OF KUALA LUMPUR** on 30th day of July, 2025.

Before me,

ZAINUL ABIDIN BIN AHMAD (W790)
COMMISSIONER FOR OATHS

INDEPENDENT **AUDITORS' REPORT**
TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **SANICHI TECHNOLOGY BERHAD**, which comprise the statement of financial position as at 31 March 2025 of the Group and of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 87 to 140.

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 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standard)* ("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.

Emphasis of Matters

We draw attention to Note 22 to the financial statements which disclose that deposit of RM67.1 million placed with Koperasi Maal Nizami Selangor Berhad ("KOMANI"), a registered cooperative under Suruhanjaya Koperasi Malaysia ("SKM"). The placement is subject to a different regulatory framework. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

INDEPENDENT **AUDITORS' REPORT**

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD

cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

Key audit matter	Our audit performed and responses thereon
Expected credit loss of deposit placement with a cooperative Refer to Note 3, 4, 22 and 36 to the financial statements. As at 31 March 2025, the Group held deposits of RM67.1 million, representing approximately 24% of total assets, placed with Koperasi Maal Nizami Selangor Berhad ("KOMANI"), a registered cooperative under Suruhanjaya Koperasi Malaysia ("SKM"), an agency under the Ministry of Entrepreneur and Cooperative Development ("MECD"). We considered this a key audit matter due to the magnitude of the deposit relative to the Group's total assets and involvement of management judgement in establishing the credit policy and assessing the expected credit loss model ("ECL") under MFRS 9, which include the application of forward-looking assumptions and macroeconomic overlays.	Our audit procedures, amongst others, included the following: (i) Reviewed the Group's treasury and investment framework, as well as governance oversight and monitoring for the deposit placement with KOMANI. Assessed the design and implementation of such controls over approval processes and ongoing monitoring of deposit placements. (ii) Conducted interview with the Audit Committee and KOMANI's representatives to understand the nature, terms and conditions of deposit placements. (iii) Performed independent background searches on relevant parties. (iv) Tested recent withdrawal transactions and corroborated evidence to confirm assumptions used in management's credit policy and ECL model. (v) Evaluated the management's ECL estimation methodology, including: • Reasonableness of credit policy established for deposit placements. • Analysis of historical withdrawal patterns and default history. • Review of relevant financial metrics and ratios. • Appropriateness of macroeconomic overlays and external market data applied in the ECL model. (vi) Recalculated the ECL provision for accuracy.

INDEPENDENT **AUDITORS' REPORT**

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

Key audit matter	Our audit performed and responses thereon
Revenue recognition from property development Refer to Notes 3, 4, 6 and 38 to the financial statements for the Group's accounting policies on revenue recognition from property development, key sources of estimation uncertainty and related disclosure. Revenue from property development recognised during the financial year as disclosed in Note 6 to the financial statements amounted to RM9.4 million, representing 57% of the Group's total revenue. We determined this to be a key audit matter given its magnitude relative to the Group's total revenue and significant management's judgement and estimates involved in the following areas: ● stage of completion of the physical proportion of certified value of work completed to-date; and ● estimation of variable consideration.	Our audit procedures, amongst others, included the following: (i) Obtained an understanding of the relevant processes and internal controls in respect of revenue recognition for property development and performed procedures to evaluate the design and implementation of such controls. (ii) Assessed the terms and conditions of sales and purchase agreements to ascertain whether revenue recognised is in accordance with the Group's policy and the requirements of accounting standards. (iii) Assessed and challenged management's judgement in determining the stage of completion by: ● Performed site visits to observe the progress of the property development project. Evaluated the progress report and discussed the status of the project with the project team to arrive at an overall assessment of the progress of physical completion of the project and estimated completion date. ● Performed test of details on selected actual costs incurred and search of unrecorded liabilities and accruals, corroborating with the relevant supporting evidence such as contractors' interim certificates to assess the accuracy of the progress report. (iv) Assessed and challenged the management judgement and estimation used in determining the variable consideration, and verified supporting documents such as legal confirmation from external counsel regarding exposure from project delays, status of ongoing negotiations and related correspondence. (v) Re-computed the percentage of completion and estimation for variable consideration, then compared it to management's calculation.

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

INDEPENDENT **AUDITORS' REPORT**
TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

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

Responsibilities of the Directors for the Financial Statements

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

INDEPENDENT **AUDITORS' REPORT**

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Auditors' Responsibilities for the Audit of the Financial Statements cont'd

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we also report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 16 to the financial statements.

Other Matter

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.

MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants

LIM WAN YINN
No. 03262/04/2027 J
Chartered Accountant

Kuala Lumpur,
30 July 2025

STATEMENTS OF PROFIT OR LOSS AND **OTHER COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

		Group		Company	
		1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	Note	RM	RM	RM	RM
Revenue	6	16,573,295	20,957,109	-	-
Cost of sales		(23,417,161)	(16,320,259)	-	-
Gross (loss)/profit		(6,843,866)	4,636,850	-	-
Other operating income	7	6,059,776	4,386,902	4,343,837	2,345,520
Net reversal of/(loss on) impairment on financial instruments		(1,641,586)	-	(1,121,997)	-
Administrative expenses		(13,756,010)	(25,685,658)	(5,106,630)	(21,002,615)
Loss from operations		(16,181,686)	(16,661,906)	(1,884,790)	(18,657,095)
Finance costs	8	(2,144,604)	(2,918,642)	-	-
Loss before tax	9	(18,326,290)	(19,580,548)	(1,884,790)	(18,657,095)
Income tax expense	10	(484,548)	(220,804)	(237,788)	(6,543)
Loss for the financial year/period		(18,810,838)	(19,801,352)	(2,122,578)	(18,663,638)
Other comprehensive income, net of income tax					
Exchange differences on translating foreign operations		29,506	56,345	-	-
Total comprehensive loss for the financial year/period		(18,781,332)	(19,745,007)	(2,122,578)	(18,663,638)
Loss for the financial year/period attributable to:					
Owners of the Company		(18,801,719)	(20,051,680)	(2,122,578)	(18,663,638)
Non-controlling interests		(9,119)	250,328	-	-
		(18,810,838)	(19,801,352)	(2,122,578)	(18,663,638)
Total comprehensive loss for the financial year/period attributable to:					
Owners of the Company		(18,772,213)	(19,995,335)	(2,122,578)	(18,663,638)
Non-controlling interests		(9,119)	250,328	-	-
		(18,781,332)	(19,745,007)	(2,122,578)	(18,663,638)
Loss per ordinary share attributable to owners of the Company:					
Basic (sen)	11	(13.20)	(1.43)		
Diluted (sen)	11	(13.20)	(1.29)		

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

STATEMENTS OF **FINANCIAL POSITION**
AS AT 31 MARCH 2025

	Note	Group 31.3.2025 RM	Group 31.3.2024 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	12	23,801,535	29,812,850
Intangible asset	13	8,313,100	-
Investment properties	14	37,843,138	33,925,198
Right-of-use assets	15	1,137,018	1,227,063
Other investment	17	2,528,603	7,643,497
Other receivables, deposits and prepayments	18	1,680,000	-
Total Non-Current Assets		75,303,394	72,608,608
Current Assets			
Inventories	19	102,612,204	100,023,867
Trade receivables	20	5,775,634	3,539,548
Other receivables, deposits and prepayments	18	10,354,423	20,921,134
Contract assets	21	14,385,992	13,910,574
Tax recoverable		1,588,974	1,123,627
Fixed deposit	22	68,794,144	87,997,854
Cash and bank balances	23	6,889,219	5,867,369
Total Current Assets		210,400,590	233,383,973
Total Assets		285,703,984	305,992,581
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	24	293,152,909	332,885,896
Other reserves	25	126,465	9,330,190
Accumulated losses		(57,898,336)	(92,358,835)
Equity Attributable to Owners of the Company		235,381,038	249,857,251
Non-controlling interests	16	9,477,357	9,486,476
Total Equity		244,858,395	259,343,727

STATEMENTS OF **FINANCIAL POSITION**

AS AT 31 MARCH 2025
cont'd

	Note	Group 31.3.2025 RM	Group 31.3.2024 RM
Non-Current Liabilities			
Bank borrowings	27	25,417,525	28,272,981
Hire purchase payable	28	35,834	52,710
Lease liabilities	29	35,527	113,407
Total Non-Current Liabilities		25,488,886	28,439,098
Current Liabilities			
Trade payables	30	2,137,097	2,501,194
Contract liabilities	31	37,750	-
Other payables and accruals	32	8,309,027	8,428,894
Amount owing to director	33	357,019	1,727,935
Bank borrowings	27	4,321,318	5,313,214
Hire purchase payable	28	16,875	16,154
Lease liabilities	29	94,661	86,532
Tax payable		82,956	135,833
Total Current Liabilities		15,356,703	18,209,756
Total Liabilities		40,845,589	46,648,854
Total Equity and Liabilities		285,703,984	305,992,581

STATEMENTS OF **FINANCIAL POSITION**

AS AT 31 MARCH 2025
cont'd

		Company	
		31.3.2025	31.3.2024
	Note	RM	RM
ASSETS			
Non-Current Assets			
Intangible assets	13	8,313,100	-
Investment in subsidiary companies	16	18,500,001	18,500,001
Other investments	17	881,854	5,780,581
Other receivables, deposits and prepayments	18	1,680,000	-
Total Non-Current Assets		29,374,955	24,280,582
Current Assets			
Other receivables and deposits	18	4,297,606	14,150,745
Amount due from subsidiary companies	32	222,213,190	197,326,939
Tax recoverable		1,464,390	952,178
Fixed deposits	22	43,002,560	62,301,395
Cash and bank balances	23	140,026	749,144
Total Current Assets		271,117,772	275,480,401
Total Assets		300,492,727	299,760,983
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	24	293,152,909	332,885,896
Other reserves	25	-	9,233,231
Retained earnings/(Accumulated losses)		7,110,653	(44,028,987)
Total Equity		300,263,562	298,090,140
Current Liabilities			
Other payables and accruals	31	229,165	292,908
Amount owing to director	32	-	1,377,935
Total Liabilities		229,165	1,670,842
Total Equity and Liabilities		300,492,727	299,760,983

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

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	← Attributable to owner of the parent →					
	← Non-distributable →					
	Share capital	Warrant reserves	Foreign exchange reserves	Accumulated losses	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM
Group						
As at 1 January 2023	332,885,896	9,233,231	40,614	(72,307,155)	9,221,467	279,074,053
Strike off of a subsidiary company	-	-	-	-	14,681	14,681
(Loss)/profit for the financial period	-	-	-	(20,051,680)	250,328	(19,801,352)
Other comprehensive income for the financial period	-	-	56,345	-	-	56,345
Total comprehensive income/ (loss) for the financial period	-	-	56,345	(20,051,680)	250,328	(19,745,007)
As at 31 March 2024	332,885,896	9,233,231	96,959	(92,358,835)	9,486,476	259,343,727

	← Attributable to owner of the parent →						
	← Non-distributable →						
	Share capital	Share option reserve	Warrant reserves	Foreign exchange reserves	Accumulated losses	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM
Group							
As at 1 April 2024	332,885,896	-	9,233,231	96,959	(92,358,835)	9,486,476	259,343,727
Total comprehensive income/ (expense) for the financial year:							
Loss for the financial year	-	-	-	-	(18,801,719)	(9,119)	(18,810,838)
Other comprehensive income for the financial year	-	-	-	29,506	-	-	29,506
Total comprehensive income/ (expenses)	-	-	-	29,506	(18,801,719)	(9,119)	(18,781,332)
Transaction with owners:							
Exercise of ESOS	4,296,000	456,000	-	-	-	-	4,752,000
Share option granted under ESOS	-	(456,000)	-	-	-	-	(456,000)
Expiring of warrant to ordinary shares	-	-	(9,233,231)	-	9,233,231	-	-
Exercise of capital reduction	(44,028,987)	-	-	-	44,028,987	-	-
Total transaction	(39,732,987)	-	-	29,506	53,262,218	-	4,296,000
As at 31 March 2025	293,152,909	-	-	126,465	(57,898,336)	9,477,357	244,858,395

STATEMENTS OF **CHANGES IN EQUITY**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

	← Non-Distributable →				
	Share capital	Share option reserve	Warrant reserves	Retained earnings/ (Accumulated losses)	Total equity
	RM	RM	RM	RM	RM
Company					
At 1 January 2023					
As previously stated	332,885,896	-	9,233,231	(32,365,349)	309,753,778
Prior years' adjustments	-	-	-	7,000,000	7,000,000
As restated	332,885,896	-	9,233,231	(25,365,349)	316,753,778
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	-	(18,663,638)	(18,663,638)
At 31 March 2024	332,885,896	-	9,233,231	(44,028,987)	298,090,140
At 1 April 2024	332,885,896	-	9,233,231	(44,028,987)	298,090,140
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(2,122,578)	(2,122,578)
Transaction with owners:					
Exercise of ESOS	4,296,000	456,000	-	-	4,752,000
Share option granted under ESOS	-	(456,000)	-	-	(456,000)
Expiring of warrant	-	-	(9,233,231)	9,233,231	-
Exercise of capital reduction	(44,028,987)	-	-	44,028,987	-
Total transaction	(39,732,987)	-	-	53,262,218	4,296,000
As at 31 March 2025	293,152,909	-	-	7,110,653	300,263,562

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

STATEMENTS OF **CASH FLOWS**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.4.2023 to 31.3.2024 (15 months)	1.3.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
CASH FLOWS USED IN OPERATING ACTIVITIES				
Loss before tax	(18,326,290)	(19,580,548)	(1,884,790)	(18,657,095)
Adjustments for:				
Amortisation of right-of-use asset	109,353	157,755	-	-
Amortisation of intangible asset	140,900	-	140,900	-
Depreciation of investment properties	799,919	927,660	-	-
Depreciation of property, plant and equipment	2,171,403	3,874,229	-	-
(Gain)/Loss on other investment				
Realised	(91,989)	(316,499)	3,315,373	(186,905)
Unrealised	(1,708,956)	1,119,514	(1,925,123)	1,383,476
Impairment loss on:				
Property, plant and equipment	-	4,120,302	-	-
Fixed deposits	1,651,200	-	1,057,440	-
Amount due from subsidiary companies	-	-	64,557	958,441
Contract asset	123,360	-		-
Trade receivables	149,413	696,399	-	-
Interest expense	2,144,604	2,918,642	-	-
Interest income	(1,982,427)	(3,220,829)	(1,069,483)	(2,158,615)
Waiver of amount due to director	(1,349,231)	-	(1,349,231)	-
(Gain)/Loss on disposal of property, plant and equipment	(219,000)	604	-	-
Loss on disposal of right-of-use asset	12,056	-	-	-
Loss on striking off of a subsidiary company	-	14,681	-	-
Net unrealised loss/(gain) on foreign exchange	(8,406)	41,011	-	-
Reversal of impairment loss on trade receivables	282,388	(301,457)	-	-
Waiver of amount due from a subsidiary company	-	-	-	10,775,155
Operating Loss Before Working Capital Changes	(16,666,479)	(9,548,536)	(1,650,357)	(7,885,543)

STATEMENTS OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.4.2023 to 31.3.2024 (15 months)	1.3.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Changes in working capital:				
(Increase)/Decrease in:				
Inventories	(2,588,337)	(9,499,954)	-	-
Trade receivables	(2,094,705)	13,499,621	-	-
Other receivables, deposits and prepayments	432,711	(797,406)	(280,861)	(1,443,515)
Contract assets	(598,778)	(8,128,929)	-	-
(Decrease)/Increase in:				
Trade payables	(364,097)	(14,670,659)	-	-
Other payables and accruals	(119,867)	(2,684,943)	(63,743)	(1,117,254)
Contract liabilities	37,750	-	-	-
Cash used in operations	(21,961,802)	(31,830,806)	(1,994,961)	(10,446,312)
Interest received	204,688	219,737	-	-
Interest paid	(153,876)	(299,308)	-	-
Income tax refunded	34,490	-	-	-
Income tax paid	(1,037,262)	(945,599)	(750,000)	(567,500)
Net Cash Used In Operating Activities	(22,913,762)	(32,855,976)	(2,744,961)	(11,013,812)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Interest received	1,777,739	3,001,092	1,069,483	2,158,615
Proceeds from disposal of:				
Property, plant and equipment	218,999	1,808	-	-
Other investments	6,915,839	5,974,471	3,508,477	5,844,876
Purchase of:				
Property, plant and equipment	(877,947)	(956,139)	-	-
Investment properties	-	(458,336)	-	-
(Uplift)/Placement of fixed deposits	(31,889,221)	(670,245)	(17,189,557)	(670,245)
Net Cash (Used in)/From Investing Activities	(23,854,591)	6,892,651	(12,611,597)	7,333,246
CASH FLOWS USED IN FINANCING ACTIVITIES				
Interest paid	(1,990,728)	(2,619,334)	-	-
Repayment of bank borrowings	(2,514,691)	(6,621,194)	-	-
Repayment of hire purchase	(16,155)	(19,179)	-	-
Repayment of lease liabilities	(101,115)	(112,014)	-	-
Advances to subsidiary companies	-	-	(24,950,808)	(27,713,167)
Repayment to directors	(21,685)	(335,876)	(28,704)	(335,876)
Exercise of ESOS	4,296,000	-	4,296,000	-
Net Cash Used In Financing Activities	(348,374)	(9,707,597)	(20,683,512)	(28,049,043)

STATEMENTS OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.4.2023 to 31.3.2024 (15 months)	1.3.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
NET DECREASE IN CASH AND CASH EQUIVALENTS	(47,116,727)	(35,670,922)	(36,040,070)	(31,729,609)
Effect of exchange differences	29,506	56,345	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	53,955,326	89,569,903	36,180,096	57,869,370
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD/YEAR	6,868,105	53,955,326	140,026	26,139,761

The details of cash and cash equivalents are as follow:

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.4.2023 to 31.3.2024 (15 months)	1.3.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Fixed deposits	68,794,144	87,997,854	43,002,560	62,301,395
Cash and bank balances	6,889,219	5,867,369	140,026	749,144
Bank overdraft	(1,666,458)	(2,999,119)	-	-
	74,016,905	90,866,104	43,142,586	63,050,539
Less: Non cash and cash equivalents:				
Fixed deposits with maturity term more than 3 months	(67,148,800)	(36,910,778)	(43,002,560)	(36,910,778)
	6,868,105	53,955,326	140,026	26,139,761

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

NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

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

The principal activities of the Company are investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 16 to the financial statements.

The registered office of the Company is located at Unit 27.2, Menara 1MK, Kompleks 1 Mont Kiara, No. 1, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at PLO 135, Jalan Cyber 5, Kawasan Perindustrian Senai Fasa 3, 81400 Senai, Johor Darul Takzim, Malaysia.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance on 30 July 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirement of companies Act, 2016 in Malaysia.

Adoption of MFRS and amendments to MFRSs

During the financial year, the Gorup and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendment to MFRS 16	Lease Liability in a Sale and Leaseback
Amendment to MFRS 101	Classification of Liabilities as Current or Non-current
Amendment to MFRS 101	Non-current Liabilities with Covenants
Amendment to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of these amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

New MFRSs and amendments to MFRSs in issue but not yet effective

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

Amendments to MFRS 121	Lack of Exchangeability[1]
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendment to MFRSs	Annual Improvements to MFRS Accounting Standards-Volume 11[2]
MFRS 18	Presentation and Disclosure in Financial Statements[3]
MFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 Effective for annual periods beginning on or after 1 January 2025.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.
4 Deferred to a date to be determined and announced by MASB.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS cont'd

The Directors anticipate that the abovementioned new MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective, if applicable, and that the adoption of these standards will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

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

Functional and presentation currency

The financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

Basis of consolidation

The Group applies the acquisition method to account for business combination from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable assets.

Investment in subsidiary companies

In the Company's separate financial statements, investment in subsidiary companies is stated at cost less accumulated impairment losses.

Revenue from contract with customers

The Group recognises revenue from the following major sources:

(a) Property development

Property development contracts with customers may include multiple promises to customers and are accounted for as separate performance obligations. Transaction price will be allocated to each performance obligation based on the stand-alone selling prices. The transaction price is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties). The revenue from property development is measured based on the transaction prices net of expected liquidated ascertained damages ("LAD") payment. LAD is determined based on the expected value method.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Revenue from contract with customers cont'd

(a) Property development cont'd

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan, and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential and commercial properties for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the development of the properties and enforce its rights to full payments.

Revenue of property development is recognised over time using output method, which is based on the progress of completion of the physical proportion of contract work to-date, certified by professional consultant.

(b) Sales of Goods

Revenue is generated by the sale and delivery of products to customers. Revenue is measured based on the consideration specified in a contract with a customer. The products are own-produced finished goods from the Group's moulding activities. The Group recognise revenue at a point in time when they transfer control over a product or service to a customer and satisfy their performance obligation to a customer. Where applicable, rebates and discounts to customers are accounted as net of revenue according to contract. The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Leases

Lessee accounting

The Group recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. Right-of-use assets are initially measured at cost less accumulated amortisation and any accumulated impairment losses and adjusted for any remeasurement of the lease liabilities. Amortisation is computed on the straight-line basis over the lease period.

Leasehold land	60 years
Land	2 years
Buildings	2 - 3 years

The lease liabilities are initially measured at the present value of the lease payments that are paid at commencement date, discounted using the interest rate implicit in the lease contract. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an operating expense on a straight-line basis over the lease term.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Leases cont'd

Lessor accounting

The Group recognises lease payments received from rental of buildings under operating leases as income on a straight-line basis over the lease term as part of revenue.

Property, plant and equipment

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

Property, plant and equipment are depreciated on straight-line basis over the estimated useful lives of the assets, as follows:

Aircraft	10 years
Buildings	5 to 60 years
Furniture, fittings and office equipment	5 to 7 years
Motor vehicles	5 years
Plant and machinery	5 to 20 years

Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, as follows:

Leasehold land	60 years
Buildings	60 years

Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment loss.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over their estimated economic useful life of 15 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life 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 amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

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

The intangible asset of the Group is online web-based platform related to manufacturing business process.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Contract assets and liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. Contract asset is recognised when the entity has performed under the contract but has not yet billed the customer. Contract asset is stated at cost less accumulated impairment.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer. Contract liability is recognised when the entity has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities also include down payments received from customers.

Inventories

Inventories are stated at lower of cost or net realisable value.

(a) Property development cost

Property development costs comprise acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Where the financial outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in profit or loss by using the progress of completion method.

Where the financial outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that are likely to be recoverable.

Any expected loss on a development project, including costs to be incurred over the defect liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

(b) Raw materials

The cost of raw materials includes the cost of purchase and other direct charges. It is being accounted for on a first in first out basis.

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

Financial instruments

Financial assets and financial liabilities are recognised in the Group's and in the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- 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.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and

- the Group and the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (ii) below).

(i) *Amortised cost and effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Classification of financial assets cont'd

(i) *Amortised cost and effective interest method* cont'd

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below).

For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

(ii) *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Financial assets that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called "accounting mismatch") that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has designated investment in quoted unit trust and other investment as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss from other financial assets are recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other operating income" or "administrative expenses" line item.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets, deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on trade receivables, other receivables and deposits, contract assets, amount due from subsidiary companies, fixed deposits with licensed banks and cooperative as well as cash and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and contract assets. The Group considers past loss experience, timing of billing and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Impairment of financial assets cont'd

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as financial evaluation of the creditworthiness of the debtors, ageing of receivables, defaults and past due amounts, past experience with the debtors, current conditions and reasonable forecast of future economic conditions.

The Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 365 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

Probability of default

The Group and the Company consider the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full, as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets are generally not recoverable.

The Group and the Company consider that default has occurred when a financial asset is more than 365 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss as bad debts recovered.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Statements of cash flow

The Group and the Company adopt the indirect method in the preparation of the statements of cash flow.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude pledged fixed deposits with maturity date more than 3 months.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the report amounts.

(a) Significant judgements in applying the Group's and the Company's accounting policies

In the process of applying the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements, except for:

Revenue from property development

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Revenue is recognised over the period of the contract by reference to the stage of completion of the development activity at the end of the reporting period. The Group applied management judgement in revenue recognition of property development in assessing the stage of completion of the physical proportion of certified value of work completed to-date.

(b) Key sources of estimation uncertainty

Directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except for:

Estimation of variable consideration

The Group estimates the potential financial impact of Liquidated Ascertained Damages ("LAD") due to delay in development project and late delivery of vacant possession to buyers. Provision of LAD is accounted as a reduction in transaction price to align with contract terms and performance obligations, using the expected value method.

Significant estimation is required in determining the stage of completion and the expected completion date of contracts in estimating LAD provision. The Group takes consideration the latest development of the project and relies on input from the project manager and external consultants, discussions with purchasers, legal correspondence and formal legal opinions obtained when estimating the provision. Additionally, based on past experience and industry norms, the Group evaluates the effectiveness of mitigation measures, including application for extension of time, legal consultations, counterclaims from subcontractors and recovery capability from contractors.

Expected credit loss on deposits placed with a cooperative

The Group applies the expected credit loss ("ECL") model in accordance with MFRS 9 Financial Instruments for deposits placed with a cooperative. Estimation of ECL involves significant judgment, particularly in determining the probability of default, loss given default, and exposure at default (EAD). Management incorporates historical experience, available financial information of the counterparty, and forward-looking assumptions reflecting prevailing macroeconomic conditions.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY cont'd

(b) Key sources of estimation uncertainty cont'd

Expected credit loss on deposits placed with a cooperative cont'd

At the reporting date, the management assessed and determined that there is no indicators of significant increase in credit risk since initial recognition. Accordingly, the deposits are classified under Stage 1 of the impairment model, and a 12-month expected credit loss has been applied.

Impairment of property, plant and equipment

The Group assesses whether there is any indication of impairment for property, plant and equipment and performs impairment assessment when such indicator exists. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. The recoverable amounts of the property, plant and equipment are determined based on value in use or fair value less costs to sell.

For recoverable amounts determined based on value in use calculation, significant judgement is required in the estimation of the present value of future cash flows generated by the cash-generating units, which involves uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates.

For recoverable amounts determined based on fair value less costs to sell, significant judgement involved by management to adjust the sales prices of comparable assets such as adjustments for type, size, age, condition, location, and other relevant factors.

Property development cost recognised as cost of sales

Significant estimation is required in determining the completeness and accuracy of the total property development costs and profitability of contracts as estimates of future property development costs are inherently uncertain, which involve management's estimation of future cost to completion and potential variable orders from contractors. Substantial changes in cost estimates in future periods may affect the profitability of the respective property development projects. Where the actual total property development costs are different from the estimated total property development costs, such difference will impact the property development profits/(losses) recognised.

Useful lives of property, plant and equipment, right-of-use assets and investment properties

The cost of property, plant and equipment, right-of-use assets and investment properties are depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment, right-of-use assets and investment properties to be within 2 to 60 years. These are common life expectancies applied in the manufacturing industries and investment holding. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Net realisable value of property development costs classified as inventories

The property development costs are stated at the lower of cost and net realisable value. Development cost consists of cost associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable for developing the properties until completion.

The Group determines net realisable value based on the recent sales transactions of similar properties or comparable properties in similar or nearby locations net of estimated cost necessary to complete the sale. The estimation of the selling price is subject to inherent uncertainties in property market. Possible changes in these estimates could result in revisions to the valuation of the completed properties.

Income taxes

Liability for taxation is recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice of whether additional taxes will be payable. When the final outcome of the tax payable is determined with the tax authority, the amount might be different from the initial estimate of the tax payable. Such difference may impact the income tax in the period when such determination is made. The Group and the Company will adjust for the differences as over or under provision of income tax in the period in which those differences arise.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

5. SEGMENT REPORTING

The Group is organised into business units based on its products and services, and has three reportable operating segments as follow:

Plastic Mould	Designing and fabrication of precision moulds and tooling for use in automobile
Property development	Property development activities
Others	Investment holding and provision for management services

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated statement of profit or loss and other comprehensive income. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The following is an analysis of the Group's revenue and results by the operating segments.

	Plastic Mould	Property development	Others	Eliminations	Consolidated
	RM	RM	RM	RM	RM
Group					
1.4.2024 to 31.3.2025 (12 months)					
Revenue					
External sales	6,068,680	9,393,981	1,110,634	-	16,573,295
Inter-company	26,377	-	130,260	(156,637)	-
Total revenue	6,095,057	9,393,981	1,240,894	(156,637)	16,573,295
Result					
Loss from operations	6,172,264	(6,355,475)	(5,081,721)	(10,916,754)	(16,181,686)
Finance costs	(300,378)	(8,388)	(1,844,379)	8,541	(2,144,604)
Loss before tax	5,871,886	(6,363,863)	(6,926,100)	(10,908,213)	(18,326,290)
Income tax expense	(162,914)	(29,927)	(291,707)	-	(484,548)
Loss for the financial year	5,708,972	(6,393,790)	(7,217,807)	(10,908,213)	(18,810,838)
Result					
Segment assets	22,823,539	137,670,021	376,511,501	(251,301,077)	285,703,984
Segment liabilities	32,235,081	149,509,149	92,855,590	(233,754,231)	40,845,589
Other information					
Amortisation of right-of-use assets	123,891	123,661	-	(121,788)	125,764
Depreciation of property, plant and equipment	351,161	48,170	1,772,072	-	2,171,403
Depreciation of investment properties	254,343	-	545,576	-	799,919
Interest income	17,718	186,961	1,777,748	-	1,982,427

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

5. SEGMENT REPORTING cont'd

The following is an analysis of the Group's revenue and results by the operating segments. cont'd

	Plastic Mould	Property development	Others	Eliminations	Consolidated
	RM	RM	RM	RM	RM
Group cont'd					
1.1.2023 to 31.3.2024 (15 months)					
Revenue					
External sales	7,994,051	11,407,890	1,555,168	-	20,957,109
Inter-segment sales	-	-	162,825	(162,825)	-
Total revenue	7,994,051	11,407,890	1,717,993	(162,825)	20,957,109
Result					
Loss from operations	(10,914,588)	(3,336,176)	(2,392,955)	(18,187)	(16,661,906)
Finance costs	(259,670)	(13,007)	(2,657,581)	11,616	(2,918,642)
Loss before tax	(11,174,258)	(3,349,183)	(5,050,536)	(6,571)	(19,580,248)
Income tax (expenses)/credit	23,141	-	(243,945)	-	(220,804)
Loss for the financial year	(11,151,117)	(3,349,183)	(5,294,481)	(6,571)	(19,801,352)
Result					
Segment assets	39,365,211	136,227,550	389,795,389	(252,359,369)	313,028,781
Segment liabilities	54,526,459	141,452,515	91,550,156	(233,844,076)	53,685,054
Other information					
Amortisation of right-of-use assets	101,456	180,574	-	(124,275)	157,755
Depreciation of property, plant and equipment	1,585,114	75,360	2,213,755	-	3,874,229
Depreciation of investment properties	245,692	-	681,968	-	927,660
Interest income	103,469	112,567	3,004,793	-	3,220,829

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

5. SEGMENT REPORTING cont'd

Geographical segments

Revenue by location of customers and the Group's operations are analysed as follows:

	Group	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM
Germany	-	1,089,135
Malaysia	16,470,751	19,851,889
United States of America	-	16,085
United Kingdom	102,544	-
	16,573,295	20,957,109

Revenue from major customers

During the financial year, major customers contributing more than 10% of the Group's total revenue amounted to RM4,200,000 (2024: RM5,760,225), which relates to one (2024: one) customers.

6. REVENUE

	Group	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM
Revenue from contract with customers:		
Sale of plastic mould	6,068,680	7,994,051
Property development	9,393,981	11,407,890
	15,462,661	19,401,941
Revenue from other source:		
Rental income	1,110,634	1,555,168
	16,573,295	20,957,109
Timing of revenue recognition:		
Sale of plastic mould		
At a point in time	5,360,136	7,586,651
Overtime	708,544	407,400
Property development		
Overtime	9,393,981	11,407,890
	15,462,661	19,401,941

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

6. REVENUE cont'd

The following table shows the aggregate amount of the transaction price allocated to performance obligations that is unsatisfied (or partially unsatisfied) at the end of the reporting period and the expectation on the revenue from unsatisfied performance obligations to be recognised in the following years.

	Group	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM
Within one year	11,314,530	6,419,480

7. OTHER OPERATING INCOME

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Interest income	1,982,427	3,220,829	1,069,483	2,158,615
Gain on other investment:				
Realised	91,989	316,499	-	186,905
Unrealised	1,925,123	-	1,925,123	-
Reversal of impairment loss of trade receivables	-	301,457	-	-
Rental income	483,600	478,645	-	-
Gain on disposal of property, plant and equipment	219,000	-	-	-
Gain from striking off of a subsidiary company	-	22,022	-	-
Unrealised gain on foreign exchange	8,406	-	-	-
Other miscellaneous income	-	47,450	-	-
Waiver of debts	1,349,231	-	1,349,231	-
	6,059,776	4,386,902	4,343,837	2,345,520

8. FINANCE COSTS

	Group	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM
Interest expenses on:		
Bank borrowings	2,127,870	2,906,864
Hire purchase payable	2,554	4,206
Lease liabilities	14,180	7,572
	2,144,604	2,918,642

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

9. LOSS BEFORE TAX

Loss before tax for the financial period/year is arrived at after charging/(crediting):

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Auditors' remuneration:				
Statutory audit	224,200	220,000	80,000	80,000
Other services	15,000	5,000	5,000	5,000
Amortisation of intangible asset (Note 13)	140,900	-	140,900	-
Amortisation of right-of-use assets (Note 15)	109,353	157,755	-	-
Depreciation of property, plant and equipment (Note 12)	2,171,403	3,874,229	-	-
Depreciation of investment properties (Note 14)	799,919	927,660	-	-
Impairment loss on:				
Property, plant and equipment	-	4,120,301	-	-
Amount due from subsidiary companies	-	-	64,557	958,441
Contract asset	123,360	696,399	-	-
Fixed deposits	1,651,200	-	1,057,440	-
Trade receivables	149,413	-	-	-
Reversal on impairment loss on trade receivables	(282,388)	-	-	-
Loss on disposal of property, plant and equipment	-	604	-	-
Loss on foreign exchange:				
Realised	41,350	48,386	-	-
Unrealised	-	41,011	-	-
Loss on investment in quoted shares:				
Realised	3,315,373	-	3,315,373	-
Unrealised	216,167	1,119,514	-	1,383,476
Staff costs	4,036,123	4,715,865	264,500	273,500
Waiver of amount due from a subsidiary company	-	-	-	10,775,155

Included in staff costs of the Group and of the Company are directors' remuneration of RM829,385 (2024: RM1,015,894) and RM264,500 (2024: RM273,500), respectively as further disclosed in Note 33.

Staff costs include salaries, bonuses, contributions to Employees Provident Fund ("EPF") and all other staff related expenses. Contributions to EPF by the Group during the financial year amounted to RM313,247 (2024: RM286,800).

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

10. INCOME TAX EXPENSE/(CREDIT)

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Estimate tax payable:				
Current financial year/period	310,595	228,785	-	-
(Over)/Under provision in prior financial year/period	173,953	(7,981)	237,788	6,543
	484,548	220,804	237,788	6,543

A reconciliation of income tax expense/(credit) applicable to loss before tax at the applicable statutory income tax rate to income tax expense/(credit) at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)	1.4.2024 to 31.3.2025 (12 months)	1.1.2023 to 31.3.2024 (15 months)
	RM	RM	RM	RM
Loss before tax	(18,326,290)	(19,580,548)	(1,884,790)	(18,657,095)
Taxation at statutory rate of 24% (2024: 24%)	(4,398,310)	(4,699,332)	(452,350)	(4,477,703)
Tax effects of:				
Non-taxable income	(888,173)	(131,508)	(866,096)	-
Expenses not deductible	2,705,610	4,693,099	1,237,515	4,477,703
Utilisation of deferred tax assets previously not recognised	-	(923,360)	-	-
Deferred tax assets not recognised	2,891,468	1,289,886	80,931	-
Overprovision in prior financial years	173,953	(7,981)	237,788	6,543
	484,548	220,804	(237,788)	6,543

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

10. INCOME TAX EXPENSE/(CREDIT) cont'd

At the end of reporting period, the estimated amount of (taxable)/deductible temporary differences, unabsorbed capital allowances, unabsorbed reinvestment allowance and unused tax losses of the Group and of the Company, for which the deferred tax assets have not been recognised in the financial statements due to uncertainty of their realisation, is as follows:

	Group	
	31.3.2025	31.03.2024
	RM	RM
Temporary differences arising from:		
Property, plant and equipment	(2,738,258)	(2,841,061)
Investment properties	(8,002,497)	(8,177,036)
Right-of-use assets	(1,319,407)	(1,299,444)
Intangible asset	(4,045,700)	-
Lease liabilities	315,588	264,187
Provision	20,552,688	18,509,249
Unabsorbed capital allowances	6,555,237	2,328,747
Unabsorbed reinvestment allowance	2,252,440	2,252,440
Unused tax losses	40,778,428	31,263,653
Temporary differences arising from:	54,348,519	42,300,735

The unabsorbed capital allowances, unabsorbed reinvestment allowance and unused tax losses which are subject to agreement by the tax authorities, are available for offset against the future chargeable profits.

The unabsorbed capital allowances and unabsorbed reinvestment allowance do not expire under current tax legislation.

Expiry date of the unutilised tax losses is summarised below:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Year of assessment:		
2028	6,582,175	6,582,175
2029	8,091,619	8,091,619
2030	3,167,664	3,167,664
2031	2,637,264	2,637,264
2032	4,133,364	4,133,364
2034	6,525,145	6,651,567
2035	9,641,197	-
	40,778,428	31,263,653

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

11. LOSS PER ORDINARY SHARE

Basic and diluted loss per ordinary share attributable to owner of the Company are computed by dividing the loss for the financial year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year/period.

Basic

The basic loss per ordinary share of the Group has been calculated by dividing the Group's profit for the year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year/period.

	Group	
	1.4.2024 to 31.3.2025 (12 months)	**1.1.2023 to 31.3.2024 (15 months)**
Loss attributable to owners of the Company (RM)	(18,801,719)	(20,051,680)
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 April/1 January	1,403,095,559	1,403,095,559
Effect of ESOS	218,100,481	-
Effect of capital reduction	(1,478,786,003)	-
Weighted average number of ordinary shares	142,410,037	1,403,095,559
Basic loss per ordinary share (sen)	(13.20)	(1.43)

Diluted

The diluted loss per share of the Group has been calculated by dividing the Group's loss for the period/year attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the outstanding warrants, adjusted by the number of such shares that would have been issued at fair value as follows:

	Group	
	1.4.2024 to 31.3.2025 (12 months)	**1.1.2023 to 31.3.2024 (15 months) (Restated)**
Loss attributable to owners of the Company (RM)	(18,801,719)	(20,051,680)
Weighted average number of ordinary shares	142,410,037	1,553,423,497
Basic loss per ordinary share (sen)	#	(1.29)

Diluted loss per share is not presented in the financial statements as there are no dilutive potential ordinary shares outstanding during the financial year.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

12. PROPERTY, PLANT AND EQUIPMENT

	Aircraft	Buildings	Furniture, fittings and office equipment	Motor vehicles	Plant and Machinery	Total
	RM	RM	RM	RM	RM	RM
Group						
Cost						
As at 1 April 2024	9,830,000	26,951,617	6,708,823	6,023,740	21,459,324	70,973,504
Additions	-	-	53,100	824,847	-	877,947
Disposals	-	-	-	(378,650)	-	(378,650)
Transfer to investment property (Note 14)	-	(5,716,777)	-	-	-	(5,716,777)
As at 31 March 2025	9,830,000	21,234,840	6,761,923	6,469,937	21,459,324	65,756,024
Accumulated depreciation						
As at 1 April 2024	5,929,710	2,854,293	6,176,776	5,420,457	14,062,631	34,443,867
Charge for the financial year	983,000	534,418	179,122	421,994	52,869	2,171,403
Disposals	-	-	-	(378,650)	-	(378,650)
Transfer to investment property (Note 14)	-	(998,918)	-	-	-	(998,918)
As at 31 March 2025	6,912,710	2,389,793	6,355,898	5,463,801	14,115,500	35,237,702
Accumulated impairment						
As at 1 April 2024/31 March 2025	-	-	-	-	6,716,787	6,716,787
Carrying amount						
As at 31 March 2025	2,917,290	18,835,820	406,025	1,006,136	627,037	23,801,535

NOTES TO THE **FINANCIAL STATEMENTS**

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cont'd

12. PROPERTY, PLANT AND EQUIPMENT cont'd

	Aircraft	Buildings	Furniture, fittings and office equipment	Motor vehicles	Plant and Machinery	Total
	RM	RM	RM	RM	RM	RM
Group						
Cost						
As at 1 January 2023	9,830,000	26,951,617	6,503,295	6,023,740	20,723,663	70,032,315
Additions	-	-	220,478	-	735,661	956,139
Disposals	-	-	(14,950)	-	-	(14,950)
As at 31 March 2024	9,830,000	26,951,617	6,708,823	6,023,740	21,459,324	70,973,504
Accumulated depreciation						
As at 1 January 2023	4,700,960	2,180,502	5,703,636	4,933,702	13,063,376	30,582,176
Charge for the financial period	1,228,750	673,791	485,678	486,755	999,255	3,874,229
Disposals	-	-	(12,538)	-	-	(12,538)
As at 31 March 2024	5,929,710	2,854,293	6,176,776	5,420,457	14,062,631	34,443,867
Accumulated impairment						
As at 1 January 2023	-	-	-	-	2,596,485	2,596,485
Charge for the financial period	-	-	-	-	4,120,302	4,120,302
As at 31 March 2024	-	-	-	-	6,716,787	6,716,787
Carrying amount						
As at 31 March 2024	3,900,290	24,097,324	532,047	603,283	679,906	29,812,850

The leasehold land and buildings have been pledged to licensed banks as securities for term loans obtained as disclosed in Note 27.

The net carrying amount of motor vehicle registered under the names of a director and third parties and held in trust on behalf of the Group amounted to RM1,006,133 (2024: 603,282).

Included in property, plant and equipment of the Group is a motor vehicle under hire purchase arrangements with net carrying amount RM30,140 (2024: RM60,280). The motor vehicle has been charged to local licensed bank for hire purchase obligations as disclosed in Note 28.

During the financial year, the Group reclassified a portion of its commercial building, previously presented under property, plant and equipment, to investment property following a change in its use. The floors, which were previously owner-occupied, are now predominantly leased out to third parties to earn rental income.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

13. INTANGIBLE ASSET

2025	Group and Company Online web-based platform RM
Group and Company	
Cost	
At 1 April 2024	-
Addition*	8,454,000
At 31 March 2025	8,454,000
Accumulated amortisation	
At 1 April 2024	-
Charge for the financial year	140,900
At 31 March 2025	140,900
Carrying amount	
At 31 March 2025	8,313,100

* The addition of RM8,454,000 during the financial year relates to the capitalisation of a online web-based platform. The amount was previously recognised under deposit and transferred to intangible assets upon meeting the recognition criteria under MFRS 138 *Intangible Assets*.

This transfer represents a non-cash movement, and accordingly, no acquisition of intangible assets is presented in the Group's and the Company's cash flow statements for the financial year ended 31 March 2025.

14. INVESTMENT PROPERTIES

	Leasehold land RM	Buildings RM	Total RM
Group			
2025			
Cost			
As at 1 April 2024	1,246,916	36,052,338	37,299,254
Transfer from property, plant and equipment (Note 12)	-	5,716,777	5,716,777
As at 31 March 2025	1,246,916	41,769,115	43,016,031
Accumulated depreciation			
As at 1 April 2024	282,597	3,091,459	3,374,056
Charge for the financial year	27,100	772,819	799,919
Transfer from property, plant and equipment (Note 12)	-	998,918	998,917
As at 31 March 2025	309,697	4,863,196	5,172,892
Carrying amount			
As at 31 March 2025	937,219	36,905,920	37,843,138

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

14. INVESTMENT PROPERTIES cont'd

	Leasehold land	Buildings	Total
	RM	RM	RM
Group			
2023			
Cost			
As at 1 January 2023	1,246,916	35,594,002	36,840,918
Additions	-	458,336	458,336
As at 31 March 2024	1,246,916	36,052,338	37,299,254
Accumulated depreciation			
As at 1 January 2023	253,189	2,193,207	2,446,396
Charge for the financial year	29,408	898,252	927,660
As at 31 March 2024	282,597	3,091,459	3,374,056
Carrying amount			
As at 31 March 2024	964,319	32,960,879	33,925,198

(a) During the financial year, the Group transferred certain portion of commercial building from property, plant and equipment to investment property following a change in use, as they are now held to earn rentals.

(b) The leasehold land and buildings have been pledged to licensed banks as securities for term loans obtained as disclosed in Note 27.

(c) The fair value of investment properties are as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Leasehold land	3,500,000	3,500,000
Buildings	45,100,000	54,500,000
	48,600,000	58,000,000

The fair value represents the amounts at which the properties could be exchanged on an open market basis between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at each financial year end. The fair value disclosure of investment properties is estimated by directors of the Company and adjusted or property size, age, condition, location. The fair value measurement is categorised in Level 3 of the fair value hierarchy.

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cont'd

15. RIGHT-OF-USE ASSETS

The information about leases for which the Group are lessee is presented below:

	Leasehold Land	Land	Buildings	Total
	RM	RM	RM	RM
Group				
2025				
Cost				
As at 1 April 2024	1,370,001	44,950	339,253	1,754,204
Additions	-	-	31,364	31,364
Disposal	-	(44,950)	(107,783)	(152,733)
As at 31 March 2025	1,370,001	-	262,834	1,632,835
Accumulated amortisation				
As at 1 April 2024	331,126	43,077	152,938	527,141
Charge for the financial year	25,849	1,873	81,631	109,353
Disposal	-	(44,950)	(95,727)	(140,677)
As at 31 March 2025	356,976	-	138,841	495,817
Carrying amount				
As at 31 March 2025	1,013,025	-	123,993	1,137,018
2024				
Cost				
As at 1 January 2023	1,370,001	44,950	99,834	1,514,785
Additions	-	-	239,419	239,419
As at 31 March 2024	1,370,001	44,950	339,253	1,754,204
Accumulated amortisation				
As at 1 January 2023	298,815	14,983	55,588	369,386
Charge for the financial year	32,311	28,094	97,350	157,755
As at 31 March 2024	331,126	43,077	152,938	527,141
Carrying amount				
As at 31 March 2024	1,038,875	1,873	186,315	1,227,063

The Group's has lease contracts for land and buildings with contract terms of 2 to 3 (2024: 2 to 3) years. The Group has options to extend the lease term for 2 (2024: 2) years at the end of the lease term.

NOTES TO THE **FINANCIAL STATEMENTS**

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16. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	31.3.2025	31.3.2024
	RM	RM
Unquoted shares - at cost:		
As at 1 April 2024/1 January 2023	60,286,081	60,286,081
As at 31 March	60,286,081	60,286,081
Less: Accumulated impairment loss	(41,786,080)	(41,786,080)
	18,500,001	18,500,001

Details of the subsidiary companies are as follows:

Name of Company	Place of incorporation	Effective equity interest		Principal activities
		31.3.2025	31.3.2024	
		%	%	
Direct subsidiary companies				
Sanichi Precision Mould Sdn. Bhd. ("SPM")	Malaysia	100	100	Design and fabrication of precision moulds and tooling
Asia Pinnacle Sdn. Bhd. ("APSB")	Malaysia	100	100	Design and fabrication of precision moulds and tooling
Sanichi Property Sdn. Bhd. ("SPSB")	Malaysia	100	100	Property investment and development
Sanichi Capital Sdn. Bhd. ("SCSB")	Malaysia	100	100	Investment holding company
Asia Glare Pte Ltd ("AGPL")#	Singapore	100	100	Dormant
Sanichi Mould (Thailand) Co. Ltd ("SMT")#	Thailand	100	100	Dormant
Bina Bicara Sdn. Bhd. ("BBSB")	Malaysia	100	100	Remittance services
Sanichi Asset Management Sdn. Bhd. ("SAMSB")	Malaysia	100	100	Dormant
EC Victory Sdn. Bhd. ("ECVSB")*	Malaysia	60	60	Transportation support activities
Sanichi Glove Sdn. Bhd. ("SGSB")	Malaysia	100	100	Dormant
Indirect subsidiary companies held through SCSB				
Air King Inc. ("AKI")#	United States of America	100	100	Dormant

* Audited by auditors other than the auditors of the Company.
\# The subsidiary company is consolidated based on its unaudited management account as at 31 March 2025.

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16. INVESTMENT IN SUBSIDIARY COMPANIES cont'd

Details for non-wholly-owned subsidiary companies that have non-controlling interest

The table below shows details of non-wholly-owned subsidiary companies that have non-controlling interest.

Name of Company	Proportion of ownership interests held by non-controlling interest		Profit/(Loss) allocated to non-controlling interest		Accumulated non-controlling interest	
	2025	2024	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	%	%	RM	RM	RM	RM
PTSB	-	-	-	(3,031)	-	(14,682)
ECVSB	60	60	(9,119)	253,359	9,477,357	9,486,477
			(9,119)	250,328	9,477,357	9,471,795

Summarised financial information in respect of the subsidiary company that has non-controlling interest is set out as below. The summarised financial information below represents amounts before intragroup eliminations.

	31.3.2025	31.3.2024
	RM	RM
ECVSB		
Statement of financial position		
Current assets	24,308,765	24,270,430
Current liabilities	(514,390)	(554,237)
Net assets	23,794,375	23,716,193
Equity attributable to owners of the Company	14,317,018	14,229,716
Non-controlling interest	9,477,357	9,486,477
	23,794,375	23,716,193
Statement of profit or loss and other comprehensive income		
Other operating income	708,256	842,477
Administrative expenses	(677,135)	(7,311)
Income tax expense	(53,919)	(201,769)
Profit for the period/year, representing total comprehensive income for the period/year	(22,798)	633,397
Profit attributable to owners of the Company	(13,679)	380,038
Profit attributable to non-controlling interest	(9,119)	253,359
Profit for the period/year	(22,798)	633,397
Statement of cash flows		
Net cash from:		
Operating activities	(1,275,008)	286,876
Investing activities	1,276,056	842,477
Net changes in cash and cash equivalents	1,048	1,129,353

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

17. OTHER INVESTMENTS

	Group		Company	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Fair value through profit or loss:				
Quoted shares in Malaysia	881,854	5,780,581	881,854	5,780,581
Unit trusts	1,646,749	1,862,916	-	-
	2,528,603	7,643,497	881,854	5,780,581

The Group and the Company have classified the investment as FVTPL.

18. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	31.3.2025	31.03.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Non-current				
Prepayment	1,680,000	-	1,680,000	-
Other receivables	1,559,501	1,158,372	526,929	246,068
Deposits	8,331,400	19,695,078	3,350,677	13,904,677
Prepayments	463,522	67,684	420,000	-
	10,354,423	20,921,134	4,297,606	14,150,745
	12,034,423	20,921,134	5,977,606	14,150,745

Included in prepayments are advance payments for a five-year maintenance package for an online web-based platform. The prepayments are amortised on a straight-line basis over the contract term.

19. INVENTORIES

	Group	
	31.3.2025	31.3.2024
	RM	RM
At cost:		
Property development costs (a)	102,400,053	99,763,403
Raw materials (b)	212,151	260,464
	102,612,204	100,023,867

The cost of inventories recognised by the Group as an expense during the financial year was RM 18,779,769 (31.03.2024: RM16,320,259).

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

19. INVENTORIES cont'd

(a) Property development costs

	Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/1 January	99,763,403	88,707,592
Cost incurred during the financial year/period	16,336,236	19,778,039
Cost recognised during the financial year/period	(13,699,586)	(8,722,228)
As at 31 March	102,400,053	99,763,403

Property development costs is analysed as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Freehold land	7,934,027	7,934,027
Development costs	94,466,026	91,829,376
	102,400,053	99,763,403

(b) Raw materials

	Group	
	31.3.2025	31.3.2024
	RM	RM
Consumables and spare parts	212,151	260,464

20. TRADE RECEIVABLES

	Group	
	31.3.2025	31.3.2024
	RM	RM
Trade receivables	6,591,496	4,486,180
Less: Impairment losses	(815,862)	(946,632)
	5,775,634	3,539,548

The credit period granted to customers ranges from 14 to 60 days (31.03.2024: 14 to 60 days).

The Group applies a simplified approach in calculating loss allowances for trade receivable at an amount equal to lifetime ECL.

The Group does not hold any collateral or other credit enhancements over trade receivable balances.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

20. TRADE RECEIVABLES cont'd

The movement of allowance for impairment during the financial year/period is as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/1 January	948,837	662,998
Charge for the financial period/year	149,413	696,399
Reversal during the financial period/year	(282,388)	(412,765)
As at 31 March	815,862	946,632

The aged analysis of trade receivables at the end of the reporting period:

	Gross trade receivables	Lifetime ECL	Net amount
	RM	RM	RM
Group			
31.3.2025			
Not past due and impaired:			
1 to 120 days	242,942	-	242,942
Past due and impaired:			
120 to 150 days	-	-	-
150 to 365 days	-	-	-
More than 365 days	5,948,908	(416,216)	5,532,692
	5,948,908	(416,216)	5,532,692
	6,191,850	(416,216)	5,775,634
Credit impaired:			
Individually impaired	399,646	(399,646)	-
	6,591,496	(815,862)	5,775,634
Group			
31.3.2024			
Not past due and impaired:			
1 to 120 days	1,544,762	-	1,544,762
Past due and impaired:			
120 to 150 days	-	-	-
150 to 365 days	134,411	-	134,411
More than 365 days	2,556,774	(698,604)	1,858,170
	2,691,185	(698,604)	5,532,692
	4,235,947	(698,604)	3,537,343
Credit impaired:			
Individually impaired	250,233	(248,028)	2,205
	4,486,180	(946,632)	3,539,548

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

21. CONTRACT ASSETS

	Group	
	31.3.2025	31.3.2024
	RM	RM
Contract assets	14,509,352	13,910,574
Accumulated impairment	(123,360)	-
As at 31 March	14,385,992	13,910,574

The contract assets primarily relate to the Group's right to consideration for work completed on development contract but not yet billed at the reporting date. Typically, the amount will be billed within 30 days and payment is expected within 14 days.

The contract liabilities represent progress billings issued for property development for which performance obligations have not been satisfied. Contract liabilities are recognised as revenue when performance obligations are satisfied.

The movements in contract assets during the financial year/period are as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/1 January	13,910,574	5,781,645
Progress billings during the financial year/period	9,869,399	19,536,819
Less: Revenue recognised during the financial year/period	(9,393,981)	(11,407,890)
As at 31 March	14,385,992	13,910,574

The movements in accumulated impairment are as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/1 January	-	-
Charge for the financial year/period	123,360	-
As at 31 March	123,360	-

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

22. FIXED DEPOSIT

	Group		Company	
	31.3.2025	31.03.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Fixed deposits with a licensed bank	1,645,344	1,500,000	-	-
Deposits with a cooperative	68,800,000	86,497,854	44,060,000	62,301,395
Less: Expected credit loss	(1,651,200)	-	(1,057,440)	-
	67,148,800	86,497,854	43,002,560	62,301,395
	68,794,144	87,997,854	43,002,560	62,301,395

Movement of expected credit loss (lifetime ECL):

	Group		Company	
	31.3.2025	31.03.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
At beginning of the financial year/period	-	-	-	-
Allowance for expected credit loss	1,651,200	-	1,057,440	-
At end of the financial year/period	1,651,200	-	1,057,440	-

Fixed deposits with licensed banks of the Group earn interest at rates of 2.45% (31.03.2024: 2.65%) per annum. Fixed deposits with licensed banks of the Group have maturity terms of 3 (31.03.2024: 3) months.

Deposits of the Group and of the Company were placed with Koperasi Maal Nizami Selangor Berhad ("KOMANI"), a registered cooperative under Suruhanjaya Koperasi Malaysia (SKM), which operates under the Ministry of Entrepreneur and Cooperative Development ("MECD"). These placements are governed by a regulatory framework that differs from that applicable to financial institutions regulated by Bank Negara Malaysia.

The deposits with the cooperative earn interest at rates ranging from 3.00% to 3.10% per annum (31.03.2024: 3.00% to 3.10%) and have maturity periods of 6 months (31.03.2024: between 3 to 12 months).

23. CASH AND BANK BALANCES

	Group		Company	
	31.3.2025	31.03.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Cash and bank balances	6,889,219	5,867,369	140,026	749,144
Fixed deposits	68,794,144	87,997,854	43,002,560	62,301,395
Total	75,683,363	93,865,223	43,142,586	63,050,539
Less: Bank overdraft	(1,666,458)	(2,999,119)	-	-
Less: Deposits with a maturity period more than 3 months	(67,148,800)	(36,910,778)	(43,002,560)	(36,910,778)
Cash and cash equivalents as presented in statements of cash flows	6,868,105	53,955,326	140,026	26,139,761

NOTES TO THE **FINANCIAL STATEMENTS**

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cont'd

23. CASH AND BANK BALANCES cont'd

Included in the cash and bank balances is an amount of RM2,629,626 (31.03.2024: RM2,636,506) maintained in Housing Development Accounts pursuant to the Housing Development (Control and Licensing) Regulations 1991. Withdrawals from the Housing Development Accounts are restricted in accordance with the Housing Development Regulations 1991.

24. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Issued and fully paid:				
Ordinary shares				
As at 1 April/1 January	1,403,095,559	1,403,095,559	332,885,896	332,885,896
ESOS	240,000,000	-	4,296,000	-
Share consolidation	(1,478,786,003)	-	-	-
Capital reduction	-	-	(44,028,987)	-
	164,309,556	1,403,095,559	293,152,909	332,885,896

On 14 August 2024, the Company granted 240,000,000 share options under its Employees' Share Option Scheme ("ESOS") to eligible employees at an exercise price of RM0.016 per share, representing a discount to the market price of RM0.020 per share on the date of offer. The options carried no vesting conditions and were exercisable immediately. All options were fully exercised during the financial year, resulting in the issuance of 240,000,000 new ordinary shares.

On 16 December 2024, the Company completed a share consolidation of every 10 existing ordinary shares into 1 consolidated share, with fractional disregarded and resulting in the reduction in the number of ordinary shares from 1,643,095,559 ordinary shares to 164,309,556 consolidated ordinary shares.

On 3 February 2025, the Company completed a reduction of its issued share capital from RM337,181,896 to RM293,152,909 pursuant to Section 117 of the Companies Act 2016, following the special resolution dated 1 November 2024 which was approved and executed. The reduction was effected by offsetting accumulated losses of RM44,028,987 against the issued share capital.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company. 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 regards to the Company's residual assets.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

25. OTHER RESERVES

	Group		Company	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Non-distributable:				
Warrant reserves	-	9,233,231	-	9,233,231
Foreign exchange reserves	126,465	96,959	-	-
	126,465	9,330,190	-	9,233,231

Foreign exchange reserves

The translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Warrant reserves

The salient features of the warrants are disclosed in Note 26 to the financial statements. During the financial year, the Company's warrants expired unexercised. Accordingly, the warrant reserve was transferred to accumulated losses in accordance with the Company's accounting policy.

Employees' share option scheme ("ESOS")

The ESOS is governed by the New By-Laws approved by the shareholders at the Extraordinary General Meeting held on 18 March 2021. The ESOS shall be in force for a period of five years from the effective date, subject to extension as provided under the New By-Laws. The ESOS is administered by ESOS committee appointed by the Board of Directors pursuant to the New By-Law. The ESOS is offered at the discretion of the ESOS Committee, to an eligible person from time to time within the duration of the ESOS.

The number of new shares allocated to the eligible person holding 20% or more of the Company's issued shares (excluding treasury shares) shall not exceed 10% of the total new shares issued under the ESOS. Additionally, no more than 70% of the ESOS options shall be allocated to eligible directors and senior management of the Group. Eligible persons must be full-time employees or directors, at least 18 years old, and not involved in any bankruptcy proceedings.

26. WARRANTS

On 28 May 2021, the issue of 601,311,751 free warrants on the basis of 6 rights shares together with 3 free warrants for every 1 ordinary share held by the entitled shareholders on the entitlement date was completed upon admission of the warrants to the Official List of Bursa and the listing of and quotation for the warrants F on the ACE Market of Bursa Malaysia Securities Berhad.

The Warrants F of the Company are constituted by a Deed Poll dated on 8 April 2021.

The salient features of the Warrants F are as follows:

(a) The issue date of the Warrants F is on 28 May 2021 and the expiry date is on 20 May 2024.

(b) The Warrants 2021/2024 can be exercised at any time during the period commencing on and inclusive of the date of issue of the warrants up to and including the expiry date. Any Warrants F not exercised during the exercise period will lapse and cease to be valid.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

26. WARRANTS cont'd

The salient features of the Warrants F are as follows: cont'd

(c) Each Warrant F entitles the registered holder to subscribe for 1 new ordinary share of the Company at the exercise price fixed at RM0.10 payable in cash at any time during the exercise period and shall be subject to adjustments in accordance with the provision of the Deed Poll.

(d) The new ordinary shares arising from the exercise of the F shall, upon allotment and issue, rank pari passu with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any right, allotment, dividend and/or any other distribution that may be declared, made or paid before the date of allotment and issue of the new ordinary shares of the Company.

The Warrants F expired and lapsed on 20 May 2024. Accordingly, there were no unexercised warrants outstanding as at 31 March 2025.

	Group and Company Number of warrants	
	31.3.2025	31.3.2024
As at 1 April/1 January	601,311,751	601,311,751
Lapsed during the year/period	(601,311,751)	-
As at 31 March	-	601,311,751

27. BANK BORROWINGS

	Group	
	31.3.2025	31.3.2024
	RM	RM
Secured		
Term loans	28,072,385	30,587,076
Bank overdrafts	1,666,458	2,999,119
	29,738,843	33,586,195
Current		
Term loans	2,654,860	2,314,095
Bank overdrafts	1,666,458	2,999,119
	4,321,318	5,313,214
Non-Current		
Term loans	25,417,525	28,272,981
	29,738,843	33,586,195

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

27. BANK BORROWINGS cont'd

The weighted average effective interest rates for bank borrowings (per annum) as at reporting date are as follows:

	Group	
	31.3.2025	31.3.2024
	%	%
Term loans	2.10 to 7.45	2.10 to 7.45
Above the Bank Lending Rate Bank overdrafts	0.75	0.75

The bank borrowings are secured by way of:

(a) First legal charged over the property of the Company;
(b) Legal charge over the rental collection account and debt service reserve account opened or to be opened and maintained with the bank;
(c) Corporate guarantee by the Company;
(d) Personal guarantee by a director; and
(e) Joint and several guarantees by the Company's directors.

28. HIRE-PURCHASE PAYABLE

	Group	
	31.3.2025	31.3.2024
	RM	RM
Total outstanding	56,044	74,753
Less: Interest-in-suspense	(3,335)	(5,889)
Principal outstanding	52,709	68,864
Less: Amount due within 12 months (shown under current liabilities)	(16,875)	(16,154)
Non-current portion	35,834	52,710

The non-current portion is repayable as follows:

	Group	
	31.3.2025	31.03.2024
	RM	RM
Within 1 - 2 years	17,596	16,875
Within 3 - 5 years	18,238	35,835
	35,834	52,710

The interest rate implicit in these hire-purchase obligation is 4.26% (31.03.2024: 4.26%) per annum.

The hire-purchase payable is secured by a charge over the property, plant and equipment under hire-purchase as disclosed in Note 12.

NOTES TO THE **FINANCIAL STATEMENTS**

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cont'd

29. LEASE LIABILITIES

The maturity analysis of the lease liabilities are as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Minimum lease payments:		
Less than one year	100,576	93,765
Later than one year but not later than five years	36,288	117,040
Total minimum lease payments	136,864	210,805
Less: Unearned interest	(6,676)	(10,866)
Present value of lease liabilities	130,188	199,939

The lease liabilities component is analysed as follows:

	Group	
	31.3.2025	31.3.2024
	RM	RM
Current	94,661	86,532
Non-current	35,527	113,407
	130,188	199,939

The Group does not face a significant liquidity risk with regard to their lease liabilities.

The lease liabilities are denominated in Ringgit Malaysia and comprise land and buildings.

The Group applied the incremental borrowing rate to the lease liabilities ranging from 4.60% to 6.38% (31.03.2024: 4.60% to 6.38%) per annum.

30. TRADE PAYABLES

The normal credit terms granted to the Group ranges from 30 to 60 days (31.03.2024: 30 to 60 days).

31. CONTRACT LIABILITIES

Contract liabilities represent advanced billings, mainly from trading of tools and mould, received from customers. The revenue is recognised as and when the services are rendered and performed.

NOTES TO THE **FINANCIAL STATEMENTS**

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32. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	31.3.2025	31.03.2024	31.3.2025	31.03.2024
	RM	RM	RM	RM
Other payables	7,224,475	7,436,003	10,498	10,498
Accruals	1,083,400	576,745	218,667	282,410
Deposits received	1,152	416,146	-	-
	8,309,027	8,428,894	229,165	292,908

33. RELATED PARTY TRANSACTIONS

(a) Identify related parties

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

Related parties also include key management personnel. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include Executive Directors of the Company.

(b) Significant related party transactions and balances

Amount due from subsidiary companies which arose mainly from advances, is unsecured, interest-free and receivable on demand.

Amount due to directors is non-trade in nature, unsecured, interest-free and payable on demand.

(c) Compensation of key management personnel

Directors' remuneration of the Group and of the Company during the financial year/period is as follows:

	Group		Company	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Fees	240,000	252,000	240,000	252,000
Salaries and other emoluments	529,625	689,194	24,500	21,500
Defined contribution plans	59,760	74,700	-	-
	829,385	1,015,894	264,500	273,500

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

34. FINANCIAL GUARANTEE CONTRACTS

	Group	
	31.3.2025	31.3.2024
	RM	RM
Corporate guarantee given to licensed banks to secure credit facilities granted to subsidiary companies	23,717,597	27,305,343

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statements of cash flows as cash flows used in financing activities.

	Term loans (Note 27) The Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/ 1 January	30,587,076	37,208,270
Repayment of bank borrowings	(2,514,691)	(6,621,194)
Interest expense incurred (Note 8)	1,973,994	2,607,556
Interest expense paid	(1,973,994)	(2,607,556)
As at 31 March	28,072,385	30,587,076

	Hire purchase payable (Note 28) Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/ 1 January	68,864	88,043
Repayments of hire purchase	(16,155)	(19,179)
Interest expense incurred (Note 8)	2,554	4,206
Interest expense paid	(2,554)	(4,206)
As at 31 March	52,709	68,864

	Lease liabilities (Note 29) Group	
	31.3.2025	31.3.2024
	RM	RM
As at 1 April/ 1 January	199,939	72,534
Additions to right-of-use assets	31,364	239,419
Payments of lease liabilities	(101,115)	(112,014)
Interest expense incurred (Note 8)	14,180	7,572
Interest expense paid	(14,180)	(7,572)
As at 31 March	130,188	199,939

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS

Classification of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	31.3.2025	31.3.2024	31.3.2025	31.3.2024
	RM	RM	RM	RM
Financial assets				
Fair value through profit or loss				
Other investments	2,528,603	7,643,497	881,854	5,780,581
At amortised cost				
Trade receivables	5,775,634	3,539,548	-	-
Other receivables and refundable deposits	9,890,901	20,853,450	3,877,606	14,150,745
Amount due from subsidiary companies	-	-	222,213,190	197,326,939
Fixed deposits	68,794,144	87,997,854	43,002,560	62,301,395
Cash and bank balances	6,889,219	5,867,369	140,026	749,144
Financial liabilities				
At amortised cost				
Trade payables	2,137,097	2,501,194	-	-
Other payables and accruals	8,307,875	8,012,748	229,165	292,908
Amount due to directors	357,019	1,727,935	-	1,377,935
Bank borrowings	29,738,843	33,586,195	-	-
Hire purchase payables	52,709	68,864	-	-
Lease liabilities	130,188	199,939	-	-

Financial risk management objectives and policies

The Group and the Company are exposed to financial risk arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk mainly from trade receivables, other receivables and refundable deposits, deposit with a cooperative and contract assets; whereas the Company's exposure to credit risk mainly from other receivables and refundable deposits, deposit with a cooperative, amount due from subsidiary companies and financial guarantee given to licensed banks.

The management has in place a credit procedure to monitor and minimise the exposure of default. Receivables are monitored on a regular and an ongoing basis. Credit evaluations are performed on all customers requiring credit over certain amount.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(i) Credit risk cont'd

For cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. For deposits placed with a cooperative, counterparties are subject to strict due diligence and require approval from the relevant authorities, including Suruhanjaya Koperasi Malaysia ("SKM"), under the Ministry of Entrepreneur and Cooperatives Development. This process involves assessing the legal enforceability of arrangements and reviewing the financial stability and position of the cooperative. All deposits with the cooperative are monitored on an ongoing basis through periodic confirmations and compliance checks to ensure continued validity and security. For impairment purposes, the Group applies the three-stage Expected Credit Loss ("ECL") model under MFRS 9 Financial Instruments. Deposits with no significant increase in credit risk remain classified under Stage 1, with impairment measured using 12-month expected credit losses. In developing the ECL estimate, management incorporates forward-looking macroeconomic factors, benchmarking against external market data, and applying relevant overlays to reflect risks most significant to the Group.

The Company provides advances to subsidiary companies and monitors the results of the subsidiary companies regularly.

Concentration profile

Concentration of credit risk arises when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar risk characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Group monitors various portfolios to identify and assess risk concentration.

The Group major concentration of credit risk relates to the amount due from two (31.03.2024: one) receivables which constituted 16.29% (31.03.2024: 23%) of its trade receivables at the end of the reporting year.

Exposure to credit risk

The carrying amount of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk.

In addition, the Company are exposed to credit risk in relation to financial guarantee given to licensed banks and third parties. The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies. The maximum exposure to credit risk in relation to the financial guarantees contract is as disclosed in Note 34.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from trade payables, other payables and accruals, bank borrowings and lease liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO THE **FINANCIAL STATEMENTS**
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(ii) Liquidity risk cont'd

Analysis of financial instruments by remaining contractual maturities

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

	Weighted average effective interest rate	Total carrying amount	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Total undiscounted cash flow
	%	RM	RM	RM	RM	RM
Group						
31.3.2025						
Non-interest bearing:						
Trade payables		2,137,097	2,137,097	-	-	2,137,097
Other payables and accruals		8,307,875	8,307,875	-	-	8,307,875
Amount due to directors		357,019	375,019	-	-	357,019
Interest bearing:						
Bank borrowings	2.10 to 7.45	29,738,843	6,155,142	17,954,736	14,593,246	38,703,124
Hire purchase payables	4.26	52,709	18,708	37,336	-	56,044
Lease liabilities	4.60 to 6.38	130,188	100,576	36,288	-	136,864
		40,723,731	17,076,417	18,028,360	14,593,246	49,698,023
31.3.2024						
Non-interest bearing:						
Trade payables		2,501,194	2,501,194	-	-	2,501,194
Other payables and accruals		8,012,748	8,012,748	-	-	8,012,748
Amount due to directors		1,727,935	1,727,935	-	-	1,727,935
Interest bearing:						
Bank borrowings	2.10 to 7.45	33,586,195	4,488,684	17,954,736	15,718,434	38,161,854
Hire purchase payables	4.26	68,864	18,708	56,045	-	74,753
Lease liabilities	4.60 to 6.38	199,939	93,765	117,040	-	210,805
		46,096,875	16,843,034	18,127,821	15,718,434	50,689,289

At the end of the reporting period, the Company only inclusive of other payables in current liabilities, therefore no maturity profile.

The Company has provided corporate guarantees in favour of its subsidiary companies, as disclosed in Note 34. At the end of the reporting period, the counterparties to the financial guarantees do not have the right to demand cash as there is no default event by the subsidiary companies.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(iii) Market risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar (USD), Singapore Dollar (SGD), Euros (EUR) Thailand Baht (THB) and others.

	Denominated in					
	USD	SGD	THB	EUR	Others	Total
	RM	RM	RM	RM	RM	RM
Group						
31.3.2025						
Other receivables	-	4,182	4,774	-	-	8,956
Cash and bank balances	6,313	21,262	10,823	3,959	10,490	52,847
Trade payables	(333,396)	(2,645)	-	-	-	(336,041)
Other payables	-	(17,883)	(3,754,680)	-	-	(3,772,563)
	(327,083)	4,916	(3,739,083)	3,959	10,490	(4,046,801)
31.3.2024						
Trade receivables	-	5,691	794,572	381,138	-	1,181,401
Other receivables	-	4,531	4,796	-	-	9,327
Cash and bank balances	5,975	24,399	10,872	3,959	10,490	55,695
Trade payables	-	-	-	-	(162,305)	(162,305)
Other payables	-	(20,224)	(3,771,749)	-	-	(3,791,973)
	5,975	14,397	(2,961,509)	385,097	(151,815)	(2,707,855)

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(iii) Market risk cont'd

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the Ringgit Malaysia against United States Dollar. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel. A positive number below indicates a profit where the Ringgit Malaysia strengthens 5% against United States Dollar and vice versa.

		Group	
		31.3.2025	31.3.2024
		Effect on loss before tax	Effect on loss before tax
	Change in currency rate	RM	RM
USD	Strengthened 5% (2024:5%)	(16,354)	299
	Weakened 5% (2024:5%)	16,354	(299)
EUR	Strengthened 5% (2024:5%)	198	19,255
	Weakened 5% (2024:5%)	(198)	(19,255)
SGD	Strengthened 5% (2024:5%)	246	720
	Weakened 5% (2024:5%)	(246)	(720)
THB	Strengthened 5% (2024:5%)	(186,954)	(148,075)
	Weakened 5% (2024:5%)	186,954	148,075
Others	Strengthened 5% (2024:5%)	525	(7,591)
	Weakened 5% (2024:5%)	(525)	7,591

Interest rate risk

The Group's deposits with a cooperative and a licensed bank and bank borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its fixed deposits with a cooperative and a licensed bank by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short-term and long-term deposits.

The Group manages its interest rate risk exposure from interest-bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

36. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(iii) Market risk cont'd

Interest rate risk cont'd

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

	Group	
	31.3.2025	31.3.2024
	RM	RM
Fixed rate instruments		
Financial assets		
Fixed deposits	69,405,931	87,997,854
Financial liabilities		
Hire purchase payables	52,709	68,864
Lease liabilities	130,188	199,939
Floating rate instruments		
Financial liabilities		
Bank borrowings	29,738,843	33,586,195

Interest rate risk sensitivity analysis

Sensitivity analysis is not disclosed for fixed rate instruments as fixed rate instruments are not exposed to interest rate risk and are measured at amortised cost.

At the end of the reporting period, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's loss before tax for the financial year would have been approximately RM148,694 (31.03.2024: RM167,931) lower/higher, arising mainly as a result of lower/higher finance costs on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment

Fair values of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and bank borrowings except term loans approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The fair values of other investments are measured at fair value in the statements of financial position as at the end of the reporting period using Level 1 inputs for the purpose of fair value hierarchy in accordance with the generally accepted pricing model based on the net asset value of the unit trust fund.

The fair value of lease liabilities is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the financial reporting period.

The carrying amount of the floating rate term loans approximated their fair values as these instruments bear interest at variables rates.

NOTES TO THE **FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
cont'd

37. CAPITAL MANAGEMENT

The objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The Group's overall strategy remains unchanged during the current financial year.

The capital structure of the Group consists of debt (as disclosed in Notes 27 and 28) and equity (as disclosed in Notes 24 and 25).

Gearing Ratio

	Group	
	31.3.2025	31.3.2024
	RM	RM
Debt	29,791,552	33,655,059
Equity	244,858,395	259,406,544
Debt to equity ratio (%)	12	13

Debt consists of bank borrowings and hire purchase payable.

Debt to equity ratio is not applicable to the Company as the Company has no debt at the end of the reporting period.

38. CONTINGENT LIABILITY

Sanichi Property Sdn Bhd ("SPSB"), a wholly-owned subsidiary of the Group, is currently has a development project located in Melaka known as Marina Point, Klebang, Melaka ("Marina Point") that is currently pending completion. Certain Sale and Purchase Agreements (SPAs) were executed between SPSB and purchasers of units in this project.

As of 31 March 2025, the project remains pending completion and discussions are ongoing between SPSB and the certain purchasers on the settlement negotiation of liquidated ascertained damages payable under the terms of the SPAs. Based on legal advice obtained and information currently available, no legal suits, claims or formal demands have been filed by any purchasers against SPSB to date.

The Group has made an estimate for liquidated ascertained damages, which has been deducted from accumulated revenue recognised to date based on legal confirmations and the current status of negotiations. However, the ultimate liability, if any, may differ from the amount provided as it depends on the outcome of negotiations and any future legal proceedings.

LIST OF **PROPERTIES**
AS AT 31 MARCH 2025

Registered Owner	Title/Local Address	Description/ Existing Use	Tenure	Age of Building (Years)	Total Land Area (Square Feet)	Total Built Up Area (Square Feet)	Carrying Amount 31.03.2025 (RM)	Year of Acquisition
Sanichi Precision Mould Sdn Bhd	HS(D) 370623 PTD 88552 Mukim of Senai-Kulai PLO 135 Kawasan Perindustrian Fasa 3 81400 Senai Johor	Warehouse & Factory	Leasehold expiring on 15.06.2064	16	65,340	43,924	3,682,866	2004
Sanichi Precision Mould Sdn Bhd	HS(D) 290337 PTD 65201 Mukim of Senai-Kulai PLO 136 Kawasan Perindustrian Fasa 3 81400 Senai Johor	Warehouse & Factory	Leasehold expiring on 15.06.2064	5	65,340	32,519	9,050,412	2007
Sanichi Property Sdn Bhd	Geran 14939, Lot 129, Pekan Klebang Sek. 1 , Daerah Melaka Tengah Negeri Melaka	Development in progress	Freehold	–	93,344	–	102,400,053	2014
Sanichi Capital Sdn Bhd	Pajakan Negeri 46338, Lot 58190, Ikhlas Point, Tower 11 Avenue 5, The Horizon, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur	Office building	Leasehold expiring on 16.08.2106	15	–	54,046	44,892,496	2019

ANALYSIS OF **SHAREHOLDINGS**
AS AT 8 JULY 2025

SHARE CAPITAL

Total Number of Issued Shares	:	164,308,228
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	No. of Shareholders	%	No. of Shares	%
1 to 99	2,152	24.673	51,986	0.032
100 to 1,000	2,583	29.615	1,247,762	0.759
1,001 to 10,000	2,602	29.833	11,052,022	6.726
10,001 to 100,000	1,185	13.586	36,752,879	22.368
100,001 to <5% of shares	199	2.282	105,493118	64.205
5% and above	1	0.011	9,710,461	5.910
Total	**8,722**	**100.000**	**164,308,228**	**100.000**

DIRECTORS' SHAREHOLDINGS
AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

		Direct Interest		Indirect Interest	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Dato' Sri Dr Pang Chow Huat	9,710,461	5.910	88,676	0.054
2.	Dato' Abd Halim Bin Abd Hamid	-	-	-	-
3.	Yong Ket Inn	-	-	-	-
4.	Ong Tee Kein	-	-	-	-
5.	Datin Erdawaty Binti Mohamed	-	-	-	-

Note:

(1) Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 8 of the Companies Act 2016.

SUBSTANTIAL SHAREHOLDER
AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Indirect Interest	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Dato' Sri Dr Pang Chow Huat	9,710,461	5.910	88,676	0.054

Note:

(1) Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF **SHAREHOLDINGS**

AS AT 8 JULY 2025
cont'd

LIST OF THIRTY (30) LARGEST SHAREHOLDERS
(AS PER THE RECORD OF DEPOSITORS)

No.	Names	No. of Shares	%
1.	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT*	8,907,000	5.421
2.	AFIQAH BINTI HAMZAH	8,000,000	4.869
3.	ONG YEE LUNG	8,000,000	4.869
4.	TAN KEAH SENG	8,000,000	4.869
5.	NG SOON FATT	5,925,180	3.606
6.	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR SEKARAJASEKARAN A/L ARASARATNAM*	3,300,000	2.008
7.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CITA REALITI SDN BHD*	3,200,000	1.948
8.	CITA REALITI SDN BHD	2,568,550	1.563
9.	BCM ALLIANCE BERHAD	2,500,000	1.522
10.	MAH WEE HIAN @ MAH SIEW KUNG	2,327,789	1.417
11.	TING SEU NGUONG	2,170,301	1.321
12.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD	2,046,500	1.246
13.	RAYMOND TAN SUAN-KUO	2,005,000	1.220
14.	MAH WEE HIAN @ MAH SIEW KUNG	1,825,009	1.111
15.	TEOH LEONG HUAT	1,633,000	0.994
16.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR NAZRI BIN ABDULLAH @ NAZRI BHUPULAN*	1,560,000	0.949
17.	MAH WEE HIAN @ MAH SIEW KUNG	1,435,000	0.873
18.	NG BEE YONG	1,351,190	0.822
19.	MAH WEE HIAN @ MAH SIEW KUNG	1,292,513	0.787
20.	MAH SIEW SEONG	1,288,880	0.784
21.	TAN KAR YING	1,238,730	0.754
22.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR FRANCIS CHAI KIM LUNG*	1,220,000	0.743
23.	LIM SWEE BOON	860,000	0.523
24.	MUNIANDY A/L RAMAMIRTHAM	836,080	0.509
25.	TAN HUNG CHEW SDN BHD	800,000	0.487
26.	TAY HOCK TIAM (DATUK)	800,000	0.487
27.	PANG CHOW HUAT	740,795	0.451
28.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR MARTIN PAU KIN LOONG*	740,000	0.450
29.	CHEN CHOON SENG	700,000	0.426
30.	PUBLIC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR BEH TEE CHUI*	692,900	0.422
	TOTAL	**77,964,417**	**47.451**

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SANICHI TECHNOLOGY BERHAD

Registration No. 200401023320 (661926-K)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
No. of Shares Held	

*I/We (***Full Name in Block Letters***) _____

*NRIC No./Passport No./Registration No. _____

CDS Account No./Name of beneficial owner*_____

of _____

being a member(s) of **SANICHI TECHNOLOGY BERHAD**, hereby appoint:

Full Name (in Block Letters)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address (in Block Letters)	**Contact No:**		
	Email Address:		

*and/or

Full Name (in Block Letters)	**NRIC / Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address (in Block Letters)	**Contact No:**		
	Email Address:		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 20th Annual General Meeting ("Meeting" or "20th AGM") of the Company to be held at Sanichi Tower, Level 9, Tower 11, Avenue 5, Bangsar South, 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 29 August 2025 at 2.30 p.m. for the following purposes:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1	To approve payment of Directors' fees and benefits payable from 30 August 2025 until the next AGM		
2	To re-elect Dato' Sri Pang Chow Huat as Director of the Company		
3	To re-elect Ong Tee Kein as Director of the Company		
4	To re-appoint Messrs Morison LC PLT as auditors of the Company		
5	Authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your vote to be cast. If no specific direction as to how the proxy shall vote, the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting).

Signed this _____ day of _____ 2025.

_____

*Signature(s)/Common Seal of Member(s)

- *Delete if not applicable*

Fold This Flap For Sealing

Notes:

1. A member of the Company who is entitled to attend, participate, speak and vote at the 20th AGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
2. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint 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.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
5. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing. If the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

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AFFIX
STAMP

The Share Registrar of
SANICHI TECHNOLOGY BERHAD
Registration No. 200401023320 (661926-K)

c/o ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur

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6. To be valid, the instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking the poll, which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
7. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 21 August 2025. Only members whose names appear in the General Meeting Record of Depositors as at 21 August 2025 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
8. All the resolutions set out in this Notice of Meeting will be put to vote by poll.

www.sanichimould.com

Sanichi Technology Berhad
Registration No.: 200401023320 (661826-K) (Incorporated in Malaysia)

PLO 135, Jalan Cyber 5,
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