



PT RESOURCES HOLDINGS BERHAD
(Registration No. 201901032139 (1341469-P))
(Incorporated in Malaysia under the Companies Act 2016)



EMPOWERING
Progress
EMBRACING LIMITLESS
Opportunities

ANNUAL REPORT 2023





4th

ANNUAL GENERAL MEETING

DAY & DATE

Thursday, 26 October 2023

TIME

10:00 a.m.

VENUE

Concorde Hotel Kuala Lumpur
Concorde Ballroom, Lobby
2 Jalan Sultan Ismail,
50250 Kuala Lumpur, Malaysia

**SCAN FOR ANNUAL
REPORT 2023**



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COVER RATIONALE



The Annual Report cover for PT Resources Holdings Berhad embodies the company's vision, mission, and commitment to sustainability under the theme "Empowering Progress, Embracing Limitless Opportunities." Against a backdrop of pure white, symbolizing transparency and integrity, the cover prominently features images of collaboration with local fishermen. These visuals underline the company's support for local communities and ethical seafood sourcing, in line with its mission to enrich lives through high-quality food delivery.

Complementing this are depictions of clean and frozen seafood products and delighted customers shopping in domestic and international supermarkets. These elements illustrate the company's focus on customer satisfaction and its core business of processing and trading of seafood. Subtle touches of marine life and pristine environments subtly convey PT Resources Holdings Berhad's dedication to socially and environmentally responsible practices, aligning with its commitment to sustainability.

This Annual Report 2023 cover design encapsulates PT Resources Holdings Berhad's narrative of growth, quality, and sustainability. It serves as a visual testament to the company's commitment to delivering value to stakeholders while upholding ethical and environmental standards, leaving a lasting impression with our stakeholders

About PT RESOURCES HOLDINGS BERHAD

PT Resources Holdings Berhad (“PTRB” or “the Company”) was listed on the ACE Market of Bursa Malaysia Securities Berhad on 27 September 2022 (“Listing”). The Company was first incorporated as a private limited company under the name of PT Resources Holdings Sdn. Bhd. on 6 September 2019.

Through its subsidiaries (collectively known as “the Group”), the Group is principally involved in the processing and trading of frozen seafood products as well as retail trading of meat and non-meat products.



CORE VALUES



Responsibility

We take full ownership and responsibility of our results.



Integrity

We are committed to acting with integrity in all our dealings. We believe that integrity is essential for building trust and credibility with our customers, partners, and employees.



VISION

To be a leading food organisation which carries on profitable and sustainable businesses in line with the Group's diverse business development and value creation aspirations and interests of all its stakeholders.



MISSION

- To carry out the businesses in ways that are both socially and environmentally responsible.
- To enrich people's lives through consistent delivery of high quality food.
- To generate profitable rate of return for shareholders.
- To ensure total customer satisfaction.



Discipline

We are committed to achieving higher efficiency and effectiveness through discipline.



Teamwork

We achieve our mission through teamwork, open communication, respect, and knowledge sharing.

OUR BRANCHES



**B22 & 24, LORONG SERI DAMAI
PERDANA 57, JALAN GAMBANG,
25150 KUANTAN, PAHANG**



**GROUND FLOOR, NO. B2/1470,
PERKAMPUNGAN BALOK PERMAI,
JALAN KUANTAN-KEMAMAN,
26000 KUANTAN, PAHANG**



**GROUND FLOOR, NO. 41, JALAN
SULTAN ABDULLAH,
26600 PEKAN, PAHANG**



**GROUND FLOOR, LOT 1052 AND
1053, AND 2ND FLOOR, LOT 1052,
JALAN SULAIMANI,
24000 KEMAMAN, TERENGGANU**



**GROUND FLOOR AND BASEMENT FLOOR,
K-90K, TAMAN IDAMAN, JALAN JAKAR,
24000 KEMAMAN, TERENGGANU**





**LOT 8217, JALAN BESAR,
KAMPUNG CACAR BARU,
23100 PAKA, TERENGGANU**



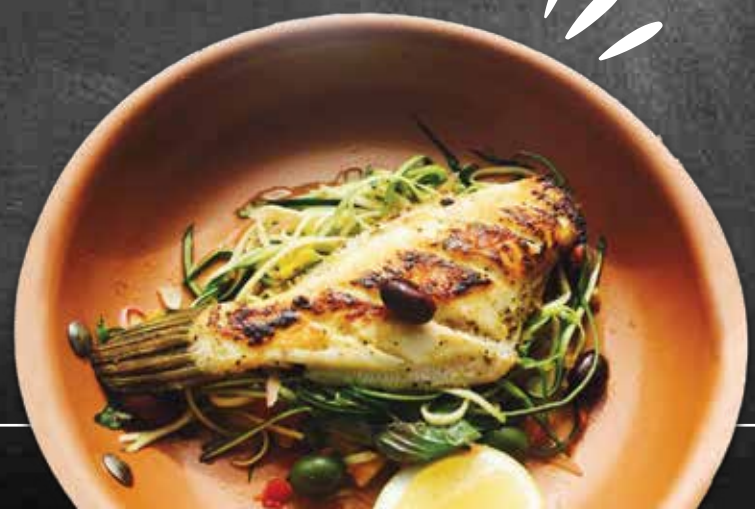
**GROUND FLOOR, NO. B48,
LORONG JAYA GADING 31
KAMPUNG JAYA GADING.
26070 KUANTAN PAHANG.**



**GROUND FLOOR, NO. A5,
LORONG PADANG MAJU 1,
PERUMAHAN PADANG MAJU,
25200 KUANTAN, PAHANG.**



**KOMPLEKS PASAR BORONG BARU
KEMUNTING KUANTAN, JALAN
KEMUNTING 2, 25100 KUANTAN,
PAHANG**



In the NEWS

PT Resources ends with modest ACE Market debut despite high trading volume exceeding 100 million shares in first hour

[theedgemarkets.com/article/pt-resources-ends-modest-ace-market-debut-despite-high-trading-volume-exceeding-100-million](https://www.theedgemarkets.com/article/pt-resources-ends-modest-ace-market-debut-despite-high-trading-volume-exceeding-100-million)

Uzail Idris & Shachi Ong | theedgemarkets.com September 27, 2022 18:03 pm +08 September 27, 2022



IPO PT Resources terlebih langgan 24.48 kali

[liputan7.com/bisnis/korporat/2022/09/1000904ipo-pt-resources-terlebih-langgan-2448-kali](https://www.liputan7.com/bisnis/korporat/2022/09/1000904ipo-pt-resources-terlebih-langgan-2448-kali)



PT Resources Holdings Bhd

KUALA LUMPUR: Tawaran awam permulaan (IPO) PT Resources Holdings Bhd mencatatkan 7,947 permohonan untuk 681.51 juta saham baharu daripada rakyat Malaysia bernilai RM245.34 juta, yang terlebih langganan sebanyak 24.48 kali.

Mercury Securities Sdn Bhd dilantik sebagai penasihat utama, penaja, penaja jamin dan ejen penempatan untuk IPO itu sempena dengan penyertaannya di Pasaran ACE Bursa Malaysia Securities Bhd.

"Bagi bahagian Bamiputera, sejumlah 4,758 permohonan untuk 309.58 juta saham baharu telah diterima, yang mewakili kadar terlebih langganan sebanyak 22.15 kali," kata PT Resources dalam makluman kepada Bursa Malaysia hari ini.

Manakala untuk bahagian awam, sebanyak 3,189 permohonan untuk 371.92 juta saham baharu telah diterima, mewakili kadar terlebih langganan sebanyak 26.81 kali.



PT Resources looking to raise RM48mil in IPO

[frimalayiasidaily.com/category/business/local-business/2022/08/30-pt-resources-looking-to-raise-rm48-million-ipo](https://www.malayiasidaily.com/category/business/local-business/2022/08/30-pt-resources-looking-to-raise-rm48-million-ipo)

August 30, 2022 3:21 PM



PT Resources hopes to expand its market to more countries in the Asia-Pacific and the Middle East.

KUALA LUMPUR: Frozen seafood processor PT Resources Holdings Bhd aims to raise RM48.6 million from its initial public offering (IPO) en route to its listing on Bursa Malaysia's ACE Market.

PT Resources opens at 37 sen for 2.8% premium in ACE Market debut

[beritasidaily.my/home/pt-resources-opens-at-37-sen-for-28-premium-in-ace-market-debut-CA0882712](https://www.beritasidaily.my/home/pt-resources-opens-at-37-sen-for-28-premium-in-ace-market-debut-CA0882712)





PT Resources ropes in Mercury Securities to handle ACE listing

edg.com.my/business/2022/08/18/pt-resources-ropes-mercury-securities-handle-ace-listing

Mercury Securities is the principal adviser, sponsor, underwriter and placement agent for PT Resources' listing, which entails a public issue of 125 million new shares.

PT Resources, pemborong makanan laut sejuk beku pertama bakal disenaraikan di Bursa Malaysia

idagangnews.com/pt-resources-pemborong-makanan-laut-sejuk-beku-pertama-bakal-disenaraikan-di-bursa-malaysia-17905

August 3, 2022



PT Resources shares offered to public oversubscribed by nearly 25 times

theedgemarkets.com/article/pt-resources-shares-offered-public-oversubscribed-nearly-25-times

Izzul Ikram / theedgemarkets.com September 15, 2022 17:31 pm +08

September 15, 2022

2023 *At a Glance*



REVENUE

RM502.6
million

RM349.1 million (FYE 2022)



TOTAL ASSETS

RM251.9
million

RM138.7 million (FYE 2022)



GROSS PROFIT

RM63.1
million

RM38.6 million (FYE 2022)



PROFIT MARGIN

7.33%

6.05% (FYE 2022)



TOTAL EQUITY

RM157.2
million

RM73.3 million (FYE 2022)



BRANCHES

9

7 branches (FYE 2022)



PBT

RM37.5
million

RM21.3 million (FYE 2022)



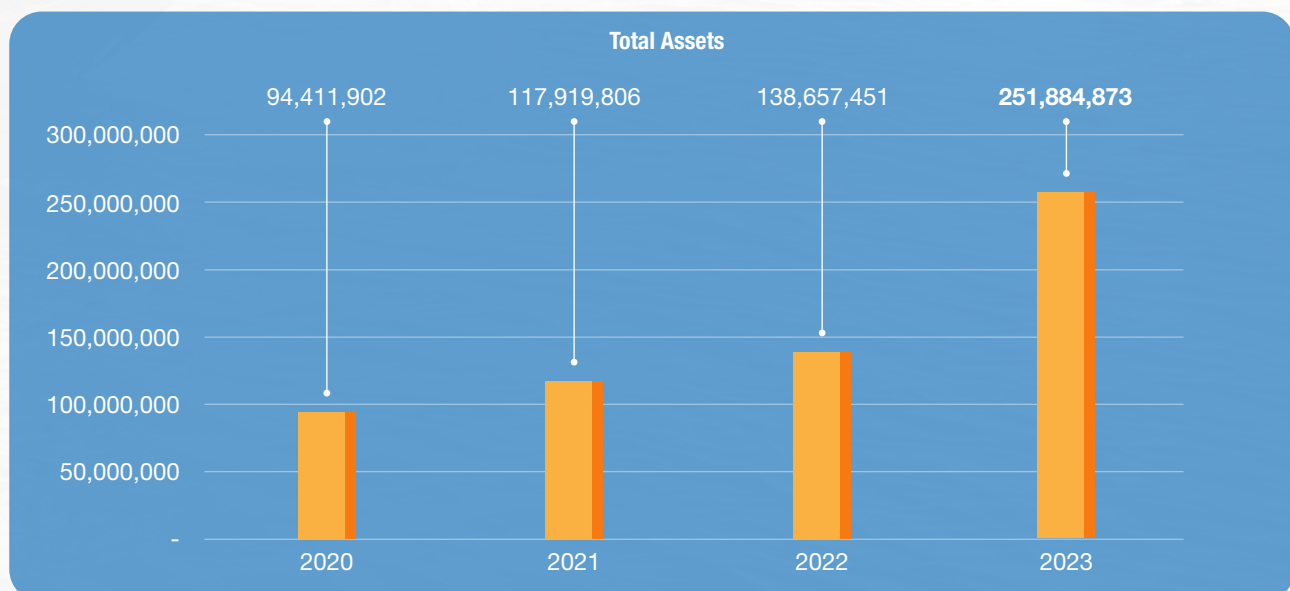
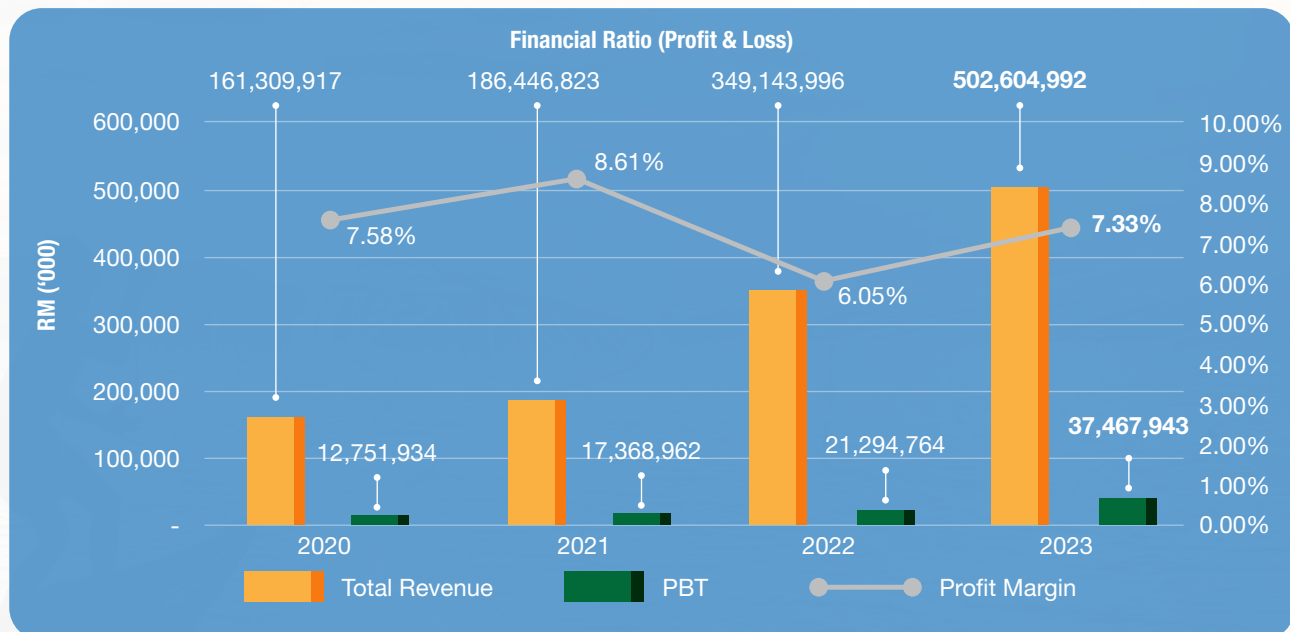
PAT

RM36.8
million

RM21.1 million (FYE 2022)

FINANCIAL HIGHLIGHTS

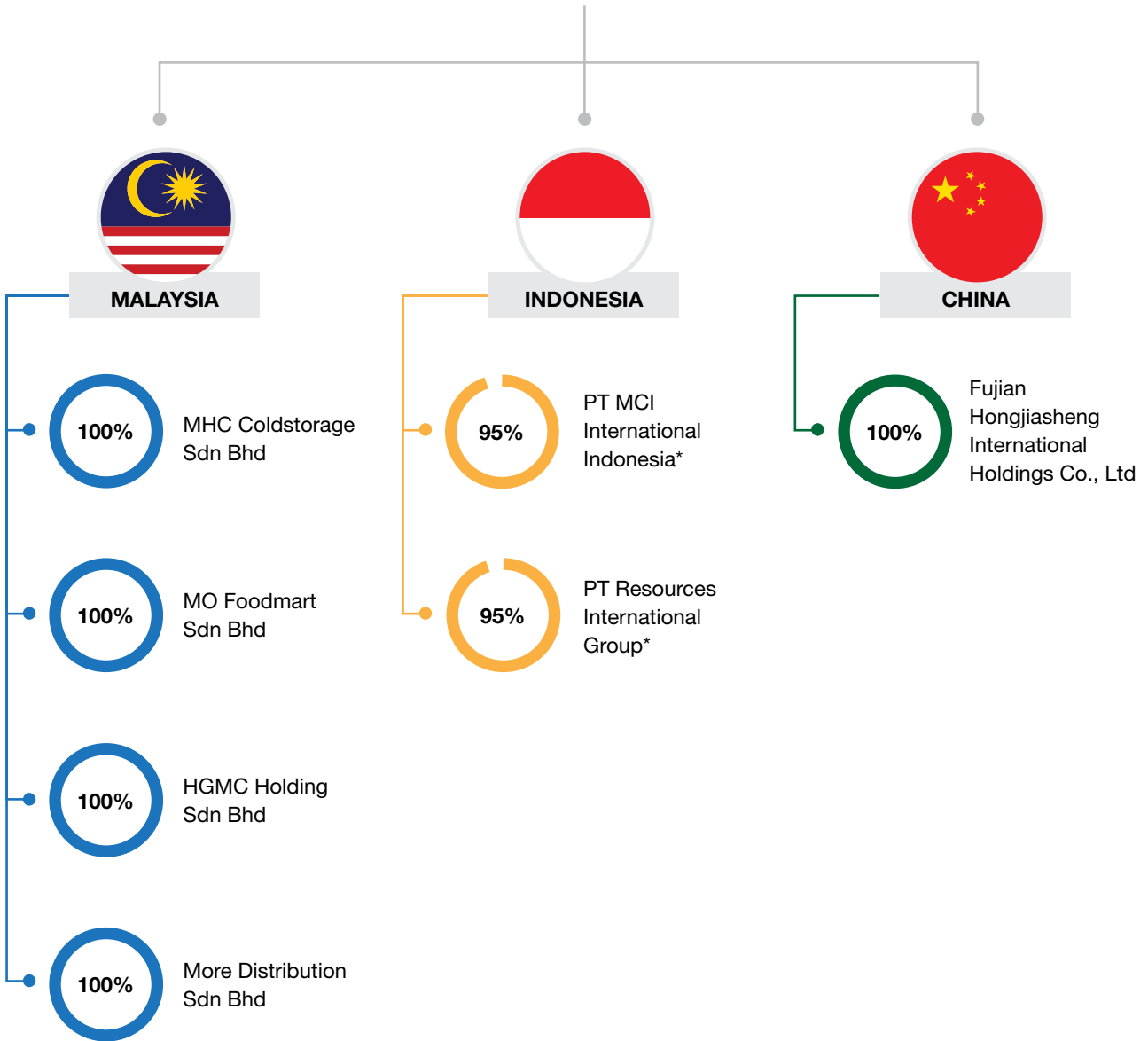
		2020	2021	2022	2023
Revenue	RM	161,309,917	186,446,823	349,143,996	502,604,992
Gross Profit	RM	25,062,760	28,729,774	38,614,007	63,073,586
PBT	RM	12,751,934	17,368,962	21,294,764	37,467,943
PAT	RM	12,226,115	16,056,188	21,111,322	36,833,180
Gross Profit Margin		15.54%	15.41%	11.06%	12.55%
Profit Margin		7.58%	8.61%	6.05%	7.33%
Total Assets	RM	94,411,902	117,919,806	138,657,451	251,884,873
Total Equity	RM	36,063,228	52,219,414	73,330,736	157,209,612



CORPORATE STRUCTURE



PT Resources Holdings Berhad



* As at the reporting date and date of authorisation of the financial statements, the process of incorporation has not been completed.

CORPORATE INFORMATION

BOARD OF

Directors

Heng Chang Hooi
(Managing Director)

Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim
(Independent Non-Executive Chairman)

Dato' Asmuni Bin Sudin
(Independent Non-Executive Director)

Mohd Rofzan Bin Mohd Latiff
(Executive Director)

Chan Foong Ping
(Independent Non-Executive Director)

Steven Wong Chin Fung
(Independent Non-Executive Director)



AUDIT AND RISK MANAGEMENT COMMITTEE

Chan Foong Ping (Chairperson)
Steven Wong Chin Fung
Dato' Asmuni Bin Sudin

NOMINATION AND REMUNERATION COMMITTEE

Dato' Asmuni Bin Sudin (Chairman)
Chan Foong Ping
Steven Wong Chin Fung

COMPANY SECRETARIES

Tea Sor Hua
(MACS 01324)
SSM PC No. 201908001272
Winnie Goh Kah Mun
(MAICSA 7068836)
SSM PC No. 202308000205

AUDITORS

Grant Thornton Malaysia PLT
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Tel: 03-2692 4022
Fax: 03-2691 5229

PRINCIPAL BANKERS

Bank Pertanian Malaysia Berhad
MBSB Bank Berhad
Bank of China (Malaysia) Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7725 1777
Fax: 03-7722 3668
Email: cms_cospec@yahoo.com

PRINCIPAL PLACE OF BUSINESS

Kuantan Integrated Fish Processing
Park (KIFPP)
Jalan Seri Kemunting 2
Tanah Putih, 25100 Kuantan
Pahang Darul Makmur
Tel: 09-515 6666
Fax: 09-513 0700
Email: info@ptresourcesgroup.com.my
Website: www.ptresourcesgroup.com.my

SPONSOR

Mercury Securities Sdn. Bhd.
L-7-2, No 2, Jalan Solaris
Solaris Mont Kiara
50480 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel: 03-6203 7227
Fax: 03-6203 7117
Email: mercurykl@mersec.com.my

SHARE REGISTRAR

BoardRoom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Tel: 03-7890 4700
Fax: 03-7890 4670
Email: info.my@boardroomlimited.com

STOCK EXCHANGE

ACE Market of Bursa Malaysia
Securities Berhad
Stock name: PTRB
Stock Code: 0260

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

BOARD OF DIRECTORS

TAN SRI DATO' DR. SYED JALALUDIN BIN SYED SALIM

Independent Non-Executive Chairman

Age

79

Nationality



Gender



Date of Appointment : 14 July 2020

Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim ("Tan Sri Jalaludin") was appointed to the Board on 14 July 2020.

He has completed his Bachelor of Veterinary Science degree from the University of Punjab, Pakistan in 1967 before pursuing his Master of Philosophy as well as Doctor of Philosophy (PhD) from the University of London, United Kingdom in 1970 and 1977 respectively. He was honoured with six honorary doctorates, including Doctor of Science from the University of Hull, United Kingdom in 1999, Doctor of Science from Soka University, Japan in 2000, Doctor of Agriculture Technology from Thaksin University, Thailand in 2005, Doctor of Science from the Open University Malaysia in 2006, Doctor of Engineering from Universiti Malaysia Perlis in 2008, and Honorary Doctorate of Arts in Education from the Eastern Asia University, Thailand in 2020. In addition, he was admitted as an Honorary Fellow member of Kolej Pakar Veterinar Malaysia in 2018.

He illustrious career began as an assistant lecturer at the University of Malaya's Faculty of Agriculture in 1969 before joining Universiti Pertanian Malaysia (previously known as Universiti Putra Malaysia) ("UPM") as a lecturer at the Faculty of Veterinary & Animal Science in 1975. He retired as the Vice Chancellor of UPM in 2001. He was honoured with the National Science Laureate in 1993 and the National Academic Laureate in 2007. He is a Fellow (with the title of academician) at the Academy of Sciences Malaysia, as well as an Emeritus Professor of Universiti Malaysia Terengganu and UPM. He also serves as the Chancellor of Taylor's University and is a member of the Executive Committee and Governing Board of the International Centre for Education in Islamic Finance.

Tan Sri Jalaludin was the founding Chairman of Halal Industry Development Corporation Sdn. Bhd., an agency responsible for promoting the participation and facilitating the growth of halal industry players and development of Halal ecosystem in Malaysia.

He is currently an Independent Non-Executive Chairman of SL Innovation Capital Berhad, a public company listed on the LEAP Market of Bursa Malaysia Securities Berhad ("Bursa Securities") since 30 November 2017, and Bioalpha Holdings Berhad, a public company listed on the ACE Market of Bursa Securities since 8 July 2014. Additionally, he serves as a Director in several private limited companies in Malaysia.

As an Independent Non-Executive Chairman of the Company, Tan Sri Jalaludin plays an important role in ensuring that the Board fulfil its duties and that the Company adheres to the best corporate governance practices. Tan Sri Jalaludin attended all three (3) Board meetings held during the financial year ended 30 April 2023. He has no any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS (CONT'D)

HENG CHANG HOOI

Managing Director

Age

40

Nationality



Gender



Date of Appointment : 6 September 2019

Mr. Heng Chang Hooi (“Mr. Heng”) is the founder and Managing Director of PT Resources Holdings Berhad. He was appointed to the Board on 6 September 2019, assuming the responsibility of overseeing strategic planning, and overall business operations for the Group.

Mr. Heng took a bold step in 1998 to become a management trainee at Thein Shing Trading, a seafood trading company owned by his family to learn the ropes of operating a business. The hard work invested gave him invaluable experience into running the business and with the competitive edge built over the years, he saw a great potential for the company to grow and become a leader in the industry. Hence, in 2002, Mr. Heng formally joined Thein Shing Trading to broaden his involvement in the business.

As a strategic move to expand the business and propel its growth, Mr. Heng together with his father co-founded Meng How (M) Sdn. Bhd. (formerly known as Thein Shing Enterprise Sdn. Bhd.) in 2007. Designed to corporatise the family business, the new entity was also aimed to diversify its product range to include trading in other frozen and processed food for both local and international markets.

Through his sole proprietorship, MO Frozen Food founded in 2010, Mr. Heng established another brand of frozen seafood and related products under the label, “MO Frozen Food”. The corporate identity of MO Frozen Food was later improved to exude its brand value under a new name, “MO” in 2012. Subsequently, he ventured into frozen seafood processing through MHC to enrich the company’s value chain.

To strengthen the business presence in the industry further, Mr. Heng together with his father established Freshzo Seafood Sdn. Bhd. (formerly known as Meng How (Sabah) Sdn. Bhd.) (“Freshzo Seafood”). Freshzo Seafood, was granted an operating license to source raw supplies from fish landing jetties within the state, helping the Group to add value to its supply chain. His extensive experience in managing these enterprises has played a vital role in building his vast network of suppliers and customers within the seafood industry.

Mr. Heng took another strategic step to grow the business further by consolidating the subsidiaries under his stewardship namely MHC Coldstorage Sdn. Bhd., MO Foodmart Sdn. Bhd. and HGMC Holding Sdn. Bhd. by placing them under an investment holding company, PT Resources Holdings Berhad. The Company was subsequently listed on the ACE Market of Bursa Securities Malaysia Berhad on 27 September 2022.

Mr. Heng does not hold directorships in any other public companies and listed issuer in Malaysia. He attended all three (3) Board meetings held during the financial year ended 30 April 2023. He has no any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS (CONT'D)

CHAN FOONG PING

Independent Non-Executive Director

Age

52

Nationality



Gender



Date of Appointment : 11 November 2020

Ms. Chan Foong Ping (“Ms. Chan”) was appointed to the Board of PT Resources Holdings Berhad as an Independent Non-Executive Director on 11 November 2020. She is the Chairperson of the Company’s Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

She graduated from Universiti Putra Malaysia with a Bachelor Degree in Accountancy in 1995. A Chartered Accountant by profession, Ms. Chan is a member of the Malaysian Institute of Accountants since 1998.

Her career began as an Audit Assistant at Kassim Chan & Co in 1995 and later promoted as a Senior Associate before joining Sepang Education Center Sdn. Bhd. as an Accounting Manager in 1998. She was subsequently recruited by Phillips Seafood (East Malaysia) Sdn. Bhd. to become its Financial Controller in 2000 where she played a pivotal role in the establishment of its new manufacturing plant for its Malaysian operations. Then in 2006, she was appointed as the Executive Director of Phillips Foods International (Hong Kong) Limited and in this capacity, she oversaw the overall financial aspects of seafood processing plants across the company’s international operations. In addition, she played a key role in the establishment and oversight of shared service centres located in Indonesia and India, enhancing the efficiency and effectiveness of financial reporting processes for Phillips Foods group of companies.

Ms. Chan joined Resource Holding Management Limited, formerly known as RedHot Media International Limited, as the Group Finance Director in 2011. Since 2014, she was an independent consultant to private organizations such as Paracelsus Suisse International Limited and Swiss Biological Medicine Group Ltd; providing insight guidance on corporate strategies, business development, corporate finance, and governance.

Currently, Ms. Chan serves as an Independent Non-Executive Director at Seremban Engineering Berhad, Success Transformer Corporation Berhad, and SFP Tech Holdings Berhad, all of which are public companies listed on the Main Market of Bursa Malaysia Securities Berhad. Her appointment to those positions commenced on 22 April 2016, 23 September 2016, and 16 August 2021 respectively.

Ms. Chan attended all three (3) Board meetings convened during the financial year ended 30 April 2023. Ms. Chan has no any family relationship with any Director and/or major shareholder of the Company. She has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS (CONT'D)

MOHD ROFZAN BIN MOHD LATIFF

Executive Director

Age

47

Nationality



Gender



Date of Appointment : 11 November 2020

En. Mohd Rofzan Bin Mohd Latiff (“En. Rofzan”) was appointed to the Board on 11 November 2020 with responsibility to oversee the operations of “MO FoodmartTM” and “MO Wholesale Centre” outlets.

He was the co-founder and manager of Paradigme Enterprise, a partnership dedicated to retailing of grocery products, stationery, and provision of printing services and training courses from 1997 to 1998. En. Rofzan took a sabbatical leave from business to pursue his study in Political Science at the University of Malaya in 2001 and successfully graduated in 2003.

Upon completing his tertiary education, En. Rofzan joined the civil service as an Assistant Director (Training Officer) at the National Civics Bureau, under the Prime Minister’s Office. His tasks included program planning, liaising with authorities, and facilitating seminars and courses. Subsequently, from 2014 to 2020, he set up a sole proprietorship, Nadi Armada Enterprise to undertake facility management services, which include cleaning and catering services. In 2017, he co-founded Nadi Armada Training and Consultancy which provided training management and consultancy services. En. Rofzan joined PT Resources Holdings Berhad as Head of Operations (MO) in July 2020.

En. Rofzan does not hold directorships in any other public companies and listed issuer in Malaysia. He attended all three (3) Board meetings held during the financial year ended 30 April 2023. He has no any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS (CONT'D)

DATO' ASMUNI BIN SUDIN

Independent Non-Executive Director

Age

66

Nationality



Gender



Date of Appointment : 11 November 2020

Dato' Asmuni Bin Sudin ("Dato' Asmuni") was appointed to the Board on 11 November 2020. He is the Chairman of the Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee.

Dato' Asmuni graduated from the University of Malaya with a Bachelor of Economics degree in 1980. In addition, he has been a member of the Chartered Institute of Islamic Finance Professionals since 2019.

He started his career as a Trainee Officer with Malayan Banking Berhad ("Maybank") in 1981, and steadily progressed through the ranks, to become a Branch Manager in 1989. He was appointed as the bank's Regional Head of Business Banking in 2004, General Manager (Brunei) in 2009, and Regional Director in 2010. His tenure with the bank enabled him to gain extensive experience in various banking functions, including retail, small & medium enterprises, and commercial financing.

After serving Maybank in various capacities for thirty (30) years, Dato' Asmuni joined Bank Pertanian Malaysia Berhad as its Chief Financial Services Officer in 2011. In this capacity, he was responsible for managing the overall business operations related to corporate, commercial, small & medium enterprises, micro-financing, and consumer financing. Subsequently, in 2017, he joined Bank Kerjasama Rakyat Malaysia Berhad as its Chief Operating Officer, overseeing the bank's business planning and operations before he retired from the bank in 2019.

Currently, Dato' Asmuni serves as a member of the board of directors of Malaysia Debt Ventures Berhad. In addition, he holds the position of an Independent Non-Executive Director of One Glove Group Berhad (formerly known as GETS Global Berhad), a public company listed on the Main Market of Bursa Malaysia Securities Berhad since 24 February 2021.

Dato' Asmuni attended all three (3) Board meetings held during the financial year ended 30 April 2023. He has no any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

BOARD OF DIRECTORS (CONT'D)

STEVEN WONG CHIN FUNG

Independent Non-Executive Director

Age

56

Nationality



Gender



Date of Appointment : 8 July 2021

Mr. Steven Wong Chin Fung (“Mr. Steven”) was appointed to the Board on 8 July 2021. He is a member of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

Mr. Steven completed his Bachelor of Laws degree from the University of Melbourne, Australia in 1990 and became a member of the Malaysian Bar on 8 February 1991. He commenced his career as a professional legal practitioner when he joined Arifin & Partners in 1990 and later was appointed as the firm’s Legal Associate in 1991 before he was admitted as a partner in 1995. His outstanding performance prompted the firm to appoint him as its Managing Partner in 2018.

His tenure at Arifin & Partners enabled him to gain extensive experience in various legal areas, including corporate and commercial law, litigation, family law, and industrial relations/labour law. His expertise in corporate and commercial law encompasses mergers and acquisitions, legal due diligence for listings and corporate exercises, joint ventures, distributorships, licensing and franchise agreements, media & entertainment law, liquidation & receivership, debt restructuring, and sale and purchase transactions. He has effectively represented companies, individuals, and societies in contract claims, construction law disputes, consumer and commercial loan recovery, enforcement of bank securities (both conventional and Islamic), injunctions, general debt recovery, real property contractual disputes, land matters, and other commercial disputes.

In the field of family law, Mr. Steven has provided valuable advice and representation in divorce cases, judicial separations, polygamous marriages, bigamy, child custody matters, guardianship, and adoption proceedings. Additionally, he possesses extensive experience in industrial relations and labour law, advising on employment law matters, misconduct or disciplinary procedures, and management procedures.

Throughout his illustrious career spanning over thirty (30) years, Mr. Steven has served a diverse clientele, including public listed companies, private limited companies, financial institutions, nonprofit organizations, societies, and individuals, demonstrating his versatility and breadth of expertise.

Currently, Mr. Steven does not hold directorships in any other public companies and listed issuer in Malaysia but holds directorships in various private limited companies in Malaysia.

He attended all three (3) Board meetings held during the financial year ended 30 April 2023. He has no any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

KEY SENIOR MANAGEMENT TEAM

LAI JI HWA

Group Financial Controller

Age

29

Nationality



Gender



Mr. Lai Ji Hwa (“Mr. Ji Hwa”) was appointed as the Group’s Financial Controller on 31 March 2023 to help PT Resources Holdings Berhad maintain and expand its strategic leadership position in the industry.

His academic and working experience background related to accounting, auditing, finance, tax & legal, and sustainability & governance in various global class corporates has given him wider spectrum of knowledge and expertise in his line of duty as the Group’s Financial Controller. These will enable him to help the Group chart its future strategic growth plan.

Mr. Ji Hwa has a Bachelor of Science (Hons) degree in Accounting & Finance from the University of London. Having passed his Association of Chartered Certified Accountants (ACCA) and the Malaysian Institute of Accountants (MIA) examinations, Mr. Ji Hwa is now a qualified Chartered Accountant.

His career began at KPMG, a globally known audit and corporate consultancy firm where he gained knowledge and exposure on fresh insights not restricted to only corporate finance, but also into many other business and non-business related subjects.

To enrich his finance expertise in the corporate sector, Mr. Ji Hwa joined Genpact, an international corporate entity which provides business and technology services towards digital transformation, innovation, and growth to companies around the world. Subsequently, he moved to AstraZeneca, a global pharmaceutical company based in the United Kingdom. Later, he joined Assa Abloy Group, a Swedish company which is the largest global supplier in access solution products for homes, businesses, and institutions. Before joining PT Resources, Mr. Ji Hwa took a short break from the corporate finance scene to join EY, an international audit and corporate consultancy firm to gain a deeper insight into contemporary and best corporate practices.

The various corporate expertise he brought along into the Group is an asset to help PT Resources Holdings Berhad to grow further both horizontally and vertically.

He does not hold any directorships in public companies and listed issuer in Malaysia. He does not have any family relationship with any Director and/or major shareholder of the Company and any conflict of interest with the Company.

He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2023.

KEY SENIOR MANAGEMENT TEAM (CONT'D)

YONG ZI FUNG

*Head of Operations
(MHC Coldstorage Sdn. Bhd.)*

Age

26

Nationality



Gender



Mr. Yong Zi Fung (“Mr. Zi Fung”) is the Head of Operations of MHC Coldstorage Sdn. Bhd. (“MHC”), responsible in overseeing the overall operations of the Group’s processing activities.

Mr. Zi Fung studied at Sekolah Menengah Kebangsaan Sri Permata in Petaling Jaya, Selangor. He began his career with MHC as a production assistant upon completing Sijil Pelajaran Malaysia in 2015. Having displayed excellent record of performance, he was promoted to the post of Processing Supervisor in 2016 where he supervised the Group’s seafood processing activities and performed quality control inspection at the same time. The Group entrusted him to procure seafood supplies from fishing enterprises which requires the skills in identifying suitable supplies and negotiating prices and terms with suppliers.

His excellent skills and efficiency in handling tasks entrusted to him earned him another promotion in 2017 to the post of a Procurement Executive. His line of duty includes procurement of the Group’s raw materials and expanding its customers and suppliers’ bases.

Mr. Zi Fung was promoted to the post of Head of Operations of MHC in 2020 where his responsibilities are managing the Group’s overall activities which include procurement, production and inventory control management. Having acquired close rapport with the Group’s clientele and supply bases over the years, he is also tasked to assist the Managing Director maintain close rapport with them.

He does not hold any directorships in public companies and listed issuer in Malaysia. He does not have any family relationship with any Director and/or major shareholder of the Company and any conflict of interest with the Company.

He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2023.

CHAIRMAN'S STATEMENT

Dear
Shareholders,

On behalf of the Board of Directors (“the Board”), I am pleased to present the inaugural Annual Report and the Audited Financial Statements of PT Resources Holdings Berhad (“PTRB” or “the Company”) and its subsidiaries (collectively, “the Group”) for the financial year ended 30 April 2023 (“FYE 2023”).

Tan Sri Dato’ Dr. Syed Jalaludin Bin Syed Salim
Chairman



PTRB made a smooth debut on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 27 September 2022, with 26.75 million new shares made available for the Malaysian public under its initial public offering (“IPO”) oversubscribed by 24.48 times. It has been an eventful journey starting with the incorporation of MO Foodmart Sdn. Bhd. (“MO Foodmart”) in February 2012, which grew from a sole proprietorship established in 2010 by the Group’s founder Mr. Heng Chang Hooi for the retail trade of frozen seafood and other products.



With **26.75 million**
new shares made
available under the initial
public offering (“IPO”)
for the Malaysian public
oversubscribed by
24.48 times.



CHAIRMAN'S STATEMENT (CONT'D)



These certifications and qualifications have enabled MHC Coldstorage to export, since 2019, to Saudi Arabia, China and the Philippines, and to the United Arab Emirates (“UAE”) since 2020. Through its online marketplace, MO Signature, launched in June 2020, it has seen a surge in online sales as consumers shifted towards online purchases in the wake of the pandemic lockdowns while enabling the Group to reach out directly to end-customers in the central and east coast regions of Peninsular Malaysia. This additional sales channel has facilitated the Group’s efforts to widen its market reach.



Since then, the Group has expanded into a network of six MO Foodmart outlets in Pahang and Terengganu, one MO Wholesale Centre in Pahang together with its processing facility at the Kuantan Integrated Fish Processing Park (“KIFPP”). Ever since the opening of the first MO Foodmart outlet in Kuantan, Pahang, the Group has set its sights on becoming bigger. The Group remains focused on strengthening access to channel partners and establishing more MO Foodmart outlets in the east coast region of Peninsular Malaysia, with two outlets being opened through its business licensing model in the fourth quarter of FYE 2023.



CHAIRMAN'S STATEMENT (CONT'D)

With the demand for frozen seafood growing exponentially due to both domestic and international consumption, the Group is committed to implementing the strategies and plans disclosed in the PTRB's Prospectus dated 30 August 2022. As indicated, these strategies and plans include setting aside proceeds for the construction of a cold storage warehouse near the KIFPP processing facility and the MO Wholesale Centre in Kuantan. The cold storage warehouse will increase the Group's storage capacity to 4,000 tonnes from 700 tonnes while catering to the growing demand for frozen seafood and other products such as frozen meat, fruits and vegetables to be sold at the MO Foodmart outlets, MO Wholesale Centre and MO Signature online marketplace. This will also help support the overseas sales of MHC Coldstorage, which will have a safe and secured storage area before exporting the products.



The cold storage warehouse will increase the Group's storage capacity to **4,000 tonnes** from 700 tonnes while catering to the growing demand for frozen seafood and other products such as frozen meat, fruits and vegetables to be sold at the MO Foodmart outlets, MO Wholesale Centre and MO Signature online marketplace

It has seen a **surge in online sales** as consumers shifted towards online purchases in the wake of the pandemic lockdowns while enabling the Group to reach out directly to end-customers in the central and east coast regions of Peninsular Malaysia



CHAIRMAN'S STATEMENT (CONT'D)

PTRB will continue to grow overseas sales of frozen seafood products, particularly to the Asia Pacific and Middle East regions. Contribution from overseas sales has surpassed the contribution from the Malaysian market since financial year ended 30 April 2022. The Group considers Saudi Arabia, China, the Philippines and the UAE markets as opportunities for the Group to expand its market presence in light of the prospects, where average seafood consumption in the Asia Pacific stood at 33.9 kg per capita, with large volume sales of frozen seafood products to the Middle East.

Besides tapping into the existing network for business referrals, the Group is also looking to launch its own "MyLaut" brand of seafood products for the overseas markets, which is at present only sold in the Malaysian market through the MO Foodmart outlets, MO Wholesale Centre and MO Signature online marketplace. The Group intends to expand its overseas customer segments to include retailers and end-customers, as its overseas customers presently comprise wholesalers. With the Chinese Academy of Inspection and Quarantine ("CAIQ") registration, the Group also see opportunities in expanding its presence in China through marketing its range of frozen seafood products through sellers on online marketplaces in China and grocery retailers. The Group intends to finalise the appointment of a distributor by the end of 2023.




We consider Saudi Arabia, China, the Philippines and the UAE markets as opportunities for the Group to expand its market presence in light of the prospects, where average seafood consumption in the Asia Pacific stood at **33.9 kg per capita, with large volume sales of frozen seafood to the Middle East**

CHAIRMAN'S STATEMENT (CONT'D)



Given the CAIQ registration, the Group also see opportunities in expanding our presence in China through marketing our range of frozen seafood products through sellers on online marketplaces in China and grocery retailers

As part of its expansion plans for the domestic and overseas markets, the Group is also increasing the variety of products being offered by sourcing supplies through Indonesia where two subsidiaries are being incorporated, namely PT MCI International Indonesia and PT Resources International Group.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank the Board for their patience and guidance as they steered the Group forward following its debut on the ACE Market of Bursa Securities. Their advice and suggestions are valued. To the PTRB team, your hard work and dedication through the past year is very much appreciated. Without your contributions, the Group would not be where it is today.

My thanks also go out to all of the Group's customers, suppliers, vendors and other associates for their confidence and support in the Group over the past year. The Board and myself as well as the PTRB team hope that you will continue to place your confidence and trust in us.

Thank you.

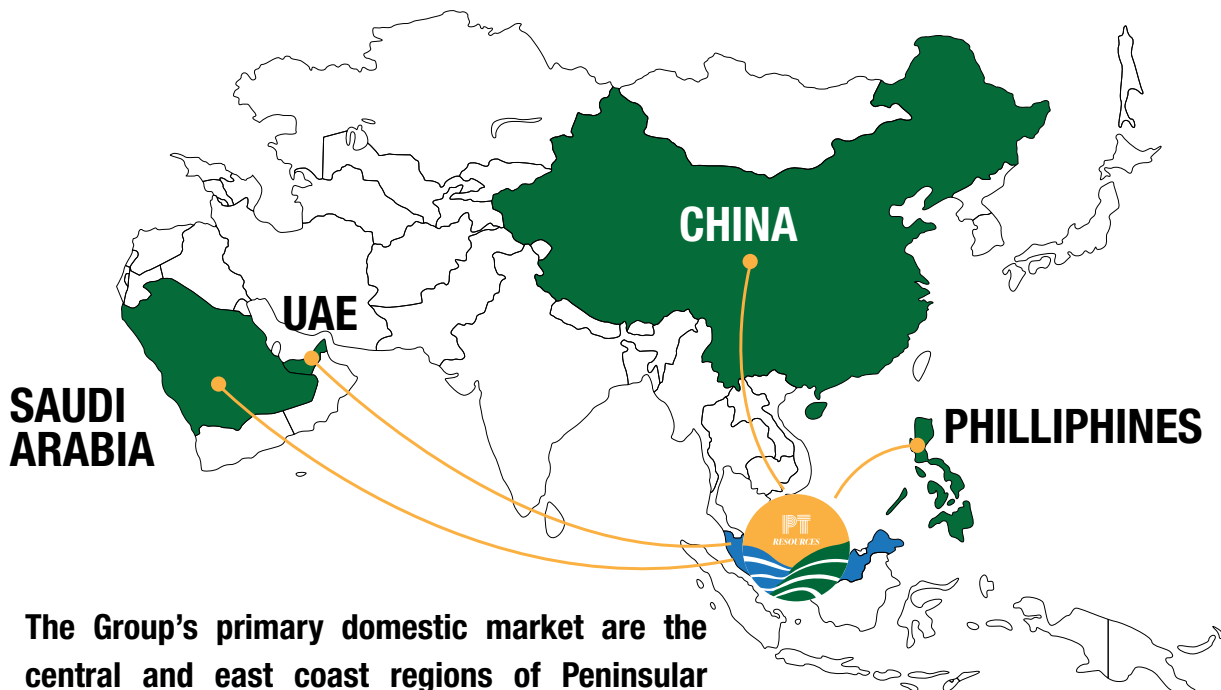
Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim
Chairman



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

PT Resources Holdings Berhad ("PTRB") operates in two (2) business segments:



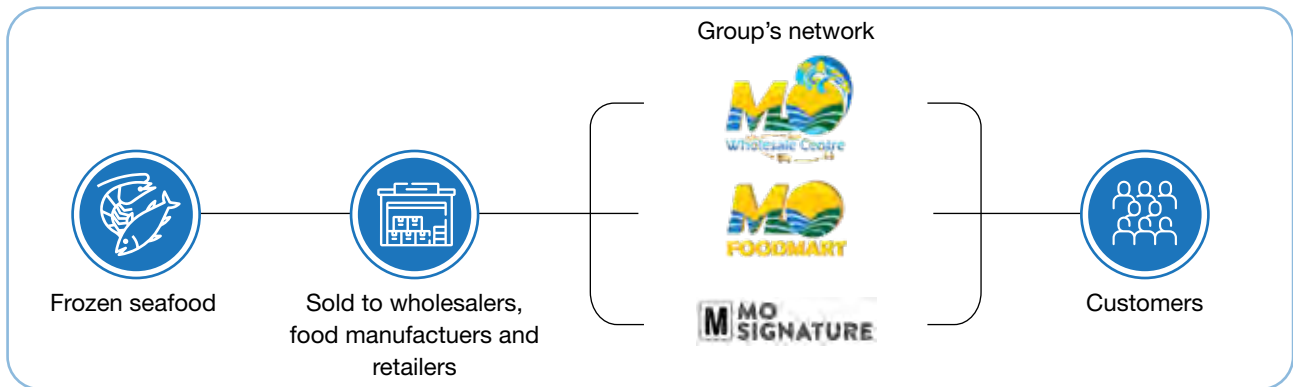
The Group's primary domestic market are the central and east coast regions of Peninsular Malaysia while its overseas markets include Saudi Arabia, China, the Philippines and the United Arab Emirates ("UAE").

The core of the Group's operations is located at Kuantan Integrated Fish Processing Park, where it owns and operates a processing facility in proximity to the fish landing jetty at Pahang's LKIM Complex in Kuantan.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

The Group procures wild-caught and farm-raised seafood supplies from local and international wholesalers, aquaculture farms and fishing enterprises. The processed frozen seafood products are then sold to wholesalers, food manufacturers and retailers as well as sold to end-customers directly through the Group's network of MO Foodmart outlets, MO Wholesale Centre and its online marketplace, MO Signature.




The Group also offers a comprehensive range of other products to end-customers through its MO Foodmart outlets, MO Wholesale Centre and MO Signature. Sourced from local and international wholesalers, these products include halal-certified chilled and frozen meat (poultry, beef, lamb and mutton) as well as ready-to-eat and ready-to-cook meat and seafood products.

In addition, a range of non-meat items, including fruits and vegetables, staple food, beverages and, non-food products such as tissue and cleaning solutions are also offered through the MO Foodmart outlets, MO Wholesale Centre and MO Signature. As an additional service, meat deboning, cutting, slicing and mincing services are also provided in the Group's network of outlets while its MO Wholesale Centre also offers frozen seafood products that are master packaged, vacuum packed and skin packed.


MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)


REVIEW OF FINANCIAL RESULTS AND OPERATIONS

For the financial year ended 30 April 2023 ("FYE 2023"), the Group's revenue grew 44.0% to RM502.6 million compared with RM349.1 million recorded in the financial year ended 30 April 2022 ("FYE 2022") on a 74.6% increase in domestic demand mainly as a result of the gradual reopening and recovery of the Malaysian economy as the country transitioned into the COVID-19 endemic phase effective 1 April 2022. Our domestic market was also supported by the opening of two additional MO Foodmart outlets located in Kuantan, Pahang through our licensing business model in the fourth quarter of FYE 2023.

 **GROUP'S REVENUE**
RM502.6
million
(RM349.1 million FYE 2022)

 **PROFIT BEFORE TAX**
RM37.5
million
(RM21.3 million FYE 2022)

 **PROCESSING AND TRADING OF FROZEN SEAFOOD PRODUCTS**
RM471.9
million
(RM321.5 million FYE 2022)

 **RETAIL TRADING OF MEAT AND NON-MEAT PRODUCTS**
RM30.7
million
(RM27.6 million FYE 2022)

PTRB's revenue growth was also supported by a 21.0% increase in overseas demand mainly due to an increase in orders from China following the reopening of its borders. The increase in the Group's revenue translated to a 63.3% or RM24.5 million increase in gross profit to RM63.1 million while gross profit margin improved by 1.4 percentage point higher to 12.5% mainly due to the Group's ability in securing supplies at competitive pricing through bulk purchasing in the third and fourth quarters of FYE 2023.

On a segmental basis, processing and trading of frozen seafood products contributed a revenue of RM471.9 million in FYE 2023 compared with RM321.5 million in FYE 2022 while the retail trading of other products contributed a revenue of RM30.7 million compared with RM27.6 million in FYE 2022. By geographical market, Malaysia contributed RM260.8 million revenue, China contributed RM229.8 million, followed by Saudi Arabia at RM10.4 million, while Indonesia, Singapore and UAE contributed a total RM1.6 million revenue. Profit before tax ("PBT") increased to RM37.5 million in FYE 2023 compared with RM21.3 million recorded in FYE 2022 as a result of the increase in the Group's revenue. The Group's PBT margin of 7.5% in FYE 2023 was 1.4 percentage point higher compared with FYE 2022.

GEOGRAPHICAL MARKET



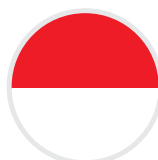
MALAYSIA
RM260.8
million



CHINA
RM229.8
million



SAUDI ARABIA
RM10.4
million



**INDONESIA, SINGAPORE
AND UAE**
RM1.6
million

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUTLOOK AND PROSPECTS

The global economy appears to be recovering with a gradual decline of inflation following the tighter monetary policies undertaken by major central banks. Quick actions taken by governments to stem financial turbulence arising from the failure of several mid-sized US banks and Credit Suisse Group AG in Switzerland have also helped in reducing risks. The International Monetary Fund (“IMF”), in the July update of the World Economic Outlook (“WEO”), has raised global GDP growth to 3.0% for 2023 compared with 2.8% in the April WEO. The IMF cautioned that while there is near-term resilience, there are persistent challenges.

For the domestic economy, based on the Economic and Monetary Review 2022, Bank Negara Malaysia (“BNM”) has projected GDP to grow by 4.0% to 5.0% in 2023, driven by firm demand and supported by improving employment and income as well as continued implementation of multi-year projects. Higher inbound tourism is also expected to support consumption in the services sector. BNM expects downside risks to come from lower exports due to the possibility of weaker-than-expected global growth and more volatile global financial market conditions.

Given the backdrop of conditions in the global and domestic fronts, the Group remains optimistic for the long-term growth in demand of frozen seafood. While PTRB will continue to monitor the latest developments in the market and take steps to mitigate risks to its operations and financial performance, the Group will remain focused on strengthening access to channel partners and establishing more MO Foodmart outlets in the east coast region of Peninsular Malaysia, with two such outlets being opened through its business licensing model in the fourth quarter of FYE 2023.

The Group is planning to increase overseas sales of frozen seafood products to China leveraging on its Chinese Academy of Inspection and Quarantine registration by marketing through sellers on online marketplaces and grocery retailers. The Group is currently in the midst of identifying suitable sellers on online marketplaces to serve as its distributors and intend to finalise the appointment of a distributor by the end of the year. To grow market share both domestically and internationally, the Group also plans to increase product variety through sourcing from Indonesia.



World Economic Outlook (“WEO”), has raised global GDP growth to 3.0% for 2023 compared with 2.8% in the April WEO



Bank Negara Malaysia (“BNM”) has projected GDP to grow by 4.0% to 5.0% in 2023

ACKNOWLEDGEMENTS

It has been an incredible year for the Group, with our listing on the ACE Market of Bursa Securities marking a notable milestone in its corporate journey.

On behalf of the Board of Directors (“the Board”), I wish to convey my appreciation to the PTRB team for their dedication, efforts and commitment to the Group. We would not be where we are in our achievements if not for you. I would also like to extend my appreciation to the Board for their advice and guidance. To our shareholders, suppliers, business partners and customers, thank you for your support.

I look forward to another year in which we will bring PTRB to another level of success while sharing the fruits of this success together.

Thank you.

Mr. Heng Chang Hooi
Managing Director

SUSTAINABILITY STATEMENT

Introduction

PT Resources Holdings Berhad (“PTRB”) and its subsidiaries (“PTRB Group” or “the Group”) is committed towards value creation for long-term sustainability for its stakeholders. To this end, PTRB has embedded practices that focus on building sustainability throughout the Group’s business operations.

PTRB is pleased to present its Sustainability Statement that details the Group’s Environmental, Social and Governance (“ESG”) performances (“Statement”). This Statement communicates the Group’s journey towards embedding sustainability in the business and daily operations whilst considering the interests of our stakeholders and business growth. This Statement also sets out PTRB’s approach towards sustainable development and management of ESG risks and opportunities, after considering the impact of our business endeavours on the ESG facets the Group interacts with.



SCOPE AND BOUNDARIES

PTRB Group is principally involved in the processing and trading of frozen seafood products as well as retail trading of meat and non-meat products in Malaysia. The scope of this Statement mainly relates to the Group’s processing and trading operation in Malaysia and where available, this Statement also provides comparative historical data.

REPORTING PERIOD AND CYCLE

This Statement describes the Group’s sustainability activities covering both financial and non-financial aspects for the financial year ended 30 April 2023 (“FYE 2023”), and up to the date of this Statement.

SUSTAINABILITY STATEMENT (CONT'D)

INTRODUCTION (CONT'D)

GUIDELINES AND STANDARDS

We are pleased to present this Statement prepared with reference to the Sustainability Reporting Guide (“SRG”) issued by Bursa Securities.

Our Group has considered key sustainability matters as guided and defined by both the Global Reporting Initiative (“GRI”) on Sustainability Standards and SRG.



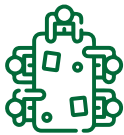
GOVERNANCE STRUCTURE

The Board of Directors of PTRB (“Board”) adopts a sustainability governance approach that is fit for the Group’s purpose, after considering amongst others, the Group’s culture, needs, sustainability-related risks and opportunities and level of maturity of the sustainability intellect and readiness.

The diagram below highlights the key roles and responsibilities of the Board, Managing Director and Senior Management in relation to ESG matters:

GOVERNANCE STRUCTURE

Board of Directors



- Oversees and governs the Group’s sustainability agenda and strategy
- Embeds ESG within the Group’s business strategy
- Approves the Group’s ESG strategy

Managing Director



- Approves targets and market disclosures
- Formulates ESG strategy and recommend appropriate revision to the Board
- Evaluates overall ESG risks and opportunities

Senior Management



- Support the Board and Managing Director in the implementation of sustainability-related strategies
- Oversees departments / functions in ensuring robustness of system in relation to ESG management
- Report management targets
- Develop plan and timeline for relevant disclosures

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT PROCESS

OBJECTIVES

The objective of the materiality assessment process is to facilitate the Group's identification of material sustainability matters with a view to enhance the Group's strategic planning, implementation and business decision-making, and to enable stakeholders to make better informed decisions with regard to ESG matters.

The Board considers that it is appropriate in this regard to limit the scope of materiality assessment and by extension the sustainability disclosure to the active companies within the Group. The scope within which materiality applies as far as operations are concerned is limited to the processing and trading operation in Malaysia.

STAKEHOLDER ENGAGEMENT

PTRB's stakeholders are parties who are impacted by our Group's business decisions and activities and the parties whose actions and decisions will influence PTRB's business growth. PTRB continuously maintains a regular engagement with its stakeholders, which enables the Group to identify and align their key priorities and concerns on the Group's business practices and strategies towards addressing material sustainability matters.

The various types of stakeholder engagements as well as the areas of interest identified together with the appropriate responses to address such interests are set out below:









SUSTAINABILITY STATEMENT

(CONT'D)

MATERIALITY ASSESSMENT PROCESS (CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder	Areas of Concern	Management Response
 <p>Investors and Shareholders</p>	<ul style="list-style-type: none"> • Business performance • Business directions • Prospects and strategies • Return on Investment • Business continuity • Business risks • Trade velocity • Corporate governance 	<ul style="list-style-type: none"> • Quarterly reporting and regular audit • Bursa announcements • Press releases • Annual reports • Company's website
 <p>Customer</p>	<ul style="list-style-type: none"> • Quality of products • Product prices and value of products 	<ul style="list-style-type: none"> • Quality Management System • Competitive pricing
 <p>Suppliers</p>	<ul style="list-style-type: none"> • Procurement process, payment terms and lead time • Business conduct, integrity and ethics 	<ul style="list-style-type: none"> • Constant and regular engagement and coordination • Process improvement • Quality assessment
 <p>Community</p>	<ul style="list-style-type: none"> • Financial support and aid • Social responsibility • Environmental awareness and education • Lifestyle support • Business opportunity • Employment support • Livelihood support 	<ul style="list-style-type: none"> • Financial assistance and donation • Corporate Social Responsibility ("CSR") events and programmes with community • Job opportunity • Festive events
 <p>Government and Regulators</p>	<ul style="list-style-type: none"> • Regulations, governance and compliance to law, requirements and standards • Accuracy, transparency and disclosure 	<ul style="list-style-type: none"> • Engagement with regulatory bodies and government agencies • Compliance monitoring • Participation in training provided by relevant agencies
 <p>Employee</p>	<ul style="list-style-type: none"> • Career development • Compensation, welfare and benefits • Employment equality • Working environment • Safety • Job performance evaluation / assessment • Ethics, disciplinary and misconducts 	<ul style="list-style-type: none"> • Induction and orientation • Internal and external training • Employee activities and staff welfare events • Performance management system • Whistleblowing channel

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT PROCESS (CONT'D)

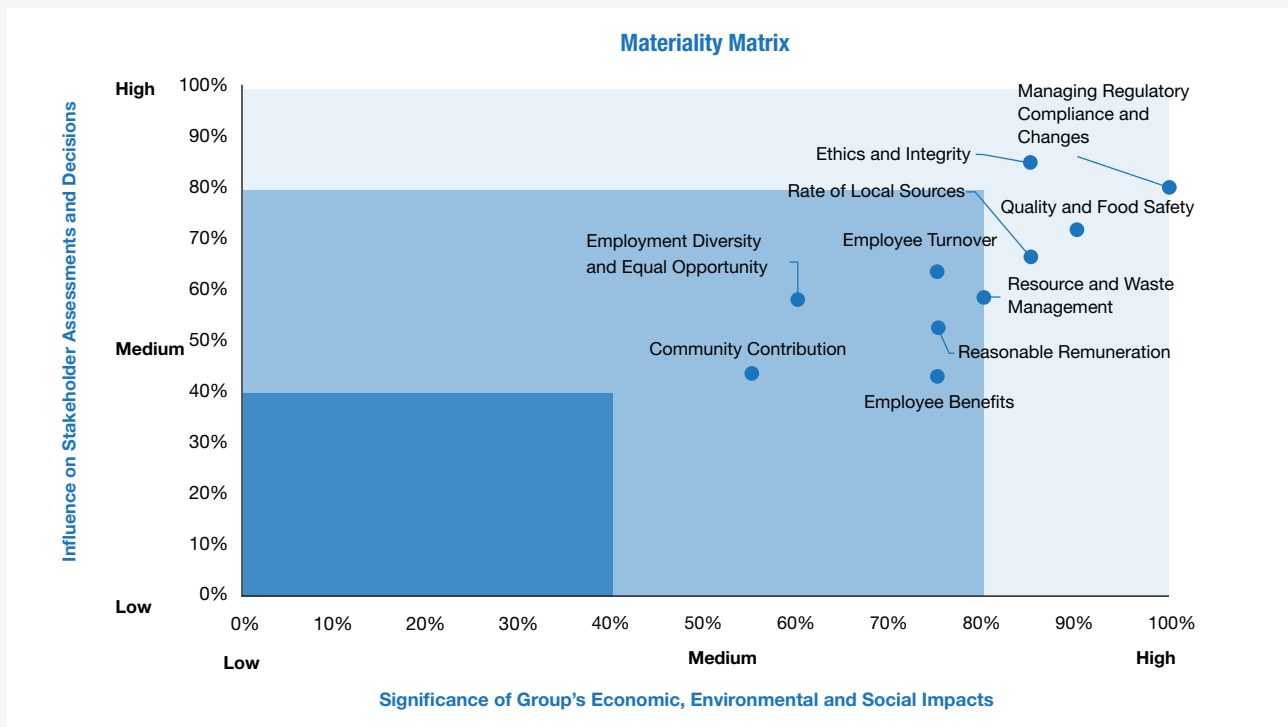
STAKEHOLDER ENGAGEMENT (CONT'D)

Based on the interest indicated as well as feedback received from PTRB's stakeholder groups during the above-mentioned engagement process, the Group identifies and prioritises issues and matters which are most relevant to each of the stakeholder groups. Each stakeholder group is assessed by the Management based on their influence on the achievement of PTRB Group's strategic objectives and their impact on the Group's business and operational sustainability.

With reference to the SRG and in the context of the PTRB Group, the prioritised sustainability matters that have been identified are illustrated in the following sections.

PRIORITISATION OF SUSTAINABILITY MATTERS (MATERIALITY ASSESSMENT)

The Group has identified key sustainability matters that materially impact the PTRB Group's sustainability areas or significantly influence the assessments and decisions of stakeholders. Pursuant to the stakeholders' engagement as mentioned above together with a desktop review of the Group's business operations, risks and opportunities, a materiality assessment has been undertaken to identify and prioritise sustainability matters affecting the PTRB Group's sustainability goals. Accordingly, the material sustainability initiatives undertaken by PTRB Group are illustrated in the diagram below:



The activities undertaken in respect of such initiatives/ matters are set out in the following section.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES

ECONOMIC

Quality and Food Safety

PTRB utilises Individual Quick Freezing (“IQF”) technology in its processing activities, which is a quick and efficient way of freezing individual seafood products to reach a temperature of between -20°C to -25°C . This process significantly reduces ice crystals formation, which preserves the quality and freshness of the frozen seafood products in terms of shape, colour and taste. PTRB also utilises semi-contact blast freezers for freezing of large-sized seafood supplies as well as other machineries to undertake cutting, glazing and packaging activities in a temperature-controlled environment.

As an assurance of the Group’s seafood product quality and safety, our processing facility in Kuantan Integrated Fish Processing Park (“KIFPP”) has obtained independent certifications for food quality and safety standard compliance, such as the ISO 22000:2018, HACCP, GMP and MeSTI Secure Food Certification Scheme.



ISO 22000 : 2018 Food safety management systems

- Specifies requirements for a food safety management system where an organisation in the food chain needs to demonstrate its ability to control food safety hazards in order to ensure that food is safe at the time of human consumption.



HACCP Hazard analysis and critical control points

- Management system in which food safety is addressed through the analysis and control of biological, chemical and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product.



GMP Good Manufacturing Practice

- A system for ensuring that products are consistently produced and controlled according to quality standards.



MeSTI Food safety assurance system

- Certification scheme imposed by the Ministry of Health.
- Food Safety is Responsibility of the Industry (*Malay: Makanan Selamat, Tanggungjawab Industri*)

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

ECONOMIC (CONT'D)

Quality and Food Safety (Cont'd)

In addition, PTRB has also obtained 'Halal' certification from JAKIM for the KIFPP Processing Facility, which provides assurance that our frozen seafood products are processed in a 'Halal' manner.

These certifications are beneficial to the Group and allow us to further expand and penetrate international markets in the Asia Pacific and Middle East regions.

Managing Regulatory Compliances and Changes

PTRB recognises that any actual or potential regulatory non-compliances may affect the Group's reputation and operations. As such, the Group continues to commit to high standards of governance by ensuring the Group's policies and procedures are continuously adhered to and are updated regularly at appropriate intervals.

In instilling awareness among employees, PTRB has instituted adequate checks and balances to preserve and maintain compliances with relevant guidelines, regulations and industry practices to safeguard the Group's interest.

For the FYE 2023, we are pleased to report there is no claim or incident of non-compliances reported.

Ethics and Integrity

PTRB adopts a zero-tolerance stance against fraud, bribery and corruption. Apart from the Code of Ethics and Conduct, the Group is guided by a set of robust corporate policies that address anti-bribery and corruption, anti-money laundering and whistleblowing. The Anti-Bribery & Corruption ("ABC") Policy is communicated to employees via various platforms, including our Group's corporate website, training sessions and induction programmes.

Employees are expected to conduct themselves professionally and with integrity and shall not engage in any form of corrupt or illegal acts. Any allegation or suspicion of corruption or illegality is taken seriously, and every employee is to uphold its promulgated business ethics when carrying out their tasks and responsibilities.

In FYE 2023, there was no bribery and corruption case reported and our Group aims to maintain this record by promoting a positive culture of compliance. None of our employees was disciplined or dismissed due to non-compliance with the ABC policy. PTRB remains committed towards preserving this record and will continue to uphold high levels of integrity and ethical standards.

No claim or incident of non-compliances reported.



There was no bribery and corruption case reported and our Group aims to maintain this record by promoting a positive culture of compliance



SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

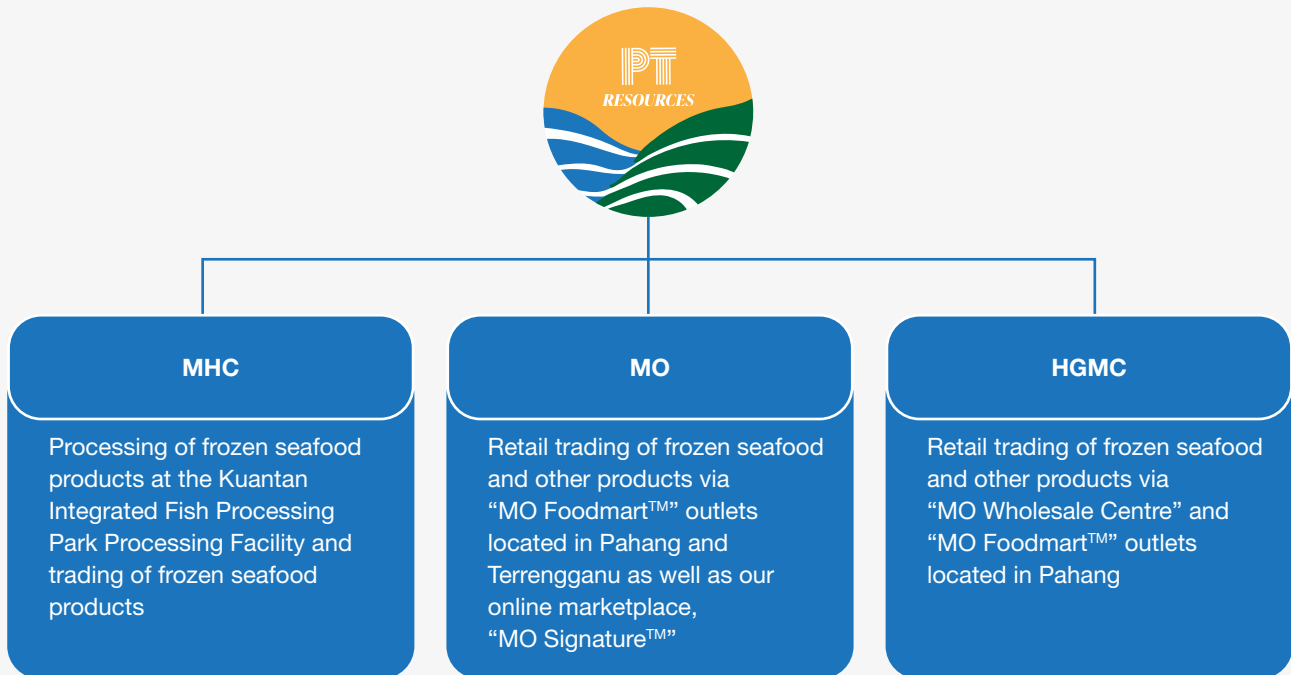
ECONOMIC (CONT'D)

Rate of Local Sources

PTRB has access to a network of suppliers (i.e. local and international wholesalers, aquaculture farms and fishing enterprises), which allow the Group to source for a wide variety of seafood supplies that are either wild-caught or farmed. These supplies can be either locally sourced or imported.

As a corporate citizen of Malaysia, PTRB aims to stand with the local community it operates in. PTRB prides itself in the support of local businesses and society. The Group will prioritise to source from local vendors for the supply of products/ services required for PTRB whenever available.

The structure and principal activities of our subsidiaries are set out below, followed by the rate of local sources by the respective subsidiaries during FYE 2022 and FYE 2023.



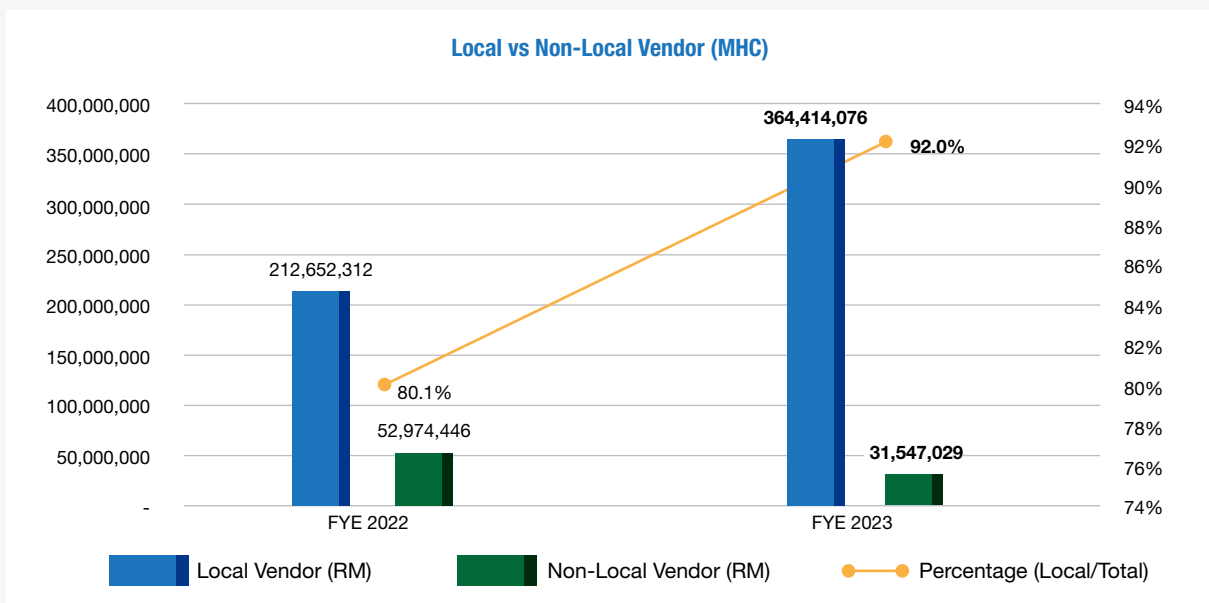
SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

ECONOMIC (CONT'D)

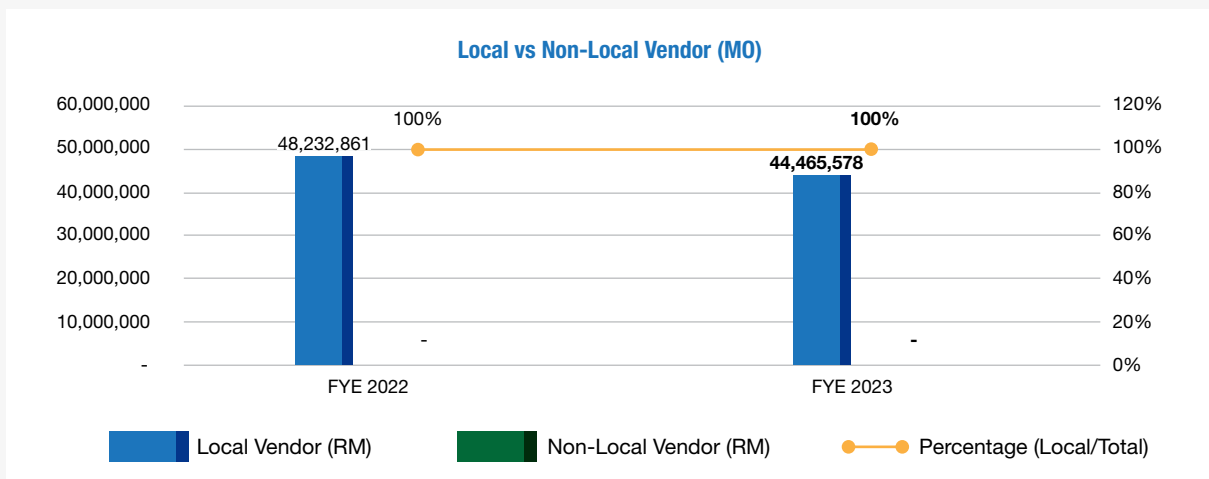
Rate of Local Sources (Cont'd)

(i) MHC



The rate of local sources for MHC has increased from 80.1% (financial year ended 30 April 2022 (“FYE 2022”)) to 92.0% (FYE 2023) of the total purchases of the Group. The value of purchases made from local suppliers has increased from RM212.7 million (FYE 2022) to RM364.4 million (FYE 2023), whilst the value of purchases made from non-local suppliers has decreased from RM53.0 million (FYE 2022) to RM31.5 million (FYE 2023).

(ii) MO



The rate of local sources for MO has been maintained at 100% for both FYE 2022 and FYE 2023. However, the value of purchases made from local suppliers has decreased slightly from RM48.2 million (FYE 2022) to RM44.5 million (FYE 2023).

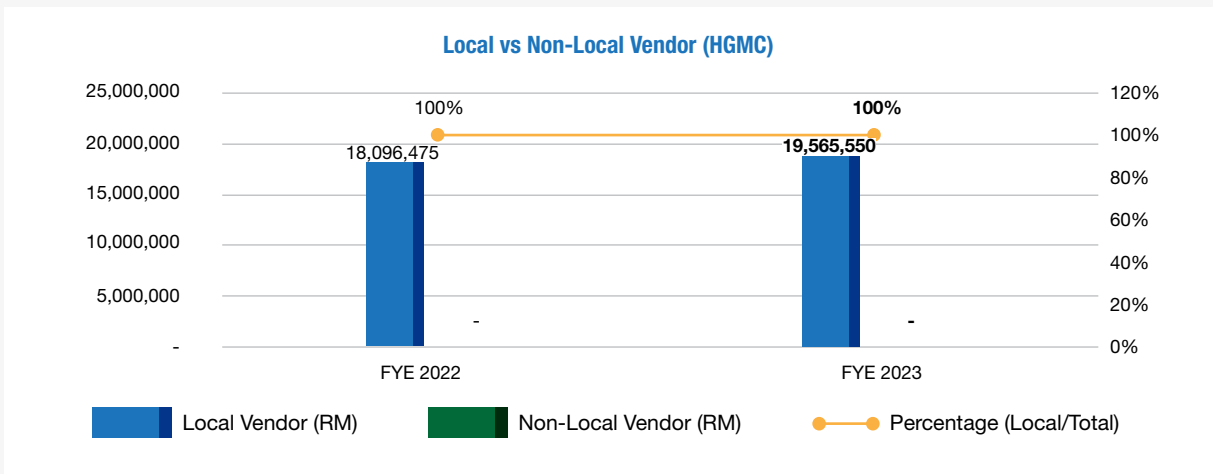
SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

ECONOMIC (CONT'D)

Rate of Local Sources (Cont'd)

(iii) HGMC

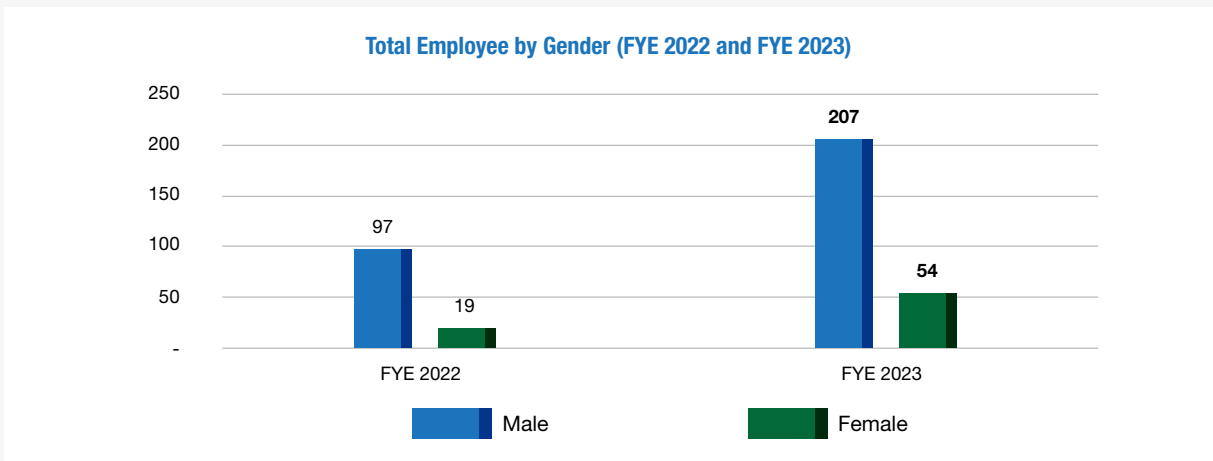


The rate of local sources for HGMC remains unchanged at 100% for both FYE 2022 and FYE 2023. However, the value of purchases made from local suppliers has increased slightly from RM18.1 million (FYE 2022) to RM19.6 million (FYE 2023).

SOCIAL

Employment Diversity and Equal Opportunity

The backbone of success in any organisation lies in the human capital of the organisation. Organisation striving for sustainable success will have to manage their human capital as their first and foremost priority.



The total number of employees is 261 employees for the FYE 2023 compared with 116 employees for the FYE 2022.

For the FYE 2023, 79% (207 employees) of PTRB's workforce are males whilst 21% (54 employees) are females. For the FYE 2022, 84% (97 employees) of PTRB's workforce are males whilst 16% (19 employees) are females.

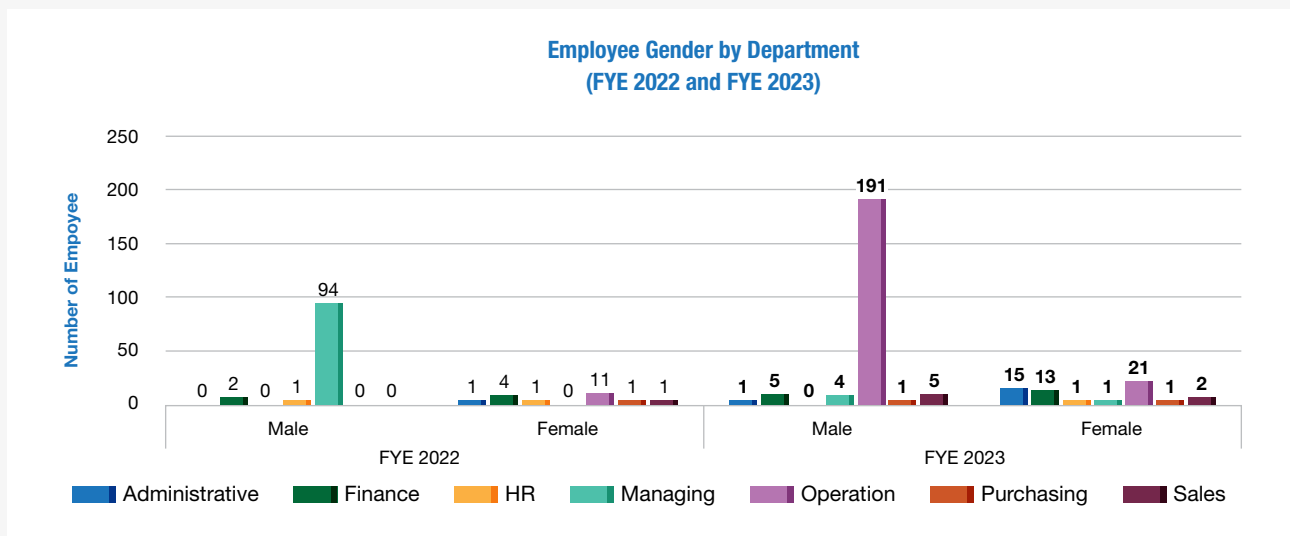
In addition, the gender diversity ratio of male-to-female director is 80:20 (4 Male: 1 Female Director) during FYE 2023.

SUSTAINABILITY STATEMENT (CONT'D)

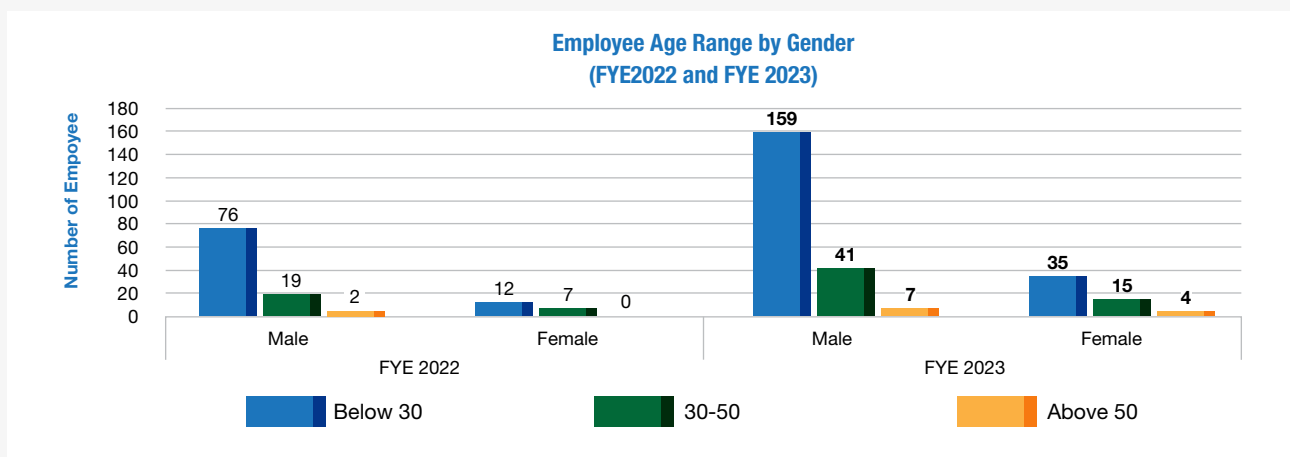
SUSTAINABILITY ACTIVITIES (CONT'D)

SOCIAL (CONT'D)

Employment Diversity and Equal Opportunity (Cont'd)



In achieving the appropriate gender diversity in the Group, PTRB approaches gender diversity in a pragmatic manner with a view to provide equal opportunity to all. Although there is still room for improvement, work opportunity in PTRB have always remained fair and equitable to all.



In FYE 2023, 74% of employees are below 30 years old and only 4% of employees are above 50 years old. Furthermore, 77% of male employees (159 out of 207 male employees) and 65% of female employees (35 out of 54 female employees) are below 30 years old.

In addition, male employees below 30 years old has increase 109% from 76 (FYE 2022) to 159 (FYE 2023), while female employees below 30 years old has increase 192% from 12 (FYE 2022) to 35 (FYE 2023). Within the age range of 30 to 50, male employee has increase from 19 to 41 and female employee has increase from 7 to 15. Both male and female employee above 50 years old have increase to 7 (FYE 2022: 2) and 4 (FYE 2022: nil) respectively in FYE 2023.

SUSTAINABILITY STATEMENT

(CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

SOCIAL (CONT'D)

Employment Diversity and Equal Opportunity (Cont'd)

Age Range	FYE 2022		FYE 2023	
	Male	Female	Male	Female
Below 30	76	12	159	35
30 - 50	19	7	41	15
Above 50	2	0	7	4
Sub-Total	97	19	207	54
Total	116		261	

No discrimination based on gender, ethnicity, religion or sexuality is practised throughout the PTRB Group. Policies instituted by the Group have been gender neutral and the Group is constantly working towards achieving employment diversity.

Reasonable Remuneration

PTRB remunerates its employees in accordance with performance and in line with the minimum wage prescribed by the relevant labour laws. A standard wage is applied on all employees at entry level and the Group rewards its employees based on their merit and talent without any discrimination on gender, race or religion.

The PTRB Group is committed to provide equal employment opportunities to all employees. Consequently, wage equality and standard benefits are provided to all employees throughout the Company regardless of gender, race or religion.



Employee Benefits

PTRB strives to foster a culture of work-life balance. The Group recognises that the availability of paid parental leave benefits has positive impact on family development. Our parental leave benefits for both male and female employees are provided in accordance with the prevailing labour regulations, comprising three (3) days of paid paternity leave and sixty (60) days paid maternity leave respectively from 1 May 2022 to 1 January 2023. The maternity leave has been revised to 98 days whilst paternity leave has been revised to seven (7) days with effect from 1 January 2023, to be in line with the amendments of the Employment Act 1955.

Community Contribution

PTRB believes in playing a key role in contributing towards the economic growth and well-being of the community. As a company with high CSR, PTRB remains focused on creating value in the lives of the community.

Contributions made towards community and education in the FYE 2023 are as follows:

Contribution	FYE 2022 (RM)	FYE 2023 (RM)
 Community	1,812	14,800
 Education	-	100,000
Total	1,812	114,800

The Group believes that the continuous adoption of CSR towards the community will create value and enhance the development of local society and community.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ACTIVITIES (CONT'D)

ENVIRONMENT

Resource and Waste Management

Environmental conservation is vital towards a sustainable future as natural resources are finite and in demand. PTRB is aware of its role in support of environmental preservation and protection for our future generations.

PTRB continuously strives to ensure energy and resources are managed in an effective and efficient manner. Following the Malaysian Government's initiative to steer transformation towards a future energy ecosystem that delivers a balance between environmental sustainability, secure and reliable energy supply, and optimal economic development, the Group is focused on controlling greenhouse emissions in its daily business operations and is planning for the installation of solar panels for our new cold-room that is expected to be materialised in the financial year ending 30 April 2024.

CONCLUSION

The above activities and initiatives continue to demonstrate the PTRB Group's commitment towards sustainability and for the betterment of the economy, environment and social aspects of the community we operate in. The journey towards attaining sustainable growth and long-term profitability is a continuous one and the principles on sustainability have been ingrained into the Group's culture, value system and way of doing business.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of PT Resources Holdings Berhad (“Company”) is pleased to present this statement to provide shareholders and investors with an overview of the corporate governance practices of the Company during the financial year ended 30 April 2023 (“FYE 2023”). This statement is also presented in compliance with Rule 15.25(2) of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This Corporate Governance Overview Statement (“CG Statement”) is based on the following three (3) principles as set out in the Malaysian Code on Corporate Governance (“MCCG”), which was further updated by the Securities Commission Malaysia on 28 April 2021:

Principle A - Board leadership and effectiveness

Principle B - Effective audit and risk management

Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders

This CG Statement is augmented with a Corporate Governance Report (“CG Report”) which provides a detailed articulation of the application of the Company and its subsidiaries’ (“the Group”) corporate governance practices as set out in the MCCG throughout the FYE 2023. This CG Report is available on the Company’s corporate website at www.ptresourcesgroup.com.my, as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART I - BOARD RESPONSIBILITIES

1.1 Board and Board Committees

The Board is always mindful of its pivotal role in the stewardship of its direction and operations in delivering the sustainable and long-term success of the Company’s businesses and ultimately creating shareholders’ value. To fulfil this role, the Board determines the strategic objectives and policies of the Group to ensure the sustainability of the business.

An effective Board is one that is made up of a combination of Executive Directors (“ED”) with intimate knowledge of the business and Non-Executive Directors from diversified industry/business backgrounds to bring broad business and commercial experience to the Group.

In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter which outlines the duties and responsibilities of the Board. The Board also delegates certain responsibilities to the following Board Committees to assist in the execution of its responsibilities within their respective Terms of Reference:-

- a. Audit and Risk Management Committee (“ARMC”); and
- b. Nomination and Remuneration Committee (“NRC”).

Each Committee operates in accordance with its respective Terms of Reference as approved by the Board. These Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their respective Terms of Reference and report to the Board on their proceedings and deliberation together with its recommendations to the Board for approval. The Board Committees’ Terms of Reference can be accessed via the Company’s website at www.ptresourcesgroup.com.my.

Apart from the responsibility of the Board Committees, the Managing Director (“MD”), ED and other Senior Management are also delegated certain authorities to enable them to effectively discharge their responsibilities on the day-to-day operations of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.2 Chairman of the Board

The Board is chaired by Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim ("Tan Sri Jalaludin"), an Independent Non-Executive Chairman, who plays a crucial role in overseeing and ensuring the efficient functioning of the Board. Tan Sri Jalaludin is dedicated to upholding high standards of corporate governance and has been instrumental in fostering a high-performing culture within the Board.

The Chairman is responsible for providing leadership to the Board and ensuring the Board fulfils its supervisory duties effectively. The Chairman plays a crucial role in facilitating effective decision-making within the Board. One of the key responsibilities is to ensure that the Board receives pertinent and timely information, enabling members to make informed decisions. Additionally, the Chairman is responsible for upholding good conduct and best practices during both Board and general meetings.

Another important aspect of the Chairman's role is to foster positive and constructive relationships among Board members, as well as between the Board and the Company's management. This includes promoting open communication, collaboration, and mutual respect among all stakeholders.

Furthermore, the Chairman represents the Company alongside the MD and ED when engaging with external entities such as shareholders, creditors, consumer groups, and local governments. This joint representation showcases a unified front and ensures effective communication and representation of the company's interests to these external groups.

While the Chairman is not a member of the Board Committees, he attends their meetings as an invitee only to provide inputs for the matters discussed during the meetings. Tan Sri Jalaludin's participation does not diminish the Board's objectivity in reviewing the Board Committees' reports.

Overall, the Chairman's responsibilities encompass facilitating decision-making, ensuring compliance with best practices, nurturing relationships among stakeholders, and representing the company externally.

In summary, Tan Sri Jalaludin, as the Independent Non-Executive Chairman, plays an important role in ensuring that the Board fulfils its duties and that the Company adheres to the best corporate governance practices. His leadership, guidance, and oversight help maintain a high-performing culture within the Board and ensure the Company's success.

1.3 Chairman and MD

In line with good corporate practices, there is a clear distinction between the role of the Chairman of the Board and the MD. This is to ensure that there is a balance of power and authority to promote accountability and unfettered powers in decision making.

The Chairman of the Board is primarily responsible for the leadership, effectiveness, conduct and governance of the Board whilst the MD has overall responsibilities over the business operations and day-to-day management of the Group and implementation of the Board's policies and decisions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.4 Qualified and Competent Company Secretary

The Board is supported by two (2) qualified and experienced Company Secretaries, who are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 ("CA 2016") and are also registered holders of the Practising Certificate issued by the Companies Commission of Malaysia.

The Company Secretaries are responsible for ensuring overall compliance with the CA 2016, Listing Requirements and other relevant laws and regulations. In addition, the Company Secretaries assist the Board and Board Committees in fulfilling their duties effectively while adhering to established Board policies and procedures and best practices.

To discharge these critical roles, the Company Secretaries regularly attend relevant training programs, conferences, seminars and forums to stay current with the latest developments in corporate governance and regulatory requirements relevant to their profession. This ongoing education enables the Company Secretaries to provide the necessary advice to the Board and ensure that the Company remains compliant.

The Board has direct access to the professional advice and services of the Company Secretaries to assist them in performing their duties and discharging their responsibilities effectively. The Company Secretaries' role in facilitating compliance and ensuring the smooth functioning of the Board is critical to the Company's success.

Overall, the Board is satisfied with the service and support rendered by the Company Secretaries and their team to the Board in the discharge of their duties and functions.

1.5 Meeting of Board and Board Committees

To facilitate the Directors' time planning, an annual meeting calendar is prepared in advance of each new year by the Company Secretaries. The calendar provides the Directors with scheduled dates for meetings of the Board and Board Committees as well as the annual general meeting of the Company ("AGM"). The closed periods for dealings in securities by Directors and principal officers based on the scheduled dates of meetings for making announcements of the Group's quarterly results were also provided therein.

The notices of Board and Board Committees meetings together with the meeting papers are generally furnished to the Board members at least five (5) working days prior to the dates of meetings. This is to accord sufficient time for the Directors to peruse the Board papers and to seek any clarification or further details that they may need from the Management or to consult independent advisers (if necessary) and to make an informed decision at each Board meeting.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for the Board or Committee members' review within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and/or the Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.

For matters which require the Board's decision on an urgent basis outside of Board Meetings, relevant supporting documents along with the Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.6 Board Charter

The Company has formalised and adopted a Board Charter which sets out the functions, authority, roles and responsibilities of the Board as well as the various internal processes and principles governing the Board. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board Charter provides a clear delineation of relevant matters and applicable limits, including those reserved for the Board's approval and those which the Board may delegate to the Board Committees, the MD / ED, and the Management. This delineation ensures that all parties involved understand their roles and responsibilities, thus promoting effective decision-making, risk management, and compliance.

The Board Charter would be reviewed as and when necessary to ensure that it remains aligned with the Board's objectives and responsibilities, as well as the latest compliance requirements resulting from changes in the regulatory framework. This regular review process is necessary to ensure that the Board Charter remains relevant and up-to-date, enabling the Board to operate effectively and in compliance with relevant regulations.

The Board Charter is published on the Company's website at www.ptresourcesgroup.com.my.

1.7 Code of Ethics and Conduct

The Board has adopted a Code of Ethics and Conduct which summarises what the Company must endeavour to do proactively in order to maintain an ethical corporate culture and to enhance the standard of corporate governance and corporate behaviour across the Group. The summary of the same has also been incorporated in the Board Charter of the Company.

The Code of Ethics and Conduct sets out the general principles and guidance regarding ethical behaviour and professional conduct for the Directors and employees of the Group in addressing their duties and obligations during the appointment and includes the expectation of professionalism and trustworthiness from the Directors and employees of the Group.

The Code of Ethics and Conduct is published on the Company's website at www.ptresourcesgroup.com.my.

The Board will review the Code of Ethics and Conduct from time to time to ensure that it continues to remain relevant and appropriate with the prescribed requirements and best corporate governance practices.

1.8 Whistleblowing Policy

The Board has also adopted a Whistleblowing Policy to promote good business conduct and maintain business integrity. It recognises the whistleblowing as an important mechanism in the prevention and detection of improper conduct, harassment or corruption in the conduct of the Group's businesses and operations.

The Whistleblowing Policy provides an avenue for employees to report any misconduct, breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential manner.

The Whistleblowing Policy is published on the Company's website at www.ptresourcesgroup.com.my.

The Board will review and update the Whistleblowing Policy as and when necessary to ensure that it remains relevant to the Group's changing business circumstances and/or comply with the applicable laws and regulations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

1.9 Anti-Bribery and Corruption Policy (“ABC Policy”)

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (“MACC Act 2018”), the Company has put in place the ABC Policy to promote a culture of integrity and transparency in all the Group’s activities. This policy which adheres to the Listing Requirements of Bursa Securities and the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act 2018, generally set out the responsibilities of the Company, and all individuals who work for the Group, in observing and upholding the Group’s position on bribery and corruption and provides key anti-bribery and corruption principles that apply to all interactions with the Group’s customers, business partners, and other third parties, as well as guidelines for the prevention, management, and remediation of bribery and corruption related risks.

The ABC Policy is available on the Company’s website at www.ptresourcesgroup.com.my.

The ABC Policy will be reviewed from time to time in accordance with the needs of the Company to ensure that it continues to remain relevant and appropriate.

1.10 Directors’ Fit and Proper Policy

In line with Rule 15.01A of the Listing Requirements of Bursa Securities, the Board has adopted the Directors’ Fit and Proper Policy which serves as a guide to the NRC and the Board in their review and assessment of the potential candidates for appointment to the Board as well as the retiring Directors who are seeking re-election at the AGM.

The Directors’ Fit and Proper Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary to ensure that they remain consistent with the Board’s objectives, current law and practices. The Directors’ Fit and Proper Policy is available on the Company’s website at www.ptresourcesgroup.com.my.

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NRC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors of the Group.

1.11 Sustainability Governance

The Board recognizes the fundamental importance of sustainable business practices in creating long-term value and believes that responsible business operations are closely linked to achieving operational excellence.

The Board holds the primary responsibility for overseeing sustainability-related matters, including the development of strategies, setting priorities, and establishing targets. Operational execution pertaining to Environmental, Social, and Governance (ESG) factors, as part of the Group’s corporate strategy, falls within the purview of Management.

As fiduciaries to the Company’s shareholders, the Board is deeply committed to upholding exemplary corporate governance practices that prioritize ethics, integrity, and corporate responsibility. Moreover, the Board ensures that both internal and external stakeholders are well-informed about the organization’s sustainability strategies, priorities, targets, and overall performance. A comprehensive account of these efforts can be found in the Sustainability Statement included in this Annual Report.

The Board also incorporated the assessment of the Board’s understanding of sustainability issues in the annual performance evaluation process. This is critical to the Company’s performance and reflects the Board’s ongoing commitment to sustainability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

2.1 Board Composition

The composition of the Board complies with Rule 15.02 of the Listing Requirements of Bursa Securities, which stipulates that the Company must ensure that at least two (2) Directors or 1/3 of the Board members, whichever is the higher, are Independent Directors. Currently, the Board has six (6) members. More than half of the Board comprises Independent Non-Executive Directors as follows:-

No.	Names	Designations
1.	Tan Sri Jalaludin	Independent Non-Executive Chairman
2.	Dato' Asmuni Bin Sudin	Independent Non-Executive Director
3.	Chan Foong Ping	Independent Non-Executive Director
4.	Steven Wong Chin Fung	Independent Non-Executive Director
5.	Heng Chang Hooi	MD
6.	Mohd Rofzan Bin Mohd Latiff	ED

The Board composition is also in line with this Practice 5.2 of the MCCG of having at least half of the Board comprising Independent Non-Executive Directors. This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders and other stakeholders, and ensure high standards of conduct and integrity are maintained.

The Board members have diverse backgrounds and experiences in various fields. Collectively, they bring a wide range of skills, experience and knowledge to manage the Group's business. The profiles of these Directors are provided on pages 12 to 17 in this Annual Report.

2.2 Tenure of Independent Directors

The Board is fully aware that the tenure of an Independent Non-Executive Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting.

Currently, none of the existing Independent Directors of the Company has exceeded the tenure of a cumulative term of nine (9) years.

Based on the assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their abilities to act in the best interest of the Company.

The Company has not adopted a policy that limits the tenure of its Independent Directors to nine (9) years. Notwithstanding that, the assessment of the independence of Independent Non-Executive Directors will be conducted annually via the Annual Evaluation of Independence of Directors to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.3 New Appointment of Board and Senior Management

The Board appoints its members through a formal and transparent selection process. The new candidates will be considered and evaluated by the NRC, and the NRC will then recommend the candidates to be approved and appointed by the Board. In making a recommendation to the Board on the candidates for directorship, the NRC will consider and nominate the candidates based on the objective criteria, including:-



skills, knowledge, expertise and experience;



professionalism;



integrity;



time commitment to the Company based on the number of directorships held; and



in the case of candidates for the position of Independent Non-Executive Directors, the NRC will also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

In identifying for suitable candidates, the NRC may receive suggestions from existing Board members, Management and major shareholders. The NRC is also open to referrals from external sources available or independent search firms.

All Directors shall not hold more than five (5) directorships in other listed issuers as required under Rule 15.06 of the Listing Requirements of Bursa Securities.

The new appointment of Senior Management would be reviewed by the NRC based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The role of the NRC is detailed in its Terms of Reference, which is accessible on the Company's website at www.ptresourcesgroup.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.4 Board Diversity and Senior Management Team

The Board is supportive of the diversity of the Board and Senior Management Team. The Group strictly adheres to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, including the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Group.

In the event that a vacancy in the Board arises, the Board, through the NRC, will consider female representation when suitable candidates are identified. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skill sets, experience and knowledge of the candidate. The Company's prime responsibility in new appointments is always to select the best candidates available. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

In view of the gained attention of boardroom diversity as an important element of a well functioned organisation, the Gender Diversity Policy was adopted by the Board on 31 July 2022 which provides a framework for the Company to improve its gender diversity at the Board and Senior Management level and the same is published on the Company's website at www.ptresourcesgroup.com.my.

Currently, there is one (1) female Director on the Board, namely Ms. Chan Foong Ping.

2.5 Board Committees

The Board Committees are set up to manage specific tasks for which the Board is responsible within clearly defined Terms of Reference. This ensures that the Board members can spend their time more efficiently while the Board Committees are entrusted with the authority to examine particular issues.

The Board has established two (2) Board Committees and the membership of each committee is set out in the table below:-

Composition	ARMC	NRC
Tan Sri Jalaludin <i>(Independent Non-Executive Chairman)</i>	N/A	N/A
Dato' Asmuni Bin Sudin <i>(Independent Non-Executive Director)</i>	Member	Chairman
Chan Foong Ping <i>(Independent Non-Executive Director)</i>	Chairperson	Member
Steven Wong Chin Fung <i>(Independent Non-Executive Director)</i>	Member	Member
Heng Chang Hooi <i>(Managing Director)</i>	N/A	N/A
Mohd Rofzan Bin Mohd Latiff <i>(Executive Director)</i>	N/A	N/A

The Terms of Reference of the respective Board Committees are published on the Company's website at www.ptresourcesgroup.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.6 NRC

The NRC is chaired by Dato' Asmuni Bin Sudin, an Independent Non-Executive Director of the Company.

The NRC is responsible for identifying and recommending suitable candidates for Board membership and also for assessing the performance of the Directors on an ongoing basis. The Board will have the ultimate responsibility and final decision on the appointment of the Directors. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company and determine a skills matrix to support the strategic direction and needs of the Company.

The NRC has written Terms of Reference dealing with its authority and duties which include the selection and assessment of Directors. The Terms of Reference of the NRC had incorporated the relevant practices recommended under the MCCG. The Terms of Reference of the NRC is published on the Company's website at www.ptresourcesgroup.com.my.

The Company was listed on the ACE Market of Bursa Securities on 27 September 2022 ("Listing") and hence, the activities undertaken by the NRC during the FYE 2023 and up to the date of this Statement were as follows:-

- a. Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director's performances against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether he/she could devote sufficient time to the role.
- b. Undertaken an effectiveness evaluation exercise of the Board and its Committees as a whole with the objective of assessing its effectiveness.
- c. Reviewed and assessed the independence of the Independent Directors of the Company.
- d. Reviewed and assessed the performance of the ARMC.
- e. Reviewed and recommended to the Board for consideration, the re-election of the Directors who were due to retire at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.7 Board Appointment and Re-appointment Process

The NRC is tasked by the Board to make independent recommendations for appointments to the Board. In evaluating the suitability of candidates, the NRC considers, inter-alia, the character, experience, integrity, commitment, competency, qualification and track record of the proposed new nominee for appointment to the Board. In the case of a nominee for the position of Independent Non-Executive Director, NRC evaluates the nominee's ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors. The Board has in the review the skills of Directors, including information technology, legal, public relations and experience in the retailing industry as the matrix of skills of Directors that would be prioritised when selecting candidates for appointment to the Board.

In accordance with the Listing Requirements of Bursa Securities and the Company's Constitution, one third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

In assessing the candidates' eligibility for re-election, the NRC considers their competencies, commitment, contribution, performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company.

The Board makes recommendations concerning the re-election, re-appointment, and continuation in office of any Director for shareholders' approval at the AGM.

2.8 Annual Evaluation of the Directors, Board and Board Committees as a whole

The Board has, through the NRC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Director, referring to the guides available and the good corporate governance compliance.

The assessment of the Board and Board Committees is performed on a Board review whilst the assessment of the individual Directors is performed on a peer-review basis. Each Director is provided with the assessment forms for their completion prior to the meeting. The results of all assessments and comments by the Directors are deliberated at the NRC meeting and thereafter the NRC's Chairman will report the results and deliberation to the Board.

In evaluating the performance of Non-Executive Directors, the assessment comprises amongst others, the attendance at Board or Committee meetings, adequate preparation for Board and/or Board Committees' meetings, regular contribution to Board or Board Committees' meetings, personal input to the role and other contributions to the Board or Board Committees as a whole.

In evaluating the performance of MD and ED, the assessment was carried out against diverse key performance indicators including amongst others, financial, strategic and sustainability, conformance and compliance, business acumen or increase shareholders' wealth, succession planning and personal input to the role.

Following the Listing and subsequent to the FYE 2023, the NRC and the Board carried out the annual assessment of the Board and Board Committees as a whole as well as the individual Director's performance in June 2023.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.9 Attendance of Board and Board Committees' Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary. In view that the Company was listed on the ACE Market of Bursa Securities on 27 September 2022, the Board had only conducted three (3) Board meetings during the FYE 2023 where it has deliberated and approved various reports and matters, including the quarterly financial results of the Group for the announcement to Bursa Securities as well as the Group's strategy, operational and financial performance.

The number of meetings held and attended by each member of the Board and Board Committees during the FYE 2023 are as follows:-

Name of Directors	Attendance		
	Board	ARMC	NRC
Tan Sri Jalaludin <i>(Independent Non-Executive Chairman)</i>	3/3	-	-
Dato' Asmuni Bin Sudin <i>(Independent Non-Executive Director)</i>	3/3	3/3	-
Chan Foong Ping <i>(Independent Non-Executive Director)</i>	3/3	3/3	-
Steven Wong Chin Fung <i>(Independent Non-Executive Director)</i>	3/3	3/3	-
Heng Chang Hooi <i>(Managing Director)</i>	3/3	-	-
Mohd Rofzan Bin Mohd Latiff <i>(Executive Director)</i>	3/3	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION (CONT'D)

2.10 Directors' Training

Relevant guidelines on statutory and regulatory requirements were circulated to the Board from time to time for Board's reference. During the FYE 2023, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements of Bursa Securities:

Name of Directors	Training/seminars attended
Tan Sri Jalaludin	<ul style="list-style-type: none"> ASAIHL Conference in Tokyo, Japan Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework
Dato' Asmuni Bin Sudin	<ul style="list-style-type: none"> Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework
Chan Foong Ping	<ul style="list-style-type: none"> Mandatory Accreditation Programme ("MAP") Corporate Training on Environmental, Social and Governance (ESG), Climate Change and Sustainability Reporting Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework Corporate Training on Task Force on Climate-Related Financial Disclosure
Steven Wong Chin Fung	<ul style="list-style-type: none"> Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework
Heng Chang Hooi	<ul style="list-style-type: none"> MAP Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework
Mohd Rofzan Bin Mohd Latiff	<ul style="list-style-type: none"> MAP Amendments to the Listing Requirements of Bursa Securities in relation to Enhanced Sustainability Reporting Framework

During the FYE 2023, all Directors of the Company participated in the following briefing sessions facilitated by the Company Secretary before the Listing:-

- Key Disclosure and Continuous Listing Obligations of a Public Listed Company and its Directors
- The MCCG
- Corporate Liability on Corruption under the MACC Act 2018

In order to effectively carry out their roles and duties, the Directors are committed to participating in professional development programs as necessary. This ongoing commitment to professional development ensures that the Directors stay up-to-date with best practices and emerging trends in their respective areas of expertise. The Company encourages and supports the Directors' participation in such programs, recognising the importance of maintaining a skilled and knowledgeable Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – REMUNERATION

3.1 Remuneration Policy

The Board had, through the NRC, established a formal and transparent Remuneration Policy to attract and retain Directors and Senior Management of the Company. The Remuneration Policy was adopted by the Board on 31 July 2022 and is available on the Company's website at www.ptresourcesgroup.com.my.

The Remuneration Policy aims to:-

- a. determine the level of remuneration of Directors and Senior Management;
- b. attract, retain and reward high performing, experienced and qualified Directors and Senior Management by providing remuneration commensurate with their responsibilities and contributions, and being competitive with the industry; and
- c. encourage value creation for the Company by aligning the interests of Directors with the long-term interests of shareholders.

The NRC assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The NRC is also responsible to ensure that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Company.

The Board will determine the remuneration package of the MD / ED, taking into consideration the recommendations of the NRC for MD / ED. The remuneration package for the MD / ED are structured in such a way that it links rewards to both corporate and individual performance.

Independent Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Apart from Directors' fees, all Independent Non-Executive Directors are entitled to meeting allowances for attending Board and Board Committee meetings.

Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – REMUNERATION (CONT'D)

3.2 Remuneration of Directors

The remuneration payable to the Directors on the Company and the Group basis for the FYE 2023 are as follows:-

Name of Directors	RM ('000)						Total
	Fee	Allowance	Salary	Bonus	Benefits-in Kind	Other emolument [#]	
The Company and Group level							
Tan Sri Jalaludin	40	1.5	-	-	-	-	41.5
Dato' Asmuni Bin Sudin	24	1.5	-	-	-	-	25.5
Chan Foong Ping	24	1.5	-	-	-	-	25.5
Steven Wong Chin Fung	24	1.5	-	-	-	-	25.5
Heng Chang Hooi	-	230	423	-	-	238.9	891.9
Mohd Rofzan Bin Mohd Latiff	-	27.5	46.4	-	-	6.9	80.8
TOTAL	112	263.5	469.4	-	-	245.8	1,090.7

Note:-

[#] Other emoluments include Employees Provident Fund (EPF) and SOSCO & Employee Insurance Scheme (EIS).

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – REMUNERATION (CONT'D)

3.3 Remuneration of Senior Management

The Board has determined that disclosing the Senior Management's remuneration components on a named basis would not be in the best interest of the Company. Doing so may have a negative impact on the Company's ability to attract and retain talent within the competitive construction industry.

The Board also took into consideration of sensitivity and security of the remuneration package of Senior Management and therefore opted not to disclose on a named basis the remuneration or in bands of RM50,000.00. Instead, the Board is of the view that disclosing the Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000.00 in this Annual Report is adequate.

The aggregate remuneration and benefits paid to the Senior Management of the Group for the FYE 2023 are as follows:-

Range of Remuneration	Number of Senior Management
RM50,001 to RM100,000	1
RM100,001 to RM150,000	1
RM150,001 to RM200,000	-
RM200,001 to RM250,000	-

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I - ARMC

4.1 Effective and Independent ARMC

The ARMC is relied upon by the Board to, amongst others, provide advice and oversee in the areas of financial reporting, external audit, internal control environment and internal audit processes, review of related party transactions as well as conflict of interest situations.

The ARMC is chaired by Ms. Chan Foong Ping, whereas the Board is chaired by Tan Sri Jalaludin, both are Independent Non-Executive Directors of the Company. The positions of Board Chairman and ARMC Chairman are assumed by different individuals to ensure that the Board's review of the ARMC's findings and recommendations is not impaired.

The ARMC comprises three (3) members. The composition of the ARMC complies with Rules 15.09 and 15.10 of the Listing Requirements of Bursa Securities and the recommendation of MCCG whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Directors has appointed alternate Directors.

Currently, none of the members of the ARMC were former key audit partners of the present auditors of the Group.

The term of office and performance of the ARMC and its members are reviewed by the NRC annually to determine whether such ARMC and members have carried out their duties in accordance with the terms of reference.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART I - ARMC (CONT'D)

4.2 External Auditors

The Group has established a transparent and appropriate relationship with the External Auditors which has been accorded the authority to communicate directly with the External Auditors. The External Auditors in turn are able to highlight matters which require the attention of the Board to the ARMC in terms of compliance with the accounting standards and other related regulatory requirements.

The Board had also established the External Auditors Assessment Policy together with an annual performance evaluation form. The Policy is to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the External Auditors.

The ARMC had reviewed the nature and extent of non-audit services rendered by the External Auditors during the financial year and concluded that the provision of these services did not compromise their independence and objectivity. In addition, the ARMC had received 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.

The ARMC had carried out an annual performance assessment of the External Auditors and requested the MD, ED, Group Financial Controller and the Management to join the assessment.

The ARMC is satisfied with the suitability and independence of the External Auditors and had recommended their re-appointment to the shareholders for approval at the forthcoming AGM.

PART II - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

5.1 Risk Management and Internal Control Framework

The Board has put in place a structured risk management and internal control framework within the Group as an ongoing process for identifying, evaluating, monitoring and managing the significant risks affecting the achievement of its business objectives.

The Board acknowledges its overall responsibilities in establishing a sound risk management framework and internal control system within the Group. The risk management framework and internal control system are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. It provides reasonable assurance against material misstatement of financial information and records or against financial losses or fraud.

Details of the Group's risk management and internal control framework are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

PART II - RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

5.2 Internal Audit Function

The Group's internal audit function is outsourced to an independent professional firm namely Resolve IR Sdn. Bhd. ("Resolve IR" or "Internal Auditors") to assist the ARMC in managing the risks and establishing the internal control system and processes of the Group by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. Resolve IR reports directly to the ARMC during the ARMC Meeting on a half yearly basis.

The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

The ARMC had obtained assurance from the Internal Auditors confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out during the FYE 2023 are as disclosed in the ARMC Report in this Annual Report.

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

PART I – COMMUNICATION WITH STAKEHOLDERS

6.1 Continuous Communication with Stakeholders

The Board recognises the importance of providing effective communication platforms to provide accurate, timely, transparent and valuable insights on the Company's performance and position to its stakeholders. As such, the Board consistently ensures prompt and timely dissemination of information to its shareholders and investors, for them to make informed investment decisions.

Quarterly results, announcements and annual reports serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's corporate website, www.ptresourcesgroup.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

6.2 Corporate Disclosure Policy

The Board is committed to provide effective communication to its shareholders and the general public regarding the business, operations and financial performance of the Group and where necessary, that information filed with regulators is in accordance with all applicable legal and regulatory requirements.

The Company has adopted a Corporate Disclosure Policy, which is applicable to the Board and all employees of the Group, in handling and disclosing material information to the shareholders and the investing public.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

PART II – CONDUCT OF GENERAL MEETINGS

7.1 Conduct of General Meetings

The AGM remains the principal forum for dialogue with shareholders where they may seek clarification on the Company's business and reports.

In line with Practice 13.1 of MCCG, the notice convening the Fourth AGM ("4th AGM") of the Company to be held on 26 October 2023 was issued to shareholders at least 28 days before the 4th AGM date, which gives shareholders sufficient time to prepare themselves to attend the 4th AGM or to appoint a proxy to attend and vote on their behalf.

In addition, the Company took extra steps to also include explanatory notes to the ordinary business of the 4th AGM, facilitating full understanding and evaluation of issues involved in the proposed resolutions.

The Board believes that the participation of shareholders in the Company's general meeting is the more appropriate platform where shareholders' queries and concerns may be conveyed to the Board for clarification. The Board will ensure that all Board members, management team, External Auditors and Company Secretaries are present to respond to shareholders' queries during the forthcoming 4th AGM and any other general meetings.

At the AGM, the shareholders are encouraged to participate in discussing the resolutions proposed or future developments of the Group's operations in general. The Board members and the Senior Management will present to answer the questions raised and provide clarification as requested by the shareholders.

All resolutions set out in the notice of the 4th AGM will be put to vote by poll and the votes cast will be validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings will be announced to Bursa Securities at the end of the meeting day.

7.2 Effective Communication and Proactive Engagement

From the Company's perspective, the AGM serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board encourages the shareholders to raise their questions and feedback during the shareholders' meetings and ensures their queries are responded to properly and systematically.

The Board ensures that a reasonable time is provided to the shareholders for discussion at the 4th AGM before each resolution is proposed. The summary of the key matters discussed at the 4th AGM will be published on the Company's website at www.ptresourcesgroup.com.my for the shareholders' information.

STATEMENT BY THE BOARD ON CG STATEMENT

The Board has deliberated, reviewed and approved this CG Statement. The Board considers and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the Listing Requirements of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FYE 2023, except for the departures set out in the CG Report. The Company shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all of its business dealings.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of PT Resources Holdings Berhad (“PTRB” or “the Company”) (“the Board”) is pleased to present the Statement on Risk Management and Internal Control (“this Statement”) pursuant to Rule 15.26(b) of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”).

The Board is committed to the effective management of risk and the maintenance of a sound system of internal control of the Company and its subsidiaries (“the Group”). The Board believes that effective risk management and internal control are essential to the achievement of the Company’s objectives and the protection of its assets.

RESPONSIBILITY

The Board of PTRB recognises that it is responsible for the Group’s system of risk management and internal control and for reviewing its adequacy and integrity. The Board’s responsibility in relation to the system of risk management and internal control extends to the Group.

The Group’s system of risk management and internal control is designed to manage the principal business risks that may impede the Group from achieving its business objectives. However, due to the limitations that are inherent in any system of risk management and internal control, the Group’s risk management and internal control system may not completely eliminate the risk of failure to achieve its business objectives. The system can only provide reasonable assurance against material misstatement or loss.

The Board has undertaken a review of the adequacy and effectiveness of the risk management and internal control system and concluded that the risk management and internal control system is adequate and effective. Further, the Board has obtained assurance from the Managing Director (“MD”) and the Group Financial Controller that the Group’s risk management and internal control system is operating adequately and effectively in all material aspects.

MANAGEMENT STYLE AND CONTROL CONSCIOUSNESS

The Group is involved in various food related businesses. These business interests are operated by the subsidiaries of the Company. Management of the day-to-day affairs of the Group’s various subsidiaries are assigned to local management who are accountable for the conduct and performance of their subsidiaries within agreed business strategies. The MD and key management team attend various scheduled management meetings as well as conduct regular reviews of financial and operational reports. These provide the platform for timely identification of the Group’s risks and development of systems to manage those risks. The MD regularly updates the Board on any significant matters.

INTERNAL CONTROL PROCESSES

The key aspects of the internal control process are as follows:

- The business units identify the areas of control relevant to their business, design the internal control procedures and document the procedures in manuals.
- The internal auditors of the Group establish the annual audit plan and table the plan to the Audit and Risk Management Committee (“ARMC”) for review and approval.
- The internal auditors perform the audit and present their audit reports to the ARMC, highlighting any shortcomings by the business units in implementing the controls and the remedial procedures required to be implemented by the business units.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

ASSURANCE MECHANISM

The Board has assigned the ARMC with the duty of reviewing and monitoring the effectiveness of the Group's system of internal control. The internal auditors furnish the ARMC with reports on findings of the internal audit, including the recommended corrective actions, potential risks, implications and Management's responses. The External Auditors update the ARMC on areas for improvement identified during the course of their statutory audit. The Board also reviews the minutes of the meetings of the ARMC. The Report of the ARMC is set out on pages 63 to 65 of the Annual Report.

KEY FEATURES OF THE INTERNAL CONTROL SYSTEM

The Group has an extensive system of internal control that enables the Management to ensure that established policies, guidelines and procedures are followed and complied with. The key features of PTRB's system of internal control include the following:

- Clear organisation structure with delineated reporting lines.
- Defined levels of authority.
- Capable workforce with ongoing training efforts.
- Timely financial and operational reports.
- Scheduled operations and Management meetings.
- Payment functions controlled at Head Office.
- Regular visits to the operating units of the Group's businesses by the MD and key management personnel.
- Independent assurance on the system of internal control from regular internal audit visits.

WHISTLEBLOWING POLICY

The Group has adopted a Whistleblowing Policy, which provides an avenue for employees, third party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis without fear of any form of victimization, harassment, retribution or retaliation. The Whistleblowing Policy is published on the Company's website at www.ptresourcesgroup.com.my.

ANTI-BRIBERY AND CORRUPTION POLICY ("ABC POLICY")

In response to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has established its ABC Policy. The Group strictly adopts a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations, and take all reasonable and appropriate measures to ensure that all its Directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corruption activities for their advantage or benefit. The ABC Policy is published on the Company's website at www.ptresourcesgroup.com.my.

RISK MANAGEMENT

In line with the Malaysian Code on Corporate Governance, the Company has established a risk management system. The Board entrusts the ARMC with the overall responsibility to regularly review and monitor the risk management activities of the Group, and to approve appropriate risk management procedures and measurement methodologies.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT PROCESS

The key aspects of the risk management process are as follows:



The business units are required to identify the risks relevant to their businesses.



The risks are then assessed based on the probability of their occurrence and are evaluated as Low, Medium or High.



The level of residual risk is determined after evaluating the effectiveness of controls and mitigating measures.



The business units develop control procedures or action plans to either prevent the occurrence or reduce the impact upon its occurrence.



The business units are required to update their risk profiles and review their processes in monitoring the risks periodically.



As and when needed, the business units are required to prepare a report summarising the significant risks and status of action plan. Selected reports will be submitted to the ARMC for review and deliberation.

For the financial year ended 30 April 2023, the ARMC held three (3) meetings where it reviewed and evaluated the adequacy of risk management activities of a subsidiary of the Company, MHC Coldstorage Sdn. Bhd. and recommended certain measures to be adopted to mitigate its business risk exposures.

The abovementioned process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report.

REVIEW BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the ACE Market Listing Requirements, the Company's External Auditors have reviewed this Statement for inclusion in the Annual Report of the Company, and have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control and risk management. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

CONCLUSION

The Board is of the view that the Company's risk management and internal control system is adequate and effective to safeguard the Group's assets, as well as the shareholders' investments. The Board will continue to monitor and review the framework on an ongoing basis to ensure that it remains effective.

The system of risk management and internal control was satisfactory and has not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Company's Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“ARMC”) of PT Resources Holdings Berhad (“the Company”) is pleased to present the ARMC Report for the financial year ended 30 April 2023 (“FYE 2023”).

1. OBJECTIVE

The primary objective of the ARMC is to assist the Board of Directors of the Company (“the Board”) in fulfilling its fiduciary duties and responsibilities in accordance with its Terms of Reference, providing additional assurance to the Board by giving an objective and independent review of financial, operational and administrative controls and procedures.

2. COMPOSITION OF THE ARMC

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors of the Company:-

ARMC Members	Designation	Directorship
Chan Foong Ping	Chairperson	Independent Non-Executive Director
Dato’ Asmuni Bin Sudin	Member	Independent Non-Executive Director
Steven Wong Chin Fung	Member	Independent Non-Executive Director

The Company complies with Rule 15.09 of the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) as well as Practice 9.1 and Practice 9.4 of the Malaysian Code of Corporate Governance, where all members of the ARMC fulfil the requirements as prescribed.

The Chairperson of the ARMC, Ms. Chan Foong Ping is a member of the Malaysian Institute of Accountants (MIA) and a Chartered Accountant. In this respect, the composition of the ARMC complies with Rules 15.09 and 15.10 of the Listing Requirements of Bursa Securities.

3. TERMS OF REFERENCE

The Terms of Reference of the ARMC which sets out its duties and responsibilities are accessible via the Company’s website at www.ptresourcesgroup.com.my.

4. ARMC MEETINGS AND ATTENDANCE

During the FYE 2023, the ARMC conducted a total of three (3) ARMC meetings. The details of attendance of each of the ARMC members at the ARMC meetings are as follows:-

ARMC Members	Attendance
Chan Foong Ping	3/3
Dato’ Asmuni Bin Sudin	3/3
Steven Wong Chin Fung	3/3

The presence of the External Auditors, Internal Auditors and/or the Management of the Company at the ARMC meetings, if required, will be requested by the ARMC. They are invited to the ARMC meetings to provide clarification on audit issues, the operations of the Company and its subsidiaries (“the Group”) and any other matters of interests. Other members of the Board may attend the ARMC meetings upon invitation of the ARMC.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

5. SUMMARY OF ACTIVITIES OF THE ARMC DURING THE FYE 2023

The summary of activities carried out by the ARMC during the FYE 2023 included, amongst others, the following:

- Reviewed the unaudited quarterly report on consolidated financial results including the announcement pertaining thereto. The discussion focused particularly on any changes in or implementation of major accounting policy changes, significant and unusual events and compliance with accounting standards and other legal requirements before recommending to the Board for approval and making the announcement to Bursa Securities;
- Reviewed the related party transactions and/or recurrent related party transactions, if any, that transpired within the Group to ensure that the transactions entered into were at arm's length basis and on normal commercial terms;
- Reviewed the appointment of Internal Auditors of the Group;
- Reviewed and received the internal audit plan to ensure the adequacy of the scope, functions and resources;
- Reviewed the internal audit report, which highlighted the audit issues, recommendations, and Management's responses;
- Discussed with the Management on actions taken to improve the systems of internal control based on the recommendations and findings identified in the internal audit report;
- Reviewed and discussed with the External Auditors on their audit planning memorandum of the statutory audit of the Group for the FYE 2023; and
- Reviewed and discussed with the External Auditors on their audit, including system evaluation and audit and non-audit fees.

6. INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm, Resolve IR Sdn. Bhd. ("Resolve IR" or "Internal Auditors") to assist the ARMC in discharging its duties and responsibilities in reviewing and assessing the adequacy and effectiveness of the Group's internal control system. Resolve IR is free from any relationship or conflict of interest, which could impair their objectivity and independence. It is independent of the activities and operations of the Group. It reports directly to the ARMC.

The purpose of the internal audit function is to provide reasonable assurance of the effectiveness of the system of internal control in the Group to the ARMC.

For the FYE 2023, the summary of works undertaken by the Internal Auditors comprised the following:-

- Reviewed compliance with policies, procedures and standards, relevant rules and regulations;
- Assessed the adequacy and effectiveness of the Group's system of internal control and recommended appropriate actions to be taken where necessary;
- The internal audits performed met the objective of highlighting to the ARMC the outstanding audit issues which required corrective actions to be taken to ensure an adequate and effective internal control system within the Group, as well as any weaknesses in the Group's internal control system;
- Ensured that those weaknesses were appropriately addressed and that recommendations from the internal audit reports and corrective actions on reported weaknesses were taken appropriately within the required timeframe by the Management; and
- Presentation of audit findings and corrective actions to be taken by the Management in the ARMC meetings.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

6. INTERNAL AUDIT FUNCTION (CONT'D)

During the FYE 2023, the Internal Auditors had conducted reviews on the adequacy and effectiveness of the internal control system on Procurement to Payables and Inventory Management of MHC Coldstorage Sdn. Bhd., a wholly-owned subsidiary of the Company.

The total costs incurred for the outsourced internal audit function of the Group for the FYE 2023 amounted to RM22,202.19.

The ARMC is of the view that the internal audit function is independent and that Resolve IR has performed its audit with impartiality, proficiency and due professional care.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad on 27 September 2022 (“Listing”). In conjunction with the Listing, the Company undertook a public issue of 135,000,000 new ordinary shares at an issue price of RM0.36 per share, raising total gross proceeds of RM48.6 million (“IPO Proceeds”).

As at 30 April 2023, the status of the utilisation of the IPO Proceeds are as follows:-

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Intended timeframe for utilisation from the date of listing
Capital expenditure for new cold storage warehouse	17,635	-	17,635	Within 36 months
Working capital	27,175	27,175	-	Within 12 months
Estimated listing expenses	3,790	3,790	-	Within 3 months
Total	48,600	30,965	17,635	-

The utilisation of proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 30 August 2022.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to the External Auditors by the Company and its subsidiaries (collectively, the “Group”) respectively for the financial year ended 30 April 2023 (“FYE 2023”) were as follows:-

	Group RM	Company RM
Audit fees	187,000	27,000
Non-audit fees	31,000	11,000

3. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND/OR MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company and/or its subsidiaries involving the interests of the Directors, chief executive and/or major shareholders which were still subsisting at the end of the FYE 2023 or which were entered into since the end of the previous financial year.

4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”)

There was no RRPT or RPT entered into by the Group which involves the Directors' and/or major shareholders' interests during the FYE 2023.

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

The Directors are required by the Companies Act 2016 ("CA 2016") to prepare financial statements which give a true and fair view of the state of affairs of the Group and the Company at the end of each financial year and of their results and cash flows for the financial year then ended in accordance with the applicable Malaysian Financial Reporting Standards (MFRs), the International Financial Reporting Standards (IFRSs), the provision of the CA 2016 and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the financial year ended 30 April 2023, the Directors have:



adopted appropriate accounting policies and applied them consistently;



made judgements and estimates that are reasonable;



ensured that applicable accounting standards have been complied with; and



applied the going concern basis, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

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

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and the Company and to prevent and detect other irregularities.

Additionally, the Directors have relied on the system of risk management and internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.





Financial

Statements

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2023.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year	36,833,180	(1,900,770)
Attributable to: Owners of the Company	36,833,180	

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

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

DIRECTORS

The names of the Directors of the Company in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Heng Chang Hooi*
 Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim
 Dato' Asmuni Bin Sudin
 Mohd Rofzan Bin Mohd Latiff
 Chan Foong Ping
 Steven Wong Chin Fung

* Director of the Company and its subsidiaries

The Director of the subsidiaries since the beginning of the financial year to the date of this report, not including those Directors listed above is:-

Norfahana Binti Abdullah

DIRECTORS' REPORT

(CONT'D)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) are as follows:-

	Balance at 1.5.2022	Number of ordinary shares		Balance at 30.4.2023
		Bought	Sold	
The Company				
<u>Direct interest</u>				
Heng Chang Hooi	380,020,000	-	-	380,020,000
Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim	-	150,000	-	150,000
Dato' Asmuni Bin Sudin	-	100,000	-	100,000
Mohd Rofzan Bin Mohd Latiff	-	400,000	(350,000)	50,000
Chan Foong Ping	-	100,000	-	100,000
Steven Wong Chin Fung	-	100,000	-	100,000

By virtue of the direct interest of Heng Chang Hooi in the Company, he is also deemed to have interest in shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

DIRECTORS' REMUNERATION

During the financial year, the remuneration and other benefits received and receivable by the Directors of the Group and of the Company are as follows:-

	Incurred by the Company RM	Incurred by the subsidiaries RM	Total RM
Salaries and other emoluments	6,000	726,900	732,900
Directors' fees	112,000	-	112,000
Defined contribution plan	-	243,805	243,805
Social security contribution	-	1,772	1,772
Employment insurance scheme	-	203	203
	118,000	972,680	1,090,680

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT (CONT'D)

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

There were no indemnity coverage and insurance premium paid for Directors and Officers of the Group and of the Company during the financial year.

ISSUE OF SHARES AND DEBENTURES

On 23 September 2022, the Company issued 135,000,000 new ordinary shares at an issue price of RM0.36 per ordinary share for a total cash consideration of RM48,600,000 for pursuant to its Initial Public Offering exercise.

There were no issuance of debentures during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (a) which would render the amounts written off for bad debts or the amount of the provision 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 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 liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT

(CONT'D)

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the Directors:-

- (a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

The significant events during the financial year and subsequent to the reporting period are disclosed in Note 31 to the financial statements.

DIRECTORS' REPORT (CONT'D)

AUDITORS

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

The amount of audit and other fees paid or payable to the external auditor and its member firm by the Group and the Company for the financial year ended 30 April 2023 amounted to RM218,000 and RM38,000 respectively. Further details are disclosed in Note 22 to the Financial Statements.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT, to the extent permissible under requirements of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

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

.....)	
HENG CHANG HOOI)	
)	
)	
)	
)	DIRECTORS
)	
)	
)	
)	
.....)	
TAN SRI DATO' DR. SYED JALALUDIN)	
BIN SYED SALIM)	

25 August 2023

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	20,316,320	20,481,741	-	-
Right-of-use assets	5	5,778,203	6,522,478	-	-
Investment in subsidiaries	6	-	-	20,005,000	20,000,000
Fixed deposits with licensed banks	7	17,626,560	9,859,422	-	-
Total non-current assets		43,721,083	36,863,641	20,005,000	20,000,000
Current assets					
Inventories	8	7,605,990	11,623,366	-	-
Trade receivables	9	127,077,781	43,145,972	-	-
Other receivables	10	3,316,880	1,167,305	37,332,557	300
Tax recoverable		333,762	330,616	-	-
Fixed deposits with licensed banks	7	10,176,020	1,000	-	-
Cash and bank balances		59,653,357	45,525,551	7,574,557	1,000
Total current assets		208,163,790	101,793,810	44,907,114	1,300
TOTAL ASSETS		251,884,873	138,657,451	64,912,114	20,001,300
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	11	67,046,696	20,001,000	67,046,696	20,001,000
Merger deficit	12	(13,400,000)	(13,400,000)	-	-
Retained earnings/(Accumulated losses)		103,562,916	66,729,736	(2,990,021)	(1,089,251)
TOTAL EQUITY		157,209,612	73,330,736	64,056,675	18,911,749
LIABILITIES					
Non-current liabilities					
Borrowings	13	9,357,523	10,965,260	-	-
Lease liabilities	14	2,742,673	3,294,421	-	-
Provision for restoration costs	15	1,856,728	1,336,074	-	-
Deferred tax liabilities	16	285,000	272,000	-	-
Total non-current liabilities		14,241,924	15,867,755	-	-

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2023

(CONT'D)

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES (CONT'D)					
Current liabilities					
Trade payables	17	6,104,699	3,686,941	-	-
Other payables	18	5,593,545	9,276,222	794,500	1,089,551
Contract liabilities	19	-	-	-	-
Borrowings	13	68,155,424	35,924,924	-	-
Lease liabilities	14	469,972	562,096	-	-
Tax payable		109,697	8,777	60,939	-
Total current liabilities		80,433,337	49,458,960	855,439	1,089,551
Total liabilities		94,675,261	65,326,715	855,439	1,089,551
TOTAL EQUITY AND LIABILITIES		251,884,873	138,657,451	64,912,114	20,001,300

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	20	502,604,992	349,143,996	-	-
Cost of sales		(439,531,406)	(310,529,989)	-	-
Gross profit		63,073,586	38,614,007	-	-
Other income		786,523	3,084,252	-	-
Impairment gain of financial assets, net		-	245,903	-	-
Administration expenses		(23,478,031)	(18,206,096)	(2,093,745)	(909,455)
Other expenses		(54,129)	-	-	-
Finance income		475,207	217,906	253,914	-
Finance costs	21	(3,335,213)	(2,661,208)	-	-
Profit/(Loss) before tax	22	37,467,943	21,294,764	(1,839,831)	(909,455)
Tax expense	23	(634,763)	(183,442)	(60,939)	-
Profit/(Loss)/Total comprehensive income/(loss) for the financial year		36,833,180	21,111,322	(1,900,770)	(909,455)
Profit/(Loss)/Total comprehensive income/(loss) attributable to:					
Owners of the Company		36,833,180	21,111,322	(1,900,770)	(909,455)
Earnings per share attributable to owners of the Company (sen)					
- Basic/ Diluted	24	7.65	5.28		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

Group	← Non-distributable →		Distributable	Total equity RM
	Share capital RM	Merger deficit RM	Retained earnings RM	
At 1 May 2021	20,001,000	(13,400,000)	45,618,414	52,219,414
Total comprehensive income for the financial year	-	-	21,111,322	21,111,322
At 30 April 2022	20,001,000	(13,400,000)	66,729,736	73,330,736
Transactions with owners:-				
Issuance of shares	48,600,000	-	-	48,600,000
Capitalisation of share issuance expenses	(1,554,304)	-	-	(1,554,304)
Total comprehensive income for the financial year	-	-	36,833,180	36,833,180
At 30 April 2023	67,046,696	(13,400,000)	103,562,916	157,209,612

Company	Non-distributable		Accumulated losses RM	Total RM
	Share capital RM	Share capital RM		
At 1 May 2021		20,001,000	(179,796)	19,821,204
Total comprehensive loss for the financial year		-	(909,455)	(909,455)
At 30 April 2022		20,001,000	(1,089,251)	18,911,749
Transactions with owners:-				
Issuance of shares		48,600,000	-	48,600,000
Capitalisation of share issuance expenses		(1,554,304)	-	(1,554,304)
Total comprehensive loss for the financial year		-	(1,900,770)	(1,900,770)
At 30 April 2023		67,046,696	(2,990,021)	64,056,675

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

	<u>Note</u>	Group <u>2023</u> RM	<u>2022</u> RM	Company <u>2023</u> RM	<u>2022</u> RM
OPERATING ACTIVITIES					
Profit/(Loss) before tax		37,467,943	21,294,764	(1,839,831)	(909,455)
Adjustments for:-					
Depreciation of property, plant and equipment		1,984,161	1,873,653	-	-
Depreciation of right-of-use assets		689,568	815,974	-	-
Gain on early termination on leases		-	(22,264)	-	-
Gain on disposal of property, plant and equipment		(296,100)	-	-	-
Loss on disposal of right-of-use assets		-	30,333	-	-
Net impairment gain of financial assets		-	(245,903)	-	-
Interest expense		2,941,302	2,661,208	-	-
Interest income		(475,207)	(217,906)	(253,914)	-
Property, plant and equipment written off		54,129	-	-	-
Bad debts written off		633,428	38,893	-	-
Rent concessions		(20,000)	(75,808)	-	-
Unrealised gain on foreign exchange		(409,569)	(142,809)	-	-
Operating profit/(loss) before working capital changes		42,569,655	26,010,135	(2,093,745)	(909,455)
Changes in working capital:-					
Inventories		4,017,376	(3,461,903)	-	-
Receivables		(86,042,667)	(3,516,717)	(32,257)	-
Contract liabilities		-	(120,440)	-	-
Payables		(1,264,919)	8,495,308	(295,051)	909,455
Bankers' acceptance		30,007,503	(3,703,381)	-	-
Invoice financing		(10,361)	(8,153)	-	-
Revolving financing		34,907	(249,490)	-	-
Cash (used in)/generated from operations		(10,688,506)	23,445,359	(2,421,053)	-
Interest paid		(1,862,145)	(1,610,027)	-	-
Interest received		258,729	2,178	-	-
Tax paid		(523,989)	(1,067,339)	-	-
Net cash (used in)/from operating activities		(12,815,911)	20,770,171	(2,421,053)	-

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

(CONT'D)

	<u>Note</u>	Group <u>2023</u> RM	<u>2022</u> RM	Company <u>2023</u> RM	<u>2022</u> RM
INVESTING ACTIVITIES					
Interest received		216,478	215,728	253,914	-
Advances to a subsidiary		-	-	(37,300,000)	-
Acquisition of shares in a new subsidiary		-	-	(5,000)	-
Purchase of property, plant and equipment	A	(737,768)	(239,468)	-	-
Purchase of right-of-use assets	B	-	(160,606)	-	-
Proceeds from disposal of right-of-use assets		-	6,500	-	-
Proceeds from disposal of property, plant and equipment		296,100	-	-	-
Net cash used in investing activities		(225,190)	(177,846)	(37,051,086)	-
FINANCING ACTIVITIES					
Interest paid		(853,683)	(938,480)	-	-
Repayment of term loans		(1,881,060)	(2,285,842)	-	-
Repayment of lease liabilities		(1,409,086)	(701,972)	-	-
Placement of fixed deposits pledged		(7,767,138)	(1,717,506)	-	-
Withdrawal of fixed deposit pledged		-	2,376,334	-	-
Proceeds from issuance of shares, net of share issuance expenses		47,045,696	-	47,045,696	-
Net cash from/(used in) financing activities		35,134,729	(3,267,466)	47,045,696	-

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

(CONT'D)

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH AND CASH EQUIVALENTS					
Net changes		22,093,628	17,324,859	7,573,557	-
Brought forward		43,686,702	26,366,186	1,000	1,000
Effect of foreign exchange difference		(262,576)	(4,343)	-	-
Carried forward	C	65,517,754	43,686,702	7,574,557	1,000

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Total purchase	1,032,948	239,468	-	-
Less: Provision for restoration costs capitalised	(295,180)	-	-	-
Cash payment	737,768	239,468	-	-

B. PURCHASE OF RIGHT-OF-USE ASSETS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Total purchase	785,214	1,262,033	-	-
Less: Acquisition by way of lease liabilities	(785,214)	(1,101,427)	-	-
Cash payment	-	160,606	-	-

C. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following amounts:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Fixed deposits with licensed banks	27,802,580	9,860,422	-	-
Cash and bank balances	59,653,357	45,525,551	7,574,557	1,000
Bank overdrafts	(4,311,623)	(1,839,849)	-	-
	83,144,314	53,546,124	7,574,557	1,000
Less: Fixed deposits pledged	(17,626,560)	(9,859,422)	-	-
Total cash and cash equivalents	65,517,754	43,686,702	7,574,557	1,000

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

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Kuantan Integrated Fish Processing Park (KIFPP), Jalan Seri Kemunting 2, Tanah Putih, 25100 Kuantan, Pahang.

The Company is principally involved in investment holding and provision of management services. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

There have been no significant changes in the nature of these activities of the Company and its subsidiaries during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 25 August 2023.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of Compliance

The financial statements of the Group and of the Company are prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of Measurement

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured on the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

2.2 Basis of Measurement (Cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting year.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

These financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs

2.4.1 Adoption of New Standards/Amendments/Improvements to MFRSs

The Group and the Company have consistently applied the accounting policies set out in Note 3 to the financial statements to all periods presented in these financial statements.

At the beginning of current financial year, the Group and the Company adopted new standards/amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2022.

The initial application of the new standards/amendments/improvements to the standards did not have a material impact on the financial statements.

2.4.2 Standards Issued But Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

2.4 MFRSs (Cont'd)

2.4.2 Standards Issued But Not Yet Effective (Cont'd)

MFRSs and Amendments to MFRS effective for the financial period beginning on or after 1 January 2023:-

MFRS 17**	Insurance contracts
Amendments to MFRS 17**	Insurance contracts
Amendments to MFRS 17**	Insurance contracts: Initial application of MFRS 17 and MFRS 9 - Comparative information
Amendments to MFRS 101	Presentation of financial statements: Disclosure of accounting policies
Amendments to MFRS 108	Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates
Amendments to MFRS 112	Income taxes: Deferred tax related to assets and liabilities arising from a single transaction
Amendments to MFRS 112	Income taxes: International tax reform - pillar two model rules

Amendments to MFRSs effective for annual periods beginning on or after 1 January 2024:-

Amendments to MFRS 16*	Leases: Lease liability in a sale and leaseback
Amendments to MFRS 101	Presentation of financial statements: Non-current liabilities with covenants
Amendments to MFRS 101	Presentation of financial statements: Classification of liabilities as current or non-current

Amendments to MFRSs – Effective date deferred indefinitely:-

Amendments to MFRS 10* and MFRS 128**	Consolidated financial statements and investments in associate and joint ventures - Sale or contribution of assets between an investor and its associate or joint venture
---------------------------------------	---

* Not applicable to the Company's operations.

Not applicable to the Group's operations.

The initial application of the above standards, amendments and interpretations are not expected to have material financial impact to the financial statements.

2.5 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by the management, and will seldom equal the estimated results.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

2.5 Significant Accounting Estimates and Judgements (Cont'd)

2.5.1 Key Sources of Estimation Uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful Lives of Depreciable Assets

Property, plant and equipment and right-of-use assets are depreciated on a straight-line basis over their useful life. However, significant judgement is involved in estimating the useful life and residual value of property, plant and equipment and right-of-use assets which are subjected to technological development and level of usage. Therefore, residual values of these assets and future depreciation charges may vary.

Impairment of Non-financial Assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, the management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, the management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

Provision for Restoration Costs

The Group has an obligation to dismantle, remove and restore the factory and leased outlets to its original state and condition upon the expiry or termination of the lease agreement. The liabilities for dismantling, removal and restoration costs are recognised at present value of the compounded future expenditure estimated using existing technology, at current prices and discounted using a real discount rate. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision. While the provision is based on the best estimate of future costs and the economic lives of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, where there is indication of a material change.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

2.5 Significant Accounting Estimates and Judgements (Cont'd)

2.5.1 Key Sources of Estimation Uncertainty (Cont'd)

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below (Cont'd).

Provision for Expected Credit Losses of Trade Receivables

The Group uses a provision matrix to calculate Expected Credit Losses ("ECLs") for trade receivables. The provision rates are based on the repayment pattern of the customers, customers type and coverage by letters of credit.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

Inventories

The management reviews inventories to identify damaged, obsolete and slow-moving inventories which require judgement and changes in such estimates could result in revision to valuation of inventories.

Income Taxes/Deferred Tax Liabilities

Significant judgement is involved in determining the Group's and the Company's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

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

2.5 Significant Accounting Estimates and Judgements (Cont'd)

2.5.2 Judgements Made in Applying Accounting Policies

The following is the significant management judgement in applying accounting policies that have most significant effect on the financial statements.

Leases

In applying MFRS 16, the management uses judgement in determining the rate to discount the lease payments and assess whether a right-of-use assets is impaired. Besides, the Group estimates the lease term and reassess whether it is reasonably certain to exercise and extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances.

3. SIGNIFICANT ACCOUNTING POLICIES

The Group and the Company apply the significant accounting policies as summarised below, consistently throughout all years presented in the financial statements, unless otherwise stated.

3.1 Consolidation

3.1.1 Subsidiaries

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

Investment in a subsidiary is stated at cost less any impairment losses in the Company's statements of financial position, unless the investment is held for sale or distribution. The cost of investments includes transaction costs. Where an indication of impairment exists, the carrying amount of the subsidiary is assessed and written down immediately to their recoverable amount.

Upon the disposal of investment in a subsidiary, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

3.1.2 Basis of Consolidation

Changes in the ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (Cont'd)

3.1.2 Basis of Consolidation (Cont'd)

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in accordance with MFRS 9 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Consolidation (Cont'd)

3.1.2 Basis of Consolidation (Cont'd)

Merger Method

A business combination involving entities under common control is a business combination in which the Group or business are ultimately controlled by same party or parties both before or after the business combination, and that control is not transitory. The acquisition of MHC Coldstorage Sdn. Bhd., MO Foodmart Sdn. Bhd. and HGMC Holding Sdn. Bhd. resulted in a business involving common control entities since the management of all the entities which took part in the acquisition were controlled by common Directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3. For such common control business combinations, the merger accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the Group in the financial statements. The merger method of accounting on a retrospective basis and restated its comparative as if the consolidation had taken place before the state of the earliest period presented in the financial statements.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current year. The consolidated assets and liabilities are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any reserves which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other capital reserves.

3.1.3 Loss of Control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of the equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss.

If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee or as a financial asset depending on the level of influence retained.

3.1.4 Eliminations on Consolidation

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Property, Plant and Equipment

All property, plant and equipment are measured at cost less accumulated depreciation and less any impairment losses. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bring the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land is not depreciated. Completed buildings on the freehold land are depreciated at 2% per annum on a straight-line basis.

Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. All property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:-

Motor vehicles	20%
Factory equipment and machinery	5% - 10%
Office and other equipment and fittings	10% - 40%
Tools and renovations	10% - 20%

The residual values, useful life and depreciation method are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable, or at least annually to ensure that the amount, method and period of depreciation are consistent with previous estimates and expected pattern of consumption of future economic benefits embodied in the items of property, plant and equipment.

Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gain or loss arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss in the financial year in which the asset is derecognised.

Restoration cost relating to an item of property, plant and equipment is capitalised only if such expenditure is expected to increase the future benefits from the existing property, plant and equipment beyond its previously assessed standard of performance. The capitalised cost is depreciated over the expected life of the asset.

Property, plant and equipment are written down to recoverable amount if, in the opinion of the Directors, it is less than their carrying value. Recoverable amount is the net selling price of the property, plant and equipment i.e. the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Inventories

Inventories, comprising raw materials, trading goods and finished goods, are stated at lower of cost and net realisable value after adequate specific write down has been made by the Directors for deteriorated, obsolete and slow-moving inventories.

Cost of raw materials is determined using first-in-first-out method and finished goods include direct materials, direct labour and an approximate proportion of manufacturing overheads.

Cost of trading goods are determined using first-in-first-out method. Cost includes the original purchase price plus direct cost of bringing these inventories to their present condition and location.

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

3.4 Financial Instruments

3.4.1 Financial Assets

Initial Recognition and Measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial Instruments (Cont'd)

3.4.1 Financial Assets (Cont'd)

Subsequent Measurement

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

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

The Group and the Company only carry financial assets at amortised cost on the statements of financial position.

Financial Assets at Amortised Cost

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets measured at amortised cost include trade and most of other receivables, fixed deposits with licensed banks and cash and bank balances.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:-

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial Instruments (Cont'd)

3.4.1 Financial Assets (Cont'd)

Derecognition (Cont'd)

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

Impairment

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Financial Instruments (Cont'd)

3.4.2 Financial Liabilities

Initial Recognition and Measurement

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

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

Subsequent Measurement

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

- Financial liabilities at fair value through profit or loss; and
- Financial liabilities at amortised cost.

The Group and the Company only have financial liabilities at amortised cost on the statements of financial position.

Financial Liabilities at Amortised Cost

After initial recognition, other payables and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of profit or loss. The Group's and the Company's financial liabilities measured at amortised cost include trade and other payables, borrowings and lease liabilities.

Derecognition

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

3.4.3 Offsetting of Financial Instruments

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Impairment of Non-financial Assets

The Group and the Company assess at each reporting period whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and the Company estimate the asset's recoverable amount. An asset's recoverable amount is higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group and the Company base their impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's and the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group and the Company estimate the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss has been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

3.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances, fixed deposits with licensed banks and bank overdrafts which are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statements of financial position, cash and cash equivalents restricted to be used to settle a liability of 12 months or more after the end of the reporting year are classified as non-current asset.

For the purpose of presentation in the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.8 Equity, Reserve and Distribution to Owners

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Retained earnings/(Accumulated losses) includes all current and prior years/period retained earnings/(accumulated loss).

Interim dividends are simultaneously proposed and declared, because the articles of association of the Company grants the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

Final dividends proposed by the Directors are not accounted for in shareholder's equity as an appropriation of retained earnings, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

The distribution of non-cash assets to owners is recognised as a dividend payable when the dividend was approved by shareholders. The dividend payable is measured at the fair value of the shares to be distributed. At the end of the financial year, the Company reviews the carrying amount of the dividend payable, with any changes in the fair value of the dividend payable are recognised in equity. When the Company settles the dividend payable, the difference between the carrying amount of the dividend distributed and the carrying amount of the dividend payable is recognised as a separate line item in profit or loss.

All transactions with owners of the Company are recorded separately within equity.

3.9 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Leases (Cont'd)

As a Lessee (cont'd)

Right-of-use Assets (cont'd)

Right-of-use assets are depreciated based on the estimated useful life of the assets as follows:-

Leasehold land	2% - 3%
Leasehold land and building	Over the remaining lease term of 96 years
Motor vehicles	20%
Leased outlets and office	Over the lease term of 2 to 9 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.5 to the financial statements.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

As a practical expedient, MFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 Leases (Cont'd)

As a Lessee (cont'd)

Short-term Leases and Leases of Low-value Assets

The Group applies the short-term lease recognition exemption to its short-term leases of staff quarters, cold room, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of forklift, equipment and software that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a Lessor

The Group classified its leases as either operating leases or finance leases. Leases where the Group retains substantially all the risks and rewards of ownership of the leased assets are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

If the Group transfers substantially all the risks and rewards incidental to ownership of the leased assets, leases are classified as finance leases and are capitalised at an amount equal to the net investment in the lease.

3.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the assets during the period of time that is necessary to complete and prepare the asset for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group incurred in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Provisions

Provisions are recognised when the Group or the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group or the Company expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.11.1 Provision for Restoration Costs

A provision for restoration is recognised when there is a present obligation as a result of production activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of removing the facilities and restoring the affected areas.

3.12 Contingencies

3.12.1 Contingent Liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3.12.2 Contingent Assets

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Foreign Currency Transactions and Balances

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising in translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss respectively).

3.14 Employee Benefits

3.14.1 Short-term Employee Benefits

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

3.14.2 Defined Contribution Plan

Defined contribution plan is post-employment benefit plan under which the Group pays fixed contributions into independent entities of funds and will have no legal or constructive obligation to pay further contribution if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years.

Such contributions are recognised as expenses in the profit or loss as incurred. As required by law, the Group makes such contributions to the Employees Provident Fund.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product to the customer. An asset is transferred when the customer obtains control of the asset.

The control of the promised goods may be transferred over time or at a point in time. Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The control over the goods is transferred over time and revenue is recognised over time if:-

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

3.15.1 Sale of Goods

Revenue relating to sale of goods is recognised net of sales returns and discount upon the transfer of control of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

3.15.2 Other Revenue Recognition

Rental Income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Interest Income

Interest income is recognised in the profit or loss on time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Tax Expense

Tax expense comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

3.16.1 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous year.

Current tax is recognised in the statements of financial position as a liability (or an asset) to the extent that it is unpaid (or refundable).

3.16.2 Deferred Tax

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.17 Related Parties

A related party is a person or entity that is related to the Group and the Company. A related party transaction is a transfer of resources, services or obligations between the Company and its related party, regardless of whether a price is charged.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 Related Parties (cont'd)

- (a) A person or a close member of that person's family is related to the Group if that person:-
- (i) Has control or joint control over the Group;
 - (ii) Has significant influence over the Group; or
 - (iii) Is a member of the key management personnel of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:-
- (i) The entity and the Group are members of the same group.
 - (ii) The entity is an associate or joint venture of the Group.
 - (iii) Both the Group and the entity are joint ventures of the same third party.
 - (iv) The Group is a joint venture of a third entity and the other entity is an associate of the same third entity.
 - (v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
 - (vii) A person identified in (a)(i) above has significant influence over the entity or is a member of the key management personnel of the entity.
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

3.18 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Motor vehicles RM	Factory equipment and machinery RM	Office and other equipment and fittings RM	Tools and renovations RM	Total RM
Group Cost							
At 1 May 2021	1,347,648	760,000	200,399	19,423,267	4,827,885	3,115,369	29,674,568
Additions	-	-	-	213,282	19,910	6,276	239,468
Reclassified from right-of-use assets	-	-	490,390	-	-	-	490,390
At 30 April 2022	1,347,648	760,000	690,789	19,636,549	4,847,795	3,121,645	30,404,426
Additions	-	-	-	594,264	141,205	297,479	1,032,948
Written off	-	-	-	-	(84,451)	-	(84,451)
Disposal	-	-	(634,050)	-	-	-	(634,050)
Reclassified from right-of-use assets	-	-	1,468,656	-	-	-	1,468,656
At 30 April 2023	1,347,648	760,000	1,525,395	20,230,813	4,904,549	3,419,124	32,187,529
Accumulated depreciation							
At 1 May 2021	-	78,533	191,559	4,668,129	1,748,463	871,958	7,558,642
Charge for the financial year	-	15,200	4,920	1,097,878	492,349	263,306	1,873,653
Reclassified from right-of-use assets	-	-	490,390	-	-	-	490,390
At 30 April 2022	-	93,733	686,869	5,766,007	2,240,812	1,135,264	9,922,685
Charge for the financial year	-	15,200	117,063	1,087,007	487,850	277,041	1,984,161
Written off	-	-	-	-	(30,322)	-	(30,322)
Disposal	-	-	(634,050)	-	-	-	(634,050)
Reclassified from right-of-use assets	-	-	628,735	-	-	-	628,735
At 30 April 2023	-	108,933	798,617	6,853,014	2,698,340	1,412,305	11,871,209
Net carrying amount							
At 30 April 2023	1,347,648	651,067	726,778	13,377,799	2,206,209	2,006,819	20,316,320
At 30 April 2022	1,347,648	666,267	3,920	13,870,542	2,606,983	1,986,381	20,481,741

Included in the renovation of RM991,586 (2022: RM743,442) is the provision for restoration costs based on the estimated costs to restore the factory and leased outlets at the end of their respective lease term.

The freehold land and buildings have been pledged to financial institution for banking facilities granted to the Group as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. RIGHT-OF-USE ASSETS

	Leasehold <u>land</u> RM	Leasehold land and <u>building</u> RM	Motor <u>vehicles</u> RM	Leased outlets and <u>office</u> RM	<u>Total</u> RM
Group					
Cost					
At 1 May 2021	4,793,956	630,000	1,288,858	2,076,459	8,789,273
Additions	-	-	1,134,606	127,427	1,262,033
Disposal	-	-	(130,000)	-	(130,000)
Reclassified to property, plant and equipment	-	-	(490,390)	-	(490,390)
Early termination of lease contracts	-	-	-	(284,125)	(284,125)
Expiration of lease contracts	-	-	-	(133,837)	(133,837)
At 30 April 2022	4,793,956	630,000	1,803,074	1,785,924	9,012,954
Additions	97,668	-	-	687,546	785,214
Reclassified to property, plant and equipment	-	-	(1,468,656)	-	(1,468,656)
Expiration of lease contracts	-	-	-	(654,806)	(654,806)
At 30 April 2023	4,891,624	630,000	334,418	1,818,664	7,674,706
Accumulated depreciation					
At 1 May 2021	668,116	-	926,625	986,572	2,581,313
Charge for the financial year	121,351	-	288,644	405,979	815,974
Disposal	-	-	(93,167)	-	(93,167)
Reclassified to property, plant and equipment	-	-	(490,390)	-	(490,390)
Early termination of lease contracts	-	-	-	(189,417)	(189,417)
Expiration of lease contracts	-	-	-	(133,837)	(133,837)
At 30 April 2022	789,467	-	631,712	1,069,297	2,490,476
Charge for the financial year	126,996	-	180,343	382,229	689,568
Reclassified to property, plant and equipment	-	-	(628,735)	-	(628,735)
Expiration of lease contracts	-	-	-	(654,806)	(654,806)
At 30 April 2023	916,463	-	183,320	796,720	1,896,503
Net carrying amount					
At 30 April 2023	3,975,161	630,000	151,098	1,021,944	5,778,203
At 30 April 2022	4,004,489	630,000	1,171,362	716,627	6,522,478

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. RIGHT-OF-USE ASSETS (CONT'D)

The cost and the net carrying amount of the leasehold land are not segregated from the building as required details are not available.

The strata title of the leasehold land and building with net carrying amount of RM630,000 (2022: RM630,000) has yet to be issued by relevant authorities.

Assets held under financial lease arrangements

The entire motor vehicles are held under finance lease arrangements and pledged as security for the related finance lease.

Assets pledged as securities to financial institutions

The net carrying amount of assets pledged as securities for bank borrowings are:-

	Group	
	<u>2023</u>	<u>2022</u>
	RM	RM
Leasehold land	2,397,345	2,455,018
Leasehold land and building	630,000	630,000
	3,027,345	3,085,018

6. INVESTMENT IN SUBSIDIARIES

	Company	
	<u>2023</u>	<u>2022</u>
	RM	RM
<u>Unquoted shares</u>		
At cost	20,005,000	20,000,000

Details of the subsidiaries are as follows:-

	Effective Interest		Principal Place of Business	Principal Activities
	<u>2023</u>	<u>2022</u>		
	%	%		
<i>Held by the Company:-</i>				
MHC Coldstorage Sdn. Bhd. ("MHC")	100	100	Malaysia	Processing and trading of frozen seafood products
MO Foodmart Sdn. Bhd. ("MO")	100	100	Malaysia	Trading of frozen seafood and other products
HGMC Holding Sdn. Bhd. ("HGMC")	100	100	Malaysia	Trading of frozen seafood and other products
More Distribution Sdn. Bhd. ("MD")	100	-	Malaysia	Dormant

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. INVESTMENT IN SUBSIDIARIES (CONT'D)

Incorporation of new subsidiary

2023

On 18 January 2023, the Company incorporated a wholly-owned subsidiary, More Distribution Sdn. Bhd. ("MD") with a paid-up capital of RM5,000.

7. FIXED DEPOSITS WITH LICENSED BANKS

Group

Fixed deposits with licensed banks amounted to RM17,626,560 (2022: RM9,859,422) have been pledged as collateral for credit facilities obtained from financial institutions.

The interest rates of fixed deposits with licensed banks are ranging from 1.60% to 2.95% (2022: 1.60% to 1.89%) per annum.

8. INVENTORIES

	Group	
	<u>2023</u>	<u>2022</u>
	RM	RM
Trading goods	7,605,990	11,623,366
<u>Recognised in profit or loss:-</u>		
Inventories recognised in cost of sales	431,801,848	294,778,046

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. TRADE RECEIVABLES

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Trade receivables	127,160,503	43,228,694
Less: Accumulated impairment losses		
Brought forward	(82,722)	(293,926)
Reversal	-	211,204
Carried forward	(82,722)	(82,722)
	127,077,781	43,145,972

The normal credit terms granted to customers ranging from cash on delivery to 120 days (2022: cash on delivery to 120 days).

10. OTHER RECEIVABLES

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Non-trade receivables	1,241,291	176,803	32,257	-
Advance to suppliers	200,733	56,886	-	-
Deposits	834,826	868,921	300	300
Prepayments	1,040,030	64,695	-	-
Subsidiary	-	-	37,300,000	-
	3,316,880	1,167,305	37,332,557	300
Less: Accumulated impairment losses				
Brought forward	-	(34,699)	-	-
Reversal	-	34,699	-	-
Carried forward	-	-	-	-
	3,316,880	1,167,305	37,332,557	300

Deposits of RM485,007 (2022: RM501,137) is pledged as securities for banking facilities granted to the Group.

The amount due from a subsidiary is unsecured, non-interest bearing and is repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. SHARE CAPITAL

	Group and Company			
	<u>2023</u> Unit	<u>2022</u> Unit	<u>2023</u> RM	<u>2022</u> RM
Issued and fully paid with no par value:-				
Brought forward	400,020,000	400,020,000	20,001,000	20,001,000
Issuance of shares	135,000,000	-	48,600,000	-
Share issuance expenses	-	-	(1,554,304)	-
Carried forward	535,020,000	400,020,000	67,046,696	20,001,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

12. MERGER DEFICIT

The merger deficit arise as and when the combination take place, it comprises the difference between the cost of merger and the share capital of subsidiaries, as disclosed in Note 3.1.2 to the financial statements.

13. BORROWINGS

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Non-current		
Secured:-		
Term loans	9,357,523	10,965,260
Current		
Secured:-		
Bank overdrafts	4,311,623	1,839,849
Term loans	2,196,770	2,470,093
Bankers' acceptance	56,688,181	26,377,284
Invoice financing	500,736	511,097
Revolving financing	4,458,114	4,423,207
Unsecured:-		
Bankers' acceptance	-	303,394
	68,155,424	35,924,924

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. BORROWINGS (CONT'D)

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Total borrowings		
Bank overdrafts	4,311,623	1,839,849
Term loans	11,554,293	13,435,353
Bankers' acceptance	56,688,181	26,680,678
Invoice financing	500,736	511,097
Revolving financing	4,458,114	4,423,207
	77,512,947	46,890,184

The borrowings are secured by the following:-

- (i) First party legal charge over the freehold land and buildings as disclosed in Note 4 to the financial statements;
- (ii) First party legal charge over the leasehold land and building as disclosed in Note 5 to the financial statements;
- (iii) Fixed deposits as disclosed in Note 7 to the financial statements;
- (iv) Debenture over fixed and floating, present and future assets of the Group;
- (v) Corporate guarantee by the Company and companies in which a Director has interest;
- (vi) Joint and several guarantee by a Director of the Group and an individual connected to a Director of the Company;
- (vii) Supplementary memorandum of deposit as disclosed in Note 10 to the financial statements; and
- (viii) Guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad and Credit Guarantee Corporation Malaysia Berhad.

	Group	
	<u>2023</u> %	<u>2022</u> %
Effective interest rates:-		
Bank overdrafts	7.20 - 10.85	6.20 - 10.20
Term loans	4.10 - 7.20	2.90 - 6.70
Bankers' acceptance	3.55 - 7.90	3.10 - 6.90
Invoice financing	6.58 - 6.77	4.99 - 5.00
Revolving financing	8.35	7.70

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. LEASE LIABILITIES

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Non-current	2,742,673	3,294,421
Current	469,972	562,096
	3,212,645	3,856,517

The Group has leased several assets including leasehold land and building, motor vehicles, leased outlets and office. Future minimum lease payments as at year end is as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Within 1 year	637,458	747,864
After 1 year but not later than 2 years	568,910	654,955
After 2 years but not later than 5 years	997,200	1,406,613
More than 5 years	2,638,125	2,784,000
Total undiscounted lease liabilities	4,841,693	5,593,432

The expenses relating to payments not included in the measurement of lease liabilities is as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Short-term leases	162,626	735,909
Low-value assets	553,824	138,376
	716,450	874,285

The total cash outflows for leases of the Group is RM2,329,831 (2022: RM1,794,448).

The effective interest rates of lease liabilities of the Group are charged at rates ranging from 3.93% to 6.88% (2022: 3.93% to 6.88%) per annum.

The lease liabilities of the Group are secured by the related underlying assets and against personal guarantee by a Director.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. PROVISION FOR RESTORATION COSTS

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Non-current	1,856,728	1,336,074

Provision for restoration costs comprise estimated costs of dismantle, removal or restoration of factory and leased outlets upon the expiry of tenancy agreements. The reconciliation of the provision for restoration costs is as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Brought forward	1,336,074	1,223,373
Recognised in property, plant and equipment	295,180	-
Recognised in profit or loss	225,474	112,701
Carried forward	1,856,728	1,336,074

16. DEFERRED TAX LIABILITIES

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Brought forward	272,000	264,000
Recognised in profit or loss	13,000	8,000
Carried forward	285,000	272,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. DEFERRED TAX LIABILITIES (CONT'D)

The components and movement of the Group's deferred tax assets/(liabilities) are as follows:-

	<u>Provision</u> RM	<u>Unutilised capital allowance</u> RM	<u>Contract liabilities</u> RM	<u>Property, plant and equipment</u> RM	<u>Right-of- use assets and lease liabilities</u> RM	<u>Total</u> RM
Group						
At 1 May 2021	-	65,000	29,000	(358,000)	-	(264,000)
Recognised in profit or loss	52,000	(65,000)	(29,000)	34,000	-	(8,000)
At 30 April 2022	52,000	-	-	(324,000)	-	(272,000)
Recognised in profit or loss	(44,000)	-	-	11,000	20,000	(13,000)
At 30 April 2023	8,000	-	-	(313,000)	20,000	(285,000)

Presented after appropriate offsetting as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Deferred tax assets (before offsetting)	(28,000)	(52,000)
Offsetting	28,000	52,000
Deferred tax assets (after offsetting)	-	-
Deferred tax liabilities (before offsetting)	313,000	324,000
Offsetting	(28,000)	(52,000)
Deferred tax liabilities (after offsetting)	285,000	272,000

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same authority.

17. TRADE PAYABLES

The credit terms granted by the suppliers ranging from cash on delivery to 90 days (2022: cash on delivery to 90 days).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. OTHER PAYABLES

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Subsidiaries	-	-	735,500	854,148
Non-trade payables	4,495,290	3,735,947	-	218,403
Advance from customers	92,518	-	-	-
Accruals	980,307	5,522,931	59,000	17,000
Deposit received	25,430	17,344	-	-
	5,593,545	9,276,222	794,500	1,089,551

The amount due to subsidiaries are unsecured, non-interest bearing and has no fixed term of repayment.

19. CONTRACT LIABILITIES

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Loyalty points program	-	-

Contract liabilities related to the loyalty points that are yet to be redeemed. The amount was recognised as revenue when the points were redeemed. The unredeemed loyalty points had no expiry date but the management expected the loyalty points will be fully redeemed by customers within 1 to 2 years based on their historical trend and experience.

The loyalty points program was terminated in 2022.

Movement of contract liabilities as at the end of each reporting year are as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Brought forward	-	120,440
Recognised during the financial year	-	(74,470)
Lapsed during the financial year	-	(45,970)
Carried forward	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

20. REVENUE

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Revenue recognised at a point in time:-		
- Sales of frozen seafood and other products	502,604,992	349,143,996
Primary geographical market:-		
- Malaysia	260,814,411	149,395,401
- Saudi Arabia	10,372,815	42,728,825
- China	229,805,463	154,339,209
- United Arab Emirates	877,648	2,680,561
- Indonesia	429,241	-
- Singapore	305,414	-
	502,604,992	349,143,996

21. FINANCE COSTS

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Lease liabilities	204,295	218,191
Bankers' acceptance	1,230,815	1,141,514
Bank guarantee	393,911	82,300
Bank overdrafts	212,744	99,940
Invoice financing	36,912	18,534
Term loans	649,388	720,289
Restoration costs	225,474	112,701
Revolving financing	381,674	267,739
	3,335,213	2,661,208

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax has been determined after charging/(crediting), amongst other items, the following:-

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Auditors' remuneration				
- Statutory audit	187,000	158,000	27,000	15,000
- Others	31,000	33,000	11,000	4,000
Interest income:				
- Current accounts	(258,729)	(2,178)	(253,914)	-
- Fixed deposits	(216,478)	(215,728)	-	-
Realised loss/ (gain) on foreign exchange	340,409	(2,787,024)	-	-

23. TAX EXPENSE

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Current tax				
- Current year	545,912	180,498	60,939	-
- Under/(Over) provision in prior financial year	75,851	(5,056)	-	-
	621,763	175,442	60,939	-
Deferred tax				
- Current year	13,000	75,000	-	-
- Over recognised in prior financial year	-	(67,000)	-	-
	13,000	8,000	-	-
Total	634,763	183,442	60,939	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. TAX EXPENSE (CONT'D)

Malaysian income tax is calculated at the statutory tax rate of 24% of the estimated taxable profits for the financial year. The numerical reconciliation between effective tax rate and the statutory tax rate of the Group and of the Company are as follows:-

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Profit/(Loss) before tax	37,467,943	21,294,764	(1,839,831)	(909,455)
Tax at Malaysian statutory tax rate of 24%	8,992,306	5,110,743	(441,559)	(218,269)
Tax effects in respect of:-				
Income exempted under pioneer status	(10,225,009)	(5,706,224)	-	-
Income exempted under tax incentive	(217,553)	(143,400)	-	-
Expenses not deductible for tax purposes	2,009,168	999,722	502,498	218,269
Income not subject to tax	-	(5,343)	-	-
Under/(Over) provision of tax expense in prior financial year	75,851	(5,056)	-	-
Over recognised of deferred tax liabilities in prior financial year	-	(67,000)	-	-
	634,763	183,442	60,939	-

On 14 December 2017, the Malaysian Investment Development Authority had granted MHC 100% income tax exemption on statutory income derived from approved business, pursuant to the Income Tax (exemption) (No. 6) 2016/P.U. (A) 159/2016 for a period of 10 years commencing from year of assessment from 2018 to 2027.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. EARNINGS PER SHARE

Group

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	<u>2023</u> RM	<u>2022</u> RM
Profit attributable to owners of the Company (RM)	36,883,180	21,111,322
Weighted average number of ordinary shares	481,389,863	400,020,000
Basic earnings per share (sen)	7.65	5.28

(b) Diluted earnings per share

The earnings per share equals basic earnings per share as there were no dilutive potential equity instruments in issue that gave diluted effect to the earnings per share.

25. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
<u>Staffs' remuneration</u>				
Salaries, wages and other emoluments	2,818,888	3,212,864	-	-
Defined contribution plan	206,687	186,640	-	-
Social security contribution	40,623	26,906	-	-
Employment insurance scheme	4,148	3,126	-	-
Total	3,070,346	3,429,536	-	-
<u>Directors' remuneration</u>				
Salaries and other emoluments	732,900	1,516,960	6,000	-
Directors' fees	112,000	-	112,000	-
Defined contribution plan	243,805	32,079	-	-
Social security contribution	1,772	1,103	-	-
Employment insurance scheme	203	127	-	-
Total	1,090,680	1,550,269	118,000	-
Grand total	4,161,026	4,979,805	118,000	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. RELATED PARTY DISCLOSURES

- (a) There were no significant related party transactions other than those disclosed elsewhere in the financial statements during the current and previous financial year.
- (b) The outstanding balances arising from related party transactions as at the reporting date are disclosed in Notes 10 and 18 to the financial statements.
- (c) Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group.

Key management includes all the Directors and certain members of senior management of the Group. The remuneration of the Board of Directors are disclosed in Note 25 to the financial statements.

The remuneration of key management personnel other than the Board of Directors are as follows:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Salaries and other emoluments	353,835	585,875
Defined contribution plan	39,234	28,508
Social security contribution	2,389	2,486
Employment insurance scheme	273	285
	395,731	617,154

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS

27.1 Categories of Financial Instruments

The table below provides an analysis of financial instruments measured at amortised cost.

	Group		Company	
	<u>2023</u> RM	<u>2022</u> RM	<u>2023</u> RM	<u>2022</u> RM
Financial assets				
Trade receivables	127,077,781	43,145,972	-	-
Other receivables	2,276,850	1,102,610	37,332,557	300
Fixed deposits with licensed banks	27,802,580	9,860,422	-	-
Cash and bank balances	59,653,357	45,525,551	7,574,557	1,000
	216,810,568	99,634,555	44,907,114	1,300
Financial liabilities				
Trade payables	6,104,699	3,686,941	-	-
Other payables	5,593,545	9,276,222	794,500	1,089,551
Borrowings	77,512,947	46,890,184	-	-
Lease liabilities	3,212,645	3,856,517	-	-
	92,423,836	63,709,864	794,500	1,089,551

27.2 Financial Risk Management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The Group and the Company have established policies and procedures to ensure effective management of credit risk, liquidity risk, interest rate risk and foreign currency risk.

The following sections explain key risks faced by the Group, the Company and their management.

27.2.1 Credit Risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group's and the Company's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.1 Credit Risk (Cont'd)

It is the Group's and the Company's policy to enter into financial instruments with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses on their financial assets or other financial instruments.

It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group and the Company do not offer credit terms without the approval of the management.

The areas where the Group and the Company are exposed to credit risk are as follows:-

Trade Receivables

Trade receivables are monitored on an ongoing basis to mitigate risk of bad debts. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management.

An impairment analysis performed at each reporting date using provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.1 Credit Risk (Cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows (Cont'd):-

Trade Receivables (Cont'd)

The following table provides information about the credit risk exposure on the Group's trade receivables using provision matrix:-

	Gross carrying <u>amount</u> RM	Expected <u>credit loss</u> RM	Net carrying <u>amount</u> RM
Group			
2023			
Not past due	124,959,874	-	124,959,874
Past due 1 to 30 days	624,670	-	624,670
Past due 31 to 60 days	300,164	-	300,164
Past due 61 to 90 days	7,063	-	7,063
Past due 91 to 120 days	8,515	-	8,515
Past due more than 120 days	1,260,217	(82,722)	1,177,495
	127,160,503	(82,722)	127,077,781
2022			
Not past due	37,988,526	-	37,988,526
Past due 1 to 30 days	1,406,265	-	1,406,265
Past due 31 to 60 days	739,032	-	739,032
Past due 61 to 90 days	2,546,018	-	2,546,018
Past due 91 to 120 days	496,207	(30,076)	466,131
Past due more than 120 days	52,646	(52,646)	-
	43,228,694	(82,722)	43,145,972

Trade receivables that are neither past due nor impaired are credit worthy debtors with good payment records with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

None of the Group's financial assets are secured by collateral or other credit enhancements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.1 Credit Risk (Cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows (Cont'd):-

Trade Receivables (Cont'd)

The credit risk concentration profile of the Group as at the reporting date is as follows:-

	Group		Group	
	<u>2023</u> RM	%	<u>2022</u> RM	%
Malaysia				
Top Nil (2021: 1) customer	-	-	10,022,862	23
China				
Top 2 (2022: 2) customers	87,158,771	69	18,518,527	43

Other Receivables

The maximum exposure of credit risk of sundry receivables and deposits is represented by their carrying amounts stated in the financial statements. The Company provides advances to a subsidiary and monitor its results regularly.

As at the reporting date, there is no indication that the advances to the subsidiary are not recoverable.

Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings.

Performance Bond

Performance bond requires the Group to make payments to third parties in the event that the Group does not perform in according to the terms of any related contracts. The maximum exposure to credit risk amounted to RM300,000 (2022: RM300,000).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.1 Credit Risk (Cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows (Cont'd):-

Financial Guarantees

The Company provides unsecured financial guarantees to licensed banks for banking facilities granted to subsidiaries. The maximum exposure to credit risk of the Company as at the reporting date is RM75,568,533 (2022: RM7,422,379), representing the outstanding banking facilities utilised by the said subsidiaries as at the reporting date.

The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries. As at the reporting date, there was no indication that the said subsidiaries would default on repayment. The Directors considered that the fair value of the financial guarantee contracts on initial recognition is insignificant.

27.2.2 Liquidity Risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due, due to shortage of funds.

In managing its exposures to liquidity risk that arises principally from their various payables, loans and borrowings, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible that they will have sufficient liquidity to meet its liabilities as and when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.2 Liquidity Risk (Cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows:-

	Carrying amount	Contractual cash flow	Maturity			
			Less than 1 year	Between 1 to 2 years	Between 2 to 5 years	More than 5 years
	RM	RM	RM	RM	RM	RM
Group						
2023						
Trade payables	6,104,699	6,104,699	6,104,699	-	-	-
Other payables	5,593,545	5,593,545	5,593,545	-	-	-
Borrowings	77,512,947	78,938,235	68,705,178	2,646,328	6,357,509	1,229,220
Lease liabilities	3,212,645	4,841,693	637,458	568,910	997,200	2,638,125
	92,423,836	95,478,172	81,040,880	3,215,238	7,354,709	3,867,345
Performance bond*	300,000	300,000	300,000	-	-	-
2022						
Trade payables	3,686,941	3,686,941	3,686,941	-	-	-
Other payables	9,276,222	9,276,222	9,276,222	-	-	-
Borrowings	46,890,184	48,806,391	36,567,439	2,563,409	8,591,805	1,083,738
Lease liabilities	3,856,517	5,593,432	747,864	654,955	1,406,613	2,784,000
	63,709,864	67,362,986	50,278,466	3,218,364	9,998,418	3,867,738
Performance bond*	300,000	300,000	300,000	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.2 Liquidity Risk (Cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations is as follows (Cont'd):-

	Carrying amount RM	Contractual cash flow RM	← Maturity →			
			Less than 1 year RM	Between 1 to 2 years RM	Between 2 to 5 years RM	More than 5 years RM
Company						
2023						
Other payables	794,500	794,500	794,500	-	-	-
Financial guarantees*	-	75,568,533	75,568,533	-	-	-
2022						
Other payables	1,089,551	1,089,551	1,089,551	-	-	-
Financial guarantees*	-	7,422,379	7,422,379	-	-	-

* This exposure is included in liquidity risk for illustration only. No performance bond or financial guarantees were called upon by the holders as at the end of the reporting year.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of financial liabilities at the reporting date.

27.2.3 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate instruments are exposed to the risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group targets a mix of fixed and floating debts based on assessment of its existing exposure and desired interest rate profile.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.3 Interest Rate Risk (Cont'd)

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

	Group	
	2023 RM	2022 RM
Fixed rate instruments		
<u>Financial asset</u>		
Fixed deposits with licensed banks	27,802,580	9,860,422
<u>Financial liabilities</u>		
Lease liabilities	(3,212,645)	(3,856,517)
Bankers' acceptance	(56,688,181)	(26,680,678)
Invoice financing	(500,736)	(511,097)
Revolving financing	(4,458,114)	(4,423,207)
	(64,859,676)	(35,471,499)
	(37,057,096)	(25,611,077)
Floating rate instruments		
<u>Financial liabilities</u>		
Bank overdrafts	(4,311,623)	(1,839,849)
Term loans	(11,554,293)	(13,435,353)
	(15,865,916)	(15,275,202)

Fair Value Sensitivity Analysis for Fixed Rate Instruments

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.3 Interest Rate Risk (Cont'd)

Cash Flow Sensitivity Analysis for Variable Rate Instruments

The following table illustrates the sensitivity of profit/equity to a reasonably possible change in interest rate of +/-50 (2022: +/-50) basis points ("bp"). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that is sensitive to changes in interest rate. All other variables are held constant.

	Impact on profit/equity (Decrease)/Increase	
	+50bp RM	-50bp RM
Group		
2023	(79,330)	79,330
2022	(76,376)	76,376

27.2.4 Foreign Currency Risk

The Group is exposed to foreign currency risk as a result of their normal operating activities, where the currency denomination differs from the local currency, Ringgit Malaysia ("RM"). The Group's policy is to keep the foreign exchange exposure to an acceptable level.

The Group is exposed to transactional currency risk primarily through trade receivables, other receivables, cash and bank balances and other payables that are denominated in a currency other than the functional currency to which they related. The currency giving rise to this risk is primarily United States Dollar ("USD") and Chinese Yuan ("CNY").

Foreign currency denominated financial assets which expose the Group to currency risk are disclosed below. The amount shown is those reported to key management translated into RM at the closing rate:-

	Group	
	2023 RM	2022 RM
<u>Denominated in USD</u>		
Trade receivables	102,196,872	19,172,854
Fixed deposits with a licensed bank	4,576,210	-
Cash and bank balances	622,520	33,665
Other payables	-	(32,390)
Borrowings	(3,166,105)	-
	104,229,497	19,174,129

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.2 Financial Risk Management (Cont'd)

27.2.4 Foreign Currency Risk (Cont'd)

Foreign currency denominated financial assets which expose the Group to currency risk are disclosed below. The amount shown is those reported to key management translated into RM at the closing rate (cont'd):-

	Group	
	2023 RM	2022 RM
<u>Denominated in CNY</u>		
Trade receivables	6,094,688	-
Other payables	(174,108)	-
Borrowings	(3,543,832)	-
	2,376,748	-

Foreign Currency Sensitivity Analysis

The following table illustrates the sensitivity of profit with regards to the Group's financial assets and financial liabilities and the RM/USD and RM/CNY exchange rate (2022: RM/USD) assuming all other things being equal.

A +/-1% (2022: +/-1%) change in the RM/USD and RM/CNY exchange rate at the reporting is deemed possible. Both of these percentages have been determined based on average market volatility in exchange rates in the previous 12 months.

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date that offset effects from changes in currency exchange rates. If the RM had strengthened/weakened against the USD and CNY, then the impact would be as follows:-

	Impact on profit/equity Increase/(Decrease)	
	+1% RM	-1% RM
<u>RM/USD</u>		
2023	1,042,295	(1,042,295)
2022	191,741	(191,741)
<u>RM/CNY</u>		
2023	23,767	(23,767)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

27.3 Fair Value of Financial Instruments

The carrying amounts of financial assets and financial liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date or immaterial discounting impact.

27.4 Fair Value Hierarchy

No fair value hierarchy has been disclosed as the Group and the Company do not have financial instruments measured at fair value.

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	<u>1.5.2022</u>	Recognition of right-of- use assets	Rent concessions	Cash flows	<u>30.4.2023</u>
	RM	RM	RM	RM	RM
Group					
Lease liabilities	3,856,517	785,214	(20,000)	(1,409,086)	3,212,645
Term loans	13,435,353	-	-	(1,881,060)	11,554,293

	<u>1.5.2021</u>	Recognition of right-of- use assets	Early termination	Rent concessions	Cash flows	<u>30.4.2022</u>
	RM	RM	RM	RM	RM	RM
Group						
Lease liabilities	3,649,842	1,101,427	(116,972)	(75,808)	(701,972)	3,856,517
Term loans	15,721,195	-	-	-	(2,285,842)	13,435,353

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. SEGMENTAL INFORMATION

Business Segments

For management purposes, the Group is organised into two major business units based on their products and services, which comprises the following:-

Business segments	Business activities
Processing and trading of frozen seafood products	: Processing and trading of frozen seafood products.
Trading of other products	: Trading of other products including meat and non-meat products.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

The 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 financial statements.

	Note	Processing and trading of frozen seafood products RM	Trading of other products RM	Adjustments RM	Total RM
2023					
Revenue					
External revenue		471,873,535	30,731,457	-	502,604,992
Inter-segment revenue	(a)	21,484,350	10,572,457	(32,056,807)	-
Total revenue		493,357,885	41,303,914	(32,056,807)	502,604,992
Results*					
Finance income					475,207
Finance costs					(3,335,213)
Depreciation of property, plant and equipment					1,984,161
Depreciation of right-of-use assets					689,568
Other non-cash expenses	(b)				(257,988)
Tax expense					(634,763)
Segment profit	(c)				39,693,186

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. SEGMENTAL INFORMATION (CONT'D)

Business Segments (Cont'd)

	<u>Note</u>	Processing and trading of frozen seafood <u>products</u> RM	Trading of other <u>products</u> RM	<u>Adjustments</u> RM	<u>Total</u> RM
2023					
Assets					
Additions to non-current assets other than deferred tax assets	(d)				1,818,162
Segment assets	(e)				251,551,111
Liabilities					
Segment liabilities	(f)				13,554,972

* The breakdown of segment results between processing and trading of frozen seafood products and trading of other products are not available.

2022

Revenue

External revenue		321,500,058	27,643,938	-	349,143,996
Inter-segment revenue	(a)	24,479,064	9,296,653	(33,775,717)	-
Total revenue		345,979,122	36,940,591	(33,775,717)	349,143,996

Results*

Finance income					217,906
Finance costs					(2,661,208)
Depreciation of property, plant and equipment					(1,873,653)
Depreciation of right-of-use assets					(815,974)
Other non-cash expenses	(b)				447,891
Tax expense					(183,442)
Segment profit	(c)				23,554,624

Assets

Additions to non-current assets other than deferred tax assets	(d)				1,501,501
Segment assets	(e)				138,326,835

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. SEGMENTAL INFORMATION (CONT'D)

Business Segments (Cont'd)

	<u>Note</u>	Processing and trading of frozen seafood products RM	Trading of other products RM	<u>Adjustments</u> RM	<u>Total</u> RM
Liabilities					
Segment liabilities	(f)				14,299,237

* The breakdown of segment results between processing and trading of frozen seafood products and trading of other products are not available.

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- (a) Inter-segment revenue is eliminated on consolidation.
- (b) Other non-cash income/(expenses) consist of the following items as presented in the respective notes to the financial statements:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Bad debts written off	(633,428)	(38,893)
Gain on early termination on leases	-	22,264
Impairment gain of financial assets, net	-	245,903
Property, plant and equipment written off	(54,129)	-
Rent concessions	20,000	75,808
Unrealised gain on foreign exchange	409,569	142,809
	(257,988)	447,891

- (c) The following items are added to/(deducted from) segment profit to arrive at "Profit after tax" presented in the statements of profit or loss and other comprehensive income:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Segment profit	39,693,186	23,554,624
Finance income	475,207	217,906
Finance costs	(3,335,213)	(2,661,208)
Profit after tax	36,833,180	21,111,322

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. SEGMENTAL INFORMATION (CONT'D)

Business Segments (Cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the financial statements (Cont'd):-

(d) Additions to non-current assets other than financial instruments and deferred tax assets consist of:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Property, plant and equipment	1,032,948	239,468
Right-of-use assets	785,214	1,262,033
	1,818,162	1,501,501

(e) The following items are added to segment assets to arrive at total assets reported in the statements of financial position:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Segment assets	251,551,111	138,326,835
Tax recoverable	333,762	330,616
Total assets	251,884,873	138,657,451

(f) The following items are added to segment liabilities to arrive at total liabilities reported in the statements of financial position:-

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Segment liabilities	13,554,972	14,299,237
Deferred tax liabilities	285,000	272,000
Lease liabilities	3,212,645	3,856,517
Borrowings	77,512,947	46,890,184
Tax payable	109,697	8,777
Total liabilities	94,675,261	65,326,715

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. SEGMENTAL INFORMATION (CONT'D)

Geographical Information

Revenue information based on the geographical location of the customers is disclosed in Note 20 to the financial statements.

In presenting information on the basis on geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The amount of non-current assets does not include financial instruments.

Non-current assets information based on the geographical location of assets are as follow:

	Group	
	<u>2023</u> RM	<u>2022</u> RM
Malaysia	43,721,083	36,863,641

Information about Major Customers

The followings are major customers with revenue equal or more than 10% of the Group's total revenue:-

Under processing and trading of frozen seafood products segment

	Group Revenue	
	<u>2023</u> RM	<u>2022</u> RM
Customer A	104,394,865	53,795,707
Customer B	89,916,414	45,846,362
Customer C	86,615,052	37,334,880
	280,926,331	136,976,949

30. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support the business and maximise shareholders' value.

The Group and the Company manage their capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders, sell assets to reduce debt or issue new share capital. No changes were made in the objective, policies or processes during the financial years.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

31. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT TO THE REPORTING PERIOD

- (a) On 24 March 2023, the Company started the process of incorporating a new subsidiary in Indonesia, PT MCI International Indonesia Pte Ltd with an intended paid-up capital of IDR9,500,000,000 (equivalent to approximately RM2,736,000). As at the reporting date and date of authorisation of the financial statements, the process of incorporation has not been completed.
- (b) On 12 April 2023, the Company started the process of incorporating a new subsidiary in Indonesia, PT Resources International Group Pte Ltd with an intended paid-up capital of IDR9,500,000,000 (equivalent to approximately RM2,821,500). As at the reporting date and date of authorisation of the financial statements, the process of incorporation has not been completed.
- (c) On 7 June 2023, the Company had incorporated a wholly-owned subsidiary in China, Fujian Hongjiasheng International Holdings Co., Ltd with a paid-up capital of CNY999,870 (equivalent to approximately RM639,500).

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 74 to 135 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 April 2023 and of their financial performance and their cash flows for the financial year then ended.

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

.....
HENG CHANG HOOI

25 August 2023

.....
**TAN SRI DATO' DR. SYED JALALUDIN
BIN SYED SALIM**

STATUTORY DECLARATION

I, Lai Ji Hwa, being the Officer primarily responsible for the financial management of PT Resources Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 74 to 135 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in)
the Federal Territory this day of)
25 August 2023)

.....
LAI JI HWA
(MIA No.: 51152)

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PT RESOURCES HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PT Resources Holdings Berhad, which comprise the statements of financial position as at 30 April 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 74 to 135.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2023, 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 Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Impairment of trade receivables

The risk

Impairment of trade receivables is a key audit matter due to the involvement of significant management judgements and estimates in the assessment of credit risk exposures and collectability of trade receivables. These estimates and judgements impact management's assessment of Expected Credit Losses and thus the quantum of impairment required which may vary due to changes in circumstances from year to year.

The Group's disclosures regarding trade receivables are included in Notes 3.4, 9 and 27 to the financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PT RESOURCES HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

(CONT'D)

Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matters (Cont'd)

Impairment of trade receivables (Cont'd)

Our response

Our procedures included, amongst others, evaluating management's assessment of Expected Credit Losses by taking into consideration if there is any indication of significant financial difficulty of these receivables and if there is any default or delinquency in the repayment by debtors. We have also reviewed the ageing analysis of trade receivables and tested the reliability thereof and assessed the recoverability of the overdue trade receivables through examination of cash receipts subsequent to the year end. We reviewed managements' key inputs and forward looking information used in the Expected Credit Losses model.

Revenue recognition

The risk

Revenue generated is regarded as a key audit matter because the amount of revenue is significant to the financial statements of the Group as a whole.

Furthermore, ISA 240 requires that we consider the risk of fraud arising in revenue recognition. Whilst revenue recognition is not complex for the Group, revenue forms part of the Group's key performance indicators which are considered by investors and analysts and this could create an incentive to overstate revenue.

Our response

Our procedures included, amongst others, obtaining an understanding on the design and implementation of the Group's control over revenue recognition. We have performed substantive tests on a sampling basis to verify revenue recognised, performed analytical procedures on revenue recognised to identify any unusual fluctuations; and performed cut-off tests around the financial year end to check whether revenue is recognised in the correct accounting period. The Group's disclosures regarding revenue recognition are included in Notes 3.15 and 20 to the Financial Statements.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PT RESOURCES HOLDINGS BERHAD (INCORPORATED IN MALAYSIA) (CONT'D)

Report on the Audit of the Financial Statements (Cont'd)

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.
- 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 and the Company to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PT RESOURCES HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)

(CONT'D)

Report on the Audit of the Financial Statements (Cont'd)

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

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 (cont'd):-

- 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance 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, related safeguards.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PT RESOURCES HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)

(CONT'D)

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.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

Kuala Lumpur
25 August 2023

ALEX KINGSLEY CHUA
(NO: 03629/12/2023 J)
CHARTERED ACCOUNTANT

LIST OF PROPERTIES

No.	Title / Postal address	Description / Existing use	Tenure	Land area / Built-up area	Estimated Age of Building	Date of Acquisition	NBV as at 30 Apr 2023 RM'000
1.	<p>Title GM 38140, Lot 162943, Batu 6½ Jalan Gambang, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang</p> <p>Postal address B22, Lorong Seri Damai Perdana 57, Jalan Gambang, 25150 Kuantan, Pahang</p>	<p>Description 3-storey shop office</p> <p>Existing use Ground floor: Retail outlet</p> <p>1st and 2nd floors: Workers' accommodation</p>	Freehold	<p>Land area 130 sqm</p> <p>Built-up area 376.26 sqm</p>	8 years	23 Jul 2015	999
2.	<p>Title GM 38141, Lot 162944, Batu 6½ Jalan Gambang, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang</p> <p>Postal address B24, Lorong Seri Damai Perdana 57, Jalan Gambang, 25150 Kuantan, Pahang</p>	<p>Description 3 storey shop office</p> <p>Existing use Ground floor: Retail outlet</p> <p>1st floor: Vacant</p> <p>2nd floor: Vacant</p>	Freehold	<p>Land area 130 sqm</p> <p>Built-up area 376.26 sqm</p>	8 years	23 Jul 2015	999
3.	<p>Title PM 31091, Lot 150651, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang</p> <p>Postal address Not applicable</p>	<p>Description Vacant land</p> <p>Existing use Not in use</p>	60-year lease expiring on 16 March 2068	<p>Land area 4,464 sqm</p> <p>Built-up area Not applicable</p>	Not applicable	5 Sep 2014	2,397

LIST OF PROPERTIES (CONT'D)

No.	Title / Postal address	Description / Existing use	Tenure	Land area / Built-up area	Estimated Age of Building	Date of Acquisition	NBV as at 30 Apr 2023 RM'000
4.	Title HSD 57483, PT 120930, Mukim Kuala Kuantan, Daerah Kuantan, Negeri Pahang	Description Vacant land Existing use Not in use	99-year lease expiring on 23 September 2117	Land area 152.4 sqm Built-up area 457.4 sqm	Not applicable	29 Aug 2018	630
	Postal address B50, Jalan Biz Park Utama, Kuantan Biz Park, 25100 Kuantan, Pahang						

ANALYSIS OF SHAREHOLDINGS

AS AT 28 JULY 2023

Total Number of Issued Shares : 535,020,000 ordinary shares
Class of Shares : Ordinary shares
Voting Rights : One (1) vote for every ordinary share held

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100 shares	5	0.17	12	*
100 - 1,000 shares	256	8.53	164,588	0.03
1,001 - 10,000 shares	1,351	45.00	8,504,700	1.59
10,001 - 100,000 shares	1,170	38.97	42,548,400	7.95
100,001 - less than 5% of the issued shares	218	7.26	110,183,300	20.59
5% and above of the issued shares	2	0.07	373,619,000	69.83
Total	3,002	100.00	535,020,000	100.00

* Negligible

DIRECTORS' SHAREHOLDINGS

(As per the Register of Directors' Shareholdings)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Tan Sri Dato' Dr. Syed Jalaludin Bin Syed Salim	150,000	0.03	-	-
Heng Chang Hooi	373,619,000	69.83	-	-
Mohd Rofzan Bin Mohd Latiff	50,000	0.01	-	-
Dato' Asmuni Bin Sudin	100,000	0.02	-	-
Chan Foong Ping	100,000	0.02	-	-
Steven Wong Chin Fung	100,000	0.02	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(As per the Register of Substantial Shareholders)

Substantial Shareholder	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Heng Chang Hooi	373,619,000	69.83	-	-

ANALYSIS OF SHAREHOLDINGS AS AT 28 JULY 2023 (CONT'D)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 28 JULY 2023

(without aggregating securities from different securities accounts belonging to the same person)

No.	Name of Shareholders	No. of Shares	%
1	Heng Chang Hooi	322,469,000	60.27
2	Heng Chang Hooi	51,150,000	9.56
3	Yeoh Yew Choo	9,153,400	1.71
4	Ronie Tan Choo Seng	6,000,000	1.12
5	Ronie Tan Choo Seng	4,500,000	0.84
6	Ronie Tan Choo Seng	4,000,000	0.75
7	Tan Choo Teck	4,000,000	0.75
8	Tan Tian Wooi	3,300,000	0.62
9	CGS-CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ronie Tan Choo Seng</i>	3,070,000	0.57
10	CGS-CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tay Moy Koh (SEGAMAT-CL)</i>	2,978,100	0.56
11	Shin Kao Jack	2,676,000	0.50
12	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Sia Boon Huat</i>	2,251,500	0.42
13	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Kah Soon</i>	1,640,000	0.31
14	Universal Trustee (Malaysia) Berhad <i>KAF Core Income Fund</i>	1,637,300	0.31
15	Tay Moy Koh	1,624,700	0.30
16	KAF Trustee Berhad <i>KIFB for FOR Felda A/C A2</i>	1,500,000	0.28
17	Fong Yoon Ling	1,450,000	0.27
18	Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakutan Trade Sdn Bhd for Chia Hock Seng</i>	1,247,600	0.23
19	Ng Siok Khing @ Ng Sook Keng	1,100,000	0.21
20	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Yat Teng (E-SJA)</i>	1,100,000	0.21

ANALYSIS OF SHAREHOLDINGS

AS AT 28 JULY 2023

(CONT'D)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS AS AT 28 JULY 2023 (CONT'D)

(without aggregating securities from different securities accounts belonging to the same person)

No.	Name of Shareholders	No. of Shares	%
21	KAF Trustee Berhad <i>KIFB for Felda A/C A</i>	1,062,700	0.20
22	HSBC Nominees (Asing) Sdn Bhd <i>J.P. Morgan Securities PLC</i>	1,040,600	0.19
23	Leong Yuet May	1,000,000	0.19
24	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Choon Soo (E-BBB)</i>	1,000,000	0.19
25	Tan Kew Chai	1,000,000	0.19
26	Teoh Denho	985,000	0.18
27	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tew Boon Han (7008384)</i>	900,000	0.17
28	Cheah Chor Kooi	870,000	0.16
29	Maybank Nominees (Tempatan) Sdn Bhd <i>MTrustee Berhad for Ethereal Capital Sdn Bhd (Growth Fund) (445788)</i>	849,000	0.16
30	Maybank Nominees (Tempatan) Sdn Bhd <i>MTrustee Berhad for Ethereal Capital Sdn Bhd (NSK Fund) (445734)</i>	830,400	0.16



PT RESOURCES HOLDINGS BERHAD
201901032139 (1341469-P)
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the Fourth Annual General Meeting (“4th AGM” or “Meeting”) of PT RESOURCES HOLDINGS BERHAD (“the Company”) will be held at Concorde Hotel Kuala Lumpur, Concorde Ballroom, Lobby, 2 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Thursday, 26 October 2023 at 10:00 a.m. or at any adjournment thereof, to transact the following businesses:-

A G E N D A

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 April 2023 together with the Reports of the Directors and Auditors thereon.
2. To approve the payment of Directors’ fees and benefits of up to RM239,000.00 for the period commencing from the date immediately after this 4th AGM until the next Annual General Meeting (“AGM”) of the Company.
3. To re-elect the following Directors who retire by rotation pursuant to Clause 89 of the Company’s Constitution:
 - i. Mr. Heng Chang Hooi; and
 - ii. En. Mohd Rofzan Bin Mohd Latiff
4. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

*Please refer to
Explanatory Note 1
Ordinary Resolution 1*

*Ordinary Resolution 2
Ordinary Resolution 3
Ordinary Resolution 4*

AS SPECIAL BUSINESS:

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

5. **GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”)**

Ordinary Resolution 5

“THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“Shares”) to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time (“Mandate”) AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company held next 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 the earlier.

THAT pursuant to Section 85 of the Act read together with the Company’s Constitution, approval be given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company AND THAT the Board of Directors is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the issuance and allotment of new Shares pursuant to the Mandate.

AND FURTHER THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

NOTICE OF THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

6. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

Special Resolution

“THAT the proposed amendments to the Constitution of the Company as set out in “Appendix A”, be approved and adopted with immediate effect AND THAT the Directors and/or Secretaries of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said proposed amendments for and on behalf of the Company.”

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

By order of the Board

TEA SOR HUA (MACS 01324) (SSM PC No.: 201908001272)
WINNIE GOH KAH MUN (MAICSA 7068836) (SSM PC No.: 202308000205)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
30 August 2023

Notes:

- a) *A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend 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.*
- b) *A proxy may, but need not, be a member of the Company. 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.*
- c) *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- d) *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.*
- e) *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.*
- f) *To be valid, the instrument appointing a proxy may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:*
 - (i) *In Hardcopy Form*
The proxy form shall be deposited at the Share Registrar’s office, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (ii) *By Electronic Means*
The proxy form shall be electronically lodged via Boardroom Smart Investor Portal (“BSIP”) at <https://investor.boardroomlimited.com>. Kindly refer to the Administrative Notes on the procedures for the electronic lodgement of the proxy form via BSIP.
- g) *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 65(b) of the Company’s Constitution to issue a General Meeting Record of Depositors as at 19 October 2023. Only members whose names appear in the General Meeting Record of Depositors as at 19 October 2023 shall be regarded as members and entitled to attend, speak and vote at the Meeting.*

NOTICE OF THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

- h) *All the resolutions set out in this Notice of Meeting will be put to vote by poll.*
- i) *The members are advised to refer to the Administrative Notes on the registration process for the Meeting.*
- j) *Given the constantly evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our Meeting at short notice. Kindly check Bursa Securities' and the Company's corporate website at www.ptresourcesgroup.com.my for the latest updates on the status of the Meeting.*

EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 30 April 2023

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

2. Item 2 of the Agenda – Directors' Fees and Benefits

The estimated Directors' fees and benefits were calculated based on the current Board size and the number of scheduled Board and Committee meetings to be held. This resolution is to facilitate payment of Directors' fees and benefits for the period from 27 October 2023 until the next AGM of the Company to be held in the year 2024. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for such shortfall.

3. Item 3 of the Agenda – Re-election of Directors

Clause 89 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. Hence, two (2) out of six (6) Directors of the Company are to retire pursuant to Clause 89 of the Company's Constitution.

Mr. Heng Chang Hooi and En. Mohd Rofzan Bin Mohd Latiff ("Retiring Directors") who were appointed to the Board on 6 September 2019 and 11 November 2020 respectively, will retire and being eligible, have offered themselves for re-election at the 4th AGM pursuant to Clause 89 of the Company's Constitution.

The Board has endorsed the Nomination and Remuneration Committee's recommendation to seek shareholders' approval to re-elect the Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board's effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the Retiring Directors are provided in the Directors' Profile on pages 13 and 15 of the Company's Annual Report 2023.

NOTICE OF THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

4. **Item 5 of the Agenda – General Authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act**

The Company had at its Third AGM held on 15 September 2022 (“3rd 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 to such persons, at any time, and upon such terms and conditions and for such purposes 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 of time.

The Ordinary Resolution 5 proposed under item 5 of the Agenda, is a renewal of the general mandate for issuance and allotment of shares by the Company pursuant to Sections 75 and 76 of the Act. This Ordinary Resolution, if passed, will empower the Directors to issue and allot new Shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This would avoid any delay and cost involved in convening a general meeting to approve such an issue of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This general mandate will provide flexibility to the Company for issuance and allotment of shares for any possible fund raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s).

Pursuant to Section 85 of the Act and the Company’s Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company. This Ordinary Resolution 5, if passed, will exclude the shareholders’ pre-emptive right to be offered new shares to be issued by the Company.

As at the date of this Notice, no new shares in the Company were issued and allotted pursuant to the mandate granted to the Directors at the 3rd AGM which will lapse at the conclusion of the 4th AGM.

5. **Item 6 of the Agenda – Proposed Amendments to the Constitution of the Company (“Proposed Amendments”)**

The Proposed Amendments are mainly to streamline the Constitution with the relevant regulatory requirements as well as to enhance administrative efficiency.

The Proposed Amendments shall take effect once the special resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the Meeting.



PT RESOURCES HOLDINGS BERHAD

201901032139 (1341469-P)
(Incorporated in Malaysia)

APPENDIX A

**PROPOSED AMENDMENTS TO THE CONSTITUTION OF PT RESOURCES HOLDINGS BERHAD
("THE COMPANY")**

This is Appendix A referred to in Agenda 6 of the Notice of Fourth Annual General Meeting of the Company dated 30 August 2023.

Clause No.	Existing Clause	Proposed Clause
<p>56</p> <p><i>Offer of new Shares</i></p>	<p>Subject to any direction to the contrary that may be given by the Company in general meeting, any new shares or other convertible securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of any intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares and/or Securities in such manner as they think most beneficial to the Company. The Directors may likewise dispose of any new shares and/or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to any offer of new shares or Securities) cannot, in the opinion of the Directors be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or Securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.</p>	<p>Subject to any direction to the contrary that may be given by the Company in general meeting, any new shares or other convertible Securities from time to time to be created shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of any intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares and/or Securities in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares and/or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to any offer of new shares or Securities) cannot, in the opinion of the Directors be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.</p>

APPENDIX A

(CONT'D)

Clause No.	Existing Clause	Proposed Clause
56 (Cont'd) <i>Offer of new Shares</i>		<p>For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable. In any case and in respect of any issuance of shares or convertible securities, the pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.</p>
129A <i>Validity of Electronic / Digital Signature</i>	New provision	<p>For the avoidance of doubt, any document or instrument transmitted by any technology purporting to include a signature and/or electronic or digital signature of any of the following persons:</p> <ul style="list-style-type: none"> (a) a holder of Shares; (b) a Director (including Alternate Director); (c) a committee member; (d) in the case of a corporation, which is a holder of shares, its director or secretary or a duly appointed attorney or duly authorised representative, <p>shall in the absence of express evidence to the contrary available to the person relying on such document or instrument at the relevant time, be deemed to be a document or instrument signed by such person in the terms in which it is received.</p>



PT RESOURCES HOLDINGS BERHAD
201901032139 (1341469-P)
(Incorporated in Malaysia)

ADMINISTRATIVE NOTES FOR THE FOURTH ANNUAL GENERAL MEETING (“4TH AGM” OR “MEETING”) OF PT RESOURCES HOLDINGS BERHAD (“THE COMPANY”)

Day & Date : **Thursday, 26 October 2023**
Time : **10:00 a.m.**
Venue : **Concorde Hotel Kuala Lumpur, Concorde Ballroom, Lobby, 2 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia**

APPOINTMENT OF PROXY

1. A member who is entitled to present, participate, speak and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. If you are not able to participate in the 4th AGM, you are encouraged to appoint the Chairman of the Meeting as your proxy and indicate the voting instructions in the Proxy Form.
2. To be valid, the instrument appointing a proxy may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:

(i) In Hardcopy Form

The proxy form shall be deposited at the Share Registrar’s office, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

(ii) By Electronic Means

The proxy form shall be electronically lodged via Boardroom Smart Investor Portal (“BSIP”) at <https://investor.boardroomlimited.com>. Kindly refer to the Administrative Notes on the procedures for the electronic lodgement of the proxy form via BSIP.

3. Kindly follow the steps below to register online with BSIP and to lodge the Proxy Form electronically.

Step 1 – Register Online with Boardroom Smart Investor Portal (for first time registration only)

[Note: If you have already signed up with Boardroom Smart Investor Portal (“BSIP”), you are not required to register again. You may proceed to Step 2 to lodge your Proxy Form electronically.]

- a. Access the website at <https://investor.boardroomlimited.com>
- b. Click <<Register>> to sign up as a user.
- c. Please select the correct account type i.e. “Sign Up as Shareholder” or “Sign Up as Corporate Holder”.
- d. Complete registration with all required information. Upload and attach a softcopy of your MyKad/Identification Card (NRIC) (front and back) or Passport in JPEG, PNG or PDF format. For Corporate Holder, kindly upload the authorisation letter as well. Click <<Sign Up>>.
- e. You will receive an email from BSIP Online for email address verification. Click on <<Verify Email Address>> from the email received to continue with the registration.
- f. Once your email address is verified, you will be re-direct to BSIP Online for verification of mobile number.
- g. Click on <<Request OTP Code>> and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click <<Enter>> to complete the process.
- h. Once your mobile number is verified, registration of your new BSIP account will be pending for final verification.
- i. An email will be sent to you to inform the approval of your BSIP account within one (1) business day. Subsequently, you can log in at <https://investor.boardroomlimited.com> with the email address and password filled up by you during the registration to proceed.

ADMINISTRATIVE NOTES FOR THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

Step 2 – E-Proxy Lodgement

(i) Appointment of Proxy for Individual Shareholder or Corporation Holder via BSIP

- a. Login to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- b. Click “Meeting Events” and select from the list of companies “**PT Resources Holdings Berhad (4th) Annual General Meeting**” from the list of Corporate Meetings and click <<Enter>>.
- c. Click << **Submit eProxy Form**>>.
- d. Select the company you would like to represent (if you are representing more than one company, for Corporate Holder).
- e. Enter your CDS account number and the number of securities held.
- f. Select your proxy – either the Chairman of the meeting or individual named proxy(ies).
- g. Read and accept the General Terms and Conditions then click <<Next>>.
- h. Enter the required particulars of your proxy(ies).
- i. Indicate your voting instructions – **FOR or AGAINST or ABSTAIN**. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate **DISCRETIONARY**.
- j. Review and confirm your proxy(ies) appointment. Click <<Apply>>. Download or print the eProxy Form as acknowledgement.

(ii) Appointment of Proxy for Authorised Nominees and Exempt Authorised Nominees via BSIP

- a. Login to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- b. Click “Meeting Events” and select from the list of companies “**PT Resources Holdings Berhad (4th) Annual General Meeting**” from the list of Corporate Meetings and click <<Enter>>.
- c. Click << **Submit eProxy Form**>>.
- d. Select the company you would like to represent (if you are representing more than one company, for Corporate Holder).
- e. Proceed to download the file format for “**Submission of Proxy Form**” from BSIP.
- f. Prepare the file format for the appointment of proxies by inserting the required data.
- g. Proceed to upload the duly completed proxy appointment file.
- h. Review and confirm your proxy appointment. Click <<Submit>>. Download or print the eProxy Form as acknowledgement.

4. If you wish to participate in the Meeting yourself, please do not submit any Proxy Form for the Meeting. You will not be allowed to participate in the 4th AGM together with the proxy(ies) appointed by you.
5. If you have submitted your Proxy Form prior to the Meeting and subsequently decide to personally participate in the Meeting, please write to bsr.helpdesk@boardroomlimited.com to revoke the earlier appointment of your proxy(ies) at least forty-eight (48) hours before the commencement of the Meeting. Upon revocation, your proxy(ies) will not be allowed to participate in the 4th AGM. In such an event, kindly advise your proxy(ies) accordingly.

ADMINISTRATIVE NOTES FOR THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

ENTITLEMENT TO PARTICIPATE IN THE 4TH AGM

The date of Record of Depositors for the 4th AGM is **19 October 2023**. As such, only members whose name appears in the Record of Depositors of the Company as at 19 October 2023 shall be entitled to attend the 4th AGM and to present, participate, speak and vote thereat.

REGISTRATION OF THE MEETING

1. Registration will start at 9:00 a.m. on Thursday, 26 October 2023.
2. Kindly produce your original MyKad/Passport (for foreigners) to the registration staff at the registration counter for verification. Please ensure to collect your MyKad/Passport thereafter.
3. Upon verification, you are required to sign the Attendance List prepared by the registration staff.
4. After registration, a coloured wristband and a personalised polling slip will be issued to the respective members or proxy(ies) for voting purpose.
5. You must wear the identification wristband throughout the 4th AGM as no person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement in the event you lose or misplace the identification wristband.
6. If you are attending the meeting as a member as well as a proxy, you will be registered once and will be given only one identification wristband to enter the meeting hall.
7. No person will be allowed to register on behalf of another person, even with the original MyKad/Passport of that person.
8. Please vacate the registration area immediately after registration and proceed to the meeting hall.
9. Poll Administrator's Helpdesk will handle the revocation of a proxy's appointment.

COVID-19 PREVENTION MEASURES

In the interest of public health including the well-being of our members, members must cooperate with the following precautionary measures put in place by the Company should members or proxies wish to attend the Meeting in person. Your safety and health are the Company's top priority.

1. Attendees are highly encouraged to perform a self-test for Covid-19 at home a day before the meeting.
2. A member or proxy who has symptoms of being unwell or showing any symptoms of Covid-19 is advised not to attend the 4th AGM.
3. Members or proxies must sanitise their hands and to wear a face mask throughout the Meeting if they are attending the Meeting in person. Please note that no face mask will be provided at the Meeting venue.
4. Members or proxies are advised to observe/maintain social distancing of at least 1 meter from each other throughout the Meeting.
5. The Company will closely monitor the situation and reserve the right to take further measures or short-notice arrangements as and when appropriate in order to minimise any risk to the Meeting.

In view of the constantly evolving Covid-19 situation in Malaysia, we may be required to change the arrangements of the Meeting at short notice. Kindly check Bursa Malaysia Securities Berhad's and Company's website at www.ptresourcesgroup.com.my for the latest updates on the status of the Meeting.

ADMINISTRATIVE NOTES FOR THE FOURTH (4TH) ANNUAL GENERAL MEETING (CONT'D)

OTHER INFORMATION

1. **NO door gift** will be provided to the members/proxies.
2. **Recording/Photography**

By participating in this 4th AGM, you agree that no part of the 4th AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the right to take appropriate legal actions against anyone who violates this rule.

ENQUIRY

If you have any questions regarding the Meeting, please contact the following persons during office hours on Monday to Friday from 9:00 a.m. to 5:30 p.m. (except public holidays) prior to the Meeting: -

Boardroom Share Registrars Sdn. Bhd.

Tel No. : +603-7890 4700
Fax Number : +603-7890 4670
Email : bsr.helpdesk@boardroomlimited.com



PT RESOURCES HOLDINGS BERHAD
201901032139 (1341469-P)
(Incorporated in Malaysia)

PROXY FORM

I/We* _____ NRIC/Passport/Registration No.* _____
(full name in capital letters)

of _____
(full address)

Email Address _____ Mobile Phone No. _____

being (a) member(s) of PT RESOURCES HOLDINGS BERHAD [201901032139 (1341469-P)] ("the Company")

hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and/ or*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Fourth Annual General Meeting ("4th AGM" or "Meeting") of the Company to be held at Concorde Hotel Kuala Lumpur, Concorde Ballroom, Lobby, 2 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Thursday, 26 October 2023 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and benefits of up to RM239,000.00 for the period commencing from the date immediately after this 4 th AGM until the next Annual General Meeting of the Company.		
2.	To re-elect Mr. Heng Chang Hooi as a Director who retires by rotation pursuant to Clause 89 of the Company's Constitution.		
3.	To re-elect En. Mohd Rofzan Bin Mohd Latiff as a Director who retires by rotation pursuant to Clause 89 of the Company's Constitution.		
4.	To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company.		
5.	To approve the authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

No.	Special Resolution	For	Against
1.	To approve the proposed amendments to the Constitution of the Company.		

*delete whichever not applicable

CDS Account No.	
No. of Shares Held	

Dated this _____ day of _____, 2023.

Percentage of shareholdings to be represented by the proxies:		
	No. of shares	%
Proxy 1		
Proxy 2		
TOTAL		100

Signature of Member(s) / Common Seal

Notes:

- a) A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend 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.
- b) A proxy may, but need not, be a member of the Company. 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.
- c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- d) 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.
- e) 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.
- f) To be valid, the instrument appointing a proxy may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:
 - (i) In Hardcopy Form
The proxy form shall be deposited at the Share Registrar's office, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
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- g) 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 65(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 19 October 2023. Only members whose names appear in the General Meeting Record of Depositors as at 19 October 2023 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.
- j) Given the constantly evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our Meeting at short notice. Kindly check Bursa Malaysia Securities Berhad's and the Company's corporate website at www.ptresourcesgroup.com.my for the latest updates on the status of the Meeting.

Fold this flap for sealing

Then fold here

Stamp

The Share Registrar of PT RESOURCES HOLDINGS BERHAD
C/O Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan, Malaysia.

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PT RESOURCES HOLDINGS BERHAD

Registration No. 201901032139 (1341469-P)

Kuantan Integrated Fish Processing Park (KIFPP),
Jalan Seri Kemunting 2,
Tanah Putih, 25100 Kuantan,
Pahang Darul Makmur.

Tel : +609-515-6666 Fax : +609-513-0700

info@ptresourcesgroup.com.my