NI HSIN

Your Global Partner

SINCE 1989

2025 Annual Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

SOFIYAN BIN YAHYA
Independent Non-Executive Chairman

RIZVI BIN ABDUL HALIM
Executive Director

NG SHWU CHING
Executive Director

LAI KIAN HUAT
Executive Director

KHOO WUAN RU
Executive Director

POO CHII MIIN @ CHERMAINE POO
Independent Non-Executive Director

TUNG FOOK HENG
Independent Non-Executive Director

BEH EE NAH
Independent Non-Executive Director

COMPANY SECRETARIES

Tai Yit Chan (MAICSA 7009143)
Tan Ai Ning (MAICSA 7015852)

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 03 – 7890 4800
Fax : 03 – 7890 4650
Email : boardroom-kl@boardroomlimited.com

BUSINESS ADDRESS

45, Jalan Taming Dua
Taman Taming Jaya
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel : 03 – 8961 6815
Fax : 03 – 8961 3941
Email : info@ni-hsin.com
Website : www.ni-hsin.com

SHARE REGISTRAR

Bina Management (M) Sdn. Bhd.
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 03 – 7784 3922
Fax : 03 – 7784 1988
Email : binawin@binamg168.com

AUDITORS

KPMG PLT
Level 10, KPMG Tower
8, First Avenue
Bandar Utama
47800 Petaling Jaya
Selangor Darul Ehsan, Malaysia

PRINCIPAL BANKERS

CIMB Bank Berhad
2468, Jalan Mutiara Timur Satu
Taman Mutiara Cheras
56100 Kuala Lumpur, Malaysia

United Overseas Bank (Malaysia) Berhad
Bangunan UOB Medan Pasar
10-12 Medan Pasar
P.O. Box 11378
50744 Kuala Lumpur, Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : NIHSIN
Stock Code : 7215

CORPORATE STRUCTURE

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS

Group Income Statements

The table below sets out a summary of consolidated results of the Ni Hsin Group Berhad ("NHG") Group for the financial year ended 31 December 2020 to financial period ended 30 June 2025:-

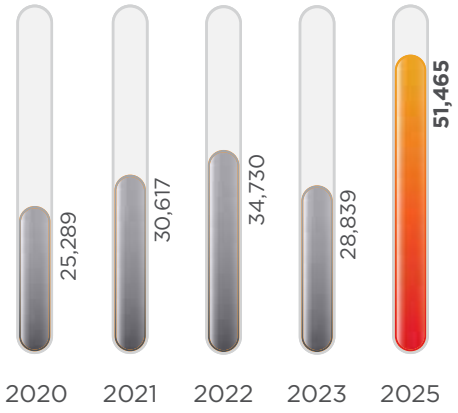
	31.12.2020 RM'000	31.12.2021 RM'000	31.12.2022 RM'000	31.12.2023 RM'000	30.06.2025 RM'000
Key Operating Results					
Revenue	25,289	30,617	34,730	28,839	**51,465**
Earnings/(Loss) before interest, taxation, depreciation and amortisation ("EBITDA")	3,955	(4,607)	(671)	(3,838)	**(4,306)**
Depreciation	(1,975)	(2,286)	(3,209)	(3,302)	**(6,550)**
Interest expense	(132)	(278)	(388)	(322)	**(836)**
Interest income	25	4	6	8	**28**
Share of loss of equity-accounted associate, net of tax	-	(108)	(189)	(153)	**-**
	1,873	(7,275)	(4,451)	(7,607)	**(11,664)**
Taxation	49	828	(556)	158	**506**
Profit/(Loss) After Taxation ("PAT/(LAT)")	1,922	(6,447)	(5,007)	(7,449)	**(11,158)**
Non-controlling interests ("NCI")	-	53	23	196	**(37)**
Profit/(Loss) for the financial year attributable to owners of the Company	1,922	(6,394)	(4,984)	(7,253)	**(11,195)**
Total assets	97,661	117,031	116,016	107,468	**123,347**
Total borrowings	2,431	1,419	2,433	595	**3,570**
Shareholders' equity	88,516	101,082	98,195	90,359	**91,154**
Other Key Data					
PBT/(LBT) margin (%)	7.41	(23.76)	(12.82)	(26.38)	**(22.66)**
PAT/(LAT) after NCI margin (%)	7.60	(20.88)	(14.35)	(25.15)	**(21.75)**
Weighted average ordinary shares ('000)	313,844	430,491	513,592	523,764	**523,676**
Share price as at the financial year end (RM)	0.280	0.120	0.140	0.115	**0.115**
Gross Earnings/(Loss) Per Share ("EPS/(LPS)") (sen) [1]	0.60	(1.69)	(0.87)	(1.45)	**(2.23)**
Net EPS/(LPS) (sen) [1]	0.61	(1.49)	(0.97)	(1.38)	**(2.14)**
Tax-exempt Dividends Per Share (sen)	-	-	-	-	**-**
Return on total assets (%)	2.03	(5.89)	(3.34)	(6.64)	**(8.76)**
Return on equity (%)	2.24	(6.82)	(3.95)	(7.90)	**(11.86)**

1 The gross and net EPS/LPS have been calculated by dividing PBT/LBT and PAT/LAT attributable to the owners of the Company respectively for the financial years by the number of weighted average ordinary shares assumed in issue for the financial year.

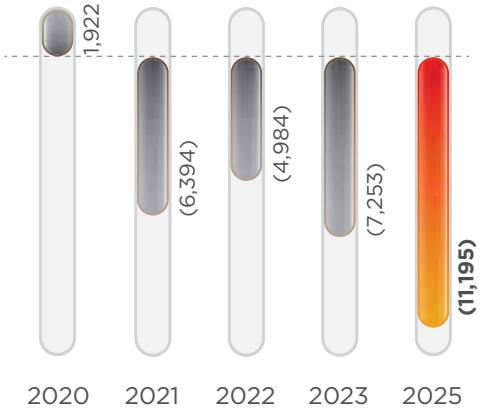
2 There were no extraordinary or exceptional items for the financial years/period under review.

FIVE-YEAR GROUP FINANCIAL HIGHLIGHTS
(CONT'D)

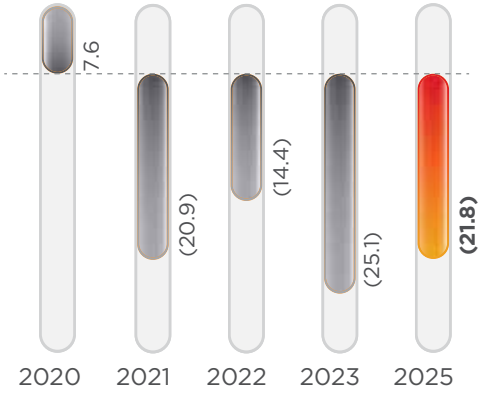
Revenue
(RM'000)



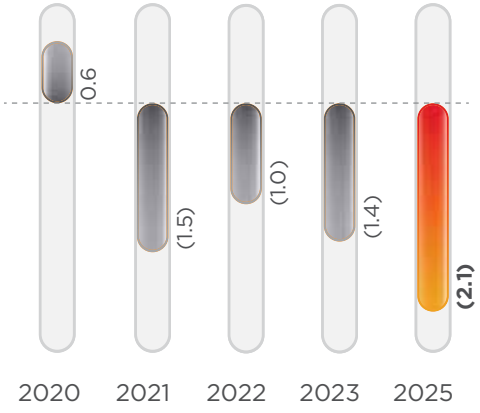
Profit/(Loss) Attributable to Owners of the Company
(RM'000)



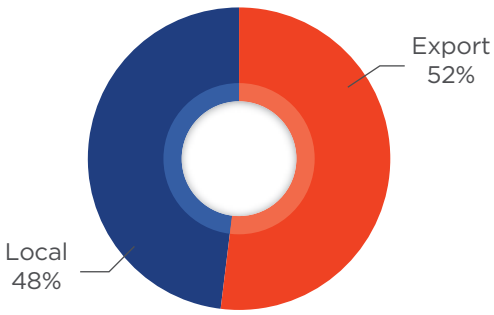
Profit/(Loss) Attributable to Owner of the Company Margin
(%)



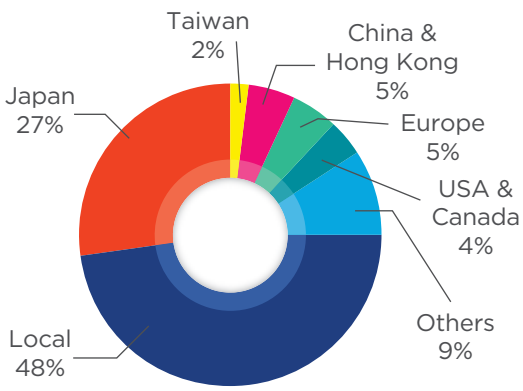
Net Earnings/(Loss) Per Share
(Sen)



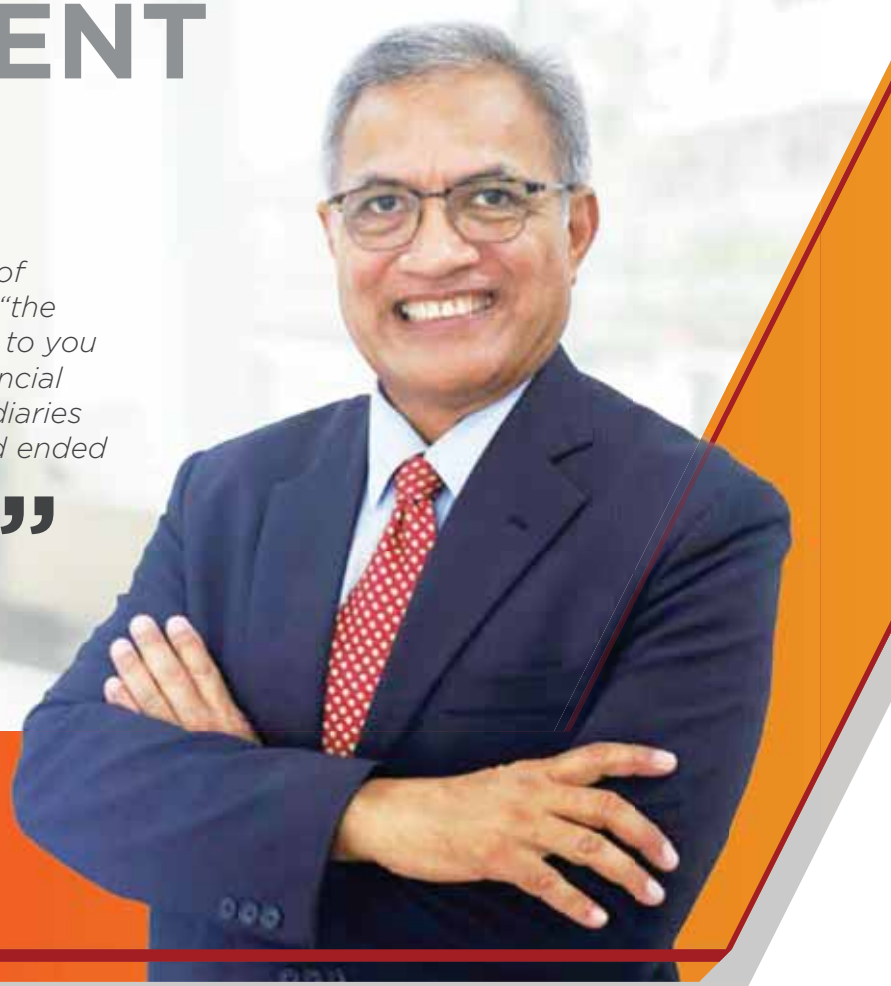
Local vs Export Sales 2025



Group Revenue by Country 2025



CHAIRMAN'S STATEMENT



Dear Valued Shareholders,

On behalf of the Board of Directors of Ni Hsin Group Berhad ("NI HSIN" or "the Company"), I am pleased to present to you the Annual Report and Audited Financial Statements of NI HSIN and its subsidiaries ("the Group") for the financial period ended 30 June 2025 ("FP2025").

SOFIYAN BIN YAHYA
Independent Non-Executive Chairman

Financial Performance

The Group recorded a total revenue of RM51.5 million and a Loss Before Taxation ("LBT") of RM11.7 million respectively for FP2025. The LBT registered was mainly attributable to the depreciation of Japanese Yen against Malaysian Ringgit and operational losses incurred in the F&B and EV Divisions which are still in the initial development stages of growth requiring substantial promotional and marketing expenses to achieve market recognition. A more detailed review of the Group's financial performance is covered under the section on Management Discussion and Analysis in this Annual Report.

Business Operations

Cookware and Stainless Steel Products Divisions

The Cookware Division registered encouraging sales for the Cookware Products from China, Hong Kong and Thailand. The imposition of higher tariff on China's exports to USA as compared to Malaysia provided a boost to our Cookware Division as a major exporter from China has selected NI HSIN to supply cookware products for its customers in USA. NI HSIN is also negotiating with another major exporter in China for cookware products for the USA market.

The Group continuously carries out R&D to develop new products to cater to the demands and requirements of the market. This is evident in the development of new convex mirror with LED lightings for the European market.

Food & Beverage ("F&B") Division

The Blackbixon Café & Restaurant has opened another two outlets in Paradigm Mall PJ and NU Empire Subang respectively bring the total outlets to four. The Division continues to expand our coffee capsule market in the hospitality market catering to 24 hotels and 1 Airbnb customer around Malaysia.

Electric Vehicle ("EV") Division

Our investment in the green technology sector – assembling and distribution of electric motorcycles - reinforces our commitment to Environmental, Social and Governance (ESG) issues. Our

CHAIRMAN'S STATEMENT
(CONT'D)

objective as an assembler and manufacturer of EV two-wheeler is to promote the adoption of EV motorcycle in Malaysia to reduce carbon emission and reduce the dependency on the fossil fuel in tandem with the Malaysian government's 'GO GREEN MALAYSIA' agenda which targets to achieve at least 50% EVs on the road by 2040, and 100% by year 2050.

Our products range cater to the B2C, B2B and B2G segments. Our business model includes plans which provide business opportunities to the B40 segment in Malaysia.

The EV Division has established marketing channels and network covering all states of Malaysia comprising of Master Dealers, Dealers, Business Partnerships with corporations, government-linked companies ("GLCs") and Cooperatives. Our marketing strategies include:

- Social Media (Website, Facebook, Tiktok, Instagram, Youtube)
- Exhibition & Roadshow (E-Prix, Motor Show, Bike Week)
- Club Activities (Gathering, Convoy, TTS)
- PR Activities (Media Gathering, Media Test Ride, TTS)
- Sponsorships (Special Events)
- Strategic Collaboration (Government Agencies, Schools, IPTA, Credit Company)

SUSTAINABLE GROWTH

As we continue to progress on our growth journey, the Group remains firmly committed to our ESG initiatives and delivering sustainable value to our shareholders.

Integrating ESG considerations into our operations helps us to identify risks and opportunities that lead the Group to long-term value creation for our communities, customers, employees and shareholders alike. Sustainability strategies, priorities and targets have been integrated into the mission and strategic plan of the Group and communicated to the employees. The employees are made aware that sustainability will be the value driver of the Group and forms part of the Group's business model going forward.

PROSPECTS AND OUTLOOK

Moving forward, NI HSIN continues to leverage on its credentials, being an established, reputable and trustworthy player in the cookware industry, excellent product quality and a Complete Vertical Integration System of manufacturing – from materials production to product manufacturing to sales, to drive the business. As for the EV Division, NHEVT is among the pioneers in the local assembly of EV 2-wheelers in Malaysia and much work has been done to promote and educate the management teams of government agencies, GLCs and corporate entities on the advantages of adopting EV motorcycles in their operations. We strongly believe our efforts will bring positive results in the near future.

ACKNOWLEDGEMENT AND APPRECIATION

I wish to extend my heartfelt gratitude to the Board of Directors, the Management and Staff of our Group for their contribution, dedication and commitment. I would like to take this opportunity to express my heartiest gratitude to our previous Independent Non-Executive Directors, Dato' Shamsuddin Bin Mohd Mahayidin, for his excellent contribution to the Group and a warm welcome to Ms Beh Ee Nah who joined the Board on 24 January 2025 as Independent Non-Executive Director.

Our gratitude and sincere thanks are also extended to our valued customers, bankers, business associates, suppliers and regulatory bodies for their invaluable support, assistance and confidence in the Group. We are also grateful to our valued shareholders for their continued support and commitment to NI HSIN.

SOFIYAN BIN YAHYA
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

NI HSIN Group Berhad ("NI HSIN" or "the Company") and its subsidiaries ("the Group") had its humble beginning in 1989 specialising in stainless steel products, namely multi-ply stainless steel premium cookware, multi-ply clad metals and stainless steel convex mirror. The Company was listed on Bursa Malaysia on 28 July 2005.

Currently, the Group's business is categorised into five divisions:

- Cookware
- Stainless Steel Products
- Food & Beverage ("F&B")
- Logistics
- Electric Vehicle ("EV")

Our manufacturing and production facilities covering an area of approximately 4.5 acres are located in Seri Kembangan, Selangor.

Cookware Division

Ni Hsin Corporation Sdn. Bhd. ("NHC"), a wholly owned subsidiary of NI HSIN, is a leading manufacturer of Premium Stainless Steel Multi-ply Cookware in Asia. Our origin dates back to 1957 as a leader in the manufacturing of Premium Stainless Steel Cookware in Taiwan. NHC manufactures a complete range of Premium Stainless Steel Multi-ply Cookware ranging from pressure cookers, woks, pots, fry pans and sauce pans for household and commercial use on an OEM or ODM basis.

To ensure the high standards of quality expected of our products, we also manufacture Buffalo Clad, which is our own multi-ply stainless steel clad metals used in our stainless steel cookware sets. NHC has been awarded numerous quality recognition certifications from various bodies including the SG Standard from Japan and the ISO 9001 award by SGS in 1999. In early 2002, the Company was given the honour to be one of the few factories outside Japan to receive the SG (CH-IH) certification. This certifies the Company is qualified to produce Induction-compatible stainless steel cookware. In mid-2006, NHC was awarded the Certificate in Quality Assurance System for its Pressure Equipment from TÜV Industrie Service GmbH, Germany.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

We believe in mutual partnership, growth and profit. As such, we always carefully incorporate customers' requirements and market needs in our product development. It is our pride and privilege to consistently produce high quality products, provide timely delivery, value-added after-sales service and support to our customers.

Our sales team has multi-language skills and is well exposed to international trade. We serve our customers in various international markets such as Japan, Taiwan, Hong Kong, China, Singapore, Thailand, South Korea, Australia, USA and Europe. Besides the OEM/ODM cookware products the Group also distributes cookware under the brands Wonderchef from Japan and Pentoli which is our in-house brand respectively.

Our stainless steel cookware products have the following unique qualities and features:

- Energy saving due to faster heat conduction;
- Even heat conduction so food is cooked evenly at every spot: and
- Efficient heat retention that allows food to be cooked faster and healthier without loss of nutrients.

Stainless Steel Products Division

In the Stainless Steel Products Division are our proprietary multi-ply clad metals and stainless steel convex mirrors. The multi-ply clad metals are used internally in the manufacture of our stainless steel cookware as well as sold to cookware manufacturers worldwide. The stainless steel convex mirrors are produced using our proprietary polishing process to achieve a highly reflective mirror-like finish. It is virtually unbreakable, with long lasting shine, can withstand extreme weather conditions and are thus virtually maintenance free. Our stainless steel convex mirrors are superior to the conventional glass, polycarbonate and acrylic types which are vulnerable to cracks, are not weather resistant and are not durable. We manufacture various product types to cater to different market requirements and climate conditions worldwide.

Food & Beverage ("F&B") Division

The F&B business entails the manufacturing and distribution of health and bioenergy beverages in capsules and operation of café and restaurant. Customers are provided BLACKBIXON Coffee machines to brew the beverages under our cafe@home@office@anywhere concept. Currently, the Division is focused on supplying the coffee capsules to the hospitality industry. The business model entails placing coffee machines in every room in the hotels at no charge to the hotels and the hotels will purchase the coffee capsules for use by their customers.

The Division has opened four BLACKBIXON CAFÉ & RESTAURANT outlets in Kuala Lumpur and Petaling Jaya - Imbi KL, PJ33, Paradigm Mall Petaling Jaya and NU Empire Subang - offering freshly prepared breads and pastries, a wide selection of hearty and delicious breakfast, lunch and dinner favourites accompanied by specialty coffees and must try Blackbixon signature drinks. The Cafés are tastefully furnished with exquisite art pieces and Blackbixon themed wall graffities.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

Logistics Division

The Group's logistics business covers freight, forwarding, haulage & transportation, warehousing and international agency services.

The current market is mainly domestic with approximately 5% from other regional markets and are spread out over various sectors such as:

- Chemical industries
- PPE Glove industries
- Electronic Industries
- Personal Care Industries
- Plastic Industries
- Others

The Group's warehousing facility is equipped with Automated Storage and Retrieval System (ASRS). The ASRS is designed to buffer, store, and retrieve product and inventory on demand, well suited for the 5PL and Fulfilment Services business.

Electric Vehicle ("EV") Division

Ni Hsin EV Tech Sdn. Bhd. ("NHEVT"), a wholly owned subsidiary, operates a manufacturing and assembling facility in Seri Kembangan for the assembly of EV 2-wheelers and 3-wheelers. The products are imported from our principal suppliers, TAILG and VMOTO, in China on completely knocked down basis for local assembly.

Our EV products are marketed under the brand name EBIXON. Our EBIXON EV motorcycles are duly certified in accordance with the Malaysian Standard, MS2413, and have Vehicle Type Approval ("VTA") from JPJ in compliance with the Malaysian road rules and regulation.

Future Functional Concepts for our EV Products

We have developed several innovative functions for our EV products as follows:

- EV two-wheeler with fogging machine for mosquito pest control
- EV two-wheeler with side cart for multipurpose use especially for Pihak Berkuasa Tempatan (PBT).
- EV two-wheeler patrol bikes equipped with blue beacon, siren, accessories such as panniers, sirens, radio systems for security and auxiliary police use.
- EV three-wheelers with hydraulic dump bucket for farming and plantation use.

Besides outright sales, NHEVT's business model also includes rent-to-own and rental schemes too. The Division works with Master Dealers and contractors to rent out EBIXON motorcycles to the public and tourists to promote eco-tourism especially in popular tourist destinations.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

KEY MARKETS

Our international key markets for the cookware and stainless steel products divisions are as follows:

Division	Japan	Asia Pacific (excluding Japan)	USA & Canada	Europe
Cookware	27%	61%	11%	1%
Stainless Steel Products	60%	22%	3%	15%

FINANCIAL PERFORMANCE REVIEW

For the financial period ended 30 June 2025 ("FP2025"), the Group recorded a total revenue of RM51.5 million and a Loss Before Taxation ("LBT") of RM11.7 million respectively. The LBT registered was mainly attributable to the depreciation of Japanese Yen against Malaysian Ringgit and operational losses incurred in the F&B and EV Divisions which are still in the initial development stages of growth requiring substantial promotional and marketing expenses to achieve market recognition. Gross Profit ("GP") margin achieved during the period under review was 17%. Consequently, the Group incurred a Loss After Taxation ("LAT") of RM11.16 million for FP2025.

The Group's net assets per share as at 30 June 2025 stood at RM0.17. The Group's non-current assets have increased to RM82.92 million compared with the non-current assets of RM67.57 million as at 31 December 2023 due to revaluation of the Group's property and increase in right-of-use assets of RM3.05 million. However, the increase was mitigated by the partial disposal of other investment and depreciation and amortisation. Inventories increased to RM25.87 million as at 30 June 2025 attributable to higher inventories in Stainless Steel Products and EV Divisions. Receivables, deposits and prepayments recorded an increase of RM2.22 million to RM5.79 million as compared to that as at 31 December 2023 mainly due to deposits paid to suppliers for purchase inventory items for the new financial period. Short term borrowings increased to RM3.57 million to finance the Group's working capital needs. The Group's net current assets was RM17.88 million as at 30 June 2025. The Group is in a positive net cash position as at 30 June 2025 with cash and cash equivalent of RM4.33 million after deducting all borrowings of the Group.

The Group's net operating cash outflow for FP2025 was RM5.32 million. The net cash outflow from investing activities was RM3.25 million, resulting from purchase of plant and equipment after deducting the proceeds from disposal of other investment. Net cash outflow from financing activities was RM0.6 million, mainly attributable to the repayment of lease liabilities after netting off the utilisation of bankers' acceptances. The net resultant impact to the Group's cash flow was a decrease in cash of RM9.15 million during FP2025. Net cash and cash equivalents amounted to RM5.93 million as at 30 June 2025.

SALES PERFORMANCE BY DIVISION

The Group's performance by each Division for the FP2025 is as follows:

Cookware Division

The Cookware Division recorded a revenue RM16.10 million for FP2025 mainly attributable to encouraging sales in China & Hong Kong and Thailand. The cookware revenue by geographical market for FP2025 is as follows:

	FP2025 RM'000
Japan	4,345
Asia Pacific (excluding Japan)	9,899
USA &Canada	1,718
Europe	135
	16,097

Stainless Steel Products Division

The Stainless Steel Products Division's revenue for FP2025 achieved was RM15.72 million mainly contributed by Japan and Europe customers.

F&B Division

The F&B Division recorded a revenue of RM10.98 million for FP2025 mainly contributed by the Blackbixon Café and Restaurant with the opening of the third and fourth outlets located at Paradigm Mall, Petaling Jaya and NU Empire, Subang Jaya which commenced business in September 2024 and November 2024 respectively.

Logistics Division

The Logistics Division's revenue for FP2025 was recorded at RM3.57 million. The Logistics Division secured several new customers during the period, contributing to the improved revenue.

EV Division

The EV Division's revenue for FP2025 was recorded at RM4.93 million. Sales of EV motorcycles improved as a result of the marketing and promotional efforts made coupled with the government's policies and incentives which encourage the adoption of EV to combat climate change and reduce carbon emission.

The EV Division is a strategic pillar of the Group's long-term sustainability agenda, focusing on clean mobility solutions, technological innovation, and alignment with global decarbonization trends. The Division oversees the development, manufacturing, and commercialization of electric motorcycles and related infrastructure solutions such as charging ecosystems and battery-swapping networks.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

NHEVT together with Master Dealers and Dealers' have leverage on sales opportunities around the Peninsular and East Malaysia arising from strong distribution network and Malaysian government subsidy, ie. Mariicas. NHEVT has also continued to create inroads in promoting and selling EBIXON motorcycles to local councils, corporate entities and government-linked companies ("GLCs") as advantages on adoption for EV motorcycles becomes more evident in their operations and sustainability goals.

To capture market share NHEVT has established a comprehensive sales and marketing network with the appointment of Distributors, Master Dealers and Dealers around the Peninsular and East Malaysia. The business model of the EV Division includes rent-to-own and rental schemes too. The Division works with a Master Dealer to rent out EBIXON motorcycles to the public and tourists to promote eco-tourism especially in tourist destinations like Penang, Perlis, Langkawi and Sarawak.

Our product offerings cater to the B2C, B2B and B2G segments. The models, EBIXON TC-MAX and EBIXON CPX-PRO, supplied by VMOTO, can be ideally equipped according to specific requests, installing accessories such as panniers, sirens, radio systems, well suited for police, army and security enforcement units. Our business model includes plans which provide business opportunities to the B40 segment in Malaysia.

PROSPECTS AND STRATEGIES

World Economy Outlook

Global economic growth is now projected to slow to 2.4 per cent in 2025, down from 2.9 per cent in 2024. Heightened trade tensions, along with policy uncertainty, have significantly weakened the global economic outlook for 2025. Higher tariffs—resulting in a significant increase in the effective tariff rate in the United States of America (USA)—are likely to strain global supply chains, drive up production costs and delay critical investment decisions, while also contributing to financial market volatility. However, these disruptions could unlock new opportunities for some economies. *(Source: United Nations Department of Economic and Social Affairs)*

Malaysia Economic Outlook and Growth Prospects

The Malaysian economy is projected to grow between 4.5% and 5.5% in 2025. This growth will be driven by sustained domestic demand, despite heightened external uncertainties that could lead to a more moderate expansion of exports.

In 2025, headline and core inflation are expected to average between 2% and 3.5% and 1.5% and 2.5% respectively. Inflation is expected to trend higher but will remain manageable, amid easing global costs and the absence of excessive demand pressures. *(Source: Bank Negara Report 2024)*

Cookware and Stainless Steel Products Divisions

The Group continues to leverage on its credentials, being an established, reputable and trustworthy player in the cookware and stainless steel products industries, excellent product quality with Japan SG certification and a Complete vertical integration of manufacturing – from materials production to product manufacturing to sales, to drive the business.

Product quality, innovation and broadening products portfolio, monitoring costs, broadening marketing networks and addressing the needs of customers to ensure business continuity remain the focus of the Management.

For Cookware Division, heightened world trade tensions, along with policy uncertainty especially the higher tariffs imposed by the Trump government on imports from China has unlocked new opportunities for NI HSIN. We received substantial orders from a major China customer for the supply of cookware to the USA. To meet the demand for cookware for the USA market, we are undertaking expansion our manufacturing facilities. The Cookware Division has recorded a 63% improvement in sales in the last quarter of FP2025 over the preceding quarter.

The Stainless Steel Products Division has secured new customers in China, Thailand and Indonesia after successful completion of the product testing. The Division has developed a new convex mirror incorporating LED lightings for better visibility especially at night and during thunderstorms for the European market and is working on some modifications to suit the weather conditions in Europe.

F&B Division

The four Blackbixon Café & Restaurant outlets in Imbi KL, PJ33, Paradigm Mall Petaling Jaya and NU Empire Subang are performing reasonably well with new product offerings, improved customer service and customer engagements. As for the coffee capsule business, the Division is currently supplying to 24 hotels and 1 Airbnb customer and is in negotiations with an established hotel chain across the Peninsular Malaysia. The Division is also partnering for the sale of coffee machines and coffee capsules.

Electric Vehicle Division

The EV Division is expected to maintain its growth trajectory in the coming year, supported by increased consumer acceptance, regulatory push for decarbonization, and continued innovation in product offerings. NHEVT remains focused on:

- Scaling up production with greater local sourcing to mitigate supply chain risks;
- Enhancing product affordability through modular design and financing solutions;
- Expanding charging infrastructure partnerships; and
- Strengthening after-sales support and digital services to improve customer retention.

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

Collaboration with Lion's Club for the Journey of Hope to Chiang Mai, Thailand

MBSA bikes handover ceremony in Shah Alam, Selangor

Appointment of Master Dealer in Penang

Master Dealer appointment in Kuching, Sarawak

MANAGEMENT DISCUSSION AND ANALYSIS
(CONT'D)

Ebixon goes to Perlis

Strategic Collaboration with CelcomDigi in year 2025

PIMA collaboration in Penang

Modified EBIXON 3 wheeler for Zakat Selangor in year 2025

New EBIXON EV bikes launched in Starhill, KL

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

Ni Hsin Group Berhad ("**Ni Hsin**", "**the Group**", "**we**", or "**our**") is pleased to present our Annual Sustainability Statement for the 18-month financial period from 1 January 2024 to 30 June 2025 ("**FP2025**" or "**this Statement**"). This Statement provides an overview of our strategies, priorities, targets, and performance in managing sustainability issues across Economic, Environmental, Social, and Governance ("**EESG**") dimensions.

As announced on 2 September 2024, the Group changed its financial year end from 31 December to 30 June, effective from the financial period ended 30 June 2025. This transition enables better alignment between our financial reporting cycles and operational planning processes, while enhancing operational effectiveness through more balanced distribution of administrative workloads and optimised resource allocation during critical business periods.

To ensure consistency, comparability and transparency during this transition, this sustainability statement covers an 18-month reporting period. Where applicable, annualised 12-month EESG information has been provided to facilitate meaningful year-on-year comparisons.

STATEMENT INTEGRATION AND HISTORICAL CONTEXT

This sustainability statement should be read in conjunction with the Group's condensed consolidated interim financial statements and quarterly report for the financial period ended 30 June 2025, as well as the audited sustainability statement for the year ended 31 December 2023.

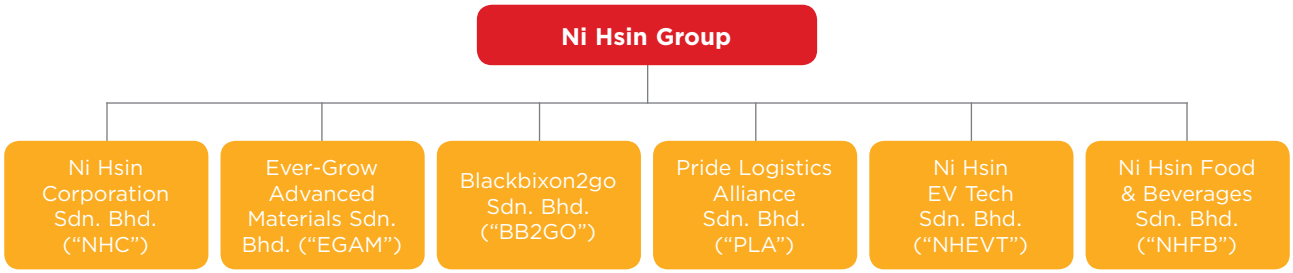
Historical data has been included for several key disclosures to provide consistent comparison of events and trends that are significant to understanding changes in the Group's EESG performance since 31 December 2023.

REPORTING FRAMEWORKS AND STANDARDS

This statement is prepared in accordance with Bursa Malaysia's Main Market Listing Requirements ("**MMLR**"), referencing Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and Global Reporting Initiative ("**GRI**") Universal Standards 2021.

REPORTING SCOPE AND BOUNDARIES

The Group operates through six key subsidiaries, as illustrated in the diagram below, with a primary business focus on the manufacturing of premium stainless-steel products. These include multi-cookware, multi-ply stainless steel-clad metal, convex mirrors, household water filtration systems, as well as ventures in food and beverage, logistics services, and electric vehicles.



The scope of this Statement covers only the six (6) key subsidiaries listed above and does not include any other subsidiaries. We have attempted to disclose all sustainability-related indicators under Ni Hsin Group, except when stated otherwise. This Statement includes both quantitative and qualitative results for relevant indicators.

ASSURANCE

In strengthening the credibility of this Statement, selected information disclosed in this Statement has been subjected to an internal review by the Company's internal auditors as well as approved by the Company's Audit and Risk Management Committee ("**ARMC**"). The review provides a limited assurance and determined that the disclosures of all sustainability performance information presented in this Statement are fairly stated, appropriately prepared and well-supported.

SUSTAINABILITY STATEMENT
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FEEDBACK

This Statement can be viewed and downloaded from Ni Hsin's official website at www.ni-hsin.com.

Ni Hsin values its engagement with stakeholders and welcomes feedback, inquiries, and concerns to improve as a Group. Our contact details are as follows:

Ni Hsin Group Berhad

No.45, Jalan Taming Dua, Taman Taming Jaya, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

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OUR APPROACH TO SUSTAINABILITY

Sustainability Governance

As a Group, we recognise that building a sustainable business is a collaborative effort that requires active participation across all levels of the organisation, from senior management to frontline employees. We understand that meaningful progress cannot be achieved in isolation or at a single level, but through shared responsibility and collective action. The Board of Directors holds ultimate responsibility for guiding the Group's strategic direction on sustainability, including the formulation of strategies, priorities, and targets. This oversight is supported by the ARMC, which ensures that sustainability initiatives are aligned with governance and risk management frameworks. Operational leadership is provided by our Sustainability Committee ("**SC**"), comprising key executive directors and the managing director of major subsidiaries, who translate strategic goals into actionable plans. At the implementation level, the Sustainability Working Group ("**SWG**"), led by the Head of Corporate and Business Development and composed of all Heads of Departments ("**HODs**"), executes initiatives, monitors progress, and ensures alignment across business functions.

SUSTAINABILITY STATEMENT
(CONT'D)

Stakeholder Engagement

We actively engage with our stakeholders through multiple channels to ensure their concerns are addressed and to remain responsive to emerging challenges and trends in the rapidly evolving sustainability landscape. The table below outlines the frequency of engagement with each stakeholder group and highlights their key areas of concern.

Stakeholders	Areas of Interest	Types of Engagement	Frequency of Engagement
Investors/ Shareholders	• Business performance • Operations in compliance with applicable laws and regulations • Group business development	• Quarterly result • Annual Report and Annual/ Extraordinary General meetings • Corporate website and investor relationship channel	• Quarterly • Annually/Ongoing
Customers	• Changing needs of customers • Innovation • Product design, quality and performance • Competitive pricing • Sustaining long-term relationship	• Website and social media • Customer service • Face-to-face interaction • Customer satisfaction survey • Business review • Business ethics	• Annually/Ongoing
Employees	• Job security and compensation • Conducive workplace • Career development • Health and safety	• Competitive remuneration package • Corporate culture • Training and development programmes • Employee performance appraisal • Health and safe working environment	• Annually/Ongoing
Suppliers	• Sustaining long-term relationship • On-time payment • Business ethics	• Regular meetings and correspondence • Transparent procurement process • Vendor evaluation procedures	• Annually/Ongoing
Government & Regulators	• Regulatory compliance • Product certification	• Site visit, audit and meeting • Participation in programs and workshops	• As required
Media	• On time and correct information	• Press release • Announcement on Bursa website	• As required
Community	• Environmental protection • Corporate Social Responsibility (CSR) • Job opportunities	• Waste management • Energy conservation • Minimise air and noise pollution • Participation in CSR programmes 1. Donations and sponsorships 2. Creation of employment	• On-going

Materiality in Ni Hsin

Building upon the comprehensive materiality assessment framework established in Financial Year 2023 ("**FY2023**"), the Group has undertaken a strategic consolidation of its material matters to enhance management efficiency while maintaining robust coverage of sustainability impacts. This refinement process has resulted in the streamlining of our previously identified material topics into eleven key sustainability matters, providing a more integrated and comprehensive approach to sustainability management.

SUSTAINABILITY STATEMENT
(CONT'D)

The consolidation involved grouping related topics under broader categories to eliminate redundancy and create clearer accountability structures:

- **Customer Data Privacy and Security** has been integrated under **Compliance with Laws & Regulations**, recognizing data protection as a fundamental regulatory requirement
- **Energy Consumption** and **Water Management** have been consolidated under **Resource Management**, enabling a holistic approach to resource stewardship
- **Employee Management** and **Diversity, Equity and Inclusion** have been unified under **Human Resource Management**, reflecting our comprehensive approach to workforce development and inclusive workplace practices

This strategic consolidation has been reviewed and approved by the Board, with no material changes or adverse effects on the sustainability outcomes for the reporting period ended 30 June 2025.

Going forward, we will continue to promote company-wide initiatives related to materiality, reduce and avoid critical management risks, and maximize business opportunities. In this way, we aim to enhance the corporate value of the Group and contribute to achieving net positives in the areas of environmental, people's well-being and corporate governance.

Materiality Assessment Process

To ensure our sustainability strategy remains aligned with evolving stakeholder expectations and business realities, the Group conducted a comprehensive revalidation of the FY2023 materiality assessment. This process involved:

Identification of Material Matters

- The Group reviewed its FY2023 Material Sustainability Matters against Bursa Malaysia's mandatory common indicators and consolidated the identified material matters to create a more comprehensive and streamlined approach.

Assessment and Prioritisation of Material Maters

- Surveys were distributed to Ni Hsin Group's stakeholders to gather updated insights and perspectives.
- The results of the survey were used to derive a refreshed Materiality Matrix based on sustainability matters crucial to stakeholders and business operations.

Review and Validation of Material Matters

- The Materiality Matrix was reviewed by the Sustainability Committee and subsequently tabled to the Board for approval to ensure strategic alignment.

The Group's essential contributions in the newly streamlined 11 sustainability-related material matters in FP2025, where we will contribute in.

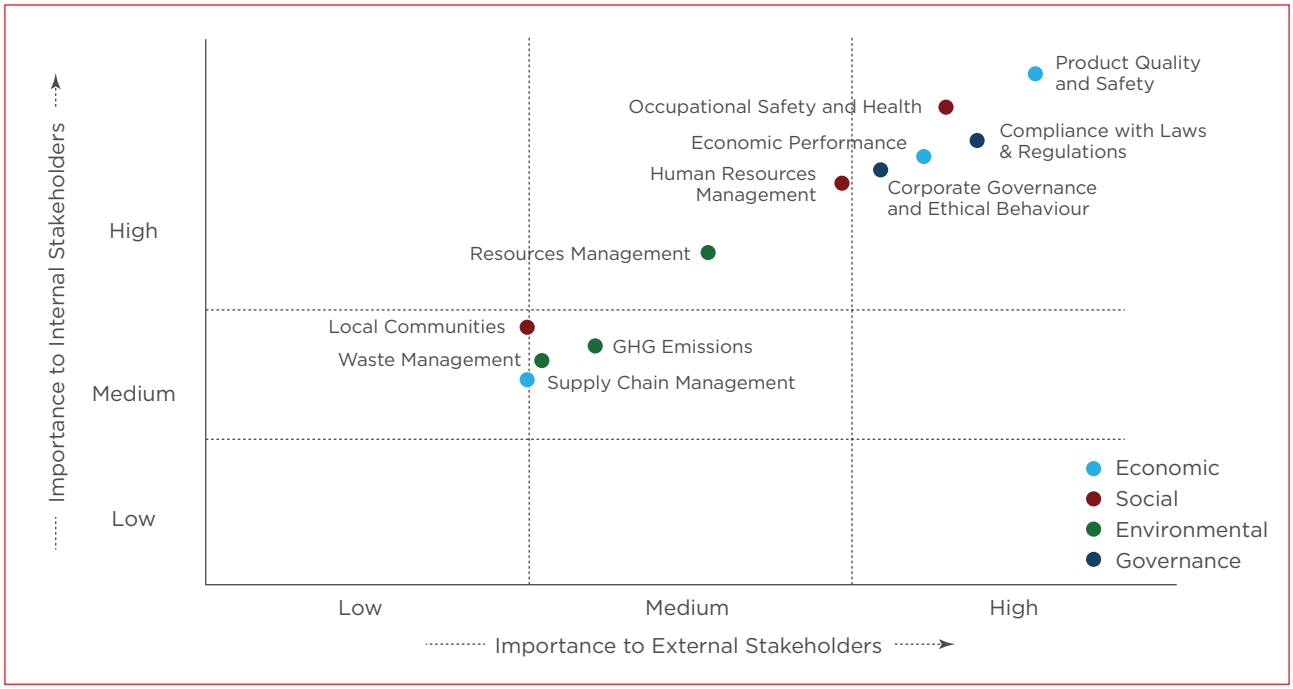
Our Focus Areas			
Economic	**Environmental**	**Social**	**Governance**
Economic Performance	Resource Management	Occupational Safety & Health	Corporate Governance and Ethical Behaviour
Product Quality and Safety	GHG Emissions	Human Resource Management	Compliance with Laws & Regulations
Supply Chain Management	Waste Management	Local Communities	

Notes:
- *Material topic "Customer Data Privacy and Security" have been consolidated under "Compliance with Laws & Regulations".*
- *Material topics such as 'Energy Consumption' and 'Water Management' have been consolidated under the broader category of 'Resource Management' to provide a more comprehensive and streamlined approach.*
- *Material topics "Employee Management" and "Diversity, Equity and Inclusion" have been consolidated under the broader category of "Human Resource Management" to provide a more comprehensive and streamlined approach.*

SUSTAINABILITY STATEMENT
(CONT'D)

Materiality Matrix

The survey results were used to develop an updated Materiality Matrix, ensuring that Ni Hsin's sustainability strategy responsive to stakeholder priorities, industry developments, and business imperatives. The Group's Materiality Matrix for FP2025 demonstrates both continuity and evolution in stakeholder expectations and is illustrated in the graph below.



Ranking	Sustainability Matter	Importance Level
1	Product Quality	High Importance
2	Occupational Safety & Health	High Importance
3	Compliance with Laws & Regulations	High Importance
4	Economic Performance	High Importance
5	Corporate Governance & Ethics	High Importance
6	Human Resource Management	Medium Importance
7	Resource Management	Medium Importance
8	Local Communities	Medium Importance
9	GHG Emissions Management	Medium Importance
10	Waste Management	Medium Importance
11	Supply Chain Management	Medium Importance

Note: *Scores are based on survey responses from 21 stakeholders using a 1-10 scale.*

The FP2025 materiality reassessment demonstrates strong consistency with the FY2023 results, reinforcing the stability of core stakeholder priorities while highlighting emerging areas of focus. Five sustainability matters emerged as high priority concerns for both internal and external stakeholders: Product Quality, Occupational Safety & Health, Compliance with Laws & Regulations, Economic Performance, and Corporate Governance & Ethics. Notably, sustainability matters have demonstrated elevated importance since the FY2023 assessment - Occupational Safety & Health and Economic Performance have both elevated in stakeholder importance, reflecting evolving business priorities and heightened awareness of workplace safety and financial resilience in the current operating environment.

Through this refined materiality framework, Ni Hsin Group reaffirms its commitment to transparent, stakeholder-responsive sustainability practices that create long-term value for all stakeholders while contributing meaningfully to sustainable development goals.

SUSTAINABILITY STATEMENT
(CONT'D)

NON-FINANCIAL PERFORMANCE HIGHLIGHTS

ECONOMIC

Product Quality & Safety

85%

Exceeded customer satisfaction level of 80% and above in the FP2025,

↗ **+3.0 percentage points from 82% in FY2023**

Green Technology Revenue

RM4.9M

EV Division revenue from EBIXON electric motorcycles

18-month period - Strategic expansion into electric vehicle manufacturing supporting Malaysia's low-carbon transition

ENVIRONMENTAL

Electric Vehicle Initiative

Growing

Strategic contribution to Malaysia's low-carbon transition through EBIXON electric motorcycles

↗ **+22.5 percentage points from 61.5% in FY2023**

Green Technology Focus

Expanding

Manufacturing and distribution of electric vehicles demonstrating market acceptance and environmental commitment

SOCIAL

Safety & Health Training

120

Training instances delivered over 18-month reporting period

↗ **+29% increase from FY2023**

Local Supplier Spending

65%

Proportion of spending on local suppliers, supporting local communities through procurement practices

↗ **+3.5 percentage points from 61.5% in FY2023**

GOVERNANCE

Women on Board of Directors

50%

Achieving gender equity at the highest level of governance, exceeded target of 40% women participation in leadership roles

Corporate Code Compliance

100%

Operation underwent corruption risk assessments with Zero incidents of corruption across operations of the Group

SUSTAINABILITY STATEMENT
(CONT'D)

Material Topics

ECONOMIC

Economic Performance

In FP2025, the Group remains steadfast in driving economic value creation as a cornerstone of our sustainability agenda. This commitment directly supports our Vision to be the leader in exquisite stainless-steel products in Asia and our Mission to deliver products that consistently meet and exceed our customers' needs and expectations.

Our integrated approach to sustainability ensures that environmental stewardship, social responsibility, and robust governance practices are embedded throughout our operations, creating long-term value for all stakeholders while advancing our strategic objectives.

Economic Value Generated

The Group demonstrated strong revenue growth in FP2025, with Economic Value Generated reaching RM51.5 million for the 18-month period, translating to RM34.3 million on an annualised basis. This represents a significant 17.5% increase compared to FY2023's RM29.2 million, reflecting improved business performance and market expansion during the transition period.

Economic Value Distributed

Total Economic Value Distributed increased substantially to RM64.0 million (18-month actual) or RM42.7 million (annualised) in FP2025, compared to RM37.4 million in FY2023. This 14.2% increase in annualised terms demonstrates the Group's expanded operational scale and investment in key stakeholder groups.

Economic Value Retained

The Group recorded a negative Economic Value Retained of RM12.5 million (18-month actual) or RM8.4 million (annualised) in FP2025. While this reflects a dip from negative RM6.3 million in FY2024, it remains comparable to FY2023 (negative RM8.1 million), indicating stable underlying performance. The negative retention is attributed to the Group's strategic investments in operational expansion and infrastructure development, which are expected to yield positive returns in subsequent periods as the business scales and realises greater operational efficiencies.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Economic Value Generated (i.e. revenue and other income)	RM '000	30,674	34,762	29,244	51,500	**34,333**
Loss After Tax	RM '000	6,447	5,007	7,449	11,158	**7,439**
Economic Value Distributed	RM '000	38,721	40,285	37,354	64,044	**42,696**
Operating Costs	RM '000	27,367	28,351	23,050	41,368	**27,579**
Employee Wages and Benefits	RM '000	11,076	11,546	13,982	21,840	**14,560**
Payments to providers of capital	RM '000	278	388	322	836	**557**
Payments to the government by country	RM '000	0	0	0	0	**0**
Community investments	RM '000	0	0	0	0	**0**
Economic Value Retained	RM '000	(8,047)	(5,523)	(8,110)	(12,544)	**(8,363)**

Notes:

1. *All figures, unless otherwise stated, are presented in Malaysian Ringgit ("RM"). The financial results presented in the table are derived from the audited financial statement, which is available for reference in our Annual Report for the 18-month financial period 2025.*
2. *^Annualised figures used to ensure year-on-year comparability.*

SUSTAINABILITY STATEMENT
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Product Quality & Safety

Our Quality Commitment

Product quality and safety form the cornerstone of Ni Hsin's value creation strategy. Guided by our commitment to deliver reliable, innovative, and user-friendly products, we ensure every product manufactured meet stringent quality standard and safety requirements. Our quality management system is certified under ISO 9001:2015, demonstrating our systematic approach to quality assurance and continuous improvement.

Customer-Centric Quality Management

Customer engagement is integral to our quality enhancement process. We conduct comprehensive annual surveys to gather feedback on product performance, service quality, delivery efficiency, and customer support effectiveness. This structured approach enables us to capture valuable insights directly from our end-users and identify areas for improvement.

To ensure continuous improvement, we employ a Scorecard Review system that systematically monitors and analyses customer feedback trends. These insights are discussed during annual management review meetings, where we address specific concerns and implement targeted enhancements to our operations and product offerings.

Performance Metrics and Achievements

Our commitment to excellence is reflected in our key performance indicators for FP2025:

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Customer satisfaction	Percentage (%)	85	82	82	85	-
Product performance	Percentage (%)	75	79	81	84	-
Staff performance	Percentage (%)	98	87	86	93	-

Notes:

1. *Product Quality and Safety metrics are assessed on an annual basis at the end of each calendar year. The data presented covers January to December 2024 and represents the most recent available information for these indicators during the 18-month reporting period (January 2024 – June 2025).*

The target is to maintain customer satisfaction level of 80% and above in FY2026. These improvements demonstrate the effectiveness of our quality management approach and the Group's commitment to exceeding customer expectations while maintaining operational excellence.

Our systematic approach to quality enhancement through annual customer feedback reviews and management assessments enables us to:

- Refine quality control procedures based on real customer experiences
- Strengthen our value proposition through products that meet evolving market expectations
- Maintain our competitive position through consistent quality delivery
- Foster long-term customer relationships built on trust and reliability

Supply Chain Management

Our Supply Chain Commitment

As one of the leading manufacturers of stainless-steel products in Asia, we are committed to sourcing materials responsibly and ethically. We uphold fair, transparent, and accountable procurement practices across our supply chain, ensuring that our partnerships contribute to sustainable economic development while maintaining the highest standards of quality and reliability.

Supplier Assessment and Performance Management

All suppliers, both new and existing, undergo comprehensive bi-annual performance evaluations that assess critical aspects including delivery reliability, product quality, and regulatory compliance These evaluations are conducted through systematic on-site inspections and performance reviews, ensuring our suppliers meet our stringent operational and ethical standards.

SUSTAINABILITY STATEMENT
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The outcomes of these assessments are regularly reviewed during management meetings, where we address any concerns, identify improvement opportunities, and implement targeted enhancements to strengthen our supply chain resilience and performance.

Local Supplier Engagement

Our commitment to supporting local economic development is demonstrated through our strategic focus on local supplier engagement. In FP2025, we achieved significant progress in localising our supply chain:

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Proportion of spending on local suppliers	Percentage (%)	64.5	62.0	61.5	65.0	-

In FP2025, total spending on local suppliers over the 18-month reporting period (January 2024 – June 2025) amounted to RM20.43 million, representing 65.0% of the Group's total supplier expenditure of RM31.47 million. This marks an improvement from FY2023, where 61.5% of total procurement was directed towards local suppliers.

To support year-on-year comparison, we have also annualised the FP2025 figures to align with a 12-month period. On this basis, local procurement amounted to RM13.62 million out of RM20.98 million in total supplier spending.

The increase in local sourcing reflects our ongoing efforts to strengthen local procurement strategies while upholding standards of quality, sustainability, and cost-efficiency. This improvement is driven by proactive local sourcing initiatives, alongside some measurement adjustments related to the transition in our financial year-end. Our continued focus remains on supporting local businesses, enhancing supply chain resilience, and contributing meaningfully to the communities where we operate.

This shift supports our broader strategy to:

- Strengthen local supplier capabilities through long-term partnerships
- Reduce supply chain risks and transportation costs
- Support local economic development and job creation
- Enhance supply chain agility and responsiveness

The increase in local sourcing delivers several strategic benefits:

- **Economic Impact:** Direct contribution to local economic growth and employment
- **Operational Efficiency:** Reduced lead times and enhanced supply chain flexibility
- **Risk Mitigation:** Lower exposure to international supply chain disruptions
- **Cost Optimization:** Reduced logistics and transportation expenses
- **Sustainability:** Lower carbon footprint through reduced transportation requirements

This performance reflects the effectiveness of our supply chain localisation approach while upholding high standards in quality, reliability, and responsible procurement.

ENVIRONMENTAL

Resource Management

As a manufacturer, we acknowledge that our operations inherently impact the environment through the consumption of natural resources and the generation of emissions. In line with our dedication towards sustainability, we remain proactive in monitoring and managing resource usage across our daily operations. By closely tracking our environmental inputs and outputs, we aim to improve our management of our ecological footprint by improving our operational efficiency.

Energy Management

Energy management remains a critical component of our sustainability strategy, given the substantial energy consumption across our diversified manufacturing operations, such as electricity consumed at our factory premises and diesel used in forklifts, machinery and equipment. Our comprehensive approach encompasses operational efficiency improvements, technology upgrades, and strategic business expansion into green technology sectors.

SUSTAINABILITY STATEMENT
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Operational Energy Efficiency Initiatives

Building on our previous LED lighting replacement program, we continue the progressive deployment of energy-efficient Light Emitting Diode (LED) lighting systems across our manufacturing operations. Our plan to install energy-efficient LED lighting in all offices and factories remains ongoing as we expand our operational footprint across multiple business divisions.

Our established energy conservation protocols ensure all lighting and air-conditioning units are switched off during non-operational hours. These fundamental energy management practices directly contribute to reducing our Scope 2 emissions from purchased electricity consumption.

Our diversified manufacturing operations achieved strong business growth in FP2025, with revenue increasing to RM51.5 million across our expanded portfolio of cookware, stainless steel products, food and beverages, logistics services, and electric vehicles. As we scale our operations, we continue to focus on implementing energy management practices to support sustainable manufacturing processes.

Product-Centric Environmental Impact Management

Our cookware division, which generated RM16.1 million in revenue during FP2025, continues to focus on stainless steel product manufacturing. As established in our previous reporting, our cookware products are designed with features such as even heat distribution and varied thickness configurations that can contribute to cooking efficiency for end-users.

Strategic Progress in Green Mobility: Advancing Malaysia's EV Transition

The Group's strategic expansion into Electric Vehicle ("**EV**") manufacturing and distribution represents a significant contribution to Malaysia's low-carbon transition. In FP2025, our EV Division generated RM4.9 million in revenue (18-month period), demonstrating growing market acceptance of our EBIXON electric motorcycles.

Our EV Division's market development efforts have been significantly enhanced through strategic partnerships with major corporations, delivery service providers, and various cooperative societies. Our ongoing collaboration with universities and research institutions, focuses on advancing electric mobility technologies and sustainable manufacturing processes.

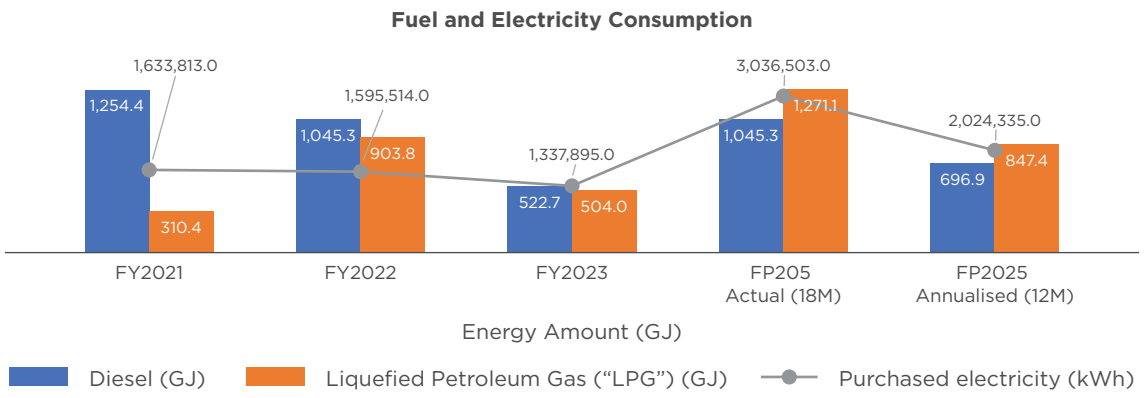
The Token Crowd Funding project currently under Securities Commission review represents an innovative financing approach for scaling our green technology initiatives and expanding market reach for sustainable transportation solutions.

Our comprehensive energy management and GHG emissions reduction strategy positions the Group as a leader in sustainable manufacturing while contributing meaningfully to Malaysia's national climate objectives and the global transition to a low-carbon economy.

Our total energy consumption recorded 13,247.4 GJ over the FP2025 reporting period. On an annualised 12-month basis, energy consumption was 8,832.3 GJ, representing a 51.2% increase compared to FY2023's 5,843.1 GJ. Our energy intensity for FP2025 was 0.257 GJ per RM1,000 revenue, an 26.6% increase from 0.203 GJ per RM1,000 revenue in FY2023.

This increase is primarily attributed to the expanded operational scale across five business divisions, as well as strategic diversification into manufacturing and distribution of EV, and the food & beverage segment. Between 1 January 2024 and 30 June 2025, three additional BlackBixon Café & Restaurant outlets were opened. As of 30 June 2025, the Group operates four outlets located in Imbi KL, PJ33, Paradigm Mall Petaling Jaya, and NU Empire Subang Jaya, all contributing to the rise in energy and utilities consumption.

SUSTAINABILITY STATEMENT
(CONT'D)



Energy source	Energy amount (GJ) FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Diesel[3]	1,254.4	1,045.3	522.7	1,045.3	**696.9**
Liquefied Petroleum Gas[4] ("LPG")	310.4	903.8	504.0	1,271.1	**847.4**
Purchased electricity[5]	5,881.7	5,743.8	4,816.4	10,931.0	**7,288.0**
Total	**7,446.5**	**7,692.9**	**5,843.1**	**13,247.4**	**8,832.3**

Notes:
1. *^Annualised figures used to ensure year-on-year comparability.*
2. *Data is rounded to the nearest 1 decimal place.*
3. *Energy conversion for diesel is calculated using the U.S. Energy Information Administration (EIA) energy conversion calculators.*
4. *Energy conversion for LPG is calculated using the IPCC Special Report on Carbon dioxide Capture and Storage – Annex I Properties of CO2 and Carbon-based Fuels.*
5. *The factor used to convert the amount of electricity consumed from kWh to GJ is 0.0036, typical Conversion Factors as per IPCC and IEA.*

Ni Hsin will continue to monitor our energy consumption and strive to implement energy-efficient practices within our production processes, in line with our capabilities and commitment to contributing toward a more sustainable future.

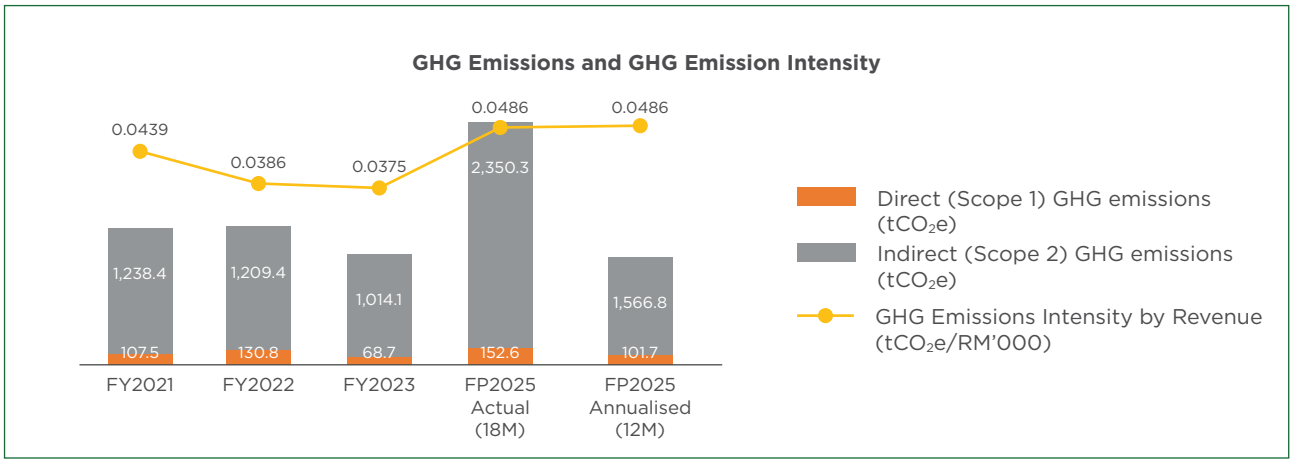
GHG Emissions

Aligned with Malaysia's national aspiration to achieve net-zero greenhouse gas (GHG) emissions by 2050, the Group remains committed to addressing climate change and reducing its carbon footprint. Our GHG emissions tracking focuses on both Scope 1 (direct emissions) and Scope 2 (indirect emissions from purchased electricity).

For FP2025, Scope 1 and Scope 2 emissions were recorded at 152.6 tonnes CO_2e (tCO_2e) and 2,350.3 tCO_2e, respectively. On an annualised 12-month basis of FP2025, Scope 1 emissions increased to 101.7 tCO_2e and Scope 2 emissions to 1,566.8 tCO_2e, totalling 1,668.5 tCO_2e. This represents a 54.1% increase in total GHG emissions compared to FY2023. The emissions intensity also increased to 0.0486 tCO_2e per RM1,000 revenue, marking a 29.6% increase from the previous reporting period.

This increase reflects the longer reporting period and is attributed to higher energy consumption driven by expanded operations including strategic diversification into manufacturing and distribution of EV, and food & beverage segment. We remain committed to improving our energy efficiency and exploring renewable energy alternatives to manage our emissions moving forward.

SUSTAINABILITY STATEMENT
(CONT'D)



	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Direct (Scope 1) GHG emissions[1,2]	tCO_2e	107.5	130.8	68.7	152.6	**101.7**
Indirect (Scope 2) GHG emissions[1,3]	tCO_2e	1,238.4	1,209.4	1,014.1	2,350.3	**1,566.8**

Notes:
1. *Direct (Scope 1) GHG emissions comprise emissions from diesel and liquefied petroleum gas (LPG) consumption, while Indirect (Scope 2) GHG emissions represent emissions from purchased electricity.*
2. *Beginning FP2025, the Group has updated its calculation methodology for Scope 1 GHG emissions. Emission factors are now aligned with the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, replacing the previously applied 2006 IPCC Guidelines. To ensure transparency and consistency, historical data has not been restated.*
3. *Scope 2 GHG emissions are calculated using the Grid Emission Factor (GEF) for Peninsular Malaysia of 0.774 kgCO_2e/kWh for the year 2022, as reported by MyEnergyStats and sourced from the Malaysia Energy Information Hub (MEIH), managed by the Energy Commission of Malaysia.*
4. *GHG emissions intensity refers to the combined intensity of Scope 1 and Scope 2 emissions only.*
5. *^Annualised figures are presented to enable consistent year-on-year comparison. Data has been rounded to the nearest one decimal place.*

Water Management

Ni Hsin acknowledges the importance of water as a vital resource used throughout various stages of our production process. As such, we, within our means and capabilities, remain committed to promoting water conservation and improving water efficiency across our operations.

In FP2025, total water consumption increased to 32.4 megalitres as compared to 15.2 megalitres in FY2023, with an intensity of 629.1 litres per RM1,000 revenue. However, using the annualised 12-month FP2025 data for a fair comparison, total water consumption stood at 21.6 megalitres.

This reflects a 42.1% increase in total water consumption and a 19.5% increase in water consumption intensity compared to FY2023. The rise is largely attributable to increased production activities and expanded operations during the period.

We remain committed to enhancing water efficiency across our operations and continue to explore process optimisation initiatives to reduce consumption and minimise environmental impact.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Water consumption	Megalitres	15.6	15.1	15.2	32.4	**21.6**
Water Consumption Intensity	Litres per RM1,000 revenue	-	-	526.6	629.1	**629.1**

Notes:
1. *^Annualised figures are presented to enable consistent year-on-year comparison. Data has been rounded to the nearest one decimal place.*

SUSTAINABILITY STATEMENT
(CONT'D)

Waste Management

As a Group, we uphold responsible waste management as a key pillar of our environmental stewardship. Our approach focuses on minimising waste generation, promoting reuse, and maximising recycling to mitigate the environmental impact of disposal activities.

We manage two primary categories of waste:

- **Hazardous waste** classified as scheduled waste and handled in strict compliance with regulatory standards.
- **Non-hazardous waste**, which includes stainless steel scrap and general operational waste.

As a stainless-steel products manufacturer, stainless steel scrap is the predominant waste stream generated in our operations. Recognising its high recyclability and value, we ensure that 100% of our stainless-steel scrap is recycled through licensed third-party contractors. This practice aligns with global sustainability standards, as stainless steel is one of the most recycled materials worldwide, with approximately 95% of end-of-life stainless steel being recovered and reused without loss of quality.

The recycling process not only conserves natural resources and reduces carbon emissions by up to 70%, as less energy is consumed compared to production from virgin materials, but also supports the circular economy. Recycled stainless steel retains its physical and chemical properties, allowing it to be repurposed indefinitely.

The proceeds from stainless steel recycling contribute to an additional income stream for Ni Hsin, which we reinvest in our workforce through performance bonuses and employee benefits. This reflects our commitment to creating shared value across our operations.

We continue to explore innovative waste management practices and collaborate with industry partners to enhance recycling efficiency and reduce our environmental footprint.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Total amount of waste generated	**Tonnes**	**320.2**	**343.3**	**264.1**	**309.2**	**206.2**
Hazardous waste (scheduled waste)	Tonnes	0.2	5.7	3.2	3.1	**2.1**
Non-hazardous waste	Tonnes	320.0	337.6	260.9	306.1	**204.1**
Stainless Steel Scrap	Tonnes	190.2	223.2	144.3	127.5	**85.0**
General Waste	Tonnes	129.8	114.4	116.6	178.6	**119.1**
Breakdown of total waste diverted from disposal and total waste directed to disposal						
Total waste diverted from disposal[2]	Tonnes	190.2	223.2	144.3	127.5	**85.0**
Total waste directed to disposal[3]	Tonnes	130.0	120.1	119.8	181.7	**121.2**

Notes:

1. *^Annualised figures are presented to enable consistent year-on-year comparison. Data has been rounded to the nearest one decimal place.*
2. *Total waste diverted from disposal comprises of stainless steel scrap.*
3. *Total waste directed to disposal comprises of general waste and hazardous waste.*

During the FP2025 reporting period, total waste generated significantly increased to 309.2 tonnes, with 127.5 tonnes diverted from disposal and 181.7 tonnes directed to disposal. This equates to a waste diversion rate of approximately 41.2% of total waste generated. To allow for a fair year-on-year comparison, the annualised 12-month FP2025 data shows total waste generation of 206.2 tonnes, with 85.0 tonnes diverted from disposal and 121.2 tonnes directed to disposal. This results in a waste diversion rate of 41.2%, consistent with the 18-month period.

When compared to FY2023's total waste generation of 264.1 tonnes, this reflects a 21.9% decrease in total waste generation in FP2025 (annualised). Additionally, the waste diversion rate declined significantly, from 54.6% in FY2023 to 41.2% in the annualised 12-month FP2025, indicating a higher proportion of waste being sent for disposal. We acknowledge this downward trend and recognise the urgent need to strengthen our waste management strategies. The Group is currently reviewing existing processes to improve waste reduction, enhance recycling practices, and increase our overall diversion rate moving forward.

SUSTAINABILITY STATEMENT
(CONT'D)

SOCIAL

Occupational Safety and Health

The safety, health, and overall well-being of our employees are paramount to the Group. We remain steadfast in our commitment to cultivating a safe and healthy working environment, underpinned by full compliance with all applicable statutory requirements, including the Occupational Safety and Health Act 1994, Factories and Machinery Act 1967, USECHH Regulations, and the Environmental Quality Act 1974.

This commitment is guided by the Group's Safety and Health Principle, which serves as the foundation of our approach to workplace safety. Central to this principle is the implementation of the Hazard Identification, Risk Assessment, and Risk Control ("**HIRARC**") framework. This structured methodology enables the systematic identification of workplace hazards, assessment of associated risks, and the deployment of appropriate control measures to mitigate potential harm.

Through these efforts, we aim to foster a culture of safety, accountability, and continuous improvement across all levels of the organisation.

Ni Hsin's Safety and Health Principle outlines the following objectives:

- Provide employees with safe work methods, work areas, premises, and equipment to minimise risks of injury, accidents, and property damage.
- Ensure all employees especially new hires receive adequate training to understand their responsibilities egarding safety and health.
- Enforce strict compliance with all safety and health instructions and procedures across the organisation.
- Maintain effective fire prevention systems and accessible first aid facilities to safeguard employee well-being.
- Promote active employee participation through joint consultation to achieve shared safety and health goals.

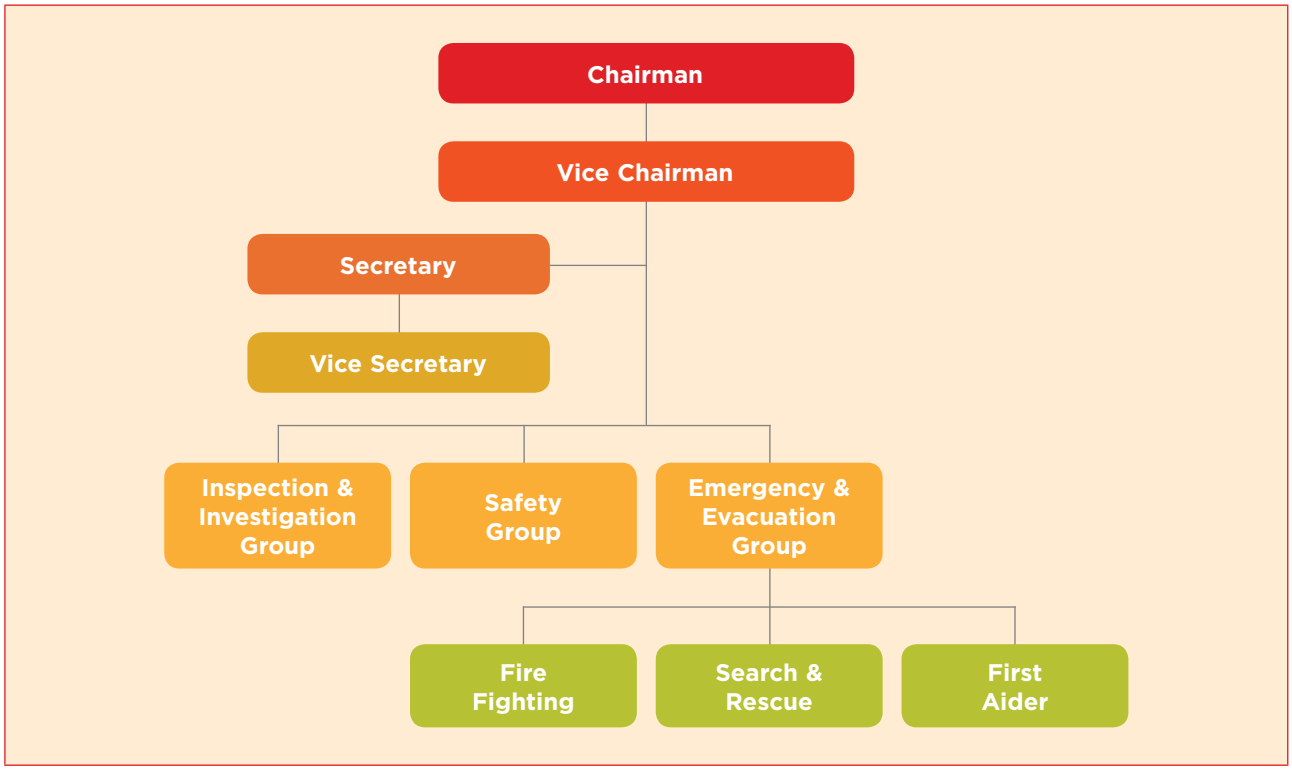
To support the implementation of our safety and health objectives, the Safety and Health Committee ("**SHC**") has been established as a dedicated governance body. Chaired by the Factory Manager, the SHC comprises representatives from management, employees, and appointed safety and health officers, fostering a collaborative platform for dialogue and decision-making.

The Committee is entrusted with a broad scope of responsibilities, including:

- Development and oversight of safety and health programmes
- Periodic review and enhancement of the safety and health policy
- Execution of workplace safety inspections
- Investigation and resolution of reported unsafe practices
- Analysis of incident trends and statistics
- Maintenance of fire prevention systems and first aid facilities

SUSTAINABILITY STATEMENT
(CONT'D)

The SHC convenes every quarter to evaluate safety and health performance, deliberate on work plans and audit findings, and share corrective actions arising from incidents to prevent recurrence. This structured approach ensures continuous improvement and reinforces a culture of safety throughout the organisation.



In line with our commitment to transparency and continuous improvement, the Group tracks and evaluates safety performance metrics, as outlined below.

	Unit	FY2021		FY2022		FY2023		FP2025 Actual (18M)	
		All Employees (including Contractors)	Contractors only	All Employees (including Contractors)	Contractors only	All Employees (including Contractors)	Contractors only	All Employees (including Contractors)	Contractors only
Number of work-related fatalities	Number	0	0	0	0	0	0	**0**	**0**
Fatalities rate	Percentage (%)	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**	**0.0**
Number of high-consequence work-related injuries (excluding fatalities)	Number	0	0	0	0	0	0	**6**	**0**
Rate of high-consequence work-related injuries (excluding fatalities)[1]	Percentage (%)	0.0	0.0	0.0	0.0	0.0	0.0	**2.4**	**0.0**
Number of work-related lost-time incidents[2]	Number	1	0	1	0	2	0	**6**	**0**
Lost Time Incident Rate ("**LTIR**") per 200,000 hours worked	Number	0.59	0.00	0.41	0.00	0.94	0.00	**1.63**	**0.00**

Notes:

1. *Rate of high-consequences work-related injuries (excluding fatalities) is calculated by dividing the total number of high-consequences work-related injuries by total number of employees in the reporting period.*
2. *Point-in-time headcounts are used for actual number of work-related lost-time incidents reporting on FP2025 Actual (18M). Hence, FP2025 Annualised (12M) data is not made available.*

SUSTAINABILITY STATEMENT
(CONT'D)

In FP2025, we recorded 6 work-related injuries and a lost time incident rate of 1.63. Incidents are reported immediately to the relevant supervisor and the SHC shall notify the Department of Occupational Safety and Health ("**DOSH**") of any fatalities or injury cases involving more than 4 days of medical leave. An investigation shall be carried out immediately by the Inspection and Investigation Group to analyse the root cause of the incident. The findings of the investigation will be issued and shared to all employees to raise safety awareness. The SHC shall follow up with corrective actions based on the outcome of the investigation to prevent recurrences in the future.

We have set a target to achieve zero major[1] incident cases in FY2026.

[1] *A major incident refers to a case where serious bodily injuries sustained by an employee resulted in more than four calendar days of medical leave.*

Safety and Health Training

Ni Hsin is committed to fostering a safe and health-conscious workplace through structured and continuous employee training. In alignment with the Group's Safety and Health Principle, all employees particularly new recruits undergo comprehensive training to understand their roles and responsibilities in maintaining a safe working environment.

We also offer health and safety training on-the-job and refresher sessions to all our employees and contractors. By equipping employees with the necessary knowledge and skills, Ni Hsin aims to promote a proactive safety culture and empowers its workforce to contribute meaningfully to the Group's health and safety objectives.

A total of 120 employees trained on health and safety standards were delivered over the 18-month FP2025 reporting period. This represents a 29% increase compared to FY2023, demonstrating our enhanced focus on workplace safety and compliance.

	Units	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Number of employees trained on health and safety standards	Number	54	119	93	120	-

Notes:
1. *FP2025 data are cumulative amount for over the 18-month reporting period.*

Human Resource Management

We believe that employees are our key assets in driving sustainable business growth. We are committed to supporting employee development and advancement by providing career opportunities and maintaining a work environment that fulfills their professional needs and aspirations.

As of 30 June 2025, the Group employs 242 people, compared to 253 employees as of 31 December 2024. Our workforce comprises approximately 55% permanent full-time employees and 45% temporary employees, reflecting our operational flexibility and commitment to maintaining core capabilities while adapting to business requirements.

Number of employees	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Permanent employees	Number	92	153	130	132	**140**
Contract-based/temporary employees	Number	77	98	87	110	**108**
Total employees	Number	169	251	217	242	248
Percentage of employees that are contractors or temporary staff[2]	**Percentage (%)**	**45.6**	**39.0**	**40.1**	**45.5**	**43.5**

Notes:
1. *^Annualised figures are presented to enable consistent year-on-year comparison. Percentage of employees have been rounded to the nearest one decimal place.*
   The following methodology has been adopted to ensure consistency and comparability:
2. *Headcount Reporting: Point-in-time employee data is used for reporting actual workforce size. This includes 253 employees as of 31 December 2024 and 242 employees as of 30 June 2025.*
3. *Rate Calculations: For metrics that require a headcount-based denominator (e.g., new hire rate, turnover rate), the average headcount of 248 employees, calculated as the midpoint between the two point-in-time figures, is applied to ensure consistency and representativeness over the 18-month reporting period.*

SUSTAINABILITY STATEMENT
(CONT'D)

We recruit and retain top talent through comprehensive strategies that prioritize competitive compensation, performance development, and employee wellbeing.

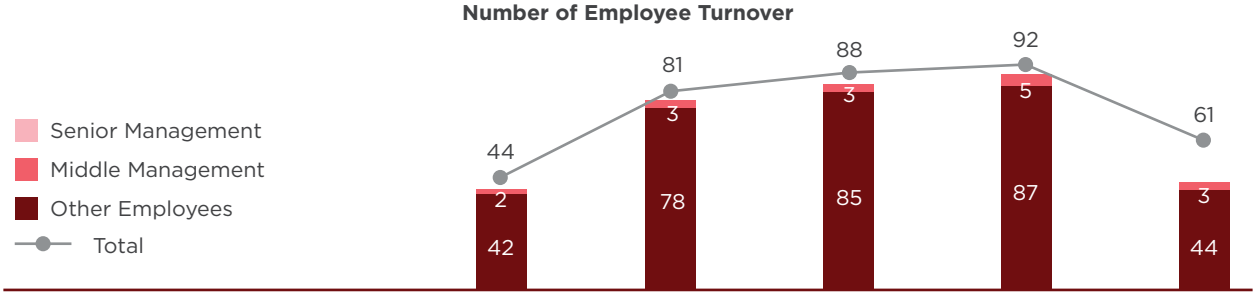
Our approach centers on competitive compensation packages with regular market benchmarking to ensure our remuneration remains attractive. We conduct periodic performance evaluations for all employees, creating opportunities for self-assessment, receiving necessary support, and providing valuable feedback. To recognize dedication and foster loyalty, we honour long-serving employees with Service Recognition Awards for their commitment to the organization.

We are committed to supporting our workforce through a comprehensive benefits package that varies by job grade. This includes Group personal accident insurance and medical subsidies of up to RM2,000 annually for general illnesses. Our employees enjoy comprehensive leave entitlements covering annual leave, marriage leave, compassionate leave, sick leave, and medical and hospitalization leave. To maintain open communication, we provide channels for employees to raise concerns or feedback through our Appeal Form process.

Over the 18-month FP2025 reporting period, our new hire rate was 49.2% while our turnover rate was 38.0%. This represents improved retention compared to FY2023, with turnover decreasing from 40.6% to 38.0%, while our new hire rate increased from 38.7% to 49.2%, reflecting business expansion and workforce renewal initiatives.

The positive gap between hiring and turnover rates demonstrates our commitment to sustainable workforce growth and talent acquisition strategies that support business objectives.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Number of new hires	Number	49	148	84	122	**61**
New hire rate	**Percentage (%)**	**29.0**	**59.0**	**38.7**	**49.2**	**24.6**



	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised (12M)
Senior Management turnover rate (%)	0.0	0.0	0.0	0.0	0.0
Middle Management turnover rate (%)	10.0	11.5	14.3	23.8	13.6
Employee turnover rate (%)	**26.0**	**32.3**	**40.6**	**38.0**	**18.5**

Notes:

1. *^Annualised figures are provided to ensure year-on-year comparability. These are derived by applying a proportional adjustment (12/18 months) to the actual 18-month FP2025 data, enabling fair comparison with previous 12-month reporting periods.*
2. *Headcount Reporting: Point-in-time employee data is used for reporting actual workforce size. This includes 253 employees as of 31 December 2024 and 242 employees as of 30 June 2025.*
3. *Rate Calculations: For metrics that require a headcount-based denominator (e.g., new hire rate, turnover rate), the average headcount of 248 employees, calculated as the midpoint between the two point-in-time figures, is applied to ensure consistency and representativeness over the 18-month reporting period.*

Employee Diversity, Equity and Inclusion

The Group firmly upholds the principle that every employee has the right to be treated with fairness, dignity, and respect. We recognise the importance of cultivating a diverse and inclusive workforce, and we value the unique perspectives contributed by individuals of varying cultural backgrounds, experiences, and age groups.

SUSTAINABILITY STATEMENT
(CONT'D)

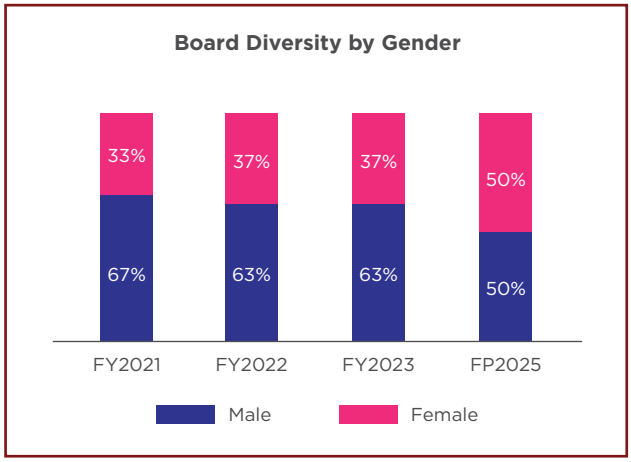
In alignment with the Group's Corporate Code of Conduct, we are committed to maintaining equal employment opportunity practices across all employment-related activities, including recruitment, promotion, and career development. Decisions are made based solely on business requirements and individual merit, such as skills, experience, core competencies, and other relevant attributes, without discrimination based on gender, race, religion, or age.

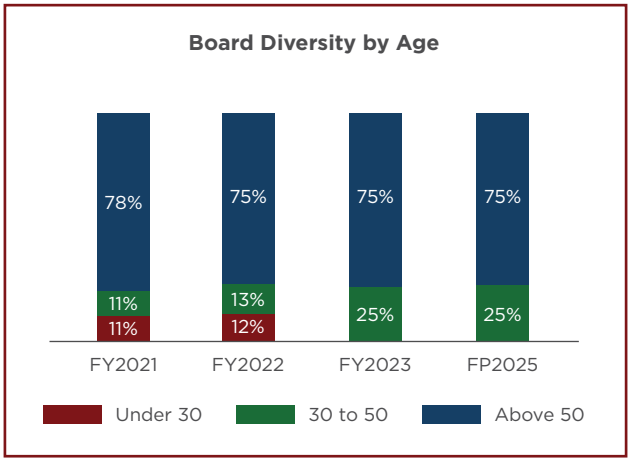
We respect and uphold the fundamental human rights of all employees and adhere to responsible labour practices in compliance with applicable laws and regulations, including the Employment Act 1955. We are pleased to report that there have been no substantiated complaints related to human rights violations during the reporting period.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Number of substantiated complaints concerning human rights violations	Number	0	0	0	0	**0**

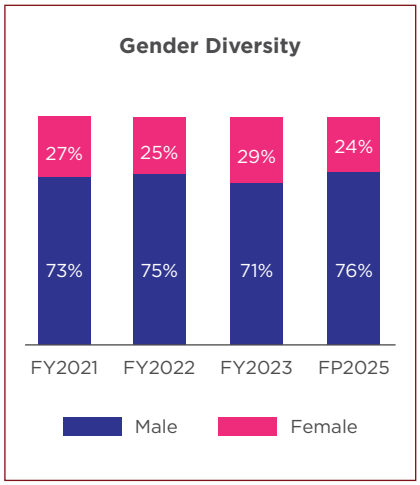
We are committed to fostering a diverse and inclusive workplace that values different perspectives and backgrounds. As of 30 June 2025, our workforce of 242 employees represents diverse demographics across gender, age groups, and ethnicities, creating a rich tapestry of experiences and viewpoints.

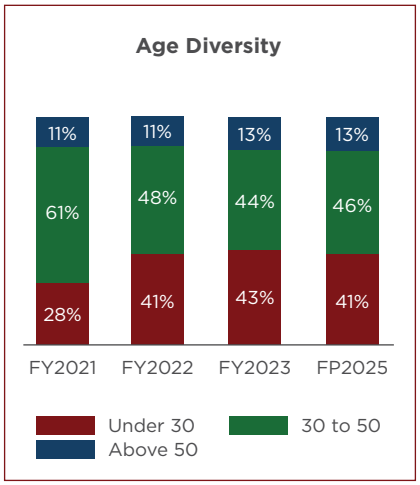
Our commitment to gender equity is particularly evident in our leadership structure. We achieved a 50% women representation on our Board of Directors, demonstrating our strong advocacy for equitable gender representation at the highest levels of governance. In senior management positions, we have not only met but exceeded our target of maintaining 40% women participation in leadership roles, achieving 50% women representation in FP2025. This achievement reflects our dedication to creating inclusive pathways for career advancement and ensuring diverse voices contribute to strategic decision-making across the organization.

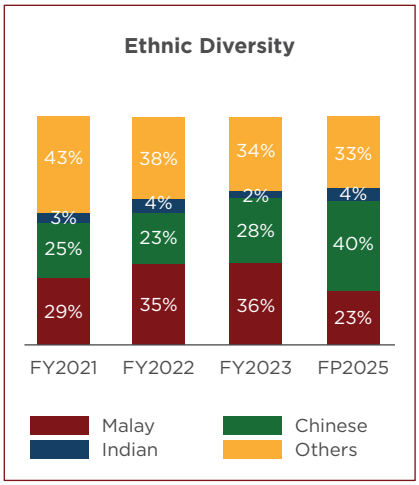




Workforce Profile

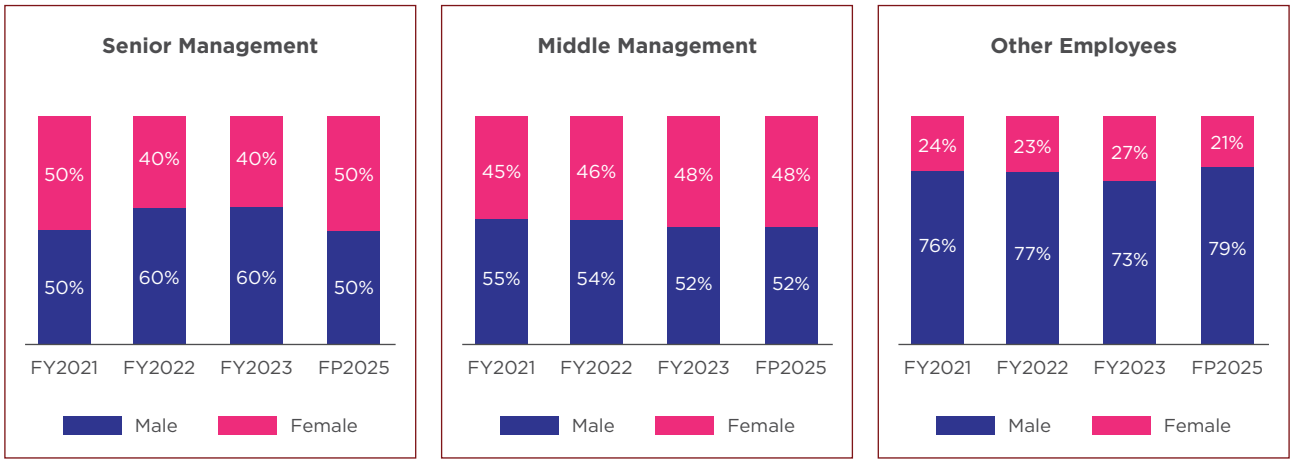




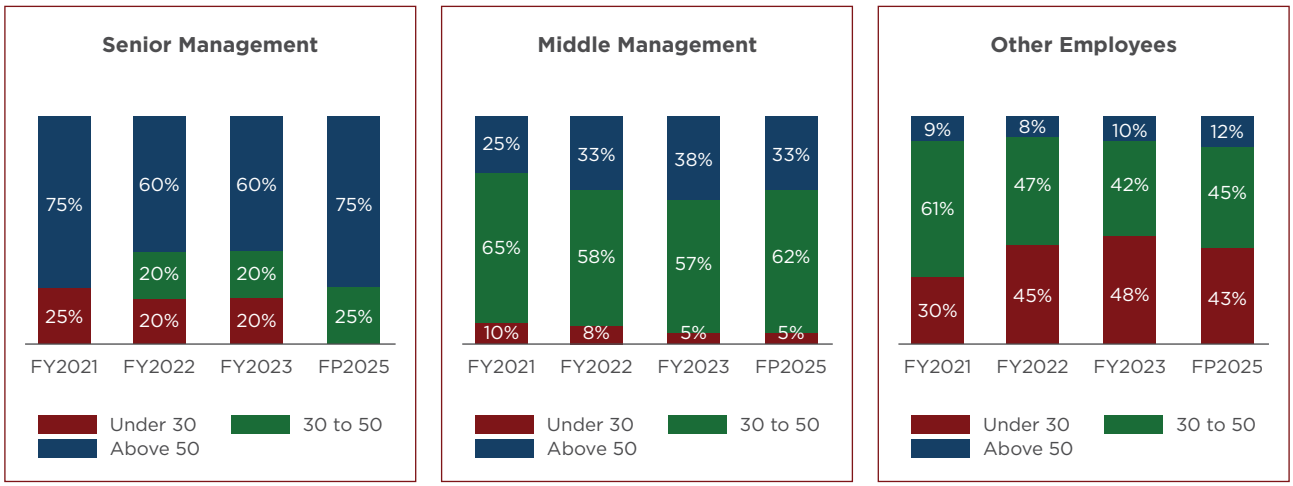


SUSTAINABILITY STATEMENT
(CONT'D)

Gender Diversity by Employee Category



Age Diversity by Employee Category



Notes:

1. FP2025 data are cumulative amount for over the 18-month reporting period.

Employee Training and Development

The Group recognise that employee training and development are integral to the sustained growth and success of our organisation. We ensure holistic employee development through regular needs assessments and diverse training programmes tailored to different job levels.

Our comprehensive approach includes induction training for new employees, specialized training for existing employees based on identified needs and employee-initiated training through the Annual Training Plan, subject to management approval. Our Human Resource and General Administration ("**HR & GA**") department develops an Annual Training Plan that outlines specific programmes for the year, creating focused learning experiences that upskill employees' capabilities and competencies. In addition to the Annual Training Plan, employees may request additional training throughout the year to enhance their professional skills and capabilities.

We remain committed to investing in our workforce development. In FP2025, we delivered 1,430 total training hours over the 18-month reporting period, representing a 74% increase in average training hours per employee compared to FY2023, from 4.9 hours to 5.8 hours.

SUSTAINABILITY STATEMENT
(CONT'D)

This sustained investment in training reflects our commitment to developing a skilled and capable workforce that drives organizational excellence.

Year 2024		
Month	**Attendees**	**Training Programmes**
January 2024	Factory employees	Audiometric Program and Training
February 2024	SHC	HIRARC Risk Management
	In-house internal auditor	ESG Auditing Techniques
March 2024	SHC	Reinforcement on Chemical Safety and Spillage Control
April 2024	SHC	Disposal of Chemical Empty or Disposal Container
	FAC	Machine Operation, Process Operation & Safety Precaution
	PUR	Purchasing Function Enhancement
May 2024	SHC	Fire Fighting Training
	BB2G	Food Handling Training
	SHC	Schedule Waste Management CEPSWAM
June 2024	Factory employees	Product Quality – Part 1, Understanding of Cookware Market and Customer Needs
	FAC	Product Quality Reinforcement
	Finance and Accounts Team	Financial and Accounting Standard Reinforcement – Webinar e-Invoice Implementation for Import Export and SST Volume 1
	Production Engineering	AI-Related Skills for Product and Printing Design – AUTO CAD and Technical Drawing Skills
	HR & GA Team	HR, Payroll and Related Training – Reinforcement of Human Resource, Payroll, Income Tax, Hostel Act Management and Standard to Comply with Legal Requirement
August 2024	SHC	Ergonomics Risk Assessment Training (Level 1)
September 2024	SHC	Ergonomics Risk Assessment Training (Level 2 – Advanced)
	Foreign employees	Enhancement of Hostel Safety and Health Environment
	Finance and Accounts Team	E-Invoice Mastery Phase 2 & 3 IR4.0
October 2024	Board of Directors	Board Ethics Growing Concerns from New Technology, Stakeholder Interest and Conflict of Interest
	Finance and Accounts Team	SQL Accounting Training (Virtual)
November 2024	Forklift Trainer Drivers	Forklift Training – Train the Competency of Forklift Trainer
Year 2025		
Month	**Attendees**	**Training Programmes**
January 2025	All employees	Company Quality Policy Revision Updates and Reinforcement
March 2025	HR & Payroll Team	HR/Payroll and Team Function Reinforcement related training (Reinforcement/Compliance)
	Administration, Production Leaders, Technicians and Appointed Operators	Enhancement of the Company's Mission, Vision, Value and Objective for 2025 and beyond
	EV Team	IATF 16949 Certification for Electric Vehicles (EV) and related components Manufacturers
	Production 3 Team and Selected Rivetting Operators	Riveting Process Reinforcement Training (Manual and Auto Riveting)
	Finance and Accounts Team	e-Invoicing related Training

SUSTAINABILITY STATEMENT
(CONT'D)

Year 2025		
Month	**Attendees**	**Training Programmes**
April 2025	All Head of Departments	Anti-Bribery and Corruption in the Workplace
	Forklift Trainer Drivers	Forklift Driving Skill & Safety – Train the Trainer for Forklift, Competency for New Drivers and Reinforcement for Existing Drivers
	Board of Directors	Mandatory Accreditation Programme (MAP Part II): Leading for Impact (LIP)
May 2025	Appointed Person	Electronic Scheduled Waste Information System (ESWIS)
June 2025	MIS, Finance and Accounts, PUR, S&M, HR & GA Team	ERP System (e-Invoicing Module) for Tax Compliance
	EV Management Team and Directors	NHEVT Management Brainstorming
	HR & Payroll Team	PERKESO Ops Prevent Seminar

		FY2021		FY2022		FY2023		FP2025 Actual (18M)		FP2025 Annualised^ (12M)	
	Unit	Hours of training attended	Average training hours	Hours of training attended	Average training hours	Hours of training attended	Average training hours	Hours of training attended	Average training hours	Hours of training attended	Average training hours
Employee Category											
Senior Management	Hours	34	8.5	1	0.2	8	1.6	80	20.0	53	-
Middle Management	Hours	101	5.1	106	4.1	116	5.5	371	16.9	247	-
Other Employees	Hours	221[4]	1.5	615	2.8	936	4.9	979	4.4	652	-
Gender											
Male	Hours	210[4]	1.7	477	2.6	797	5.2	798	4.2	532	-
Female	Hours	146	3.2	245	3.8	263	4.2	631	10.9	421	-
Total		**356[4]**	**2.1**	**722**	**2.9**	**1,060**	**4.9**	**1,429**	**5.8**	**953**	**-**

Notes:

1. *^Annualised figures are provided to ensure year-on-year comparability. These are derived by applying a proportional adjustment (12/18 months) to the actual 18-month FY2025 data, enabling fair comparison with previous 12-month reporting periods.*
2. *Headcount Reporting: Point-in-time employee data is used for reporting actual workforce size. This includes 253 employees as at 31 December 2024 and 242 employees as at 30 June 2025.*
3. *Rate Calculations: For metrics that require a headcount-based denominator (e.g., training hours per employee), the average headcount of 248 employees, calculated as the midpoint between the two point-in-time figures, is applied to ensure consistency and representativeness over the 18-month reporting period.*
4. *For consistency with last year's statement, the FY2021 data for Employee Category (Other Employees), Gender (Male), and Total have been rounded to the nearest whole number: from 220.5 to 221, 209.5 to 210, and 355.5 to 356 respectively.*

Local Communities

NHG is committed to driving positive and sustainable change in our communities through value-added initiatives that contribute to the betterment of areas where we operate.

In FP2025, we supported nine beneficiary organisations across various sectors, contributing a total of RM2,600 to enhance community welfare. Our beneficiaries included Suara PACSU (Police Administration and Civilian Staff Union), Persatuan Bekas Polis Malaysia Negeri Selangor, Berita Kesatuan Pekerja Bomba Dan Penyelamat Semenanjung Malaysia, Persatuan Kebajikan Dan Amal Keluarga Bekas Angota Jabatan Kastam Diraja Malaysia, Persatuan Bulan Sabit Merah Malaysia Cawangan Selangor, Pertubuhan Kebajikan Anak Yatim Darul Ehsan Malaysia, and Persatuan Bagi Mencegah Penyakit TIBI Malaysia.

SUSTAINABILITY STATEMENT
(CONT'D)

These contributions reflect our ongoing commitment to supporting local communities and fostering meaningful partnerships with organisations that serve public welfare and social causes.

	Unit	FY2021	FY2022	FY2023	FP2025
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	900	900	1,000	**2,600**
Total number of beneficiaries of the investment in communities	Number	-	-	4	**9**

Notes:
1. FP2025 data are cumulative amount for over the 18-month reporting period.

GOVERNANCE

Corporate Governance and Ethical Behaviour

NHG is committed to robust corporate governance and high ethical standards to protect stakeholder trust and confidence. Our approach is anchored in principles outlined in our Code of Ethics and Conduct ("**Code**"), a guiding framework of integrity, transparency, and accountability for all directors, management, and employees that are expected to act in accordance with the ethical standards outlined in the Code, ensuring compliance with all applicable laws and regulations.

The code outlines the principles and standards for stakeholder engagement, methods to identify and manage ethical issues, reporting mechanisms for unethical conduct and guidance on misconduct involving gifts, gratuities, bribery, insider trading, corruption, and money-laundering.

Our Code of Ethics 2025, reviewed biennially, is applicable to the Board on areas of ethical risk and mechanisms to report unethical conduct to foster a culture of transparency and accountability among Directors. We promote a culture of honesty, fairness, and respect, and we maintain a zero-tolerance stance on corruption, bribery, and misconduct. The Code reinforces our commitment to confidentiality, conflict of interest management, and fair competition, helping us navigate complex business environments with clarity and purpose.

By embedding these principles into our operations, we strengthen our reputation as a principled organisation and build enduring stakeholder relationships.

For detailed information on our governance practices, refer to our Corporate Governance Overview Statement on pages 53 to 61.

Anti-Bribery & Anti-Corruption

NHG maintains a zero-tolerance stance towards fraud, bribery, and corruption. Our Anti-Bribery and Anti-Corruption Policy and Procedure ("**ABAC Policy**") provides clear procedures for addressing improper solicitation and corrupt activities in compliance with the Malaysian Anti-Corruption Commission ("**MACC**") Act 2009. All employees are required to undergo training and sign a Declaration Letter to confirm their understanding of the ABAC Policy. The Compliance and Integrity Working Committee ("**CIWC**") comprising key management personnel ensures the ABAC Policy is well-enforced and regularly reviewed.

SUSTAINABILITY STATEMENT
(CONT'D)

Key principles guiding the Group against Bribery and Corruption are as follows:

Strict Prohibition of Bribery and Corruption

All forms of bribery, corruption, extortion, abuse of power, and unethical practices are strictly forbidden. This applies to both direct and indirect actions involving employees, directors, and business associates.

Governance and Oversight

The Compliance and Integrity Working Committee (CIWC), comprising key management personnel, oversees the implementation and enforcement of the ABAC policy, conducts risk assessments, and promotes a culture of integrity.

Transparency in Business Dealings

The Group ensures that contracts are awarded based on merit and tender processes, rejecting any form of undue influence such as support letters or facilitation payments, except in cases of personal safety with CIWC approval.

Responsible Gift and Hospitality Practices

Gifts, entertainment, hospitality, travel, donations, and sponsorships (GEHTDS) are regulated to prevent conflicts of interest and undue influence. All GEHTDS above RM1,000 must be recorded in a designated register for audit purposes.

Due Diligence on Business Associates

The Group conducts thorough background checks and requires business associates to sign declarations affirming their commitment to anti-corruption principles.

Whistleblowing and Reporting Mechanisms

Employees and stakeholders are encouraged to report any suspected violations through the Group's Whistleblowing Policy, with assurance of protection against retaliation.

Training and Awareness

Regular training and awareness programmes are conducted to reinforce understanding and compliance with the ABAC policy.

Accountability and Enforcement

Non-compliance may result in disciplinary action, termination, legal proceedings, and notification to authorities. The Group also commits to full cooperation with regulatory bodies in the event of proven violations.

Percentage of employees who have received anti-corruption training	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Senior Management	Percentage (%)	100	100	100	100	-
Middle Management	Percentage (%)	100	100	100	81	-
Other Employees	Percentage (%)	100	100	100	43	-

Notes:

1. *Point-in-time headcounts are used for actual workforce reporting on FP2025 Actual (18M) percentage of employees who have received anti-corruption training. Hence, FP2025 Annualised (12M) data is not made available.*

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Percentage of operations that underwent corruption risk assessments	Percentage (%)	100	100	100	100	-

SUSTAINABILITY STATEMENT
(CONT'D)

As of 30 June 2025, we recorded zero cases of corruption across the Group. We aim to maintain zero incidents of corruption across our operations in FY2026.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Number of confirmed incidents of corruption	Number	0	0	0	0	**0**

Notes:
1. ^Annualised figures used to ensure year-on-year comparability.

Whistleblowing

Guided by our Whistleblowing Policies and Procedures ("**WPP**"), we have established a whistleblowing channel for employees and any external parties to report any improprieties or instances of non-compliance with laws and regulations. All our policies can be readily accessed on our website www.ni-hsin.com, and they are reviewed regularly to ensure they reflect the latest changes in legislative requirements.

Key principles guiding Ni Hsin's Whistleblowing practices are as follows:

Scope of Reporting

- Employees are encouraged to report concerns related to financial malpractice, corruption, fraud, criminal offences, health and safety risks, regulatory breaches, and other unethical conduct.

Reporting Channels

- Employees may report concerns to their immediate superior or management using the prescribed Whistleblowing Reporting Form.
- If internal channels are unsuitable (e.g., due to conflict of interest or risk of reprisal), reports can be made directly to the Independent Non-Executive Director (INED) via email.

Confidentiality and Protection

- All disclosures are treated with strict confidentiality.
- The identity of the whistleblower will not be disclosed without consent.
- Whistleblowers acting in good faith are protected from retaliation or victimisation.

Investigation Process

- Complaints are screened for validity and seriousness.
- If warranted, an investigation is conducted independently and confidentially by an appointed Investigating Officer or external expert.
- The whistleblower is kept informed of the investigation's progress and outcome, subject to legal and confidentiality constraints.

Outcome and Follow-Up

- Findings and recommendations are reported to the INED.
- Disciplinary or remedial actions are taken where necessary.
- Preventive measures are proposed to avoid recurrence.
- Documentation is securely maintained by the Human Resource Department.

Oversight and Governance

- The whistleblowing process is overseen by the INED and coordinated by the appointed guardian, Executive Director of the Group.
- The policy is reviewed biennially and is publicly accessible via the Group's website.

SUSTAINABILITY STATEMENT
(CONT'D)

Compliance with Laws and Regulations

We are committed to upholding all applicable laws, regulations, and internal policies as part of our corporate responsibility and ethical business conduct. As outlined in our Code of Conduct 2025, our personnel are required to act with integrity and professionalism, ensuring compliance with relevant laws and regulations in areas such as anti-bribery, anti-money laundering, insider trading, competition law, employment practices, and environmental protection. We are dedicated to maintaining strict standards to prevent misconduct and promote transparency through clear reporting channels and governance mechanisms in place to address any violations.

As of FP2025, the Group maintains a record of zero significant instances of non-compliance with laws and regulations that resulted in significant fines or legal actions.

Customer Data Privacy and Security

As a Group, we acknowledge that we are responsible for protecting our customers' data and privacy, and we take this responsibility seriously. In response to the growing risks of cyber threats and data breaches, we have implemented robust safeguards to prevent unauthorised access, use, disclosure, or loss of personal data. Access to our internal systems and server rooms is strictly controlled through authentication protocols and permission-based restrictions. All customer data is managed in accordance with Malaysia's Personal Data Protection Act 2010 ("**PDPA**"), ensuring compliance with key principles such as consent, notice, security, retention, and data integrity. Our System and Data Management Principles outline strict access controls, user identification procedures, and annual reviews to ensure continued protection and legal compliance. We are dedicated to maintaining trust and upholding the highest standards of data governance.

In FP2025, we recorded zero substantiated complaints concerning breaches of customer privacy or losses of customer data.

	Unit	FY2021	FY2022	FY2023	FP2025 Actual (18M)	FP2025 Annualised^ (12M)
Number of substantiated complaints concerning breaches of customer privacy and identified leaks, thefts, or loss of customer data	Number	0	0	0	0	**0**

Notes:
1. ^Annualised figures used to ensure year-on-year comparability.

MOVING FORWARD

As a Group, we remain committed to strengthening our sustainability framework and monitoring our EESG performance. In compliance with the MMLR on sustainability reporting, we are actively working to establish baselines to support our transition toward a low-carbon economy through carbon footprint reduction initiatives, full regulatory compliance with applicable laws and regulations, and integration of sustainability into our core business strategies.

To prepare for the International Sustainability Standards Board ("**ISSB**") Standards, specifically IFRS S1 and S2 under Malaysia's National Sustainability Reporting Framework ("**NSRF**"), we aim to enhance our data collection processes and building the necessary capabilities to meet future reporting requirements and industry best practices.

SUSTAINABILITY STATEMENT
(CONT'D)

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024	2025
Economic Performance				
Economic value generated	MYR '000	29,244	34,940	51,500
Economic value distributed	MYR '000	37,354	41,255	64,044
Economic value retained	MYR '000	-8,110	-6,315	-12,544
Product Quality and Safety				
Customer satisfaction	Percentage	82.00	85.00	85.00
Product performance	Percentage	81.00	84.00	84.00
Staff performance	Percentage	86.00	93.00	93.00
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	61.50	69.00	65.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	5,843,100.00	9,094,300.00	13,247,400.00
Energy intensity	Gigajoules per MYR '000 of Revenue	0.203	0.260	0.257
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	68.70	96.40	152.60
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	1,014.10	1,644.30	2,350.30
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	No Data Provided
GHG emissions intensity	tCO2-e per MYR '000 of Revenue	0.0375	0.0498	0.0486
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	15.200000	21.380000	32.400000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	264.10	182.50	309.20
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	144.30	63.00	127.50
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	119.80	119.00	181.70
Hazardous waste generated	Metric tonnes	3.20	2.50	3.10
Non-hazardous waste generated	Metric tonnes	260.90	180.00	306.10
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.94	2.38	1.63
Bursa C5(c) Number of employees trained on health and safety standards	Number	93	117	120
Total hours worked	Hours	425,320	503,976	736,296
Number of lost time injuries	Number	2	6	6

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT
(CONT'D)

Indicator	Measurement Unit	2023	2024	2025
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	8	24	80
Middle Management	Hours	116	200	371
Other Employees	Hours	936	685	979
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	40.10	41.50	45.50
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Middle Management	Number	3	4	5
Other Employees	Number	85	53	87
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Total hours of training by gender - Male	Hours	797	533	798
Total hours of training by gender - Female	Hours	263	375	631
Total hours of training	Hours	1,060	908	1,430
Average training hours per employee	Hours (1 d.p.)	4.9	5.6	5.8
Total number of employee turnover	Number	88	57	92
Total new hires	Number	84	89	122
New hire rate	Percentage	38.70	35.20	49.20
Turnover rate	Percentage	40.60	22.50	37.10
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	20.00	0.00	0.00
Senior Management Between 30-50	Percentage	20.00	25.00	25.00
Senior Management Above 50	Percentage	60.00	75.00	75.00
Middle Management Under 30	Percentage	4.80	5.00	5.00
Middle Management Between 30-50	Percentage	57.10	59.00	62.00
Middle Management Above 50	Percentage	38.10	36.00	33.00
Other Employees Under 30	Percentage	47.60	47.60	43.00
Other Employees Between 30-50	Percentage	42.40	42.70	45.00
Other Employees Above 50	Percentage	9.90	9.70	12.00

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT
(CONT'D)

Indicator	Measurement Unit	2023	2024	2025
Bursa (Diversity)				
Gender Group by Employee Category				
Senior Management Male	Percentage	60.00	50.00	50.00
Senior Management Female	Percentage	40.00	50.00	50.00
Middle Management Male	Percentage	52.40	55.00	52.00
Middle Management Female	Percentage	47.60	45.00	48.00
Other Employees Male	Percentage	73.30	79.00	79.00
Other Employees Female	Percentage	26.70	21.00	21.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	62.50	57.00	50.00
Female	Percentage	37.50	43.00	50.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	25.00	29.00	25.00
Above 50	Percentage	75.00	71.00	75.00
Percentage of employees by gender - Male	Percentage	71.00	77.00	76.00
Percentage of employees by gender - Female	Percentage	29.00	23.00	24.00
Percentage of employees by age group - Under 30	Percentage	42.90	43.00	41.30
Percentage of employees by age group - Between 30 to 50	Percentage	43.80	44.00	45.50
Percentage of employees by age group - Above 50	Percentage	13.40	13.00	13.20
Percentage of employees by ethnic diversity	Percentage	0.00	0.00	0.00
Percentage of employees by ethnic diversity - Malay	Percentage	36.40	42.00 *	39.70
Percentage of employees by ethnic diversity - Chinese	Percentage	27.60	23.00 *	23.60
Percentage of employees by ethnic diversity - Indian	Percentage	2.30	3.00 *	3.70
Percentage of employees by ethnic diversity - Others	Percentage	33.60	32.00 *	33.00

Internal assurance | External assurance | No assurance | (*)Restated

SUSTAINABILITY STATEMENT
(CONT'D)

Indicator	Measurement Unit	2023	2024	2025
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,000.00	1,700.00	2,600.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4	6	9
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	0.00	100.00
Middle Management	Percentage	100.00	0.00	81.00
Other Employees	Percentage	100.00	0.00	43.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0

Internal assurance | External assurance | No assurance | (*)Restated

Notes:

1. *2025 values cover an 18-month period from 1 January 2024 to 30 June 2025 due to the financial year-end change from 31 December to 30 June, unless otherwise stated. While the 2024 data reflects a 12-month period from 1 January 2024 to 31 December 2024. Where applicable, annualised figures (based on 12 months) are provided in the FP2025 report to support year-on-year comparability.*
2. *Point-in-time headcount data is used to reflect the actual workforce size at the end of the reporting period. For rate-based calculations, average headcount figures are applied to ensure fair, consistent, and comparable metrics in line with industry sustainability reporting standards.*
3. *Economic value generated refers to revenue and other income while economic value distributed includes operating costs, employee wages and benefits, payments to providers of capital, payments to government, and community investments. Economic value retained is economic value generated less economic value distributed.*
4. *GHG emissions intensity is calculated based on combined Scope 1 and Scope 2 emissions only.*
5. *'Percentage of employees by ethnic diversity' data is categorised by Malay, Chinese, Indian and Others as detailed in the performance data breakdown.*
6. *Data for Scope 3 emissions (at least for the categories for business travel and employee commuting) as required under Bursa Malaysia MMLR Practice Note 9A, part B of Annexure PN9A-A is not available for the 2025 (FP2025). The Group is developing robust data collection systems to enable accurate reporting of these indicators in subsequent reporting periods.*

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, selected aspects of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors and has been approved by Ni Hsin Group Berhad's Audit and Risk Management Committee.

The internal review was performed in adherence to the disclosure requirements of Bursa Malaysia's Enhanced Sustainability Reporting Framework covering the following 11 Bursa Common Sustainability Matters and Indicators:

i. Anti-Corruption
ii. Community/Society
iii. Diversity
iv. Energy Management
v. Health and Safety
vi. Labour Practices and Standards
vii. Supply Chain Management
viii. Data Privacy and Security
ix. Water
x. Waste Management
xi. Emissions

SCOPE

The scope covered only the six (6) key subsidiaries namely Ni Hsin Corporation Sdn. Bhd. (NHC), Ever-Grow Advanced Materials Sdn. Bhd. (EGAM), BlackBixon2Go Sdn. Bhd. (BB2GO), Pride Logistics Alliance Sdn. Bhd. (PLA), Ni Hsin EV Tech Sdn. Bhd. (NHEVT), and Ni Hsin Food & Beverages Sdn. Bhd. (NHFB).

The review covers the financial period ended 30 June 2025, with comparison against the prior year's (FY2023) sustainability disclosures and data where applicable.

BOARD OF DIRECTORS' PROFILE

SOFIYAN BIN YAHYA

Independent Non-Executive Chairman
Nationality : Malaysian • Age : 68 • Gender : Male
Date of Appointment : 22 November 2017

Sofiyan Bin Yahya, a Malaysian, aged 68, male, was appointed as our Independent Non-Executive Chairman on 22 November 2017.

Encik Sofiyan holds a Bachelor Degree in Mechanical Engineering from the City University of London. He is also a Professional Technologist (Ts.) under the Malaysian Board of Technologists (MBOT) and Fellow of the Institute of Materials Malaysia (IMM).

Encik Sofiyan has more than forty (40) years of experience in the oil and gas industry, in Malaysia and internationally. He began his career in 1979 as a graduate engineer in the Production Department of PETRONAS, obtaining his first exposure to the oil and gas industry. He later joined other companies as engineer and progressed into management positions, largely involved in engineering, construction and project management projects. He has gained exposure and accumulated extensive experience in various aspects of technical, operational, administration, projects, contractual, business development (including international business) and senior management and now as a successful entrepreneur.

Currently, he is the Executive Chairman of Cekap Technical Services Sdn. Bhd., one of the leading technical services providers in Malaysian oil and gas industry, with projects in Malaysia and internationally.

He attended seven (7) out of eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad, he does not hold any other directorship in any other public company or listed issuer in Malaysia.

NG SHWU CHING

Executive Director
Nationality : Malaysian • Age : 58 • Gender : Female
Date of Appointment : 19 March 2005

Ng Shwu Ching, a Malaysian, aged 58, female, was appointed as our Executive Director on 19 March 2005. She graduated from Cheng Chi University in Taiwan with a Bachelor of Finance. She also holds a Diploma in Taxation from Help Institute and Master in Finance from RMIT University obtained in 2002.

Ms Ng joined Ni Hsin Corporation Sdn. Bhd. as a Costing Assistant in 1992 after completing her training in KPMG Taiwan as an Accounts Services Executive. She was promoted to Finance Manager in 1996 to oversee the Finance and Accounting department. She was also responsible for the Management Information System function of our Group and helped to set up an Enterprise Resources Planning system. She was re-designated as Finance & Administration Manager in 2003 where she also oversees the human resource functions of our Group.

Ms Ng is currently responsible for the overall day-to-day operations which include business development and marketing operations, finance, accounting, secretarial, administrative, production and human resource functions of our Group.

Ms Ng attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad, she does not hold any other directorship in any other public company or listed issuer in Malaysia.

BOARD OF DIRECTORS' PROFILE
(CONT'D)

RIZVI BIN ABDUL HALIM
Executive Director
Nationality : Malaysian • Age : 56 • Gender : Male
Date of Appointment : 10 October 2014

Rizvi Bin Abdul Halim, a Malaysian, aged 56, male, was first appointed as our Independent Non-Executive Director on 10 October 2014 and was subsequently re-designated as Independent Non-Executive Chairman on 1 March 2017. On 22 November 2017, he was re-designated as Executive Director.

Encik Rizvi holds a Master of Business Administration from Ohio University USA and a Bachelor of Science Degree in Business Administration from Indiana State University USA. He also holds a Diploma in Hotel Management from Universiti Teknologi MARA (UiTM). Whilst in UiTM, he underwent the Reserve Officer Training Unit (ROTU) programme and was commissioned as a second lieutenant army officer.

Encik Rizvi has vast experience in corporate banking, corporate finance, capital market and syndication, and capital market regulations. He held the position of Account Manager in the Corporate Banking Department of Bank Bumiputra Malaysia Berhad (now known as CIMB Bank Berhad) from 1995 to 1996. From 1997 to 2000, he was the Assistant Manager in the Capital Markets & Syndications Department of Malaysian International Merchant Bankers Berhad (now known as Hong Leong Investment Bank Berhad). He joined Securities Commission Malaysia in 2000 and held the position of Senior Manager in the Equities-Corporate Finance Department until 2012.

Currently, Encik Rizvi is an Independent Non-Executive Chairman of Southern Cable Group Berhad.

Encik Rizvi attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad and the directorship as disclosed above, he does not hold any other directorship in any other public company or listed issuer in Malaysia.

LAI KIAN HUAT
Executive Director
Nationality : Malaysian • Age : 59 • Gender : Male
Date of Appointment : 1 December 2020

Lai Kian Huat, a Malaysian, aged 59, male, was appointed as our Executive Director on 1 December 2020. Mr Lai is a Fellow Member of the Association of International Accountants in United Kingdom.

Mr Lai has over 25 years of experience in accounting, audit, taxation and management matters as well as corporate exercise, treasury and cash management, investigation audit and due diligence assignments.

Mr Lai held various senior positions in several public and private companies, notably as Non-Independent Non-Executive Director of Caely Holdings Bhd, Independent Non-Executive Director of Ta Win Holdings Berhad, Independent Non-Executive Director of Ideal Jacobs (Malaysia) Corporation Berhad, Executive Director and Chief Financial Officer of SMTrack Berhad, Senior Finance Manager of Perwaja Steel Sdn. Bhd., a subsidiary of Perwaja Holdings Berhad and Senior Finance Manager of Megasteel Sdn. Bhd., a subsidiary of Lion Corporation Berhad.

Currently, Mr Lai is an Executive Director of the subsidiaries of the Group, namely Ni Hsin Food & Beverages Sdn. Bhd., Blackbixon2go Sdn. Bhd. and Pride Logistics Alliance Sdn. Bhd.. Mr Lai also sits on the Board of Globalink Investment Inc. as an Independent Non-Executive Director which is a public company listed on the Nasdaq Global Market (NASDAQ) in USA.

Mr Lai attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad, he does not hold any other directorship in any other public company or listed issuer in Malaysia.

BOARD OF DIRECTORS' PROFILE
(CONT'D)

REBECCA KHOO WUAN RU

Executive Director
Nationality : Malaysian • Age : 32 • Gender : Female
Date of Appointment : 2 August 2021

Rebecca Khoo Wuan Ru, a Malaysian, aged 32, female, was appointed as our Executive Director on 2 August 2021. She graduated from Newcastle University (United Kingdom) with BSc (Hons) Economics & Finance in 2015.

Ms Rebecca Khoo began her career as a Senior Internal Auditor in IBDC (Malaysia) Sdn. Bhd. from September 2015 to June 2018 where she was involved in providing consulting services to public companies on corporate governance and compliance matters. She leads a team conducting fieldwork on internal audit assignments for the company's clients. During the stints with Mercury Securities Sdn. Bhd. (June 2018 to October 2018), Covenant Equity Consulting Sdn. Bhd. (Jan 2019 to September 2019), SJ Securities Sdn. Bhd. (October 2019 to February 2020) and Inter-Pacific Securities Sdn. Bhd. (now known as Berjaya Securities Sdn. Bhd.) (March 2020 to July 2020), Ms Rebecca Khoo gained experience in preparation of consultation papers and information memorandum and providing consulting and advisory services on several corporate exercises such as Merger and Acquisition, Private Placement, Rights Issues, IPOs, etc.

Ms Rebecca Khoo attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad, she does not hold any other directorship in any other public company or listed issuer in Malaysia.

POO CHII MIIN @ CHERMAINE POO

Independent Non-Executive Director
Nationality : Malaysian • Age : 47 • Gender : Female
Date of Appointment : 2 August 2021

Poo Chii Miin @ Chermaine Poo, a Malaysian, aged 47, female, was appointed as our Independent Non-Executive Director on 2 August 2021. She serves as the Chairperson of the Audit and Risk Management Committee, and as a member of Nomination Committee and Remuneration Committee.

Ms Chermaine is a Fellow of the Association of Chartered Certified Accountants and a Chartered Accountant of Malaysian Institute of Accountants. She is trained in advisory services with BDO from 2000 to 2003 and CIMB Investment Bank from 2004 to 2007. She was involved in corporate restructuring, merger and acquisition deals and several initial public offerings.

After winning four awards in the Miss Universe Malaysia pageant in 2005, she founded and managed a public relations firm, Chermaine Poo Productions from 2007 to 2014 during which she organised more than 100 press conferences, product launches, marketing and advertising campaigns and hosted over 600 corporate and charity events. She was a columnist of The Star, a host of over 20 television series, acted in a few movies, dramas and a theatre production, and an ambassador of several leading international brands.

Since 2015, she has been an Executive Director of TH Architects Sdn. Bhd., an architecture company that has successfully completed 93 property development projects in 21 countries including USA, Germany and South Korea in addition to being appointed as the Regional Architect for Porsche Asia-Pacific. She oversees its finance and business development functions.

Ms Chermaine was awarded "Emerging Woman Entrepreneur of The Year" in 2012 by international accounting and advisory group, McMillan Woods Global.

Ms Chermaine attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad, she does not hold any other directorship in any other public company or listed issuer in Malaysia.

BOARD OF DIRECTORS' PROFILE
(CONT'D)

TUNG FOOK HENG

Independent Non-Executive Director
Nationality : Malaysian • Age : 68 • Gender : Male
Date of Appointment : 10 January 2023

Mr Tung Fook Heng, a Malaysian, aged 68, male, was appointed as our Independent Non-Executive Director on 10 January 2023. He serves as the Chairperson of Nomination Committee and Remuneration Committee, and a member of Audit and Risk Management Committee.

Mr Tung is a Qualified Accountant and a Chartered Internal Auditor with the following credentials:

- Certified Public Accountant, MICPA Malaysia
- Chartered Accountant, MIA Malaysia
- Chartered Global Management Accountant, CIMA UK
- Chartered Management Accountant, CIMA UK
- Chartered Certified Accountant, ACCA UK
- Chartered Member of The Institute of Internal Auditors, Malaysia

Mr Tung has wide working experience as Group Financial Controllers, Finance Directors, CFOs and business/financial consultants in various industries such electronics, furniture and crude palm oil manufacturing, hospitality/theme park and oil palm plantations in various countries such as Malaysia, China, Indonesia and Myanmar. Certain big MNCs and conglomerates he had worked with include Hewlett Packard (US), Citigroup (US), Masco Group (US), Lyman Group (Indonesia), Great Wall Group (Myanmar) and TARH Group under Khazanah National (Malaysia).

In the more than 25 years of business and managerial experience Mr Tung has acquired strategic leadership skills and expertise that include but not limited to:

- Drive change management and business excellence
- Strategic planning and strategic advice to management – long term business
- Project management and control
- Debt and Equity financing, treasury and cash flow management
- Management and financial reporting
- Risks management, corporate governance and sustainability (ESG)
- IPO and business expansion organically or thru acquisition - upstream/downstream
- Stakeholders management and investor relations
- Assets management and capital allocation
- Financial and Scenario Modelling
- Corporate Mergers and Acquisitions (M&A) and Restructuring
- Tax planning
- Finance & Accounting, Purchasing and HR management
- Financial Planning & Analysis (FP&A), Budgeting and forecasting
- Regulatory compliance and reporting
- Leadership and Employee development
- Key Performance Indicators (KPIs), Key Result Areas (KRAs) and Key Success Factors (KSFs) setting and monitoring
- Business and financial consultancy
- Digital transformation and Robotic Process Automation (RPA)
- Spearing continuous improvements in organizations to achieve cost savings and improve work efficiency

Currently, Mr Tung is an Independent Non-Executive Director of Alpha IVF Group Berhad, a company specialized in fertility care focusing on the provision of assisted reproductive services in Malaysia, Singapore, Indonesia, China and Philippines.

Mr Tung attended all the eight (8) Board meetings held during the financial period. Other than Ni Hsin Group Berhad and the directorship as disclosed above, he does not hold any other directorship in any other public company or listed issuer in Malaysia.

BOARD OF DIRECTORS' PROFILE
(CONT'D)

BEH EE NAH

Independent Non-Executive Director
Nationality : Malaysian • Age : 54 • Gender : Female
Date of Appointment : 24 January 2025

Ms Beh Ee Nah, a Malaysian, aged 54, female, was appointed as our Independent Non-Executive Director on 24 January 2025. She serves as a member of Nomination Committee, Remuneration Committee, and Audit and Risk Management Committee.

Ms Beh is an Associate of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA) from 1998 till 2010, prior to her sabbatical. Her commitment to the profession saw her re-connected to the field by joining GMT Corporate Services Sdn. Bhd. in 2020.

Ms Beh began her career in the corporate secretarial profession with Professional Secretarial Services Sdn. Bhd. in 1993. She left the management services company in 1998 and joined INFORMATICS Education Group of Companies (currently known as BERJAYA University College) for seven (7) years, providing corporate secretarial services and served as company secretary for the Berjaya group of companies. To gain further exposure in other industries aside from the education sector, she then joined TAHA Insurance (M) Berhad (currently known as Great Eastern Life Malaysia) in 2005 and served as company secretary cum personal assistant to their Chief Executive Officer. She brings with her over twenty (20) years of experience in corporate secretarial and compliance work. In addition, she has also been involved in registration/applications for the franchise, trademark, work permit and licenses from various local authorities/statutory bodies.

Ms Beh attended all three (3) Board meetings held during the financial period after her appointment as Independent Non-Executive Director on 24 January 2025. Other than Ni Hsin Group Berhad, she does not hold any other directorship in any other public company or listed issuer in Malaysia.

OTHER INFORMATION

(i) Family Relationship with Director and/or Major Shareholder of the Company

Ms Rebecca Khoo Wuan Ru is the daughter of Mr Khoo Chee Kong who is the major shareholder of the Company.

Save for Ms Rebecca Khoo, none of the Directors have any family relationship with any Director and/or major shareholder of the Company.

(ii) Conflict of Interest

None of the Directors have any conflict of interest with the Group.

(iii) Conviction of Offences

None of the Directors has convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial period.

KEY SENIOR MANAGEMENT PROFILE

KHOO CHEE KONG
Managing Director

Ni Hsin Corporation Sdn. Bhd., Ever-Grow Advanced Materials Sdn. Bhd., Pentoli Sdn. Bhd., Ni Hsin Marketing Sdn. Bhd., Ni Hsin Food & Beverages Sdn. Bhd., BlackBixon2Go Sdn. Bhd., Ni Hsin EV Tech Sdn. Bhd., Ni Hsin Ecologistics Sdn. Bhd., Pride Logistics Alliance Sdn. Bhd, and Ni Hsin Drones Sdn. Bhd. (Formerly known as Ni Hsin EV Mobility Sdn. Bhd.).

Khoo Chee Kong, a Malaysian, aged 64, male, was appointed as Managing Director of the subsidiary companies of the Group namely, Ni Hsin Corporation Sdn. Bhd., Ever-Grow Advanced Materials Sdn. Bhd., both on 1 October 2016, Pentoli Sdn. Bhd. on 31 January 2017, Ni Hsin Marketing Sdn. Bhd. on 23 October 2017, Ni Hsin Food & Beverages Sdn. Bhd. on 21 July 2020, BlackBixon2Go Sdn. Bhd. on 22 March 2021, Ni Hsin EV Tech Sdn. Bhd. on 24 August 2021, Ni Hsin Ecologistics Sdn. Bhd. on 24 August 2021, Pride Logistics Alliance Sdn. Bhd on 8 December 2021, and Ni Hsin Drones Sdn, Bhd. (Formerly known as Ni Hsin EV Mobility Sdn. Bhd.) on 18 November 2021.

Mr Khoo is an Accountant by training. He began his career with Messrs. BDO Binder in 1979 as an Audit Assistant and was subsequently promoted as an Audit Senior in 1980. He left Messrs. BDO Binder and subsequently joined United Industries group of companies as an Internal Auditor in 1981. While he was with United Industries group of companies, he was seconded to its subsidiaries holding various finance related positions. He joined Kopenda Holdings Sdn. Bhd. as Financial Accountant in 1984, Innovest Hart Engineering Sdn. Bhd. as the Finance Manager in 1988 and Lyman Group of Indonesia as the Head of Corporate Finance and Business Development Department in 1990.

Mr Khoo gained wide business and financial experience in both the domestic and international market place from his previous employments, he started the Kyeros Kebab business in 1997 which soon grew into an international fast food chain. Kyeros Kebab then merged with CAB Cakaran Corporation Group Berhad ("CAB") and was listed in the Bursa Malaysia Stock Exchange in 2003. He was an Executive Director of CAB from 2003 to 2006.

DATO' SERI ROSMAN BIN MOHAMED
Chairman

Ni Hsin EV Tech Sdn. Bhd.

Dato' Seri Rosman Bin Mohamed, a Malaysian, aged 64, male, was appointed as the Chairman of Ni Hsin EV Tech Sdn. Bhd. on 16 November 2022.

Dato' Seri Rosman is a MBA holder and is a successful and consistent top management leader with a niche in turnaround and diversifying commercial strategies, human resources, sales and marketing with exceptional strength in organisational effectiveness, services enhancement, people management, mobilisation and motivation of teams in achieving organisational profit goals agendas and objectives. He possesses over 35 years of experience in devising and executing strategies while consistently delivering bottom line results.

Drove and managed the culture change and business initiatives at Bank Rakyat, Cabot Asia and Abdul Latif Jameel (ALJ). Dato' Seri Rosman was the key player during British American Tobacco (BAT) and Maybank corporate transformation programs.

Dato' Seri Rosman has attended many world-class executive programs conducted by Harvard Business School (Cabot College), London Business School, IMD Switzerland, INSEAD, Toyota Japan, National University of Singapore, ASTD, CASS Business School London and Gallup University to further enhance his leadership, financial and strategic management skills.

Identified as a global talent and emerged as top 25% leaders of the world (assessment conducted by Gallup and Talent Plus) in the area of drive, direction, relationship, influencing and execution. In Cabot, Dato' Seri Rosman was identified as "Top 100 leaders of Cabot World".

Currently, Dato' Seri Rosman is an Independent Non-Executive Director of Eco World Development Group Berhad, Khind Holdings Berhad and Progressive Impact Corporation Berhad, all are public companies listed on the Main Market of Bursa Malaysia Securities Berhad. He also serves as an Independent Non-Executive Director of Boustead Holdings Berhad, a Professor of Practice at Putra Business School, University Putra Malaysia and a council member of the Ibrahim Johor Economic Council (IJEC).

KEY SENIOR MANAGEMENT PROFILE
(CONT'D)

DATO' SERI (DR) MOHAMED AZAHARI BIN MOHAMED KAMIL
Director

Ni Hsin EV Tech Sdn. Bhd.

Dato' Seri (Dr) Mohamed Azahari Bin Mohamed Kamil, a Malaysian, aged 66, male, was appointed as a Director of Ni Hsin EV Tech Sdn. Bhd. on 20 November 2024. He holds a Bachelor of Business Administration (Finance) from Western Michigan University and a Master of Business Administration (Finance) from Central Michigan University. He was awarded Honorary Degree of Doctor of Management (Hon. D. MGT) by University Sultan Zainal Abidin in 2019. His academic qualifications include executive leadership programmes at Harvard, Wharton, Berkeley, USA and Cambridge, UK.

Dato' Seri (Dr) Mohamed Azahari initiated the first Government REIT, AmanahRaya Real Estate Investment Trust which owned by Amanah Raya in 2005, a multi asset REIT which was listed in 2006. He was the Group Managing Director of QSR Brands (M) Holdings Bhd (July 2017 - July 2020), operator of over 1,250 KFC and Pizza Hut restaurants in Malaysia, Singapore, Brunei, and Cambodia. In addition to its restaurant operations, QSR Brands is extensively involved in breeder and contract broiler farming, hatchery, poultry processing as well as a host of ancillary businesses including baking, commissary and sauce production. A fully integrated, Farm-to-Fork food operator, QSR Brands employs more than 35,000 people.

He is a Chartered Banker of the Asian Institute of Chartered Bankers as well as a Chartered Professional in Islamic Finance and has had a distinguished career in the financial services and educational sectors, helming senior management posts in various private and public organisations, including Malaysian Industrial Development Finance Berhad, Permodalan Nasional Berhad Group, Amanah Raya Group, Asian Finance Bank Berhad and currently as Independent Non-Executive Director of SEG International Bhd, Aurelius Healthcare Sdn. Bhd., Gambit Reserve Berhad and Pavilion REIT Management Sdn. Bhd., the Manager of Pavilion Real Estate Investment Trust.

He was a Board member of Universiti Sultan Zainal Abidin (UniSZA), Universiti Teknologi Mara (UiTM), and Universiti Sains Islam Malaysia (USIM). He also was appointed by the Ministry of Higher Education for AIxCHANGE: CEO @ Faculty Programme 1.0 "Learn from the Pros", Universiti Technology MARA (UITM), Industry Advisory Panel for Management and Humanities Programme for University Technology Petronas (UTP) as well as Industry Advisor for Politeknik Sultan Ahmad Shah (POLISAS). He is an Adjunct Professor of the International Islamic University Malaysia (IIUM) and Universiti Teknologi Malaysia (UTM).

Besides the above mentioned, he is also the Chairman of Malaysian Advisory Board of the Salaam Wealth Funds Management Australia.

LIM KAM TEN
Marketing Director

Ni Hsin Corporation Sdn. Bhd., Ever-Grow Advanced Materials Sdn. Bhd. and Ni Hsin Marketing Sdn. Bhd.

Lim Kam Ten, a Malaysian, aged 53, male, graduated from Takushoku University in Japan with a Degree in Bachelor of Arts in Commerce. He joined Ni Hsin Corporation Sdn. Bhd. in 1999 as an Assistant Officer in Sales & Marketing Department, in charge of the market development and customer service for Japan and Asian countries in respect of cookware.

Recognised for his outstanding performance, he was promoted to the position of Business Development Executive in February 2004 and subsequently on 1 September 2006, he was promoted as Market Development Manager.

In 2014, Mr Lim was also tasked with the sales and marketing of convex mirrors and clad metals in Ever-Grow Advanced Materials Sdn. Bhd.. During his tenure of service, he has successfully developed major customers and/or markets for stainless steel cookware, convex mirror, non-stick cookware and clad metal products. On 1 February 2020, he was promoted as Marketing Director to oversee the Group's marketing activities.

KEY SENIOR MANAGEMENT PROFILE
(CONT'D)

OTHER INFORMATION

(i) Family Relationship with Director and/or major shareholder of the Company

Mr Khoo Chee Kong is a major shareholder of the Company and the father of Ms Rebecca Khoo Wuan Ru, Executive Director of the Company.

Save for Mr Khoo, none of the Key Senior Management has any family relationship with any Director and/or major shareholder of the Company.

(ii) Conflict of Interest

None of the Key Senior Management has conflict of interest with the Group.

(iii) Directorships

Save for Dato' Seri Rosman Bin Mohamed and Dato' Seri (Dr) Mohamed Azahari Bin Mohamed Kamil, none of the Key Senior Management holds any directorship in any public companies and listed issuers in Malaysia.

(iv) Conviction of Offences

None of the Key Senior Management has convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial period.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of Ni Hsin Group Berhad ("**NHG**" or "**the Company**") is pleased to present the Corporate Governance Overview Statement ("**Statement**") for the financial period from 1 January 2024 to 30 June 2025 ("**FP2025**") which outlines the summary of application of corporate governance practices as promulgated by the Malaysian Code on Corporate Governance ("**MCCG**") issued by Securities Commission Malaysia.

This Statement is prepared in compliance with Paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") and guided by Practice Note 9 of Listing Requirements and the Corporate Governance Guide (4th edition) issued by Bursa Securities.

This Statement should also be read together with the Corporate Governance Report 2025 of the Company ("**CG Report**") which is made available on the Company's website: www.ni-hsin.com as well as via an announcement on the website of Bursa Securities and in conjunction with the other statements in the Annual Report (e.g. Statement on Risk Management and Internal Control, Audit and Risk Management Committee ("**ARMC**") Report and Sustainability Statement) as the application of certain governance enumerations may be more evidently expressed in the context of the respective statements.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

a. Board of Directors

The Group is headed by an experienced and effective Board. The Board assumes overall responsibility in leading the strategic direction, future expansion, corporate governance, risk management, human resource planning and development, investments made by the Company and overseeing the proper conduct of business of the Group.

In discharging its duties, the Board delegates certain of its responsibilities to the Board Committees, namely ARMC, Nomination Committee ("**NC**") and Remuneration Committee ("**RC**") which operate within defined Terms of Reference ("**TOR**"). The Chairpersons of the respective Board Committees report to the Board on key matters deliberated at the respective Board Committee meetings and make recommendations to the Board for final decision, where necessary.

The Board is cognisant that changes in strategy, personnel and the external environment may be necessary to drive changes in the way that we operate in order to maximise the Board's effectiveness. We therefore recognise the benefits of regularly evaluating our own effectiveness and that of our Committees (at least annually) so that we can take any actions necessary to ensure that we continue to perform effectively.

b. Separation of Position of Chairman and Chief Executive Officer

The Company does not have a Chief Executive Officer, the Board was assisted by four (4) Executive Directors. The Chairman is an Independent Non-Executive Director who is responsible for overseeing the effective discharge of the Board's supervisory role emphasising on governance and compliance while the Executive Directors are responsible for the day-to-day operation of the Group's business. The role of the Chairman and Executive Directors are distinct and separate to engender accountability and facilitate clear division of responsibilities to ensure there is a balance of power and authority in the Company. The ability to meet responsibilities is underpinned by having in place a balanced and effective Board which brings together a wide range of skills and expertise, and our governance framework which enables effective decision-making within a structure of clear accountabilities.

The Board concurred with the guidance of MCCG that the Chairman of the Board should not involve in any Board Committees to ensure check and balance as well as the objectivity will not be impaired or influenced by the Chairman of the Board who also sits on Board Committee(s). The Chairman of the Board is not a member of any Board Committees.

c. Company Secretaries

The Board and Board Committees are supported by two (2) qualified and competent Company Secretaries. All Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties and responsibilities effectively. The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, Board's policies and procedures, corporate governance and compliance with the relevant regulatory requirements and legislations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1. Board Responsibilities (continued)

d. Board Meeting

The Board conducts at least five (5) meetings in each financial year. An annual meeting calendar is prepared and circulated to the Directors before the beginning of each year to help the Directors in planning their schedule ahead. Additional meetings will be held as and when required.

The Board recognises that the decision-making process is highly dependent on the quality of information furnished. The meeting agenda, the relevant reports and Board papers are prepared and furnished to the Directors and Board Committee members at least five (5) business days before the meeting to allow the Directors to have sufficient time to read them for effective discussion and decision making at the meetings.

The record on the Directors' attendance at the Board and Board Committees meetings during the FP2025 is set out below:-

Director	Board	ARMC	NC	RC
Sofiyan Bin Yahya *Independent Non-Executive Chairman*	7/8	N/A	N/A	N/A
Rizvi Bin Abdul Halim *Executive Director*	8/8	N/A	N/A	N/A
Ng Shwu Ching *Executive Director*	8/8	N/A	N/A	N/A
Lai Kian Huat *Executive Director*	8/8	N/A	N/A	N/A
Khoo Wuan Ru *Executive Director*	8/8	N/A	N/A	N/A
Poo Chii Miin @ Chermaine Poo *Independent Non-Executive Director*	8/8	8/8	4/4	3/3
Tung Fook Heng *Independent Non-Executive Director*	8/8	8/8	4/4	3/3
Dato' Shamsuddin Bin Mohd Mahayidin [(1)] *Independent Non-Executive Director*	3/3	4/4	1/1	1/1
Loh Chew June [(2)] *Independent Non-Executive Director*	N/A	N/A	N/A	N/A
Beh Ee Nah [(3)] *Independent Non-Executive Director*	3/3	2/2	N/A	N/A

(1) Retired as Director at the conclusion of Twentieth Annual General Meeting of the Company held on 26 June 2024.
(2) Appointed as Director on 24 September 2024 and resigned as Director on 5 November 2024.
(3) Appointed as Director on 24 January 2025.

The minutes of meetings of Board and Board Committees will be circulated to all Directors and Board Committee members for review and comments within a reasonable timeframe prior to the Chairman's confirmation at the next Board and Board Committees meeting.

e. Board Charter

The Board has established a Board Charter to promote high standards of corporate governance which is designed to provide guidance and clarity to Directors and the Management with regards to the role of the Board and its Committees. The Board Charter sets out the key values and principles of the Company as well as the duties and responsibilities of the Board, the Chairman, the Executive Directors, the Independent Director and the Board Committees. The Board Charter also includes a formal schedule of matters reserved for the deliberation of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

1. Board Responsibilities (continued)

e. Board Charter (continued)

The Board Charter is regularly reviewed by the Board to ensure it complies with legislations and best practices, and remains effective and relevant to the Board's objectives.

The Board Charter is available at the Company's website.

f. Code of Conduct, Code of Ethics, Anti-Bribery and Anti-Corruption Policy and Procedures, Whistle Blowing Policies and Procedure, and Conflict of Interest Policy

The Group recognises the importance of maintaining high standards of ethics and has adopted the Code of Conduct and Code of Ethics, which outlines the ethical values and standards expected from both Directors and employees of the Group whilst discharging their designated duties and responsibilities.

On top of that, the Board has adopted an Anti-Bribery and Anti-Corruption Policy and Procedure which serves as a guideline to all Directors, employees and stakeholders on their obligation to prevent and mitigate any forms of bribery and corruption that may arise in the ordinary course of business, and to promote highest standards of ethical conduct of business within the Group.

A Whistle Blowing Policy and Procedure has been developed to provide a secured and confidential avenue for all stakeholders to make good-faith disclosure and report instances of suspicious behaviour, suspicious transaction or business malpractices without the fear of reprisal.

The Whistle Blowing Policy and Procedure outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing in the Group. The identity of the whistle blower will be kept confidential, and protection is accorded to the whistle blower against any form of reprisal or retaliation.

The Board has also adopted a Conflict of Interest Policy which outlines the disclosure obligations of each Director, Key Senior Management and Senior Management of the Group with respect of the conflict of interest, and procedures to be followed when any actual or potential conflict of interest arise to ensure systematic identification, disclosure and management of conflict of interest in an effective and timely manner.

The Code of Conduct, Code of Ethics, Anti-Bribery and Anti-Corruption Policy and Procedure, Whistle Blowing Policy and Procedure, and Conflict of Interest Policy are made available on the Company's website.

g. Sustainability

The Company acknowledges the importance of sustainability performance of the Group which has been recognised as one of the considerations to stakeholders in their decision-making. The Board, together with the Management have integrated sustainability considerations into the day-to-day operations to ensure the sustainability strategies and plans are effectively implemented in the Group.

Materiality assessment on the sustainability matters has been conducted on regular basis to ensure that the sustainability matters remain relevant to the stakeholders.

The Board continuously keep themselves abreast with the sustainability issues relevant to the Group through periodical updates by Securities Commission Malaysia.

The detailed disclosures on the sustainability practices and performance of the Group are set out in the Sustainability Statement on pages 15 to 43 of this Annual Report.

2. Board Composition

a. Composition and Diversity

The Board is well balanced, comprising experienced businessmen and qualified professionals of diverse knowledge, skill, extensive experience and expertise in areas such as strategic planning, business development, finance, corporate affairs, marketing and operations.

As at 30 June 2025, the Board comprised eight (8) members, comprising four (4) Independent Non-Executive Directors and four (4) Executive Directors. This complies with Paragraph 15.02(1) of the Listing Requirements which requires at least two (2) or one-third (1/3) of the Board of the Company, whichever is higher, are Independent Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

a. Composition and Diversity (continued)

During the FP2025, Dato' Shamsuddin Bin Mohd Mahayidin retired from the Board at the conclusion of Twentieth Annual General Meeting of the Company held on 26 June 2024.

Subsequent to that, Mr Loh Chew June was appointed as an Independent Non-Executive Director on 24 September 2024. On 5 November 2024, he resigned from the Board.

On 24 January 2025, Ms Beh Ee Nah was appointed as Independent Non-Executive Director of the Company.

As at 30 June 2025, the Board comprised four (4) female directors which constitutes 50% of female representation in the Board and in compliance with Practice 5.9 of MCCG.

b. NC Composition

The role of the NC is to assist the Board in ensuring that the Board comprises individuals with the requisite skills, knowledge, professional expertise and character.

The NC comprises exclusively Non-Executive Directors who are independent. Currently, the members are as follows:

Tung Fook Heng *(Chairman)*
Poo Chii Miin @ Chermaine Poo *(Member)*
Dato' Shamsuddin Bin Mohd Mahaydin *(Member)* (1)
Mr Loh Chew June *(Member)* (2)
Ms Beh Ee Nah *(Member)* (3)

(1) Ceased as member of NC following his retirement as Independent Non-Executive Director of the Company at the conclusion of Twentieth Annual General Meeting of the Company held on 26 June 2024.
(2) Appointed as member of NC on 24 September 2024 and ceased as member of NC following his resignation as Independent Non-Executive Director of the Company on 5 November 2024.
(3) Appointed as member of NC on 24 January 2025.

The Board does not consider it is necessary to appoint a Senior Independent Director as all existing members of the Board devote sufficient time commitment to the issues which are openly discussed during Board meetings.

c. Tenure of Independent Director

The Board has yet to develop a policy which limits the tenure of its independent directors to nine (9) years. Nonetheless, the Board is mindful of the prescribed Practice of the MCCG pertaining to the Board independence. The Board further recognises that tenure of directorship is not an absolute indicator of a Directors' independence and objectivity wherein the spirit, intention, purpose and attitude should also be considered.

The Board will provide justification and seek shareholders' approval should it decides to retain an Independent Director who has served in that capacity for a cumulative period of nine (9) years and more.

Notwithstanding that, an Independent Director who has served a cumulative term of twelve (12) years and above must resign or be re-designated as a Non-Independent Director in accordance with the Listing Requirements.

As at the date of this Statement, none of the Independent Directors has served the Company beyond nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

d. Appointment to the Board

The NC will identify and recommend candidates to the Board if there is any vacancy arising from resignation, retirement or any other reasons or if there is a need to appoint additional Director with the required criteria based on recommendation from existing Directors, Senior Management or major shareholders.

The Board has adopted the Directors' Fit and Proper Policy, which serves as a guide to the NC and the Board in conducting assessment against the potential candidates to be appointed as Directors and the existing Directors seeking for re-election to ensure the Directors possess the right blend of qualifications, expertise, track record, character and integrity, and time commitment to effectively discharge their roles and responsibilities as Directors of the Group.

In recommending the appointment of Directors, the NC will review the suitability of candidates based on skills, knowledge, character, integrity, expertise and experience, competency, commitment (including time commitment) and where appropriate, the independence of candidates for appointment as Independent Non-Executive Directors.

The assessment of the Independent Directors is in accordance with the criteria as set out in the Board Charter and Listing Requirements.

e. Re-election of Directors

In accordance with the Company's Constitution, an election of Directors shall take place each year at an Annual General Meeting ("**AGM**") and one-third (1/3) of the Directors are subject to retirement by rotation, in any event, each Director shall retire from office once in every three (3) years. The Directors to retire in each year are the Directors who have been longest in office since their last appointment or re-election. The Directors appointed by the Board during the financial period are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. The re-election of each Director is voted on separate resolution during the AGM of the Company.

Based on the schedule of rotation, the following Directors are subject to retirement by rotation pursuant to the Company's Constitution at the forthcoming Twenty-First AGM:-

(1) Ms Poo Chii Miin @ Chermaine Poo (Clause 95)
(2) Ms Khoo Wuan Ru (Clause 95)
(3) Ms Beh Ee Nah (Clause 102)

The aforesaid retiring Directors have expressed their intention to seek for re-election at the forthcoming Twenty-First AGM.

The NC had also taken into the consideration the outcome of the Directors' self-assessment before making recommendations to the Board for Directors who would be seeking for re-election at the Annual General Meeting, and whether the Directors are 'fit and proper' under the Directors' Fit and Proper Policy after receiving submissions from the aforesaid retiring Directors.

The NC took reasonable steps to conduct checks using external information as part of the assessment process on whether the directors have the (i) Character and Integrity; (ii) Experience and Competence; and (iii) Time Commitment to do the job in accordance with the Directors' Fit & Proper Policy. The fit and proper assessments are supported by relevant independent sources in relation to the persons being assessed.

The profile on Directors who are standing for re-election are provided in the Annual Report to facilitate shareholders to make informed decision.

f. Annual Evaluation

The assessment criteria of the Board and Board Committees include an evaluation of the size and composition of the Board and Board Committees, access to information, accountability, processes, performance of the Board and Board Committees in relation to discharging its principal responsibilities, communication with Management and standards of conduct by the Directors and committee members.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

f. Annual Evaluation (continued)

The internally facilitated evaluation process is led by the NC Chairman who is an Independent Director and supported by the Company Secretaries. The evaluation process is conducted via questionnaires to review the effectiveness of the Board and its committees, and based on self-review and peer assessment. The NC reviewed the outcome of the assessment and was satisfied with the composition of the Board and Board Committees in respect of their balanced mix of skills, experience and expertise as well as individual Directors' personal attributes and contribution to the Board.

The outcome of the assessment was then reported to the Board, in particular, areas for improvement and also used as part of the basis of recommending retiring Director for re-election at the AGM.

g. Professional Development of Directors

All Directors have completed both Mandatory Accreditation Programme ("**MAP**") Part I and MAP Part II save for the newly appointed Independent Director, namely Ms Beh Ee Nah who has completed the MAP Part I and will complete the MAP Part II within the prescribed timeframe as stipulated under the Listing Requirements. The NC and Directors will continue to identify and attend appropriate seminars, conferences and courses to keep abreast of changes in market, legislations and regulations affecting the Group. The Directors are also committed to continue to undergo other relevant training programmes and seminars whether in-house or external to keep abreast with the developments of the business environment and further enhance their skills and knowledge.

During the FP2025, the Directors have attended various training programmes and seminars, amongst others, the following:-

- Mandatory Accreditation Programme Part I
- Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
- E-Invoice Mastery Phase 2 & 3 IR4.0
- Board Ethics: Growing Concerns from New Technology, Stakeholders Interest & Conflicts of Interest
- SSM National Conference 2025 on Leading Governance for Sustainable Growth
- SSM Corporate Talk on MBRS 2.0: Mandatory Submission Phase 3 Audited Financial Statements and Reports under Companies Act 2016
- SSM Corporate Talk on Taklimat Liputan Akta PSMB 2001
- E-invoices
- Being sued as INED
- Sustainable Finance Leadership
- The future of Accounting and AI
- FP&A thru Gen AI - CFO's Transformation
- From ESG to long-term sustainability & impact
- Mastering Communication & Presentation skills
- MIA Accounting & Financial Technology Showcase 2025
- AI in Finance - enhancing work life in the office of finance
- Managing financial frontiers with management accounting
- Cybersecurity - Not one size fits all and digital and data explosion
- Beyond the unexpected - Mastering Business Resilience in the era of uncertainty
- Bursa Academy: Conflict of Interest ("COI") and Governance of COI by Asia School of Business

The Company Secretaries circulated the relevant guidelines on statutory and regulatory requirements from time to time and updated the Board on the same at Board meeting. The external auditors also briefed the Board members on any current and future changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements.

h. NC's Activities

During the financial period under review, the activities undertaken by the NC include:-

a) Assessed and was satisfied with the effectiveness of the Board as a whole and the Board committees and the contribution of each Director.

b) Reviewed and was satisfied with the mix of skills, knowledge, expertise and experience, composition and size of the Board in terms of gender, ethnicity and age.

c) Assessed the independence of Independent Directors and concluded that the Independent Directors are independent and have complied with the criteria of independence as set out in the Listing Requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

2. Board Composition (continued)

h. NC's Activities (continued)

During the financial period under review, the activities undertaken by the NC include:- (continued)

d) Assessed and was satisfied with the character, experience, integrity, competence and time commitment of Directors.

e) Reviewed the term of office and performance of the ARMC and each of its members and concluded that the ARMC and each of its members have carried out their duties and responsibilities.

f) Reviewed and recommended to the Board the re-election of Directors at the Twentieth AGM of the Company pursuant to the Companies Act 2016 and the Company's Constitution.

g) Reviewed the Directors' training programme for the financial period from 1 January 2024 to 30 June 2025.

h) Reviewed and recommended to the Board the Directors and Senior Management Succession Planning Policy.

i) Reviewed and recommended to the Board the revisions in the TOR of the NC.

j) Reviewed and recommended to the Board the revisions in Directors' Fit and Proper Policy.

k) Reviewed and recommended the appointment of Mr Loh Chew June as Independent Non-Executive Director of the Company and a member of ARMC, NC and RC after having reviewed his profile in detail and assessed his fit and proper criteria.

l) Reviewed and recommended the appointment of Ms Beh Ee Nah as Independent Non-Executive Director of the Company and a member of ARMC, NC and RC after having reviewed her profile in detail and assessed her fit and proper criteria.

3. Remuneration

Currently, the RC comprises the following members:-

Tung Fook Heng *(Chairman)*
Poo Chii Miin @ Chermaine Poo *(Member)*
Dato' Shamsuddin Bin Mohd Mahaydin *(Member)* (1)
Mr Loh Chew June *(Member)* (2)
Ms Beh Ee Nah *(Member)* (3)

(1) Ceased as member of RC following his retirement as Independent Non-Executive Director of the Company at the conclusion of Twentieth Annual General Meeting of the Company held on 26 June 2024.
(2) Appointed as member of RC on 24 September 2024 and ceased as member of RC following his resignation as Independent Non-Executive Director of the Company on 5 November 2024.
(3) Appointed as member of RC on 24 January 2025.

The RC is responsible for recommending the remuneration framework and policy as well as the remuneration package of the Executive Directors to ensure rewards commensurate with their contributions to the profit and growth of the Group. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken.

The disclosure on the remuneration of the Directors in both the Group and the Company who served during the FPE 2025 are disclosed in the CG Report of the Company.

There is no separate disclosure on the remuneration of the Senior Management as the Executive Directors are the Senior Management and have been disclosed as above and on pages 131 to 132 of the Audited Financial Statements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

1. ARMC

As at 30 June 2025, the ARMC comprises three (3) Independent Non-Executive Directors. The Chairman of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact.

The ARMC assesses the performance (including independence) and recommends to the Board annually the appointment or re-appointment of the external auditors guided by the factors as prescribed under Paragraph 15.21 of the Listing Requirements. The external auditors confirmed that they are and have been independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Throughout the ARMC, the Board maintains a transparent relationship with the external auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards.

The TOR of ARMC sets out its rights, duties, responsibilities and criteria on the composition of ARMC, which includes former key audit partner of the Group to observe cooling-off period of at least three (3) years before being able to be appointed as member of ARMC.

The NC reviews the composition of the ARMC annually and recommends to the Board for approval ensuring that only Independent Non-Executive Directors who are financially literate and have the required knowledge, skill and experience are considered for membership of ARMC.

The composition of the ARMC, including its roles and responsibilities, number of meetings and attendance of ARMC, summary of ARMC activities and Internal Auditors' activities during the financial period under review are set out in ARMC Report of this Annual Report.

2. Risk Management and Internal Control Framework

The Board acknowledges the significance of a sound system of risk management and internal control to manage the overall risk exposure of the Group. The Group has an internal audit function which is outsourced to IBDC (Malaysia) Sdn. Bhd. and reports directly to the ARMC. Details of the internal audit function together with the staffs of the Group's internal control are set out in the Statement on Risk Management and Internal Control and ARMC Report of the Annual Report 2025. The Board affirms its overall responsibility with established and clear functional responsibilities and accountabilities which are carried out and monitored by the Risk Management Working Committee ("**RMWC**"). RMWC reports directly to the ARMC. The adequacy and effectiveness of the internal controls and risk management framework were reviewed by the ARMC. The Board is satisfied with the performance of the RMWC and ARMC in discharging their responsibilities in accordance with their TOR.

The Board obtained assurance from the Executive Director (who is in charge of Financial and Corporate Affairs) and the Managing Director of the major subsidiaries of the Company that the internal control and risk management framework are adequate and effective in all material aspect. The details of the Risk Management and Internal Control Framework are described in the Statement on Risk Management and Internal Control of this Annual Report.

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

1. Communication with Stakeholders

The Board has formalised a Corporate Disclosure Guide to ensure that communication with stakeholders is executed in a timely, concise and transparent manner.

The Company has the following posted on the Company's website at www.ni-hsin.com, with the intention of building a communication channel between the Company and the stakeholders:-

(i) Announcements submitted to Bursa Securities and media press releases

The Company has all its material announcements submitted to Bursa Securities and media press releases posted on the Company's website and stakeholders may access the announcements and media press releases from the Company's website.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONT'D)

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

1. Communication with Stakeholders (continued)

The Company has the following posted on the Company's website at www.ni-hsin.com, with the intention of building a communication channel between the Company and the stakeholders:- (continued)

(ii) Investor section which provides relevant corporate information

The Company's website consists of an Investor section dedicated to provide corporate information to the stakeholders' such as share price, general corporate information, directors' profile, corporate structure and policies approved by our Board.

(iii) General telephone number and email address

The general line number and general enquiry email address of the Company are provided for the stakeholders to send in any enquiries to the Company directly.

The Company has put in place a Code of Conduct on confidentiality to ensure that confidential information is handled properly by Directors, employees and relevant parties to avoid leakage and improper use of such information. The Board is mindful that information which is expected to be material must be announced immediately.

Members of Senior Management are directly involved in investor relations through investor briefings with financial analysts, institutional shareholders and fund managers.

2. Conduct of General Meetings

The Company's AGM is the principal forum for dialogue with its shareholders, as it provides shareholders the opportunity to ask questions about the resolutions being proposed or about the Group's operations in general.

In line with the good governance practice, the notice of the Twentieth AGM and Annual Report were issued to shareholders at least twenty-eight (28) days before the date of holding the Twentieth AGM to accord shareholders with sufficient time to review the Group's financial and operational performance as well as the resolutions proposed to be tabled at the Twentieth AGM. Sufficient time has been allocated to shareholders to raise their queries and the Directors have addressed all the questions raised by the shareholders during the Twentieth AGM.

The voting at the Twentieth AGM was conducted by way of poll and an independent scrutineer was appointed to validate the votes cast. All the resolutions set out in the Notice of Twentieth AGM were duly carried. The full minutes of the Twentieth AGM detailing the meeting proceedings, including the questions raised by shareholders with the responses from the Company were published on the Company's website within thirty (30) business days after the conclusion of the AGM.

FOCUS AREA ON CORPORATE GOVERNANCE

Corporate governance was clearly imperative for the Group against the backdrop of regulatory changes in the domestic corporate governance realm and a relatively challenging economic environment that is characterised by volatile market conditions. Against the aforementioned setting, during the financial period under review, the Board directed its focus on the core duties of the Board which is grounded on the creation of long-term value for stakeholders.

In light of the improvements in the corporate governance regulations, the Board has reviewed and updated its existing policies and procedures to ensure they are kept contemporaneous whilst equally kept relevant to the Company's needs. The Board will look into the enhancements or developments of corporate governance policies and procedures, as the case may be.

This Statement together with the CG Report was approved by the Board of Directors of NHG on 15 October 2025.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

1.1 UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposal during the financial period ended 30 June 2025.

1.2 AUDIT FEE AND NON-AUDIT FEES

During the financial period under review, the amount incurred by the Company and by the Group in respect of the fees for audit and non-audit services rendered by the external auditors are as follows:-

	Company (RM'000)	Group (RM'000)
Audit services	58	293
Non-audit services	29	127
Total	**87**	**420**

The non-audit services comprised the following assignments:-

a) Review of the Statement of Risk Management and Internal Control
b) Tax compliance services
c) Review of oversea subsidiaries management accounts for the financial period ended 30 June 2025

1.3 MATERIAL CONTRACTS

There were no material contracts or loans entered into by the Group involving interests of Directors, Chief Executives and major shareholders, either still subsisting at the end of the financial period ended 30 June 2025 or entered into since the end of the previous financial year.

1.4 REVALUATION POLICY ON LANDED PROPERTIES

During the financial period under review, the Group elected to measure the landed properties using the revaluation model under Malaysian Financial Reporting Standards (MFRS) 116 Property, Plant and Equipment.

The Group revalues its property comprising freehold land and factory buildings every five (5) years or at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value. The latest revaluation was carried out in March 2025.

1.5 RELATED PARTY TRANSACTION AND RECURRENT RELATED PARTY TRANSACTIONS

There were no related party transaction and recurrent related party transactions of a revenue and trading nature of the Group during the financial period ended 30 June 2025.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors is pleased to present the report of the Audit and Risk Management Committee ("**ARMC**") for the financial period ended 30 June 2025.

1. MEMBERS

The members of ARMC are Non-Executive Directors with all of them being Independent Directors.

During the financial period ended 30 June 2025, the ARMC held a total of eight (8) meetings. The members of the ARMC together with their attendance are set out below:-

Name	Position	Attendance
Poo Chii Miin @ Chermaine Poo	Chairman (Independent Non-Executive Director)	8/8
Tung Fook Heng	Member (Independent Non-Executive Director)	8/8
Dato' Shamsuddin Bin Mohd Mahayidin [(1)]	Member (Independent Non-Executive Director)	4/4
Loh Chew June [(2)]	Member (Independent Non-Executive Director)	N/A
Beh Ee Nah [(3)]	Member (Independent Non-Executive Director)	2/2

[(1)] *Ceased as member of ARMC following his retirement as Independent Non-Executive Director of the Company at the conclusion of Twentieth Annual General Meeting of the Company held on 26 June 2024.*
[(2)] *Appointed as member of ARMC on 24 September 2024 and ceased as member of ARMC following his resignation as Independent Non-Executive Director of the Company on 5 November 2024.*
[(3)] *Appointed as member of ARMC on 24 January 2025.*

Ms Chermaine Poo, who is the Chairperson of the ARMC, is a Fellow of the Association of Chartered Certified Accountants and a Chartered Accountant of the Malaysian Institute of Accountants. None of the ARMC members serve as alternate directors in the Board. The ARMC, therefore, meets the requirements of Paragraph 15.09 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

All members of the ARMC are financially literate and are able to analyse and interpret financial statements to effectively discharge their duties and responsibilities as member of ARMC.

The Terms of Reference of the ARMC has been drawn up and approved by the Board and is available online in the Investor Relations section of the Company's website at www.ni-hsin.com.

2. SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

During the financial period ended 30 June 2025 in line with the Terms of Reference, the ARMC carried out the following works in discharging its function and duties:-

2.1 Financial Reporting

a) Reviewed the unaudited quarterly reports and the annual audited financial statements of the Group and the Company including the announcements pertaining thereto prior to submission to the Board for consideration and approval; and

b) Monitored the compliance requirements in line with the new updates of Bursa Malaysia Securities Berhad, Securities Commission Malaysia, Malaysian Accounting Standards Board and other legal and regulatory bodies.

2.2 Related Party Transactions and Conflict of Interest

a) Reviewed the related party transactions and any actual or potential conflict of interest situation that may arises within the Group on a quarterly basis to ascertain that the review procedures established to monitor the related party transactions and conflict of interest situation have been complied with.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT
(CONT'D)

2. SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (CONTINUED)

2.3 External Audit

a) Met with the external auditors during the year to review the external auditors' independence, scope of work and the audit plan, their audit fees, the results of their examination in the external audit reports and management's responses, as well as weaknesses in the internal control;

b) Reviewed the audit recommendations and representations made and corrective actions taken by Management in addressing and resolving issues as well as ensuring that all issues were adequately addressed on a timely basis;

c) Monitored the implementation of mitigating measures by Management on outstanding issues to ensure all key risks and control weaknesses are properly addressed;

d) Met with the external auditors on the updates of new Malaysian Financial Reporting Standards ("**MFRS**") and the impact on the Group as well as new developments on regulatory requirements;

e) Met with the external auditors (without the presence of the Management staff or any Executive Directors) for the financial period ended 30 June 2025 on the following dates:-
- 28 February 2024 to discuss the audit findings for the financial year ended 31 December 2023; and
- 30 May 2025 to discuss on the Audit Plan for the financial period ending 30 June 2025.

f) Reviewed the suitability, performance and effectiveness of the external auditors before recommending their re-appointment to the Board for consideration. The ARMC assessed among others, the adequacy of external auditors, experience and resources, their independence, objectivity and services rendered including non-audit services, quality of service, and experience of audit engagement partners.

g) Reviewed matters concerning the audit and non-audit fees of the external auditors.

2.4 Internal Audit

a) Reviewed and approved the appointment of outsourced Internal Auditors for the Company and Group;

b) Met with the internal auditors to review and approve the Group's internal audit plan, scope of work, audit methodologies employed and internal audit fees;

c) Met with the internal auditors to review the internal audit reports and findings on the adequacy and effectiveness of the internal control and risk management framework as well as other compliance and governance processes;

d) Met with the internal auditor (without the presence of the Management staff or any Executive Directors) for the financial period ended 30 June 2025 on the following dates:-
- 4 April 2024 to discuss the audit concerns and findings on the areas of Bank and Cash Management;
- 30 August 2024 to discuss audit concerns and findings on the areas of Inventory Control Management, and Repair and Maintenance functions; and
- 27 February 2025 to discuss audit concerns and findings on the areas of Blackbixon Café Operations and Information Technology System.

e) Reviewed the adequacy of the scope, functions, competency and resources of the internal audit function.

2.5 Others

a) Reviewed the ARMC Report, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement, Corporate Governance Report and Corporate Sustainability Statement before submission to the Board for consideration and approval for inclusion in the Company's Annual Report for the financial year ended 31 December 2023; and

b) Reviewed and recommended to the Board for approval of the revisions in the Terms of Reference to ensure it is always updated with the changes in the regulatory requirements.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT
(CONT'D)

3. TRAINING

During the financial period ended 30 June 2025, the ARMC Chairperson and the members attended the following training programmes, seminars, forums and discussions to enhance their knowledge to enable them to discharge their duties more effectively:-

- Mandatory Accreditation Programme Part I;
- Mandatory Accreditation Programme Part II: Leading for Impact (LIP);
- SSM National Conference 2025 on Leading Governance for Sustainable Growth;
- SSM Corporate Talk on MBRS 2.0: Mandatory Submission Phase 3 Audited Financial Statements and Reports under Companies Act 2016;
- SSM Corporate Talk on Taklimat Liputan Akta PSMB 2001;
- E-invoices;
- Being sued as INED;
- Sustainable Finance Leadership;
- The future of Accounting and AI;
- FP&A thru Gen AI - CFO's Transformation;
- From ESG to long-term sustainability & impact;
- Mastering Communication & Presentation skills;
- MIA Accounting & Financial Technology Showcase 2025;
- AI in Finance - enhancing work life in the office of finance;
- Managing financial frontiers with management accounting;
- Cybersecurity - Not one size fits all and digital and data explosion;
- Beyond the unexpected - Mastering Business Resilience in the era of uncertainty; and
- Bursa Academy: Conflict of Interest ("COI") and Governance of COI by Asia School of Business.

4. INTERNAL AUDIT FUNCTION

The Group recognises that an internal audit function is essential in ensuring the effectiveness of the Group's system of internal control and is an integral part of the risk management process.

During the financial period under review, the Company has outsourced its internal audit function to a professional service firm, namely IBDC (Malaysia) Sdn. Bhd. ("**IBDC**") whose primary responsibility is to independently assess and report to the Board, through the ARMC, the systems of internal control of the Group.

Details of the internal audit personnel from IBDC that carried out the internal audit works for the financial period ended 30 June 2025 are as follows:-

Name	Qualification & Accreditation
Wong Een Joon *Director In Charge*	• Fellow Member of Association of Chartered Certified Accountants (FCCA) • Member of Malaysian Institute of Accountants (CA (M)) • ASEAN Chartered Professional Accountant (ASEAN CPA) • Chartered Member of Institute of Internal Auditors Malaysia (CMIIA) • Certified Fraud Examiner (CFE)

During the financial period under review, the Internal Auditors carried out internal audit reviews based on an annual audit plan approved by the ARMC to assess the adequacy and integrity of the system of internal control as established by the Management, so as to provide reasonable assurance that:-

- the system of internal control continues to operate satisfactorily and effectively;
- assets and resources are safeguarded;
- integrity of records and information is protected;
- internal policies, procedures and standards are adhered to; and
- applicable rules and regulations are complied with.

The scope of work, as approved by the ARMC, was essentially based on the risk profiles of companies in the Group, where areas of higher risk were included for internal audit. The internal audit covered key operational, financial and compliance controls, including the risk management process deployed by Management. Audit findings and areas of concern that need improvements were highlighted in the internal audit reports and reviewed at the ARMC meetings. The relevant Management members were made responsible for ensuring that corrective actions on reported weaknesses were taken within the required timeframes. The Internal Auditors conducted follow-up audits on key engagement to ensure that the corrective actions were implemented appropriately. During the Board meetings, the Chairperson of the ARMC briefed the Board on audit matters and the minutes of the ARMC meetings were duly noted by the Board.

The cost incurred in the internal audit function during the financial year amounted to approximately RM42,000 which included expenses.

The internal audit functions are as set out in the Statement on Risk Management and Internal Control on pages 66 to 69 of the Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors is pleased to present the following Statement on Risk Management and Internal Control of the Group for the financial period ended 30 June 2025 in accordance with the "Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers".

RESPONSIBILITY

The Board acknowledges the importance of maintaining a sound system of risk management and internal control to safeguard the shareholders' investments and the Group's assets. Accordingly, the Board affirms its responsibility for the Group's system of risk management and internal control and its commitment to review its effectiveness, adequacy and integrity. The Group's existing system of internal control includes financial, operational and compliance controls and risk management procedures. Due to the limitations that are inherent in any system of risk management and internal control, this system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. The Board also recognises that a sound system of risk management and internal control can only reduce but not eliminate the possibility of poor judgement in decision making, human error, control process being deliberately circumvented by employees, management overriding controls and the occurrence of unforeseeable circumstances. Accordingly, the system provides only reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

For the reporting period the Board has received assurance from the Managing Director of major subsidiaries and the Executive Director (who is in charge of Financial and Corporate Affairs) who are members of the Risk Management Working Committee ("RMWC") that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group. Following the review of the risk management and internal control system in accordance with the guidelines for directors on risk management and internal control, the Statement on Risk Management and Internal Control: Guidance for Directors of Public Listed Companies, it was decided that the functions of the RMWC shall come under the purview of the Audit and Risk Management Committee ("ARMC").

The ongoing process for identifying, evaluating and managing the significant risks faced by the Group in its achievement of objectives and strategies is further elaborated in the following paragraphs.

RISK MANAGEMENT

The Board and Management are mindful of measures required to identify risks residing in any major proposed transactions, changes in nature of activities or venturing into new operating environment.

The Group operates a risk management framework in which the Board assumes overall responsibility with established and clear functional responsibilities and accountabilities under two lines of defence for the management of risk.

The first line of defence of risk management activities were carried out by the Group's RMWC which comprises of Executive Directors and Corporate Head. The RMWC is currently chaired by Mr Khoo Chee Kong (Managing Director of major subsidiaries). As part of the Risk Management process, a Registry of Risk and a risk management policy was maintained during the period to identify principal business risks and updated for on- going changes in the risk profile. The risk management policy summarises risk management methodology, approach and processes, roles and responsibilities, and various risk management concept. The respective heads of departments are entrusted to identify risks and to ensure that adequate control systems are implemented to mitigate significant risks faced by the Group. Significant risk factors identified are reported to the Board for further elaboration and strategic decision making.

Key management staff and Heads of Department are delegated with the responsibility to manage risks of their respective areas of responsibilities. They are also responsible for creating a risk-awareness culture within the organisation to ensure greater understanding of the importance of risk management and that its principles are embedded in key operational processes. In the periodic management meetings, key risks and mitigating controls are deliberated. Significant risks affecting the Group's strategic and business plans are then escalated to the Board and discussed at their scheduled meetings.

The second line of defence is the Group's Internal Audit function, which is currently outsourced to an independent firm of professional internal auditors that reports directly to the ARMC. The ARMC provides independent assurance of the adequacy and reliability of the risk management processes and system of internal controls.

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

INTERNAL AUDIT FUNCTION

The internal audit function is carried out in accordance with The International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The primary objective of the internal audit function is to carry out reviews of the internal control system to determine if the internal control procedures have been complied with as well as to make recommendations to strengthen the internal control system so as to foster a strong management control environment.

The Board is fully aware of the importance of the internal audit function and has outsourced this function to an independent professional service firm, namely IBDC (Malaysia) Sdn. Bhd. ("IBDC") to provide an independent assurance the Board requires on the effectiveness and efficiency of the Group's system of internal control.

The key personnel assigned to carry out the internal audit work for the financial period ended 30 June 2025 with the profile of head of the internal audit function as disclosed below:

Name	Qualification & Accreditation
Wong Een Joon *Internal Auditor-In-Charge*	• Fellow Member of Association of Chartered Certified Accountants (FCCA) • Member of Malaysian Institute of Accountants (CA (M)) • ASEAN Chartered Professional Accountant (ASEAN CPA) • Chartered Member of Institute of Internal Auditors Malaysia (CMIIA) • Certified Fraud Examiner (CFE)

The internal audit adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles from the comprehensive risk assessment of the specific business units of the Group. Scheduled internal audits are carried out by the internal auditors based on the annual internal audit plan presented to and approved by the ARMC. On a half yearly basis, the internal auditors present to the ARMC the internal audit reports which summarise the audit approach, scope, key risks, significant audit findings, the overall opinion for the internal control review, management comments on the audit findings and recommendations, and the follow-up review reports on the internal audit cycles previously conducted to confirm the actions taken by the management on the recommendations are appropriate. The cost of internal audit function for the financial period ended 30 June 2025 was approximately RM42,000, which included taxes and expenses.

The review of the adequacy and effectiveness of the internal control process has been undertaken by the internal audit function, and necessary actions have been taken to remedy significant failing or weaknesses identified for the financial period 2025.

THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The system is designed to manage the principal risks attributed to the Group's operations and due to the limitations that are inherent in any system, the Board takes cognizance that the system can only provide reasonable but not absolute assurance against material loss or misstatement.

The key elements of the Group's internal control system are as follows:-

- An organisational structure with defined responsibilities and delegation of authorities for Committees of the Board and Operational Committees;
- Company's Policies and Procedures, which set out the guidelines and expected standards for the Group's operations, are under regular review and update so as to maintain its effectiveness at all times;
- A strategic planning and an annual budgeting process has been established, whereby all key operating subsidiaries of the Group are required to prepare budgets and business plans for the coming year;
- Operational review meetings are held and attended by the Executive Directors and the department heads to assess the performance of the Group's operations;
- Monthly financial reporting by the subsidiaries to the holding company. Actual performance compared with budget is reviewed monthly with major variances being followed up and management action taken where necessary;
- Each department measures its performance against its business objectives and monitors the identified risks associated with the achievability of its objectives;

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

THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

The key elements of the Group's internal control system are as follows:- (continued)

- The public releases of quarterly financial reports are made after the review by the ARMC and the approval of the Board;
- There are guidelines within the Group for hiring and termination of staff. Appointment of staff is based on the required level of qualification, experience and competency to fulfil their responsibilities. Training and development are provided for selected employees to enhance their competency in carrying out their responsibilities;
- A formal employee appraisal to evaluate and measure employee's performance and their competency is performed at least once a year;
- A centralised accounting and disbursement function ensures compliance with the procedures and approval authority;
- A co-ordinated procurement function for major purchases and maintenance expenditures that ensures adherence to approval procedures as well as to leverage on economies of scale;
- Regular production meetings, which involve the senior production management and related units to promptly address any production problems faced; and
- ISO 9001:2015 Quality Management System has been implemented for a subsidiary, Ni Hsin Corporation Sdn. Bhd. Documented internal procedures and standard operating procedures have been put in place and internal quality audits are carried out by the management and annual surveillance audits are conducted by a certification body to provide assurance of compliance with the procedures.

The key aspects of the risk management process are:

- The RMWC coordinates and oversees risk management activities across the Group;
- The RMWC will report to the Board significant risks that require the Board's attention;
- An enterprise risk assessment will be performed with inputs from Executive Directors and Heads of Departments;
- The RMWC maintains a Registry of Risk which is the identification and analysis of risks to the achievement of business objectives. A scoring of the risks is then performed based on the likelihood of the risks occurring and the evaluation of the consequence of the occurrence. This forms a basis for determining how risks should be managed. The Registry of Risk is updated on a half yearly basis, and when any material changes in risks are identified;
- The RMWC then deliberates and decides the risk response to the identified risks. The risk response could be to transfer, reduce, accept or avoid the risks. The residual risks are then tabled to determine whether it should be reported as a key issue or a supplemental issue where internal controls could be used to mitigate the risks;
- Heads of Departments will then monitor and review the key risks and report to the RMWC from time to time. Any significant change in existing risks with significant impact or the emergence on new risks will warrant an immediate reporting to the RMWC; and
- Key risks will be highlighted to the internal audit function to review and monitor proper controls are implemented and carried out to mitigate those risks.

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

MONITORING AND REVIEW OF THE SYSTEM OF RISK MANAGEMENT AND INTERNAL CONTROL

The existing system of risk management and internal control has operated effectively in the year under review and up to the date of issuance of this statement. Although control lapses were identified for certain business processes within the Group, there were no significant failures or weaknesses that has resulted in material loss that requires disclosure in the Group's annual report for the financial period under review. The Board is committed towards operating a sound system of risk management and internal control and will strive for continuous improvement where necessary, to further enhance the Group's system of risk management and internal control. The Board has reviewed the risk management and internal control system in accordance with the guidelines for directors on risk management and internal control, the *Statement on Risk Management and Internal Control: Guidance for Directors of Public Listed Companies*.

The Board is of the view that the system of risk management and internal control being instituted throughout the Ni Hsin Group is adequate and effective.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

The external auditors have reviewed this Statement on Risk Management and Internal Control (the "Statement") pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the period ended 30 June 2025, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or

(b) is factually inaccurate.

APPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors is required under Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad to issue a statement on its responsibility in the preparation of the annual audited financial statements.

The Board is responsible for ensuring that the financial statements are properly drawn up in accordance with the provisions of the Companies Act 2016 and applicable Malaysian Financial Reporting Standards ("MFRS") approved by the Malaysian Accounting Standards Board ("MASB") in Malaysia so as to give a true and fair view of the financial position of the Group and the Company as at 30 June 2025 and of the results and cash flows of the Group and the Company for the financial period then ended.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial period ended 30 June 2025, the Group and the Company have adopted suitable accounting policies in accordance with applicable MFRSs approved by the MASB in Malaysia and applied them consistently and reasonably.

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DIRECTORS' REPORT
For the Period Ended 30 June 2025

The Directors hereby submit their report and the audited financial statements of the Company for the financial period ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities. There has been no significant change in the nature of these activities during the financial period.

CHANGE OF FINANCIAL YEAR END

On 2 September 2024, the Board of Directors approved the change of the Group's and the Company's financial year end from 31 December to 30 June. Accordingly, the current financial period covers a period of 18 months, from 1 January 2024 to 30 June 2025.

SUBSIDIARIES

The principal activities and other details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

RESULTS

	Group	Company
	RM'000	RM'000
Loss for the period attributable to:		
Owners of the Company	(11,195)	(1,576)
Non-controlling interests	37	-
	(11,158)	(1,576)

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial period under review except as disclosed in Note 13 to the financial statements.

DIVIDENDS

No dividend was paid during the financial period and the Directors do not recommend any final dividend for the financial period ended 30 June 2025.

DIRECTORS OF THE COMPANY

Directors who served during the financial period until the date of this report are:

Ng Shwu Ching
Rizvi Bin Abdul Halim
Sofiyan Bin Yahya
Lai Kian Huat
Khoo Wuan Ru
Poo Chii Miin @ Chermaine Poo
Tung Fook Heng
Beh Ee Nah (Appointed on 24 January 2025)
Loh Chew June (Appointed on 24 September 2024 and resigned on 5 November 2024)
Dato' Shamsuddin Bin Mohd Mahayidin (Retired on 26 June 2024)

DIRECTORS' REPORT
For the Period Ended 30 June 2025
(CONT'D)

DIRECTORS OF THE SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016, the Directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial period and during the period from the end of the financial period to the date of this report are Khoo Chee Kong, Khoo Yao Sheng, Dato' Seri Rosman bin Mohamed, Dato' Seri (Dr) Mohamed Azahari bin Mohamed Kamil and Eugene Gan Yu Ji.

DIRECTORS' INTERESTS IN SHARES

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at the end of financial period (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 30.6.2025
Interests in the Company:				
Sofiyan Bin Yahya				
- own	17,679,466	1,687,800	-	19,367,266
Khoo Wuan Ru				
- indirect ^	96,284,000	2,921,000	-	99,205,000
Ng Shwu Ching				
- indirect &	4,217,300	-	-	4,217,300

	Number of Redeemable Convertible Preference Shares ("RCPS")			
	At 1.1.2024	Bought	Sold	At 30.6.2025
Interests in the Company:				
Sofiyan Bin Yahya				
- own	9,459,800	-	-	9,459,800
Khoo Wuan Ru				
- indirect ^	203,561,768	1,178,200	-	204,739,968

^ *Deemed interest by virtue of father, Mr Khoo Chee Kong's beneficial interest.*
& *Deemed interest by virtue of spouse, Mr Shu Hang Sheong's beneficial interest.*

By virtue of their interests in the shares of the Company, Sofiyan Bin Yahya, Khoo Wuan Ru and Ng Shwu Ching are also deemed interested in the shares of the subsidiaries during the financial period to the extent that Ni Hsin Group Berhad has an interest.

None of the other Directors holding office at 30 June 2025 had any interest in the ordinary shares of the Company and of its related corporations during the financial period.

DIRECTORS' REPORT
For the Period Ended 30 June 2025
(CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial period, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The directors' benefits paid to or receivable by Directors in respect of the financial period ended 30 June 2025 are as follows:

	From the Company	From subsidiary companies
	RM'000	RM'000
Directors of the Company:		
Fees	296	-
Remuneration	-	1,773
Estimated money value of any other benefits	-	44
	296	1,817

There were no arrangements during and at the end of the financial period which had the object 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.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial period.

There were no debentures issued during the financial period.

TREASURY SHARES

The repurchased shares are held as treasury shares and carried at cost. During the financial period, there was no shares repurchased by the Company. The total treasury shares held at the financial period end is 49,345,336 (2023: 49,345,336) shares. The number of outstanding shares in issue after deducting treasury shares held at the financial period end is 523,769,915 ordinary shares. Treasury shares have no rights to voting, dividends and participation in other distribution.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial period.

INDEMNITY AND INSURANCE COSTS

During the financial period, there was no insurance effected for Directors, officers and auditors of the Company.

DIRECTORS' REPORT
For the Period Ended 30 June 2025
(CONT'D)

OTHER STATUTORY INFORMATION

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

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business 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:

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

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

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

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial period and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial period.

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial period ended 30 June 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial period and the date of this report.

SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

The significant event during the financial period of the Group is as disclosed in Note 28 to the financial statements.

DIRECTORS' REPORT
For the Period Ended 30 June 2025
(CONT'D)

AUDITORS

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the period are RM282,000 and RM66,000 respectively. The details of auditors' remuneration are disclosed in Note 19 to the financial statements.

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

Rizvi Bin Abdul Halim
Director

Ng Shwu Ching
Director

Selangor Darul Ehsan

Date: 15 October 2025

STATEMENTS OF FINANCIAL POSITION
As at 30 June 2025

	Note	Group		Company	
		30.6.2025	31.12.2023	30.6.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Assets					
Property, plant and equipment	2	69,868	55,995	-	-
Right-of-use assets	3	5,295	2,250	-	-
Intangible assets	4	-	169	-	-
Goodwill	5	7,527	7,527	-	-
Investments in subsidiaries	6	-	-	73,000	73,590
Investment in an associate	7	-	-	-	-
Other investments	8	115	1,558	115	1,558
Deferred tax assets	9	112	75	-	-
Total non-current assets		82,917	67,574	73,115	75,148
Inventories	10	25,871	20,588	-	-
Current tax assets		862	589	152	216
Trade and other receivables	11	5,794	3,574	8,541	2,161
Cash and cash equivalents	12	7,903	15,143	3,371	8,980
Total current assets		40,430	39,894	12,064	11,357
Total assets		123,347	107,468	85,179	86,505
Equity					
Share capital	13.1	84,528	84,428	84,528	84,428
Reserves		6,468	5,810	(6,360)	(4,784)
Equity attributable to owners of the Company		90,996	90,238	78,168	79,644
Non-controlling interests		158	121	-	-
Total equity		91,154	90,359	78,168	79,644

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025
(CONT'D)

	Note	Group		Company	
		30.6.2025	31.12.2023	30.6.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Liabilities					
Loans and borrowings	14	-	332	-	-
Redeemable Convertible Preference Shares ("RCPS")		-	6,466	-	6,466
Lease liabilities		4,402	1,993	-	-
Deferred tax liabilities	9	5,241	3,339	-	-
Total non-current liabilities		9,643	12,130	-	6,466
Trade and other payables	15	10,973	4,238	140	235
Loans and borrowings	14	3,570	263	-	-
Redeemable Convertible Preference Shares ("RCPS")		6,871	160	6,871	160
Lease liabilities		1,136	318	-	-
Total current liabilities		22,550	4,979	7,011	395
Total liabilities		32,193	17,109	7,011	6,861
Total equity and liabilities		123,347	107,468	85,179	86,505

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the period ended 30 June 2025

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Revenue	16	51,465	28,839	537	390
Cost of sales		(42,559)	(23,244)	-	-
Gross profit		8,906	5,595	537	390
Other income		796	1,186	152	64
Distribution expenses		(1,053)	(810)	-	-
Administrative expenses		(19,505)	(13,109)	(1,519)	(9,320)
Net (loss)/gain on impairment of financial instruments		-	-	(410)	11,343
Other expenses		-	(2)	-	-
Results from operating activities		(10,856)	(7,140)	(1,240)	2,477
Finance costs	17	(836)	(322)	(345)	(220)
Finance income		28	8	7	16
Share of loss of equity-accounted associate, net of tax	7	-	(153)	-	-
(Loss)/Profit before tax		(11,664)	(7,607)	(1,578)	2,273
Tax income/(expense)	18	506	158	2	(17)
(Loss)/Profit for the period	19	(11,158)	(7,449)	(1,576)	2,256
Other comprehensive income for the period, net of tax					
Items that will not be reclassified subsequently to profit or loss					
Revaluation of property	20	11,846	-	-	-
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations	20	7	6	-	-
Total other comprehensive income for the period, net of tax		11,853	6	-	-
Total comprehensive income/(expense) for the period		695	(7,443)	(1,576)	2,256

STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
For the period ended 30 June 2025
(CONT'D)

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(11,195)	(7,253)	(1,576)	2,256
Non-controlling interests		37	(196)	-	-
(Loss)/Profit for the period		(11,158)	(7,449)	(1,576)	2,256
Total comprehensive income/(expense) attributable to:					
Owners of the Company		658	(7,247)	(1,576)	2,256
Non-controlling interests		37	(196)	-	-
Total comprehensive income/(expense) for the period		695	(7,443)	(1,576)	2,256
Loss per ordinary share (sen)					
Basic	21	(2.14)	(1.38)		
Diluted	21	(2.14)	(1.38)		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025

		Attributable to owners of the Company									
		Non-distributable									
Group	**Note**	**Share capital** RM'000	**Treasury shares** RM'000	**RCPS** RM'000	**Translation reserve** RM'000	**Revaluation reserve** RM'000	**Other reserve** RM'000	**Accumulated losses** RM'000	**Total** RM'000	**Non-controlling interests** RM'000	**Total equity** RM'000
At 1 January 2023		84,428	(6,783)	137	151	23,758	9,206	(12,932)	97,965	230	98,195
Foreign currency translation differences for foreign operations		-	-	-	6	-	-	-	6	-	6
Total other comprehensive income for the year		-	-	-	6	-	-	-	6	-	6
Loss for the year		-	-	-	-	-	-	(7,253)	(7,253)	(196)	(7,449)
Total comprehensive expense for the year		-	-	-	6	-	-	(7,253)	(7,247)	(196)	(7,443)
Contributions by and distributions to owners of the Company											
Own shares acquired		-	(388)	-	-	-	-	-	(388)	-	(388)
Changes in ownership interests in subsidiaries	27.2, 27.3	-	-	-	-	-	-	(92)	(92)	87	(5)
Total transactions with owners of the Company		-	(388)	-	-	-	-	(92)	(480)	87	(393)
At 31 December 2023		84,428	(7,171)	137	157	23,758	9,206	(20,277)	90,238	121	90,359
		Note 13.1	Note 13.2	Note 13.3	Note 13.4	Note 13.5	Note 13.6				

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025

(CONT'D)

Group	Note	Attributable to owners of the Company								Non-controlling interests	Total equity
		Non-distributable							Total		
		Share capital	Treasury shares	RCPS	Translation reserve	Revaluation reserve	Other reserve	Accumulated losses			
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2024		84,428	(7,171)	137	157	23,758	9,206	(20,277)	90,238	121	90,359
Revaluation of property		-	-	-	-	11,846	-	-	11,846	-	11,846
Foreign currency translation differences for foreign operations		-	-	-	7	-	-	-	7	-	7
Total other comprehensive income for the period		-	-	-	7	11,846	-	-	11,853	-	11,853
(Loss)/Profit for the period		-	-	-	-	-	-	(11,195)	(11,195)	37	(11,158)
Total comprehensive income/(expense) for the period		-	-	-	7	11,846	-	(11,195)	658	37	695
Contributions by and distributions to owners of the Company											
Conversion of RCPS		100	-	-	-	-	-	-	100	-	100
Total transactions with owners of the Company		100	-	-	-	-	-	-	100	-	100
At 30 June 2025		84,528	(7,171)	137	164	35,604	9,206	(31,472)	90,996	158	91,154

Note 13.1 Note 13.2 Note 13.3 Note 13.4 Note 13.5 Note 13.6

STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025

		← Attributable to owners of the Company →				
		← Non-distributable →			*(Non-distributable)/ Distributable*	
	Note	Share capital	Treasury shares	RCPS	(Accumulated losses)/ Retained earnings	Total
Company		RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023		84,428	(6,783)	137	(6)	77,776
Profit and total comprehensive income for the year		-	-	-	2,256	2,256
Contributions by and distributions to owners of the Company						
Own shares acquired		-	(388)	-	-	(388)
Total transactions with owners of the Company		-	(388)	-	-	(388)
At 31 December 2023/ 1 January 2024		84,428	(7,171)	137	2,250	79,644
Loss and total comprehensive expense for the period		-	-	-	(1,576)	(1,576)
Contributions by and distributions to owners of the Company						
Conversion of RCPS		100	-	-	-	100
Total transactions with owners of the Company		100	-	-	-	100
At 30 June 2025		84,528	(7,171)	137	674	78,168
		Note 13.1	Note 13.2	Note 13.3		

The notes on pages 88 to 134 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS
For the period ended 30 June 2025

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
(Loss)/Profit before tax		(11,664)	(7,607)	(1,578)	2,273
Adjustments for:					
Depreciation of property, plant and equipment	2	5,105	2,951	-	-
Amortisation of intangible assets	4	169	74	-	-
Depreciation of right-of-use assets	3	1,276	277	-	-
Dividend income		(177)	(150)	(177)	(150)
Finance costs	17	836	322	345	220
Finance income		(28)	(8)	(7)	(16)
Gain on disposal of other investments	19	(7)	-	(7)	-
Gain on lease modification		(11)	-	-	-
Loss/(Gain) on unrealised foreign exchange	19	47	(76)	(4)	2
Loss/(Gain) on disposal of property, plant and equipment	19	91	(399)	-	-
Net loss in fair value of other investments measured at fair value	19	14	194	14	194
Net gain in fair value of fixed income trust funds measured at fair value	19	(141)	(259)	(141)	(259)
Property, plant and equipment written off	19	11	13	-	-
Inventories written off	10	387	32	-	-
Provision for slow moving inventories	10	588	-	-	-
Bad debts written off		4	-	-	-
Impairment loss on investment in subsidiaries	6	-	-	722	8,280
Impairment loss on investment in associate		-	-	-	450
Reversal of impairment on amount due from subsidiaries		-	-	-	(11,343)
Impairment loss on amount due from subsidiaries		-	-	410	-
Share of loss of equity-accounted associate, net of tax		-	153	-	-
Operating loss before changes in working capital		(3,500)	(4,483)	(423)	(349)

STATEMENTS OF CASH FLOWS

For the period ended 30 June 2025

(CONT'D)

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities (continued)					
Change in inventories		(6,258)	2,915	-	-
Change in trade and other receivables		(2,122)	2,148	(6,780)	(4,104)
Change in trade and other payables		6,801	(263)	(92)	124
Cash (used in)/generated from operating activities		(5,079)	317	(7,295)	(4,329)
Interest received		28	8	7	16
Income tax paid		(404)	(278)	(44)	(3)
Income tax refund		133	32	110	-
Net cash (used in)/generated from operating activities		(5,322)	79	(7,222)	(4,316)
Cash flows from investing activities					
Acquisition of property, plant and equipment		(5,123)	(2,679)	-	-
Dividend received		177	150	177	150
Proceeds from disposal of property, plant and equipment	(i)	258	3	-	-
Proceeds from disposal of other investments		1,436	-	1,436	-
Acquisition of subsidiary, net of cash and cash equivalents acquired	27.1	-	(1,985)	-	-
Acquisition of non-controlling interests	27.2, 27.3	-	(5)	-	-
Net cash (used in)/generated from investing activities		(3,252)	(4,516)	1,613	150

STATEMENTS OF CASH FLOWS

For the period ended 30 June 2025

(CONT'D)

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities					
Proceeds from/(Repayment of) bankers' acceptances	(iv)	1,435	(340)	-	-
Repayment of hire purchase liabilities	(iv)	(435)	(310)	-	-
Payment of lease liabilities	(iii)	(1,083)	(248)	-	-
Interest paid		(491)	(102)	-	-
Repurchase of treasury shares	13.2	-	(388)	-	(388)
Net cash used in financing activities		(574)	(1,388)	-	(388)
Net decrease in cash and cash equivalents		(9,148)	(5,825)	(5,609)	(4,554)
Effect of exchange rate fluctuations on cash held		(67)	102	-	-
Cash and cash equivalents at 1 January		15,143	20,866	8,980	13,534
Cash and cash equivalents at 30 June/ 31 December	(ii)	5,928	15,143	3,371	8,980

* Denotes RM1

Notes to statements of cash flows

(i) Proceeds from disposal of property, plant and equipment

Proceeds from disposal of property, plant and equipment for 2025 is amounting to RM258,000 (2023: RM403,000), of which RM Nil (2023: RM400,000) is recorded as a receivable from third party (see Note 11.1).

(ii) Cash and cash equivalents

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

	Note	Group		Company	
		1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
		RM'000	RM'000	RM'000	RM'000
Cash and bank balances	12	7,903	15,143	3,371	8,980
Bank overdrafts	14	(1,975)	-	-	-
		5,928	15,143	3,371	8,980

STATEMENTS OF CASH FLOWS

For the period ended 30 June 2025

(CONT'D)

Notes to statements of cash flows (continued)

(iii) Cash outflows for leases as a lessee

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Included in net cash from operating activities				
Payment relating to leases of low-value assets	23	23	-	-
Included in net cash used in financing activities				
Interest paid in relation to lease liabilities	238	34	-	-
Payment of lease liabilities	1,083	248	-	-
Total cash outflows for leases	1,344	305	-	-

(iv) Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	At 1 January 2024 RM'000	Acquisition of new leases RM'000	Lease Modification RM'000	Net changes from financing cash flows RM'000	Interest expense RM'000	Interest paid RM'000	At 30 June 2025 RM'000
Lease liabilities	2,311	4,396	(86)	(1,083)	238	(238)	5,538
Bankers' acceptances	-	-	-	1,435	77	(77)	1,435
Hire purchase liabilities	595	-	-	(435)	26	(26)	160
Total liabilities from financing activities	2,906	4,396	(86)	(83)	341	(341)	7,133

Group	At 1 January 2023 RM'000	Acquisition of new leases RM'000	Lease Modification RM'000	Net changes from financing cash flows RM'000	Interest expense RM'000	Interest paid RM'000	At 31 December 2023 RM'000
Lease liabilities	1,108	1,451	-	(248)	34	(34)	2,311
Bankers' acceptances	340	-	-	(340)	-	-	-
Hire purchase liabilities	905	-	-	(310)	32	(32)	595
Total liabilities from financing activities	2,353	1,451	-	(898)	66	(66)	2,906

NOTES TO THE FINANCIAL STATEMENTS

Ni Hsin Group Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
No. 45, Jalan Taming Dua
Taman Taming Jaya
43300 Seri Kembangan
Selangor Darul Ehsan
Malaysia

Registered office
12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

On 2 September 2024, the Board of Directors approved the change of the Group's and the Company's financial year end from 31 December to 30 June. Accordingly, the current financial period covers a period of 18 months, from 1 January 2024 to 30 June 2025.

The consolidated financial statements of the Company as at and for the financial period ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interest in an associate. The financial statements of the Company as at and for the financial period ended 30 June 2025 do not include other entities.

The Company is principally engaged in investment holding activities while the principal activities of the subsidiaries are as stated in Note 6 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 15 October 2025.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 July 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 July 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 July 2027 for the amendments that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19 which is not applicable to the Group and the Company.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured based on the measurement bases stated below:

Items	Measurement bases
Non-derivative financial instruments at FVTPL	Fair value
Freehold land and factory buildings	Fair value

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 2 - Revaluation of freehold land and factory buildings
- Note 5 - Goodwill
- Note 6 - Investments in subsidiaries
- Note 10 - Inventories - net realisable value of inventories and the adequacy of provision for slow-moving inventories

2. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land RM'000	Factory buildings RM'000	Hostels RM'000	Plant and machinery RM'000	Moulds RM'000	Factory equipment RM'000	Office equipment, furniture, fixtures and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work-in-progress RM'000	Total RM'000
Cost/Revalued											
At 1 January 2023	30,550	14,450	102	35,545	8,868	1,931	4,766	5,884	3,835	-	105,931
Additions	-	-	-	917	38	8	347	351	71	947	2,679
Disposals	-	-	-	(731)	-	-	(34)	-	(2)	-	(767)
Written off	-	-	-	(355)	-	-	(97)	-	-	-	(452)
Acquisition through business combination (Note 27.1)	-	-	-	-	-	-	22	-	-	-	22
At 31 December 2023/ 1 January 2024	30,550	14,450	102	35,376	8,906	1,939	5,004	6,235	3,904	947	107,413
Revaluation	7,450	4,550	-	-	-	-	-	-	-	-	12,000
Additions	-	-	-	221	8	32	1,242	910	2,710	-	5,123
Disposals	-	-	-	(50)	-	(8)	(21)	(246)	(277)	-	(602)
Written off	-	-	-	(269)	-	(10)	(126)	(13)	-	-	(418)
Transfer in/(out)	-	-	-	-	-	-	594	-	353	(947)	-
At 30 June 2025	38,000	19,000	102	35,278	8,914	1,953	6,693	6,886	6,690	-	123,516

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM'000	Factory buildings RM'000	Hostels RM'000	Plant and machinery RM'000	Moulds RM'000	Factory equipment RM'000	Office equipment, furniture, fixtures and fittings RM'000	Motor vehicles RM'000	Renovation RM'000	Capital work-in-progress RM'000	Total RM'000
Accumulated depreciation											
At 1 January 2023	-	808	61	32,891	7,888	1,635	2,725	2,725	936	-	49,669
Depreciation for the year	-	648	2	379	202	90	414	896	320	-	2,951
Disposals	-	-	-	(731)	-	-	(30)	-	(2)	-	(763)
Written off	-	-	-	(345)	-	-	(94)	-	-	-	(439)
At 31 December 2023/ 1 January 2024	-	1,456	63	32,194	8,090	1,725	3,015	3,621	1,254	-	51,418
Revaluation	-	(2,215)	-	-	-	-	-	-	-	-	(2,215)
Depreciation for the period	-	1,092	3	499	285	128	1,067	1,259	772	-	5,105
Disposals	-	-	-	(8)	-	(2)	(12)	(151)	(80)	-	(253)
Written off	-	-	-	(269)	-	(10)	(125)	(3)	-	-	(407)
At 30 June 2025	-	333	66	32,416	8,375	1,841	3,945	4,726	1,946	-	53,648
Carrying amounts											
At 1 January 2023	30,550	13,642	41	2,654	980	296	2,041	3,159	2,899	-	56,262
At 31 December 2023/ 1 January 2024	30,550	12,994	39	3,182	816	214	1,989	2,614	2,650	947	55,995
At 30 June 2025	38,000	18,667	36	2,862	539	112	2,748	2,160	4,744	-	69,868

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.1 Property under the revaluation model

Freehold land and factory buildings were revalued in the financial period ended 30 June 2025 by independent professional valuers using comparison approach.

Had the freehold land and factory buildings been carried at cost model, their carrying amounts would have been RM11,445,000 (2023: RM11,445,000) and RM5,400,000 (2023: RM5,829,000) respectively.

2.2 Fair value information

The fair value of the freehold land and factory buildings of the Group are categorised as level 3 fair value.

Level 3 fair value

Level 3 fair value of freehold land and factory building were arrived based on the market comparison approach that reflects recent transaction prices for similar properties. The most significant input into this valuation approach is price per square foot of comparable properties.

On 28 April 2025, the Group's freehold land and factory building were revalued by independent professional valuers. The surpluses arising from the revaluations, net of deferred taxation have been credited to other comprehensive income and accumulated in equity under the revaluation reserve.

Description of valuation technique and inputs used	Significant unobservable inputs	Interrelationship between significant unobservable inputs and fair value measurement
Market comparison approach: Sales price of comparable land are adjusted for differences in key attributes such as land size. The most significant input into this valuation approach is price per square foot.	Average price per square foot for land (2025: RM199) and factory buildings (2025: RM126)	The estimated fair value would increase (decrease) if the price per square foot is higher (lower).

2.3 Assets under hire purchase arrangement

Included in property, plant and equipment of the Group are motor vehicles with carrying amount of RM399,000 (2023: RM891,000) under hire purchase arrangement.

2.4 Material accounting policy information

(i) Recognition and measurement

Items of property, plant and equipment, except for freehold land and factory buildings are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Property, plant and equipment under the revaluation model

The Group revalues its property comprising freehold land and factory buildings every 5 years or at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the property revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is recognised in profit or loss. When revalued assets are sold, the amounts included in the revaluation surplus reserve are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.4 Material accounting policy information (continued)

(ii) Depreciation

Depreciation is based on the cost or revalued amount of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

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

• Factory buildings	33 years
• Hostels	50 years
• Plant and machinery	14 years
• Moulds	14 years
• Factory equipment	10 years
• Office equipment, furniture, fixtures and fittings	5 - 10 years
• Motor vehicles	5 years
• Renovation	10 years

3. RIGHT-OF-USE ASSETS

Group	Buildings RM'000
At 1 January 2023	1,076
Additions	1,451
Depreciation	(277)
At 31 December 2023/1 January 2024	2,250
Additions	4,396
Depreciation	(1,276)
Lease modification	(75)
At 30 June 2025	5,295

The Group leases properties that run between 1 year and 3 years, with an option to renew the lease after that date.

3.1 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(c) Recognition exemption

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

4. INTANGIBLE ASSETS

Group	Computer software
	RM'000
Cost	
At 1 January 2023/31 December 2023/1 January 2024/30 June 2025	392
Accumulated amortisation	
At 1 January 2023	149
Amortisation for the year	74
At 31 December 2023/1 January 2024	223
Amortisation for the period	169
At 30 June 2025	392
Carrying amounts	
At 1 January 2023	74
At 31 December 2023/1 January 2024	169
At 30 June 2025	-

4.1 Amortisation

The amortisation of computer software is recognised in administrative expenses.

4.2 Material accounting policy information

Intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses. The estimated useful lives for the current and comparative periods of computer software are 1 to 2 years.

5. GOODWILL

	Note	Group	
		RM'000	RM'000
Cost			
At 1 January 2023/1 January 2024		7,527	5,633
Acquisitions through business combinations	27.1	-	1,894
At 31 December 2023/30 June 2025		7,527	7,527
Carrying amounts		7,527	7,527

Impairment testing for cash-generating unit containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

5. GOODWILL (CONTINUED)

Impairment testing for cash-generating unit containing goodwill (continued)

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	Note	Group 30.6.2025 RM'000	Group 31.12.2023 RM'000
Stainless steel products	5.1	5,105	5,105
Logistic services	5.2	528	528
Electric vehicles	5.3	1,894	1,894
		7,527	7,527

5.1 The recoverable amount of the cash-generating unit relating to stainless steel products was based on its value-in-use. The carrying amount of the unit was determined to be lower than its recoverable amount and no impairment loss was recognised.

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the 5-year business plan. Cash flows for period after the 5th year were extrapolated using a constant growth rate of 3% (2023: 3%), which represent management's assessment on the growth rate for clad metals and convex mirrors industries using both external and internal sources (historical data).
- Revenue growth rate in the 5-year business plan ranges from 3% to 29% per annum (2023: 3% to 40% per annum) averaging out to be 9.0% annually (2023: 11.0% annually).
- Gross profit margin in the 5-year business plan is 27% (2023: 32%).
- A pre-tax discount rate of 10.4% (2023: 12.2%).

The values assigned to the key assumptions represent management's assessment of future trends in the clad metals and convex mirrors industry and are based on both external sources and internal sources (historical data).

The above estimates are particularly sensitive in the following area:

- A decrease to 7.0% (2023: 9.2%) (annual average) in the future planned revenues would result in an impairment loss of RM4,291,000 (2023: RM3,127,000).

5.2 The recoverable amount of the cash-generating unit relating to logistic services was based on its value-in-use. The carrying amount of the unit was determined to be lower than its recoverable amount and no impairment loss was recognised.

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the 5-year business plan. Cash flows for period after the 5th year were extrapolated using a constant growth rate of 3% (2023: 3%), which represent management's assessment on the growth rate for logistic industry using both external and internal sources (historical data).
- Revenue growth rate in the 5-year business plan ranges from 3% to 6% per annum (2023: 3% to 23% per annum) averaging out to be 4.4% annually (2023: 7.5% annually).
- Gross profit margin in the 5-year business plan is 38% (2023: 39%).
- A pre-tax discount rate of 11.1% (2023: 12.9%).

The values assigned to the key assumptions represent management's assessment of future trends in the logistic industry and are based on both external sources and internal sources (historical data).

The above estimates are particularly sensitive in the following area:

- A decrease to 0% (2023: 5.8%) (annual average) in the future planned revenues would result in an impairment loss of RM111,000 (2023: RM87,000).

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

5. GOODWILL (CONTINUED)

Impairment testing for cash-generating unit containing goodwill (continued)

5.3 The recoverable amount of the cash-generating unit relating to electric vehicles was based on its value-in-use. The carrying amount of the unit was determined to be lower than its recoverable amount and no impairment loss was recognised.

Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flows were projected based on the 5-year business plan. Cash flows for period after the 5th year were extrapolated using a constant growth rate of 3% (2023: 3%), which represent management's assessment on the growth rate for electric vehicles industry using both external and internal sources (historical data).
- Revenue growth rate in the 5-year business plans is ranges from 15% to 31% per annum (2023: 30% to 427% per annum) averaging out to be 20.2% annually (2023: 107.9% annually).
- Gross profit margin in the 5-year business plans is 50% (2023: 28% to 36%).
- A pre-tax discount rate of 10.0% (2023: 12.3%).

The values assigned to the key assumptions represent management's assessment of future trends in the electric vehicles industry and are based on both external sources and internal sources (historical data).

The above estimates are particularly sensitive in the following area:

- A decrease to 13.0% (2023: 5.8%) (annual average) in the future planned revenues would result in an impairment loss of RM53,000 (2023: RM87,000).

6. INVESTMENTS IN SUBSIDIARIES

		Company	
	Note	30.6.2025	31.12.2023
		RM'000	RM'000
Unquoted shares, at cost		83,706	83,706
Less: Impairment loss	6.2	(10,706)	(10,116)
		73,000	73,590
Amount due from a subsidiary	6.1	3,763	3,631
Less: Impairment loss	6.2	(3,763)	(3,631)
		-	-
		73,000	73,590

6.1 Amount due from a subsidiary

The amount due from a subsidiary is non-trade in nature, unsecured and interest free. The settlement of the amount is neither planned nor likely to occur in the foreseeable future. As this amount is a part of the Company's net investment in the subsidiary in substance, it was stated at cost less accumulated impairment.

6.2 Impairment loss on investments in subsidiaries and amount due from a subsidiary

The total impairment loss as of 30 June 2025 amounting to RM14,469,000 (2023: RM13,747,000) is attributable to the following:

- Investment and amount due from an overseas subsidiary amounting to RM3,809,000 (2023: RM3,677,000) as the management is of the view that the business is affected by geopolitical factors in Europe which is beyond the management's control thus the recoverable amount of the investment in the subsidiary was RM Nil (2023: RM Nil) which was based on the fair value less cost to disposal by reference to the underlying assets and liabilities of the subsidiaries; and

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.2 Impairment loss on investments in subsidiaries and amount due from a subsidiary (continued)

- Investments in local subsidiaries amounting to RM42,111,000 (2023: RM20,070,000 as the management is of the view that the recoverable amount of the investments in subsidiaries was RM31,451,000 (2023: RM 10,000,000) which were based on the fair value less cost to disposal by reference to the underlying assets and liabilities of the subsidiaries and value-in-use method.

  For the subsidiary where recoverable amount was based on value-in-use method, the estimated value-in-use was determined by discounting cash flows expected to be generated from the subsidiary for a period of five years and was based on the following key assumptions:

  Impairment loss on investment in subsidiary – Ever-Grow Advanced Materials Sdn. Bhd.

  The recoverable amount of the subsidiary was based on its value-in-use. Value-in-use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the same assumptions as per disclosed in Note 5.1.

  The carrying amount of the subsidiary was determined to be higher than its recoverable amount of RM15,451,000 and an impairment loss on investment in subsidiary of RM590,000 were recognised in profit or loss.

  Impairment loss on investment in subsidiary – Ni Hsin Food & Beverages Sdn. Bhd.

  - Cash flows were projected based on past experience, actual operating results and the 5-year business plan. Cash flows for period after the 5th year were extrapolated using a constant growth rate of 3% (2023: 3%), which represent management's assessment on the growth rate for foods & beverages industry using both external and internal sources (historical data).
  - Revenue growth rate in the 5-year business plan ranges from 3% to 524% per annum (2023: 5% to 507% per annum) averaging out to be 108.0% annually (2023: 105.4% annually).
  - Gross profit margin in the 5-year business plan is 14% (2023: 30%).
  - A pre-tax discount rate of 10% (2023: 10%).

  Impairment loss on investment in subsidiary – Ni Hsin EV Tech Sdn. Bhd.

  - Cash flows were projected based on past experience, actual operating results and the 5-year business plan. Cash flows for period after the 5th year were extrapolated using a constant growth rate of 3% (2023: Nil), which represent management's assessment on the growth rate for electric vehicles industry using both external and internal sources (historical data).
  - Revenue growth rate in the 5-year business plan ranges from 5% to 11% per annum (2023: Nil) averaging out to be 8.1% annually (2023: Nil).
  - Gross profit margin in the 5-year business plan is 21% (2023: Nil).
  - A pre-tax discount rate of 10% (2023: Nil).

- Reversal of impairment loss on investment in a subsidiary of RM Nil (2023: RM 1,000,000) as the recoverable amount of the investment in the subsidiary exceeds the carrying amount of the investment.

During the financial period, impairment loss on investments in subsidiaries and amount due from a subsidiary of RM722,000 (2023: RM9,280,000) and a reversal of impairment loss on investment in a subsidiary of RM Nil (2023: RM1,000,000) were recognised in profit or loss. Following the impairment of costs of investments in subsidiaries and amount due from a subsidiary, the recoverable amount is equal to the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Effective Ownership Interest	
			30.6.2025	31.12.2023
			%	%
Ni Hsin Corporation Sdn. Bhd. ("NHC")	Design, manufacture and sale of all kinds of kitchenware and cookware	Malaysia	100	100
Ever-Grow Advanced Materials Sdn. Bhd. ("EGAM")	Research, development and manufacturing of stainless steel products	Malaysia	100	100
Steel Crafts Europa S.R.L. ("SCE") (1)	Trading and assembly of kitchenware, cookware, and stainless steel products	Italy	100	100
Ni Hsin Marketing Sdn. Bhd. ("NHM") (4)	General merchandiser, distribution and marketing of cookware, kitchenware, marketing and trading in all kinds of personal protective equipment, foodstuffs and dairy products	Malaysia	100	100
Pentoli Sdn. Bhd. ("PSB") (4)	Distribution and marketing of cookware, kitchenware, water filters, stainless steel products and related products and accessories	Malaysia	100	100
Ni Hsin Marketing (HK) Limited ("NHHK") (2)	General trading of all kinds and descriptions and retailer	Hong Kong	100	100
Ni Hsin Food & Beverages Sdn. Bhd. ("NHFB")	Research, development and manufacturing of food and beverages products	Malaysia	100	100
Subsidiaries of NHFB				
BlackBixon Sdn. Bhd. ("BBSB") (8)	Direct sales business in all kind of home appliances, food and beverages products and energy drinks	Malaysia	-	100
BlackBixon2Go Sdn. Bhd. ("BB2GO") (5)	Transporters and carriers of all kinds of foods and beverages and operating cafe and restaurants	Malaysia	100	100
Ni Hsin EV Tech Sdn. Bhd. ("NHEVT")	Assembling, promoting and marketing of all kinds of electric vehicles ("EV")	Malaysia	100	100

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of subsidiary	Principal activities	Country of incorporation	Effective Ownership Interest	
			30.6.2025	31.12.2023
			%	%
Subsidiaries of NHEVT				
Ni Hsin Drones Sdn. Bhd. (formerly known as EV Mobility Sdn. Bhd.) ("NHD") [3], [4], [7]	Design, manufacture, leasing and retailing all kinds of unmanned aerial vehicles (UAVs) and electric vehicles	Malaysia	100	100
EVSend Sdn. Bhd. ("EVS") [4], [6]	Trading, leasing and retailing all kinds of electric vehicles (EV), express logistics and courier services	Malaysia	100	100
Ni Hsin Ecologistic Sdn. Bhd. ("NHECO")	Eco-friendly logistic, transport, general carriers forwarding agents, courier and cargo handlers and contractor	Malaysia	71	71
Subsidiary of NHECO				
Pride Logistic Alliance Sdn. Bhd. ("PLA") [4]	Logistic, transport, general carriers forwarding agents, courier and cargo handlers and contractor services	Malaysia	71	71

[1] Subsidiary incorporated in Italy has not been audited as it is exempted from statutory audit under Italian Company Laws. It is prepared based on unaudited management accounts for the period ended 30 June 2025.

[2] Subsidiary incorporated in Hong Kong has not been audited as it has not commenced any operations.

[3] Subsidiary acquired during May 2023.

[4] Not audited by KPMG PLT.

[5] In February 2023, the Group, via its wholly-owned subsidiary, NHFB acquired 5,000 ordinary shares in BB2GO, representing the remaining 50% equity interest in BB2GO for a total cash consideration of RM5,000. Consequently, BB2GO became a wholly-owned subsidiary of NHFB, which in turn is a wholly-owned subsidiary of the Company.

[6] In January 2023, the Group, via its wholly-owned subsidiary, NHEVT acquired 425,000 ordinary shares in EVS, representing 100% equity interest in EVS for a total cash consideration of RM2,000,000. The principal activity of EVS is eco-friendly on-demand tech-enabled express logistic, and courier services. Subsequent to the acquisition, EVS became a wholly-owned subsidiary of NHEVT, which in turn is a wholly-owned subsidiary of the Company.

[7] In February 2023, the Group, via its wholly-owned subsidiary, NHEVT acquired 1 ordinary share in NHD, representing the remaining 50% equity interest in NHD for a total cash consideration of RM1. Consequently, NHD became a wholly-owned subsidiary of NHEVT, which in turn is a wholly-owned subsidiary of the Company.

[8] In June 2025, the Group, via its wholly-owned subsidiary, NHFB disposed 6,000,000 ordinary shares in BBSB, representing the 100% equity interest in BBSB for a total cash consideration of RM10,000. Consequently, BBSB no longer a wholly-owned subsidiary of NHFB, which in turn no longer a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

6.3 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

7. INVESTMENT IN AN ASSOCIATE

	Note	Group		Company	
		30.6.2025	31.12.2023	30.6.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
At cost					
Unquoted shares		450	450	450	450
Share of post-acquisition reserves		(450)	(450)	-	-
Less: Impairment loss	7.1	-	-	(450)	(450)
		-	-	-	-

Details of the associate is as follows:

Name of entity	Principal place of business	Nature of the relationship	Effective ownership interest and voting interest	
			30.6.2025	31.12.2023
			%	%
Digital Dagang Sdn. Bhd. ("DDSB") #	Malaysia	Digital business platform for online trading	22	28

In January 2024, DDSB increased its issued and paid-up share capital to 2,091,000 amounting RM2,091,000. Subsequent to the share capital increment, the ownership interest of the Company in DDSB has diluted from 28% to 22%.

The following table summarises the information of the Group's associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

7. INVESTMENT IN AN ASSOCIATE (CONTINUED)

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Summarised financial information		
Non-current assets	173	156
Current assets	95	152
Non-current liabilities	-	-
Current liabilities	(868)	(545)
Net liabilities	(600)	(237)
Period/year ended		
Loss and total comprehensive expense	(846)	(483)
Included in the total comprehensive expense is:		
Revenue	136	38
Reconciliation of net assets to carrying amount as at		
Group's share of net (liabilities)/assets	-	(66)
Goodwill	-	22
Effect of changes in ownership	-	44
Carrying amount in the statement of financial position	-	-
Group's share of results for the period/year ended		
Group's share of loss and total comprehensive expense	-	(153)
Other information		
Dividend received by the Group	-	-

7.1 Impairment loss on investment in an associate

During the previous financial year, an impairment loss on investment in an associate of RM450,000 was recognised in profit or loss of the Company as the management is of the view that the recoverable amount of the investment in an associate is RM Nil which is based on fair value less costs to disposal by reference to the underlying assets and liabilities of the associate.

7.2 Material accounting policy information

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

8. OTHER INVESTMENTS

	Group and Company Quoted shares	
	30.6.2025	31.12.2023
	RM'000	RM'000
Non-current		
Financial assets at fair value through profit or loss		
- Held for trading	115	1,558

During the financial period, the Group and Company disposed the following investment in quoted shares, which was carried at fair value through profit or loss:

	Fair value at derecognition	Gain on disposal	Dividend recognised in 2025
	RM'000	RM'000	RM'000
Quoted shares held for trading	1,436	7	-

9. DEFERRED TAX (ASSETS)/LIABILITIES

Recognised deferred tax (assets)/liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	30.6.2025	31.12.2023	30.6.2025	31.12.2023	30.6.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Property, plant and equipment	-	-	6,559	4,489	6,559	4,489
Provisions	(184)	(43)	-	-	(184)	(43)
Unabsorbed capital allowances carried forward	(193)	(179)	-	-	(193)	(179)
Tax losses carried forward	(928)	(938)	-	-	(928)	(938)
Others	(125)	(65)	-	-	(125)	(65)
Tax (assets)/liabilities	(1,430)	(1,225)	6,559	4,489	5,129	3,264
Set off of tax	1,318	1,150	(1,318)	(1,150)	-	-
Net tax (assets)/liabilities	(112)	(75)	5,241	3,339	5,129	3,264

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

9. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Tax losses carried forward	16,910	9,688
Unabsorbed capital allowances	3,815	2,642
	20,725	12,330

Deferred tax assets have not recognised in respect for the above items because it is not probable that sustainable future taxable profits will be available against which the Group can utilise the benefits therefrom.

Pursuant to the Finance Act 2021, the ability to carry forward unutilised tax losses is extended to a maximum period of ten consecutive Years of Assessment ("YA"), effective YA 2019. Unutilised tax losses for YA 2018 and before may be utilised for the purpose of deduction for YA 2021 and subsequent years of assessment until the YA 2028 and any amount which has not been utilised shall be disregarded. The unabsorbed capital allowances do not expire under current tax legislation.

As at the end of the reporting period, the Group's unabsorbed business losses will expire by the following year of assessment:

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Year of assessment ("YA")		
More than 5 YAs	16,910	9,688

Movement in temporary differences during the period

	At 1.1.2023	Recognised in profit or loss (Note 18)	At 31.12.2023/ 1.1.2024	Recognised in profit or loss (Note 18)	Recognised in other comprehen-sive income (Note 18)	At 30.6.2025
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group						
Property, plant and equipment	4,716	(227)	4,489	(299)	2,369	6,559
Provisions	(43)	-	(43)	(141)	-	(184)
Unabsorbed capital allowances carried forward	(121)	(58)	(179)	(14)	-	(193)
Tax losses carried forward	(914)	(24)	(938)	10	-	(928)
Other items	(159)	94	(65)	(60)		(125)
	3,479	(215)	3,264	(504)	2,369	5,129

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

10. INVENTORIES

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Raw materials and component parts	14,546	10,712
Indirect materials	826	812
Work-in-progress	1,740	330
Manufactured inventories	8,759	8,734
	25,871	20,588
Recognised in profit or loss:		
Inventories recognised as cost of sales	31,171	18,346
Inventories written off	387	32
Allowance for slow moving inventories	588	-

The inventories written off is included in cost of sales.

10.1 Material accounting policy information

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

The cost of inventories is calculated using the weighted average method.

11. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		30.6.2025	31.12.2023	30.6.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Current					
Trade					
Trade receivables		3,026	1,109	-	-
Non-trade					
Amount due from subsidiaries	11.3	-	-	10,650	3,860
Less: Allowance for impairment losses		-	-	(2,110)	(1,700)
		-	-	8,540	2,160
Non-trade					
Other receivables	11.1	834	938	-	-
Deposits	11.2	1,126	1,063	1	1
Prepayments		808	464	-	-
		2,768	2,465	8,541	2,161
		5,794	3,574	8,541	2,161

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

Group

11.1 Included in other receivables are advanced payments made for purchases of inventories amounting to RM444,000 (2023: RM352,000), receivables for disposal of plant and machineries amounting to RM220,000 (2023: RM400,000).

11.2 Included in deposits are deposits for purchase of inventories amounting to RM444,000 (2023: RM111,000).

Company

11.3 The amount due from subsidiaries are non-trade related, unsecured, interest free and is repayable on demand.

12. CASH AND CASH EQUIVALENTS

		Group		Company	
	Note	30.6.2025	31.12.2023	30.6.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks		405	233	234	202
Fixed income trust funds, at fair value through profit or loss	12.1	2,923	8,642	2,923	8,642
Cash and bank balances		4,575	6,268	214	136
		7,903	15,143	3,371	8,980

12.1 Deposit in fixed income trust funds represent liquid investments which primarily invest in money market instruments. The Directors regard the liquid investments as cash and cash equivalents in view of its high liquidity and insignificant risk of changes in value.

13. SHARE CAPITAL AND RESERVES

13.1 Share capital

	Group and Company			
	Amount	Number of shares	Amount	Number of shares
	RM'000	'000	RM'000	'000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary Shares				
At 1 January 2023/1 January 2024	84,428	573,015	84,428	573,015
Conversion of RCPS	100	100	-	-
At 31 December 2023/30 June 2025	84,528	573,115	84,428	573,015

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. SHARE CAPITAL AND RESERVES (CONTINUED)

13.2 Treasury shares

Treasury shares comprises cost of acquisition of the Company's own shares. There is no repurchase of its issued share capital during the financial period. During the previous financial year, the Company repurchased 3,404,000 units of its issued share capital from the open market costing RM388,379. The average price paid for the shares repurchased was RM0.11 per share including transaction costs, and the repurchase transactions were financed by internally generated funds. The shares repurchased are held as treasury shares.

As at 30 June 2025, the total number of treasury shares is 49,345,336 (2023: 49,345,336).

The number of outstanding shares in issue after deducting treasury shares held at the financial period end is 523,769,915 (2023: 523,669,915) ordinary shares. Treasury shares have no rights to voting, dividends and participation in other distribution.

13.3 Redeemable Convertible Preference Shares

	Group and Company			
	Amount	Number of shares	Amount	Number of shares
	RM'000	'000	RM'000	'000
Issued and fully paid:				
At 1 January 2023/1 January 2024	137	616,184	137	616,184
Converted during the period	-*	(1,200)	-	-
At 31 December 2023/30 June 2025	137	614,984	137	616,184

* Less than RM1,000

The carrying amount of the liability component of RCPS is arrived at as follows:

	Group and Company	
	30.6.2025	31.12.2023
	RM'000	RM'000
Present value of RCPS at date of issuance	6,759	6,759
Less: Equity component	(147)	(147)
Liability component at initial recognition	6,612	6,612
Carrying amount of liability component of RCPS		
At 1 January 2023/1 January 2024	6,626	6,406
Converted during the period	(100)	-
Unwinding of discount	345	220
At 31 December 2023/30 June 2025	6,871	6,626

The liability component of the preference shares represents the present value of the annual interest payment that is payable to the holders during the tenure of the preference shares.

On March 2021, the Company issued 675,863,030 pursuant to the right issue of RCPS at issue price of RM0.01 per RCPS on the basis of 2 RCPS for every 1 existing ordinary share held by the entitled shareholders of the Company.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

13. SHARE CAPITAL AND RESERVES (CONTINUED)

13.3 Redeemable Convertible Preference Shares (continued)

The tenure of the instruments is five years commencing from and inclusive of the date of issue of the RCPS. The salient features of the RCPS are as follows:

i) The RCPS carry the right to receive a fixed preference dividend rate per annum of 3% of RCPS issue price;
ii) The RCPS can be redeemed during the beginning of the 5th year after issuance until maturity at the RCPS issue price plus any accumulated undeclared dividends up to the date of redemption;
iii) Each RCPS carries the entitlement to convert into new shares on any market day during the tenure at the option of the RCPS holders with the conversion price at RM0.12 per RCPS; and
iv) The RCPS do not carry the right to vote at any general meeting except on the proposal considering the reduction of share capital and winding up of the Company.

For the financial period ended 30 June 2025, 1,200,000 units of RCPS (2023: Nil) were converted into 100,000 new ordinary shares (2023: Nil).

13.4 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than RM, as well as from the translation of liabilities that hedge the Company's net investment in foreign operations.

13.5 Revaluation reserve

Revaluation reserve relates to the revaluation of property in property, plant and equipment.

13.6 Other reserve

Other reserve comprises the reclassification of revaluation reserve and foreign currency translation reserve at the date of transition to MFRSs.

14. LOANS AND BORROWINGS

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Non-current		
Hire purchase liabilities, *unsecured*	-	332
Current		
Bankers' acceptances, *unsecured*	1,435	-
Bank overdrafts, *unsecured*	1,975	-
Hire purchase liabilities, *unsecured*	160	263
	3,570	263
	3,570	595

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

14. LOANS AND BORROWINGS (CONTINUED)

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

Group	Future minimum lease payments 30.6.2025 RM'000	Interest 30.6.2025 RM'000	Present value of minimum lease payments 30.6.2025 RM'000	Future minimum lease payments 31.12.2023 RM'000	Interest 31.12.2023 RM'000	Present value of minimum lease payments 31.12.2023 RM'000
Less than one year	163	3	160	282	19	263
Between one and five years	-	-	-	342	10	332
	163	3	160	624	29	595

Included in the Group's hire purchase liabilities are motor vehicles with carrying amount of RM399,000 (2023: RM891,000) under the hire purchase expiring within five years.

15. TRADE AND OTHER PAYABLES

	Note	Group 30.6.2025 RM'000	Group 31.12.2023 RM'000	Company 30.6.2025 RM'000	Company 31.12.2023 RM'000
Current					
Trade					
Trade payables		4,638	1,488	-	-
Accrued expenses	15.1	2,568	-	-	-
Contract liabilities	15.2	251	427	-	-
		7,457	1,915	-	-
Non-trade					
Other payables		2,884	1,841	86	58
Accrued expenses		632	482	-	-
Amount due to subsidiaries	15.3	-	-	54	177
		3,516	2,323	140	235
		10,973	4,238	140	235

15.1 Accrued expenses relate to accruals made on purchases of inventories which billings have yet to be received.

15.2 The contract liability relates to advance consideration received from customers, of which RM25,000 (2023: RM87,000) are expected to be recognised as revenue over a period of 12 months based on the contract term and RM226,000 (2023: RM340,000) will be recognised as revenue upon placement of orders and when goods are being delivered and accepted by the customers.

The amount of RM236,000 included in contract liabilities at 31 December 2023 has been recognised as revenue in 2025 (2023: RM576,000).

15.3 The amount due to subsidiaries are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

16. REVENUE

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers				
- Sales of goods				
Cookware	16,097	8,201	-	-
Stainless steel products	15,716	13,595	-	-
Food and beverages	10,979	4,248	-	-
Electric vehicles	4,925	709	-	-
	47,717	26,753	-	-
- Sales of services				
Logistic services	3,571	1,936	-	-
	51,288	28,689	-	-
Other revenue				
- Dividend income	177	150	177	150
- Management fees	-	-	360	240
	51,465	28,839	537	390
Timing and recognition				
At a point in time	51,465	28,839	537	390
	51,465	28,839	537	390

16.1 Nature of goods and services

The Group's main products are cookware, stainless steel products, food and beverages, logistic services and electric vehicles and the following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Cookware	Revenue is recognised when the goods are delivered and accepted by the customers.	Credit period up to 30 days from invoice date.	Not applicable.	The Group allows returns only on manufacturing defects for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.
Stainless steel products	Revenue is recognised when the goods are delivered and accepted by the customers.	Credit period up to 30 days from invoice date.	Not applicable.	The Group allows returns only on manufacturing defects for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

16. REVENUE (CONTINUED)

16.1 Nature of goods and services (continued)

The Group's main products are cookware, stainless steel products, food and beverages, logistic services and electric vehicles and the following information reflects the typical transactions of the Group: (continued)

Nature of goods or services	Timing of recognition or method used to recognised revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Food and beverages – Café	Revenue is recognised when the goods are delivered and accepted by the customers.	Cash term upon delivery of goods.	Not applicable.	Not applicable.	Not applicable.
Food and beverages - Coffee machines and coffee capsules	Revenue is recognised when the coffee machines and coffee capsules are delivered and accepted by the customers	Partial or full advance payment upon confirmation of order from customers.	Not applicable.	The Group allows returns only on manufacturing defects for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.
Logistic services	Revenue is recognised when the services are performed and accepted by the customers.	Credit period up to 30 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Electric vehicles	Revenue is recognised when the goods are delivered and accepted by the customers.	Credit period up to 60 days from delivery date.	Not applicable.	The Group allows returns only on manufacturing defects for exchange with new goods (i.e. no cash refunds are offered).	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

17. FINANCE COSTS

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Interest expense of financial liabilities that are not at fair value through profit or loss:				
Bank overdrafts	150	36	-	-
Bankers' acceptances	77	-	-	-
Hire purchase liabilities	26	32	-	-
Interest expense on lease liabilities	238	34	-	-
RCPS	345	220	345	220
	836	322	345	220

18. TAX (INCOME)/EXPENSE

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
- current	15	17	15	17
- (over)/under provision in prior years	(17)	40	(17)	-
Total current tax recognised in profit or loss	(2)	57	(2)	17
Deferred tax (income)/expense				
- origination and reversal of temporary differences	(559)	(218)	-	-
- under provision in prior years	55	3	-	-
Total deferred tax recognised in profit or loss	(504)	(215)	-	-
Total tax (income)/expense	(506)	(158)	(2)	17
Recognised in other comprehensive income				
Revaluation surplus of property	2,369	-	-	-
Reconciliation of effective tax (income)/ expense				
(Loss)/Profit for the year	(11,158)	(7,449)	(1,576)	2,256
Tax (income)/expense	(506)	(158)	(2)	17
(Loss)/Profit excluding tax	(11,664)	(7,607)	(1,578)	2,273

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

18. TAX (INCOME)/EXPENSE (CONTINUED)

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Reconciliation of effective tax (income)/expense (continued)				
Income tax calculated using Malaysian tax rate of 24% (2023: 24%)	(2,799)	(1,826)	(379)	546
Non-deductible expenses	1,198	843	474	2,534
Non-taxable income	-	-	(80)	(3,063)
Tax exempt income	(38)	(36)	-	-
Tax incentives	-	(31)	-	-
Current year losses for which no deferred tax asset was recognised	1,095	849	-	-
Under/(over) provision in prior years	38	43	(17)	-
Tax (income)/expense	(506)	(158)	(2)	17
Recognised in other comprehensive income				
Revaluation surplus of property	2,369	-	-	-

19. (LOSS)/PROFIT FOR THE PERIOD

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period is arrived at after charging/(crediting):				
Auditors' remuneration				
- Audit fees				
KPMG PLT	274	224	58	44
Other auditors	19	10	-	-
- Non-audit fees				
KPMG PLT	8	8	8	8
Affiliates of KPMG PLT	102	49	21	6
Other auditors	17	7	-	-
Material expenses				
Depreciation of property, plant and equipment	5,105	2,951	-	-
Depreciation of right-of-use assets	1,276	277	-	-
Amortisation of intangible assets	169	74	-	-
Impairment loss on investment in subsidiaries	-	-	722	8,280
Impairment loss on amount due from subsidiaries	-	-	410	-
Allowance for slow moving inventories	588	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

19. (LOSS)/PROFIT FOR THE PERIOD (CONTINUED)

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the period is arrived at after charging/(crediting): (continued)				
Material expenses (continued)				
Net loss on foreign exchange - unrealised	47	-	-	2
Impairment loss on investment in an associate	-	-	-	450
Loss on disposal of property, plant and equipment	91	-	-	-
Property, plant and equipment written off	11	13	-	-
Inventories written off	387	32	-	-
Net loss in fair value of other investments measured at fair value through profit or loss	14	194	14	194
Personnel expenses (including key management personnel)				
- Contributions to state plans	1,614	1,046	-	-
- Wages, salaries and others	20,226	13,081	296	239
Material income				
Gain on disposal of property, plant and equipment	-	(399)	-	-
Gain on disposal of other investments	(7)	-	(7)	-
Reversal of impairment on amount due from subsidiaries	-	-	-	(11,343)
Net gain in fair value of fixed income trust fund measured at fair value through profit or loss	(141)	(259)	(141)	(259)
Dividend income from fixed income trust funds	(177)	(150)	(177)	(150)
Net gain on foreign exchange - unrealised	-	(76)	(4)	-
Net gain on foreign exchange - realised	(511)	(531)	-	-
Expenses arising from leases:				
Expenses relating to leases of low-value assets*	23	23	-	-

* The Group leases hostels for employees with contract terms of 2 to 3 years. These leases are leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

20. OTHER COMPREHENSIVE INCOME/(EXPENSE)

	Before tax	Tax expense	Net of tax
	RM'000	RM'000	RM'000
Group			
30.6.2025			
Items that will not be reclassified subsequently to profit or loss			
Revaluation of property	14,215	(2,369)	11,846
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	7	-	7
31.12.2023			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations	6	-	6

21. LOSS PER ORDINARY SHARE

Group

Basic loss per ordinary share

The calculation of basic loss per ordinary share at 30 June 2025 was based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

Loss for the period attributable to owners of the Company

Group	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000
Loss for the period attributable to owners of the Company	(11,195)	(7,253)

Group	1.1.2024 to 30.6.2025	Year ended 31.12.2023
Weighted average number of ordinary shares at	523,675,948	523,764,499
Basic loss per ordinary share (sen)	(2.14)	(1.38)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

21. LOSS PER ORDINARY SHARE (CONTINUED)

Group (CONTINUED)

Diluted loss per ordinary share

The calculation of diluted loss per ordinary share at 30 June 2025 was based on loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

Group	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000
Loss for the period attributable to owners of the Company	(11,195)	(7,253)

Group	1.1.2024 to 30.6.2025	Year ended 31.12.2023
Weighted average number of ordinary shares at (basic)	523,675,948	523,764,499
Weighted average number of ordinary shares at (diluted)	523,675,948	523,764,499

22. OPERATING SEGMENTS

The Group has five main reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Chief Operating Decision Maker ("CODM") (i.e. the Managing Director) reviews internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's main reportable segments:

(i)	Cookware	Design, manufacture and sale of all kinds of kitchenware and cookware
(ii)	Stainless steel products	Research, development and manufacture of stainless steel products
(iii)	Food and beverages	Manufacture and trading in all kinds of food and beverages, café and restaurant business
(iv)	Logistic services	Logistic services
(v)	Electric vehicles	Assembling, promoting and marketing of all kinds of electric vehicles

Performance is measured based on segment profit before tax, interest, depreciation and amortisation, as included in the internal management reports that are reviewed by the CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total assets is used to measure the return on assets of each segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the CODM. Segment total liabilities is used to measure the operating liabilities that are attributable to or can be allocated to each segment.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

22. OPERATING SEGMENTS (CONTINUED)

Business segments	Cookware	Stainless steel products	Food and beverages	Logistic services	Electric vehicles	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30.6.2025								
Revenue	16,097	15,716	10,979	3,571	4,925	177	-	51,465
Inter-segment revenue	1,675	4,688	638	471	772	-	(8,244)	-
Total revenue	17,772	20,404	11,617	4,042	5,697	177	(8,244)	51,465
31.12.2023								
Revenue	8,201	13,595	4,248	1,936	709	150	-	28,839
Inter-segment revenue	1,222	1,416	261	286	579	-	(3,764)	-
Total revenue	9,423	15,011	4,509	2,222	1,288	150	(3,764)	28,839

Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue. There is no single customer that contributed to equal or more than 10% of the Group's total revenue during the financial period:

	Revenue year ended 31.12.2023 RM'000	Segment
Customer A	4,169	Stainless steel products
Customer B	2,940	Stainless steel products
Customer C	2,459	Cookware

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

22. OPERATING SEGMENTS (CONTINUED)

	Cookware	Stainless steel products	Food and beverages	Logistic services	Electric vehicles	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30.6.2025								
Results								
Segment results	(1,870)	(1,009)	(3,530)	140	(2,455)	135	(874)	(9,463)
Unallocated corporate expenses								(1,393)
Interest expense								(836)
Interest income								28
Loss before tax								(11,664)
Tax income								506
Loss for the period								(11,158)
Assets								
Segment assets	78,966	23,725	18,606	1,331	8,746	9,050	(21,427)	118,997
Unallocated corporate assets								4,350
Total assets								123,347
Included in the measure of segment assets are:								
Additions to non-current assets other than financial instruments and deferred tax assets	319	16	8,405	19	1,012	-	(252)	9,519
Liabilities								
Segment liabilities	(12,019)	(4,744)	(18,083)	(1,071)	(8,003)	(7,101)	24,064	(26,957)
Unallocated corporate liabilities								(5,236)
Total liabilities								(32,193)
Other information								
Capital expenditure	319	16	4,009	19	1,012	-	(252)	5,123
Depreciation and amortisation	1,857	844	3,277	44	643	-	(115)	6,550
Non-cash (income)/ expense other than depreciation	-	-	130	(52)	24	-	-	102

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

22. OPERATING SEGMENTS (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	Revenue RM'000
30.6.2025	
Results	
Geographical segments	
Japan and Korea	13,840
Malaysia and Singapore	24,885
China, Taiwan and Hong Kong	3,746
Thailand and Indonesia	3,523
Europe	2,523
USA and Canada	2,126
Australia	297
Others	525
	51,465

The carrying amount of segment assets and cost to acquire property, plant and equipment by location of assets are not provided. The assets of the Group are located and capital expenditure incurred for these assets, are principally in Malaysia.

	Cookware RM'000	Stainless steel products RM'000	Food and beverages RM'000	Logistic services RM'000	Electric vehicles RM'000	Others RM'000	Eliminations RM'000	Total RM'000
31.12.2023								
Results								
Segment results	(691)	(835)	(9,893)	(356)	(2,231)	370	4,398	(9,238)
Unallocated corporate income								2,098
Interest expense								(322)
Interest income								8
Share of loss of equity-accounted associate, net of tax								(153)
Loss before tax								(7,607)
Tax income								158
Loss for the year								(7,449)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

22. OPERATING SEGMENTS (CONTINUED)

	Cookware	Stainless steel products	Food and beverages	Logistic services	Electric vehicles	Others	Eliminations	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.12.2023								
Assets								
Segment assets	57,157	23,342	14,231	1,183	6,800	4,210	(9,102)	97,821
Unallocated corporate assets								9,647
Total assets								107,468
Included in the measure of segment assets are:								
Additions to non-current assets other than financial instruments and deferred tax assets	68	913	2,755	21	373	-	-	4,130
Liabilities								
Segment liabilities	(2,505)	(3,105)	(9,900)	(1,040)	(3,529)	(7,024)	13,334	(13,769)
Unallocated corporate liabilities								(3,340)
Total liabilities								(17,109)
Other information								
Capital expenditure	68	913	1,304	21	442	-	(69)	2,679
Depreciation and amortisation	1,288	661	1,185	64	106	-	(2)	3,302
Non-cash (income)/ expense other than depreciation	(388)	-	2	-	-	-	-	(386)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

22. OPERATING SEGMENTS (CONTINUED)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

	Revenue RM'000
31.12.2023	
Results	
Geographical segments	
Japan and Korea	12,823
Malaysia and Singapore	10,471
China, Taiwan and Hong Kong	667
Thailand and Indonesia	1,053
Europe	2,022
USA and Canada	936
Australia	82
Others	785
	28,839

The carrying amount of segment assets and cost to acquire property, plant and equipment by location of assets are not provided. The assets of the Group are located and capital expenditure incurred for these assets, are principally in Malaysia.

23. FINANCIAL INSTRUMENTS

23.1 Categories of financial instruments

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

(a) Amortised cost ("AC") and
(b) Fair value through profit or loss ("FVTPL")

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
30.6.2025			
Financial assets			
Group			
Other investments	115	-	115
Trade and other receivables (excluding prepayments)	4,986	4,858	128
Cash and cash equivalents	7,903	4,980	2,923
	13,004	9,838	3,166
Company			
Other investments	115	-	115
Trade and other receivables (excluding prepayments)	8,541	8,541	-
Cash and cash equivalents	3,371	448	2,923
	12,027	8,989	3,038

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.1 Categories of financial instruments (continued)

	Carrying amount	AC	FVTPL
	RM'000	RM'000	RM'000
30.6.2025			
Financial liabilities			
Group			
Loans and borrowings	(3,570)	(3,570)	-
Trade and other payables (excluding contract liabilities)	(10,722)	(10,722)	-
	(14,292)	(14,292)	-
Company			
Trade and other payables	(140)	(140)	-
31.12.2023			
Financial assets			
Group			
Other investments	1,558	-	1,558
Trade and other receivables (excluding prepayments)	3,110	2,982	128
Cash and cash equivalents	15,143	6,501	8,642
	19,811	9,483	10,328
Company			
Other investments	1,558	-	1,558
Trade and other receivables (excluding prepayments)	2,161	2,161	-
Cash and cash equivalents	8,980	338	8,642
	12,699	2,499	10,200
Financial liabilities			
Group			
Loans and borrowings	(595)	(595)	-
Trade and other payables (excluding contract liabilities)	(3,811)	(3,811)	-
	(4,406)	(4,406)	-
Company			
Trade and other payables	(235)	(235)	-

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.2 Net gains and losses arising from financial instruments

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Net gains/(losses) on:				
Financial assets at amortised cost	209	516	(403)	11,343
Financial liabilities measured at amortised cost	(553)	(223)	(341)	(222)
Financial assets at fair value through profit or loss				
- other investments	(14)	(194)	(14)	(194)
- fixed income trust funds	141	259	141	259
- dividend income from fixed income trust funds	177	150	177	150
	(40)	508	(440)	11,336

23.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

23.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has an informal credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk for the Group is arising from trade receivables that are represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses aging analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 60 days, which are deemed to have higher credit risk, are monitored individually.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Credit risk (continued)

Trade receivables (continued)

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:

	Group	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000
Domestic	815	791
Japan and Korea	262	109
China, Taiwan and Hong Kong	1,482	-
Thailand	226	-
Europe	241	209
	3,026	1,109

Recognition and measurement of impairment losses

In managing credit risk of trade receivables, the management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable value. Generally, trade receivables will pay within 60 days.

The management measures loss allowance on an individual basis.

The following table provides information about the exposure to credit risk for trade receivables as at 30 June 2025 and 31 December 2023.

Group	Gross carrying amount	Individual impairment	Net balance
	RM'000	RM'000	RM'000
30.06.2025			
Not past due	2,862	-	2,862
Past due 1 - 30 days	48	-	48
Past due over 90 days	116	-	116
	3,026	-	3,026
31.12.2023			
Not past due	948	-	948
Past due 1 - 30 days	72	-	72
Past due over 90 days	89	-	89
	1,109	-	1,109

As at the end of the reporting period, there was no indication that the receivables are not recoverable.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Credit risk (continued)

Cash and cash equivalents

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

These banks and non-financial institution have low credit risks.

Other investments

The other investments are investments in quoted shares held for trading. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Other receivables

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

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

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

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

As at the end of the reporting period, the Company provided total corporate guarantees amounting to RM26,140,000 (2023: RM26,140,000).

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM3,570,000 (2023: RM595,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was immaterial.

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

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

Loans and advances are not secured by any collateral or supported by any other credit enhancements.

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.4 Credit risk (continued)

Inter-company loans and advances (continued)

Recognition and measurement of impairment losses

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

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

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

The following table provides information about the exposure to credit risk for subsidiaries' advances as at 30 June 2025 and 31 December 2023.

Company	Gross carrying amount	Impairment loss allowances	Net balance
	RM'000	RM'000	RM'000
30.6.2025			
Credit impaired	10,650	(2,110)	8,540
31.12.2023			
Credit impaired	3,860	(1,700)	2,160

The movements in the allowance for impairment in respect of subsidiaries' advances during the period is as follows:

Company	Lifetime ECL	
	30.6.2025	31.12.2023
	RM'000	RM'000
Balance at 1 January 2024/1 January 2023	1,700	13,043
Increase in allowance loss	410	10
Reversal of allowance loss	-	(11,353)
Balance at	2,110	1,700

23.5 Liquidity risk

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.5 Liquidity risk (continued)

Maturity analysis

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

Group	Carrying amount	Contractual interest rate	Contractual cash flows	Under 1 year	1 - 2 years	2 - 5 years
	RM'000	%	RM'000	RM'000	RM'000	RM'000
30.6.2025						
Non-derivative financial liabilities						
Bankers' acceptances	1,435	4.42%-5.01%	1,435	1,435	-	-
Lease liabilities	5,538	3.40-4.98%	6,200	1,352	1,251	3,597
Hire purchase liabilities	160	2.07%-2.48%	163	163	-	-
Bank overdrafts	1,975	7.87%-8.37%	1,975	1,975	-	-
Trade and other payables	10,722	-	10,722	10,722	-	-
31.12.2023						
Non-derivative financial liabilities						
Lease liabilities	2,311	3.40%-4.97%	2,583	552	585	1,446
Hire purchase liabilities	595	2.07%-2.48%	624	282	250	92
Trade and other payables	3,811	-	3,811	3,811	-	-

Company	Carrying amount	Contractual interest rate	Contractual cash flows	Under 1 year
	RM'000	%	RM'000	RM'000
30.6.2025				
Non-derivative financial liabilities				
Payables and accruals	140	-	140	140
Financial guarantee	-	-	3,570	3,570
31.12.2023				
Non-derivative financial liabilities				
Payables and accruals	235	-	235	235
Financial guarantee	-	-	595	595

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.6 Market risk

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

23.6.1 Currency risk

The Group is exposed to foreign currency risk arising from transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily U.S. Dollar ("USD"), Japanese Yen ("JPY") and Euro ("EUR").

Risk management objectives, policies and processes for managing the risk

The Group does not have a fixed policy to hedge its sales and purchases via forward contracts. However, the exposure to foreign currency risk is monitored from time to time by management.

Exposure to foreign currency risk

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

	Denominated in	
	USD	**EUR**
	RM'000	**RM'000**
Group		
30.6.2025		
Trade and other receivables	1,970	252
Trade and other payables	(3,167)	(38)
Net exposure	(1,197)	214
31.12.2023		
Trade and other receivables	109	214
Trade and other payables	(296)	(13)
Net exposure	(187)	201

Company

The Company does not have any exposure to foreign currency risk at the end of the reporting period.

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

A 10% (2023: 10%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.6 Market risk (continued)

23.6.1 Currency risk (continued)

Currency risk sensitivity analysis (continued)

	Equity and profit or loss	
	30.6.2025	31.12.2023
	RM'000	RM'000
Group		
USD	68	14
EUR	(16)	(15)

A 10% (2023: 10%) weakening of RM against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

23.6.2 Interest rate risk

The Group's fixed deposits and its fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group has an informal policy in place and the exposure to interest rate risk is monitored on an ongoing basis.

Exposure to interest rate risk

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

	Group		Company	
	30.6.2025	31.12.2023	30.6.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	405	233	234	202
Financial liabilities	3,570	595	-	-

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.7 Fair value information

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

The tables below analyses other financial instruments at fair value.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group										
30.6.2025										
Financial assets										
Other investments	115	-	-	115	-	-	-	-	115	115
Investments in club memberships	-	128	-	128	-	-	-	-	128	128
Fixed income trust funds	2,923	-	-	2,923	-	-	-	-	2,923	2,923
Financial liabilities										
Hire purchase liabilities	-	-	-	-	-	-	(160)	(160)	(160)	(160)
31.12.2023										
Financial assets										
Other investments	1,558	-	-	1,558	-	-	-	-	1,558	1,558
Investments in club memberships	-	128	-	128	-	-	-	-	128	128
Fixed income trust funds	8,642	-	-	8,642	-	-	-	-	8,642	8,642
Financial liabilities										
Hire purchase liabilities	-	-	-	-	-	-	(586)	(586)	(586)	(595)

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

23. FINANCIAL INSTRUMENTS (CONTINUED)

23.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Company				
30.6.2025				
Financial assets				
Other investments	115	-	-	115
Fixed income trust funds	2,923	-	-	2,923
31.12.2023				
Financial assets				
Other investments	1,558	-	-	1,558
Fixed income trust funds	8,642	-	-	8,642

Level 2 fair value

Investments in club memberships

The fair value of investments in club memberships is based on their latest published membership price.

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial period (2023: no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial liabilities.

The following table shows the valuation techniques used in the determination of fair value within Level 3, as well as the key unobservable inputs used in the valuation models.

Financial instruments carried not at fair value

Type	Description of valuation technique and inputs used
Hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the respective Group entities at the reporting date.

24. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor adequacy of capital on an ongoing basis.

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity equal to or not less than the 25 percent of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

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(CONT'D)

25. CAPITAL AND OTHER COMMITMENTS

	Group	
	30.6.2025	31.12.2023
	RM'000	RM'000
Contracted but not provided for		
Property, plant and equipment	-	15

26. RELATED PARTIES

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. Key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with significant investors, subsidiaries, Directors and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Group and the Company are as follows:

	Transaction value for period/year ended		Balance outstanding as at	
	30.6.2025	31.12.2023	30.6.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Company				
Management income	(360)	(240)	-	-
Administration fee paid on behalf of subsidiary	10	10	10	10

The key management personnel compensations are as follows:

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:				
- Fees	296	239	296	239
- Remuneration	1,773	1,179	-	-
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	44	38	-	-
	2,113	1,456	296	239

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

26. RELATED PARTIES (CONTINUED)

Significant related party transactions (continued)

The key management personnel compensations are as follows: (continued)

	Group		Company	
	1.1.2024 to 30.6.2025	Year ended 31.12.2023	1.1.2024 to 30.6.2025	Year ended 31.12.2023
	RM'000	RM'000	RM'000	RM'000
Other Directors of the Group entities:				
- Fees	662	450	-	-
- Remuneration	445	522	-	-
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	-	4	-	-
	1,107	976	-	-
	3,220	2,432	296	239

27. ACQUISITIONS OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS

27.1 Acquisition of a subsidiary – EVSend Sdn. Bhd.

In January 2023, the Group, via its wholly-owned subsidiary, NHEVT acquired 425,000 ordinary shares in EVS, representing 100% equity interest in EVS for a total cash consideration of RM2,000,000. The principal activity of EVS is eco-friendly on-demand tech-enabled express logistic, and courier services. Subsequent to the acquisition, EVS became a wholly-owned subsidiary of NHEVT, which in turn is a wholly-owned subsidiary of the Company.

Fair value of consideration transferred

	Group
	31.12.2023
	RM'000
Cash and bank balances	2,000

Identifiable assets acquired and liabilities assumed

	Note	Group
		31.12.2023
		RM'000
Property, plant and equipment	2	22
Intangible assets	4	169
Cash and bank balances		15
Trade and other payables		(100)
Total identifiable net assets		106

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

27. ACQUISITIONS OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS (CONTINUED)

27.1 Acquisition of a subsidiary – EVSend Sdn. Bhd. (continued)

Net cash inflow arising from acquisition of subsidiary

	Group 31.12.2023 RM'000
Net cash outflow arising from acquisition of subsidiary	
Purchase consideration settled in cash and bank balances	2,000
Cash and bank balances acquired	(15)
	1,985

Goodwill

Goodwill was recognised as a result of the acquisition as follows:

	Note	Group 31.12.2023 RM'000
Total consideration transferred		2,000
Fair value of identifiable net assets		(106)
Goodwill	5	1,894

27.2 Acquisition of non-controlling interests – BlackBixon2Go Sdn. Bhd.

In February 2023, the Group, via its wholly-owned subsidiary, NHFB acquired 5,000 ordinary shares in BB2GO, representing the remaining 50% equity interest in BB2GO for a total cash consideration of RM5,000. Consequently, BB2GO became a wholly-owned subsidiary of NHFB, which in turn is a wholly-owned subsidiary of the Company.

The following summarises the effect of changes in the equity interest in BB2GO that is attributable to owners of the Company:

	Group 31.12.2023 RM'000
Equity interest at 1 January 2023	(2,798)
Effect of increase in Company's ownership interest	(87)
Share of comprehensive income	3,633
Equity interest at	748

27.3 Acquisition of non-controlling interests – Ni Hsin Drones Sdn. Bhd. (Formerly known as Ni Hsin EV Mobility Sdn. Bhd.)

In February 2023, the Group, via its wholly-owned subsidiary, NHEVT acquired 1 ordinary share in Ni Hsin Drones Sdn. Bhd. (Formerly known as Ni Hsin EV Mobility Sdn. Bhd.) ("NHD"), representing the remaining 50% equity interest in NHD for a total cash consideration of RM1. Consequently, NHD became a wholly-owned subsidiary of NHEVT, which in turn is a wholly-owned subsidiary of the Company. The effect of changes in equity interest in NHD is not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS
(CONT'D)

28. SIGNIFICANT EVENT DURING THE PERIOD

28.1 Disposal of Blackbixon Sdn. Bhd.

In June 2025, the Group, via its wholly-owned subsidiary, NHFB disposed 6,000,000 ordinary shares in BBSB, representing the 100% equity interest in BBSB for a total cash consideration of RM10,000. Consequently, BBSB is no longer a subsidiary of NHFB, which in turn is no longer a subsidiary of the Company.

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 77 to 134 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board 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 of 30 June 2025 and of their financial performance and cash flows for the financial period then ended.

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

Rizvi Bin Abdul Halim
Director

Ng Shwu Ching
Director

Selangor Darul Ehsan

Date: 15 October 2025

STATUTORY DECLARATION

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

I, **Ng Shwu Ching**, the Director primarily responsible for the financial management of Ni Hsin Group Berhad, do solemnly and sincerely declare that the financial statements set out on pages 77 to 134 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Ng Shwu Ching, NRIC: 670803-10-6136, at Selangor Darul Ehsan on 15 October 2025.

Ng Shwu Ching

Before me:

Name:
Commissioner for Oaths
Selangor Darul Ehsan

INDEPENDENT AUDITORS' REPORT

To the members of Ni Hsin Group Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Ni Hsin Group Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 77 to 134.

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 June 2025, and of their financial performance and their cash flows for the period then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' 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 period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

To the members of Ni Hsin Group Berhad

(CONT'D)

Key Audit Matters (continued)

The key audit matter of the Group

Valuation of goodwill	
Refer to Note 5 Goodwill	
The key audit matter	**How the matter was addressed in our audit**
The Group has RM7.5 million of goodwill as at 30 June 2025. These CGUs are tested for impairment annually. Management applies the value-in-use (discounted cash flow) method to determine the recoverable amount of CGU. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses. The recoverable amounts are determined based on management estimates and assumptions on inputs as disclosed in Note 5 to the financial statements. This is a key audit matter because of the significant judgement required from us to evaluate the assumptions and estimates used in determining the recoverable amount of CGU.	We performed the following audit procedures, among others, around the impairment of goodwill: ● We evaluated the basis and assumptions used by the management in the preparation of cash flow projections. ● We challenged the assumptions used in deriving the value-in-use models based on our knowledge of the CGU's operations, and compared them against historical forecast and performance. ● We engaged our corporate finance specialist to assess the appropriateness of the discount rates used. ● We used sensitivity analysis to determine those factors that were most sensitive within the valuation model. ● We considered the adequacy of the Group's disclosure in respect of the impairment assessment.

Valuation of inventories	
Refer to Note 10 Inventories	
The key audit matter	**How the matter was addressed in our audit**
The Group has RM25.9 million of inventories as at 30 June 2025. The Group has significant levels of inventories and significant management judgments are taken with regard to categorisation of inventories into slow moving, specifically for stainless steel products and cookware inventories amounting to RM3 million, and which should therefore be considered for provision. Estimates are then involved in arriving at provisions against cost in respect of slow moving inventories to arrive at valuation based on lower of cost and net realisable value. Given the level of significant management judgments and estimates involved this is considered to be a key audit matter.	We performed the following audit procedures, among others, around the valuation of inventories: ● We tested the accuracy of the aging of inventories by testing the age profile of the inventory balances to the respective Goods Received Notes, Work Orders, and Handover documents. ● We evaluated the Group's inventory net realisable values for finished goods as at 30 June 2025 by comparing the carrying value of the inventories to sales made to external customers subsequent to period end to test whether these exceeded the carrying value of inventory at period end. ● For those inventories without sales subsequent to period end, we evaluated the Group's basis of provisioning for slow-moving inventories as at 30 June 2025 based on the utilisation of each components of these inventories. ● Based on the inventory aging, we assessed the Group's adequacy of allowance for slow-moving inventories as at 30 June 2025 by comparing the Group's provision amount to provision computed by us based on our work performed above.

INDEPENDENT AUDITORS' REPORT

To the members of Ni Hsin Group Berhad

(CONT'D)

Key Audit Matters (continued)

The key audit matter of the Company

Valuation of investment in subsidiaries	
Refer to Note 6 Investments in subsidiaries	
The key audit matter	**How the matter was addressed in our audit**
The carrying value of investments in subsidiaries amounted to RM73 million, which accounted for more than 85% of the Company's total asset as at 30 June 2025. Management determines at the end of each reporting period the existence of an objective evidence through which the Company's investment in subsidiaries may be impaired. If there are indicators of impairment, the deficit between recoverable amount of the subsidiary and its carrying value would be recognised in profit or loss. This is a key audit matter because of the significant judgement involved to evaluate management assumptions and estimates used in determining the recoverable amounts of the subsidiaries.	We performed the following audit procedures, among others, around the impairment of subsidiaries: ● We compared the carrying amount of the investments in subsidiaries with the respective subsidiaries' net assets value to identify whether the net assets values, being an approximation of their maximum recoverable amount, were in excess of the carrying amount for indication of impairment. ● We evaluated the basis and assumptions used by the management in the preparation of cash flow projections. ● We challenged the assumptions used in deriving the recoverable amount based on our knowledge of the subsidiary's operations, and compared them against historical forecast and performance. ● We used sensitivity analysis to determine those factors that were most sensitive within the valuation model.

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 Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Group and of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

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

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company 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.

INDEPENDENT AUDITORS' REPORT

To the members of Ni Hsin Group Berhad

(CONT'D)

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 internal control of the Group and of the Company.

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

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

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

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' 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 Ni Hsin Group Berhad

(CONT'D)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 6 to the financial statements.

OTHER MATTER

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Soo Tho Pei Yin
Approval Number: 03699/12/2026 J
Chartered Accountant

Petaling Jaya

Date: 15 October 2025

STATEMENT OF SHAREHOLDINGS
As at 30 September 2025

Total number of issued shares	573,115,251 ordinary shares (including shares held as treasury shares)
Class of shares	Ordinary Share
Voting rights	One vote per ordinary share

SIZE OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2025

Size of Shareholdings	No. of Shareholders	% of Shareholders	No.of shares held	% of issued capital
Less than 100 shares	475	12.44	19,560	0.00
100 to 1,000 shares	434	11.36	137,556	0.03
1,001 to 10,000 shares	931	24.38	5,259,776	1.00
10,001 to 100,000 shares	1,491	39.04	57,167,138	10.91
100,001 to 26,188,495*	487	12.75	385,310,885	73.57
26,188,496 and above **	1	0.03	75,875,000	14.49
Total	**3,819**	**100.00**	**523,769,915**	**100.00**

Notes:

 # Excluding a total of 49,345,336 shares bought-back by the Company and retained as treasury shares as at 30 September 2025
** Less than 5% of issued shares (excluding treasury shares)*
*** 5% and above of issued shares (excluding treasury shares)*

DIRECTORS' SHAREHOLDINGS AS AT 30 SEPTEMBER 2025
(As per Register of Directors' Shareholdings)

		Direct Interest		Deemed Interest	
	Name of Directors	No. of shares held	% of issued capital*	No. of shares held	% of issued capital*
1	Sofiyan Bin Yahya	19,367,266	3.70	-	-
2	Rizvi Bin Abdul Halim	-	-	-	-
3	Ng Shwu Ching	-	-	4,217,300^	0.81
4	Lai Kian Huat	-	-	-	-
5	Khoo Wuan Ru	-	-	99,205,000#	18.94
6	Poo Chii Miin @ Chermaine Poo	-	-	-	-
7	Tung Fook Heng	-	-	-	-
8	Beh Ee Nah	-	-	-	-

Note:

** Excluding a total of 49,345,336 shares bought-back by the Company and retained as treasury shares as at 30 September 2025*
 # Deemed interest through ordinary shares held by father, Khoo Chee Kong
^ Deemed interest through ordinary shares held by spouse, Shu Hang Sheong

STATEMENT OF SHAREHOLDINGS

As at 30 September 2025

(CONT'D)

30 LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2025

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Name of Shareholders	No. of shares held	% of issued capital*
1	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	75,875,000	14.49
2	Sofiyan Bin Yahya	19,258,933	3.68
3	Hsiao, Chih-Che	13,514,570	2.58
4	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Yap Chee Kheng*	12,000,000	2.29
5	M & A Nominee (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	11,334,100	2.16
6	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Chia Kee Siong*	10,142,653	1.94
7	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	9,500,000	1.81
8	AmSec Nominees (Tempatan) Sdn Bhd *Pledged securities account for Dato' Sri Gan Chow Tee*	8,600,000	1.64
9	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Loo Chai Lai*	7,948,800	1.52
10	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Soo Yoke Mun*	7,676,751	1.47
11	Yeoh Weii Syuen	7,439,839	1.42
12	Moomoo Nominees (Tempatan) Sdn Bhd *Pledged securities account for Chan Ai Lin*	6,661,500	1.27
13	CGS International Nominees Malaysia (Tempatan) Sdn Bhd *Pledged securities account for Koh Kin Lip*	5,799,100	1.11
14	Hsiao Chih Chien	4,809,667	0.92
15	Teh Beng Hock	4,500,000	0.86
16	Ti Bon Poy	4,500,000	0.86
17	Soo Yoke Mun	4,443,032	0.85
18	Tee Tiam Lee	4,356,600	0.83
19	Shu Hang Sheong	4,217,300	0.81
20	Chen Chee Seang	4,152,000	0.79
21	Lim Kim Suan	3,797,300	0.72
22	Apex Nominees (Tempatan) Sdn Bhd *Pledged securities account for Gan Chow Tee*	3,700,000	0.71
23	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Zulkifli Bin Ismail*	3,563,833	0.68
24	CGS International Nominees Malaysia (Tempatan) Sdn Bhd *Pledged securities account for Yoong Sin Kuen*	3,435,300	0.66
25	TA Nominees (Tempatan) Sdn Bhd *Pledged securities account for Gan Pik Mui*	3,200,000	0.61
26	Chia Kee Siong	3,120,000	0.60
27	Soo Weng Swan	3,000,000	0.57

STATEMENT OF SHAREHOLDINGS
As at 30 September 2025
(CONT'D)

30 LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2025 (CONTINUED)
(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Name of Shareholders	No. of shares held	% of issued capital*
28	Yong Siok Ching	2,911,300	0.56
29	Navin@Datesh A/L Daneshwar	2,881,900	0.55
30	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lim Kong Cheng*	2,821,800	0.54
Total		**259,161,278**	**49.50**

Note:

* *Excluding a total of 49,345,336 shares bought-back by the Company and retained as treasury shares as at 30 September 2025*

SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2025
(As per Register of Substantial Shareholders)

		Direct Interest		Deemed Interest	
	Name of Substantial Shareholder	No. of shares held	% of issued capital *	No. of shares held	% of issued capital *
1	Khoo Chee Kong	99,205,000	18.94	-	-

Note:

* *Excluding a total of 49,345,336 shares bought-back by the Company and retained as treasury shares as at 30 September 2025*

STATEMENT OF REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") HOLDINGS

As at 30 September 2025

No. of RCPS in issue	614,984,430
Issue date of RCPS	3 March 2021
Maturity date of RCPS	2 March 2026

SIZE OF RCPS HOLDINGS AS AT 30 SEPTEMBER 2025

Size of RCPS Holdings	No. of RCPS Holders	% of RCPS Holders	No. of RCPS held	% of issued RCPS
Less than 100 RCPS	22	3.32	1,124	0.00
100 to 1,000 RCPS	32	4.83	11,761	0.00
1,001 to 10,000 RCPS	92	13.90	516,136	0.08
10,001 to 100,000 RCPS	271	40.94	12,440,537	2.02
100,001 to 30,749,221*	242	36.56	385,880,204	62.75
30,749,222 and above **	3	0.45	216,134,668	35.15
Total	**662**	**100.00**	**614,984,430**	**100.00**

Notes:

* *Less than 5% of issued RCPS*
** *5% and above of issued RCPS*

DIRECTORS' RCPS HOLDINGS AS AT 30 SEPTEMBER 2025
(As per Register of Directors' RCPS holdings)

		Direct Interest		Deemed Interest	
	Name of Directors	No. of RCPS held	% of issued RCPS	No. of RCPS held	% of issued RCPS
1	Sofiyan Bin Yahya	9,459,800	1.54	-	-
2	Rizvi Bin Abdul Halim	-	-	-	-
3	Ng Shwu Ching	-	-	-	-
4	Lai Kian Huat	-	-	-	-
5	Khoo Wuan Ru	-	-	204,739,968#	33.29
6	Poo Chii Miin @ Chermaine Poo	-	-	-	-
7	Tung Fook Heng	-	-	-	-
8	Beh Ee Nah	-	-	-	-

Note:

\# *Deemed interest through RCPS held by father, Khoo Chee Kong*

STATEMENT OF REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS") HOLDINGS

As at 30 September 2025

(CONT'D)

30 LARGEST RCPS HOLDERS AS AT 30 SEPTEMBER 2025

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

	Name of RCPS Holders	No. of RCPS held	% of issued RCPS
1	TA Nominees (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	134,060,900	21.80
2	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	50,076,168	8.14
3	Tee Tiam Lee	31,997,600	5.20
4	Amsec Nominees (Tempatan) Sdn Bhd *Pledged securities account for Quek See Kui*	25,000,000	4.07
5	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Khoo Chee Kong*	20,602,900	3.35
6	CGS International Nominees Malaysia (Tempatan) Sdn Bhd *Pledged securities account for Yap Chee Kheng*	17,700,000	2.88
7	Lim Jit Hai	17,330,700	2.82
8	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Soo Yoke Mun*	17,286,400	2.81
9	Sim Mui Khee	13,678,800	2.22
10	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Chia Kee Siong*	13,106,082	2.13
11	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Tan Sun Ping*	12,000,000	1.95
12	Affin Hwang Nominees (Tempatan) Sdn Bhd *Pledged securities account for Lew Chong Kiat*	10,192,000	1.66
13	Sofiyan Bin Yahya	9,459,800	1.54
14	Yeoh Weii Syuen	9,360,000	1.52
15	Soo Yoke Mun	9,232,500	1.50
16	Quek See Kui	7,500,000	1.22
17	Lim Kok Seong	6,550,000	1.07
18	Kenanga Nominees (Tempatan) Sdn Bhd *Pledged securities account for Gan Boon Guat*	6,406,000	1.04
19	Tan Mooi Hiang	6,090,000	0.99
20	Maybank Nominees (Tempatan) Sdn Bhd *Pledged securities account for Zulkifli Bin Ismail*	5,127,666	0.83
21	Ti Bon Poy	5,000,000	0.81
22	Chen Chee Seang	4,948,000	0.80
23	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Loo Chai Lai*	4,720,000	0.77
24	Loo Yee Mun	4,719,000	0.77
25	Hsiao Chih Chien	4,619,334	0.75
26	AllianceGroup Nominees (Tempatan) Sdn Bhd *Pledged securities account for Yap Chee Kheng*	4,600,000	0.75
27	Doreen Chin Jing Yen	4,489,200	0.73
28	Enrich Transaction Sdn Bhd	4,312,500	0.70
29	Soo Yee Lain	3,965,000	0.64
30	Chan Hwa Ming	3,960,000	0.64
Total		**468,090,550**	**76.10**

LIST OF PROPERTIES

As at 30 June 2025

No	Location	Description	Existing use	Tenure	Age of buildings (Years) #	Land Area (sq meters)	Built-up Area (sq meters)	Net Book Value RM'000	Year of Last Revaluation/ Acquisition
1	HS (D) 140097, PT No, 71214								
*	(formerly HS(D) 38402, PT No. 20620) Mukim of Kajang District of Ulu Langat Selangor Darul Ehsan Malaysia	Industrial Land with 2 Storey Office Building and 1 Storey Factory Building	Office Building and Factory	Freehold	35	9,854	6,320	56,667	2025 (revaluation)
*	(formerly HS(D) 23491, PT No. 20621) Mukim of Kajang District of Ulu Langat Selangor Darul Ehsan Malaysia	Industrial Land with 3 Storey Office Building and 1 Storey Factory Building	Office Building, Factory and Warehouse	Freehold	28	7,865	7,682	-	
2	Unit No. 06, Block BB, 3rd Floor, Taman Taming Jaya held under Strata Title Geran 34049/M2/4/102, Lot 19716 for Parcel No. 102, Level No. 4, Building No. M2 Mukim of Kajang District of Hulu Langat Selangor Darul Ehsan Malaysia	1 unit flat housing	Staff accommodation	Freehold	33	-	62	12.00	1990
3	Unit No. 07, Block BB, 3rd Floor, Taman Taming Jaya held under Strata Title Geran 34049/M2/4/103, Lot 19716 for Parcel No. 103, Level No. 4, Building No. M2 Mukim of Kajang District of Hulu Langat Selangor Darul Ehsan Malaysia	1 unit flat housing	Staff accommodation	Freehold	33	-	62	12.00	1990
4	Unit No. 08, Block BB, 3rd Floor, Taman Taming Jaya forming part of the land held under Master Title HS(D) 16865, PT No. 17962 Mukim of Kajang District of Hulu Langat Selangor Darul Ehsan Malaysia	1 unit flat housing	Staff accommodation	Freehold	33	-	62	12.00	1990

 # Age of buildings starts from the date of certificate of fitness issued.

** On 16 April 2009, the respective pieces of land have been amalgamated pursuant to the condition imposed by the Securities Commission during the initial public offering.*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting of the Company will be held at Langkawi Ballroom, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur, Malaysia on Wednesday, 26 November 2025 at 9.30 a.m. to transact the following businesses:-

AGENDA

As Ordinary Business

1. To receive the Audited Financial Statements for the financial period from 1 January 2024 to 30 June 2025 together with the Directors' and Auditors' Reports thereon. **(Please refer to Note 8)**

2. To approve the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM250,000 only for the period from 27 November 2025 and up to date of the next Annual General Meeting ("**AGM**") of the Company, to be paid quarterly in arrears. **Ordinary Resolution 1**

3. To re-elect the following Directors who are retiring pursuant to Clause 95 of the Constitution of the Company:-

   i) Ms Poo Chii Miin @ Chermaine Poo **Ordinary Resolution 2**

   ii) Ms Khoo Wuan Ru **Ordinary Resolution 3**

4. To re-elect Ms Beh Ee Nah who is retiring pursuant to Clause 102 of the Constitution of the Company. **Ordinary Resolution 4**

5. To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business

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

6. **Authority under Section 76 of the Companies Act 2016 ("the Act") for the Directors to allot and issue shares**

   "THAT pursuant to Section 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided 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 for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.

   THAT in connection with the above, pursuant to Section 85 of the Act and Clause 59 of the Constitution of the Company, the shareholders do hereby waive the statutory pre-emptive rights of the offered shares in proportion of their holdings at such price and at such terms to be offered arising from any issuance of new shares pursuant to this mandate by the Company.

   AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally 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 which may be declared, made or paid before the date of allotment of such new shares." **Ordinary Resolution 6**

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

7. **Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares ("Proposed Renewal of Share Buy-Back Authority")**

"THAT subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to utilise an amount not exceeding the audited retained profits of the Company to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:-

(a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time of the said purchase(s);

(b) the maximum funds to be allocated by the Company for the purpose of purchasing its ordinary shares shall not exceed the total retained profits of the Company at the time of purchase; and

(c) the authority conferred by this resolution shall continue to be in force until:-

(i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the said authority shall lapse unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;

(ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be and are hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:-

(a) distribute the shares as share dividends to the shareholders; and/or

(b) resell the shares or any of the shares on Bursa Securities; and/or

(c) transfer the shares or any of the shares for the purposes of or under an employees' shares scheme; and/or

(d) transfer the shares or any of the shares as purchase consideration; and/or

(e) cancel all the ordinary shares so purchased; and/or

(f) sell, transfer or otherwise use the shares for such other purposes as allowed by the Act.

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including executing all such documents as may be required) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the said Directors may deem fit and expedient in the best interests of the Company." **Ordinary Resolution 7**

8. To transact any other business for which due notice shall have been given in accordance with the Act.

BY ORDER OF THE BOARD
TAI YIT CHAN (SSM PC No. 202008001023) (MAICSA 7009143)
TAN AI NING (SSM PC No. 202008000067) (MAICSA 7015852)
Company Secretaries

Selangor Darul Ehsan

Date: 28 October 2025

NOTES:-

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

2. A member of the Company may appoint up to two (2) proxies to attend and vote at the same meeting. Where a member of the Company appoints two (2) proxies, the appointment shall be invalid unless the member specifies the proportion of his shareholdings to be represented by each proxy.

3. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

4. 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, the instrument appointing a proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.

5. The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the office of the Company's Share Registrar, Bina Management (M) Sdn. Bhd. at Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof, otherwise the instrument of proxy should not be treated as valid. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the AGM or Adjourned AGM.

6. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolutions set out in the notice of the general meeting will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

7. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company a Record of Depositors as at 19 November 2025 and only a Depositor whose name appears in such Record of Depositors shall be entitled to attend and vote at this meeting and entitled to appoint proxy or proxies.

8. The Audited Financial Statements in Agenda 1 is meant for discussion only as approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this Agenda is not put forward for voting by shareholders of the Company.

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

9. EXPLANATORY NOTES

(i) Ordinary Resolution 1 on Directors' fees and benefits payable to Directors

Payment of Directors' fees and benefits under Section 230(1) of the Act provides amongst others, that the Directors' fees and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting. There is a reduction of RM100,000 in the proposed Directors' fees and benefits as compared with the same approved during the Twentieth AGM held on 26 June 2024. The difference is due to the change in financial year end from 31 December to 30 June. The Directors' fees and benefits of RM350,000 approved at the Twentieth AGM was intended to cover 18-month period, whereas the current proposed Directors' fees and benefits of RM250,000 covers 12-month period.

The amount of Directors' fees and benefits payable to each Director of the Company are as follows:-

Directors	Amount (RM)
Encik Sofiyan Bin Yahya	84,000
Ms Poo Chii Miin @ Chermaine Poo	48,000
Mr Tung Fook Heng	42,000
Ms Beh Ee Nah	36,000
Ms Ng Shwu Ching	-
Encik Rizvi Bin Abdul Halim	-
Mr Lai Kian Huat	-
Ms Khoo Wuan Ru	-

In determining the estimated total amount of Directors' fees and benefits payable to the Directors of the Company, the Board has considered various factors including the number of scheduled meetings for the Board and Board Committees, current Board size and provisional sum as a contingency for future appointment of Director on the Board.

The Executive Directors have voluntarily waived their entitlement for Directors' fees and benefits payable.

(ii) Ordinary Resolutions 2, 3 and 4 on Re-election of Directors

Pursuant to Malaysian Code on Corporate Governance, the profiles of the Directors who are standing for re-election as per Agenda items 3 and 4 are set out in the Board of Directors' profile of the Annual Report 2025.

The performance, contribution, effectiveness and independence (as the case may be) of the retiring Directors, namely Ms Poo Chii Miin @ Chermaine Poo, Ms Khoo Wuan Ru and Ms Beh Ee Nah (collectively "**Retiring Directors**") have been assessed by the Nomination Committee ("**NC**"). In addition, the NC has also conducted an assessment on the fitness and propriety of the Retiring Directors including the review of their fit and proper declarations and results of their background checks in accordance with the Directors' Fit & Proper Policy. The Retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election.

Based on the recommendation of NC, the Board endorsed the same, having been satisfied with performance as well as fitness and propriety of the Retiring Directors.

NOTICE OF ANNUAL GENERAL MEETING
(CONT'D)

(iii) Ordinary Resolution 6 - Authority under Section 76 of the Act for the Directors to allot and issue shares

The Company had, during its Twentieth AGM held on 26 June 2024, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Act. As at the date of this notice, the Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 6 of the Agenda is to seek shareholders' approval of the general mandate for issuance of shares by the Company under Section 76 of the Act.

This proposed Ordinary Resolution 6, if passed, will provide additional flexibility for the Company for fund raising and enable the Company, should it required to allot and issue 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 to meet its funding requirements for working capital or strategic development of the Group and operational expenditure, expeditiously and efficiently during this challenging time to ensure the long-term sustainability of the Company and safeguard the interest of the Company and the shareholders. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM.

The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 59 of the Company's Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to the issuance of new shares in the Company under the general mandate.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is sought, the Company will make an announcement in respect thereof.

(iv) Ordinary Resolution 7 - Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares

The explanatory notes on Ordinary Resolution 7 are set out in the Statement to Shareholders dated 28 October 2025.

Personal data privacy:

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

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NI HSIN GROUP BERHAD
(Registration No. 200401014850 (653353-W))
(Incorporated in Malaysia)

PROXY FORM

No. of shares held	
CDS Account No.	

I/We*, _____ (full name of shareholder, in capital letters)

NRIC No./Passport No./Company No.* _____ of _____

_____ (full address)

telephone no. _____ and email address _____

being a member/ members* of **NI HSIN GROUP BERHAD**, hereby appoint(s):-

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Telephone No.			

and/ or*

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Telephone 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 Twenty-First Annual General Meeting of the Company to be held at Langkawi Ballroom, Bukit Jalil Golf & Country Resort, Jalan 3/155B, Bukit Jalil, 57000 Kuala Lumpur, Malaysia on Wednesday, 26 November 2025 at 9.30 a.m. or at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

No.	**Resolutions**	**For**	**Against**
Ordinary Resolution 1	To approve the Directors' fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM250,000 only for the period from 27 November 2025 and up to date of the next Annual General Meeting ("**AGM**") of the Company, to be paid quarterly in arrears.		
Ordinary Resolution 2	To re-elect Ms Poo Chii Miin @ Chermaine Poo who is retiring pursuant to Clause 95 of the Constitution of the Company.		
Ordinary Resolution 3	To re-elect Ms Khoo Wuan Ru who is retiring pursuant to Clause 95 of the Constitution of the Company.		
Ordinary Resolution 4	To re-elect Ms Beh Ee Nah who is retiring pursuant to Clause 102 of the Constitution of the Company.		
Ordinary Resolution 5	To re-appoint KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 6	To approve the authority under Section 76 of the Companies Act 2016 for the Directors to allot and issue shares.		
Ordinary Resolution 7	To approve the Proposed Renewal of Authority for the Company to Purchase its own Ordinary Shares.		

**Strike out whichever is not desired.*

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

_____
Signature/Common Seal of Member/(s)

Number of shares held: _____

Date: _____

Fold this flap for sealing

NOTES:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
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5. The instrument appointing a proxy, with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, shall be deposited at the office of the Company's Share Registrar, Bina Management (M) Sdn. Bhd. at Lot 10, The Highway Centre, Jalan 51/205, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof, otherwise the instrument of proxy should not be treated as valid. Any notice of termination of person's authority to act as a proxy must be forwarded to the Company prior to the commencement of the AGM or Adjourned AGM.

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AFFIX
STAMP

The Share Registrar
NI HSIN GROUP BERHAD
Registration No. 200401014850 (653353-W)
Lot 10, The Highway Centre
Jalan 51/205
46050 Petaling Jaya
Selagor Darul Ehsan
Malaysia

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6. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Securities, all the resolutions set out in the notice of the general meeting will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
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Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 28 October 2025.

NI HSIN
Your Global Partner
SINCE 1989

Ni Hsin Group Berhad
(Registration No. 200401014850 (653353-W))

45, Jalan Taming Dua, Taman Taming Jaya, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

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