



KUMPULAN H & L HIGH-TECH BERHAD

[199401032123 (317805-V)]

2025

ANNUAL REPORT

www.hlhightech.com

31ST

ANNUAL GENERAL MEETING

29 April 2026 (Wednesday) – 11.00 a.m.

ClubHouse, Tropicana Golf and Country Resort
Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Lye Huat

Group Executive Chairman
& Managing Director

Tan Sook Yee

Executive Director

Tan Yaw Bin

Executive Director
(Appointed on 20 June 2025)

Lim Hock Aun

Independent Non-Executive Director

Yoon Hin Yeow

Independent Non-Executive Director

Thong Chee Thim

Independent Non-Executive Director

Mak Wai Chin

Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Lim Hock Aun (Chairman)

Independent Non-Executive Director

Yoon Hin Yeow (Member)

Independent Non-Executive Director

Thong Chee Thim (Member)

Independent Non-Executive Director

Mak Wai Chin (Member)

Independent Non-Executive Director

REMUNERATION COMMITTEE

Thong Chee Thim (Chairman)

Independent Non-Executive Director

Yoon Hin Yeow (Member)

Independent Non-Executive Director

Lim Hock Aun (Member)

Independent Non-Executive Director

Mak Wai Chin (Member)

Independent Non-Executive Director

NOMINATION COMMITTEE

Yoon Hin Yeow (Chairman)

Independent Non-Executive Director

Thong Chee Thim (Member)

Independent Non-Executive Director

Lim Hock Aun (Member)

Independent Non-Executive Director

Mak Wai Chin (Member)

Independent Non-Executive Director

COMPANY SECRETARIES

Khoo Ming Siang

[SSM PC No. 202208000150
(MAICSA 7034037)]

Chong Kong Hui

[SSM PC No. 201908003105
(MIA 25067)]

REGISTERED OFFICE

Unit 521, 5th Floor
Lobby 6, Block A, Damansara Intan
No. 1, Jalan SS20/27
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : (03) 7732 0792

PRINCIPAL PLACE OF BUSINESS

No. 6, Jalan TSB 1
Taman Industri Sungai Buloh
47000 Sungai Buloh
Selangor Darul Ehsan
Tel : (03) 6157 6339
Fax : (03) 6156 8918
Email : info@hlhightech.com
Website : www.hlhightech.com

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : (03) 7890 4700
Fax : (03) 7890 4670

AUDITORS

Grant Thornton Malaysia PLT

(201906003682 & LLP0022494-LCA)
Chartered Accountants (AF 0737)
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan
Tel : (03) 2692 4022

PRINCIPAL BANKERS

Hong Leong Bank Berhad
CIMB Bank Berhad
OCBC Bank (Malaysia) Berhad
Public Bank Berhad

STOCK EXCHANGE LISTING

Main Market of the Bursa Malaysia Securities Berhad

Stock Name : HIGHTEC
Stock Code : 7033

INVESTOR RELATIONS

www.insage.com.my/ir/HIGHTEC



KUMPULAN H & L HIGH-TECH BERHAD

Investment Holdings

100%

H & L HIGH-TECH SDN BHD

Manufacture and sale of precision engineering moulds, jigs, fixtures, tools and other machine parts

100%

PLASTIK STC SDN BHD

Manufacture and sale of customised precision engineering plastic injection moulded thermoplastic and thermosett parts and components for electrical and electronic industry

78%

H & L HIGH-TECH DECO SDN BHD

Oil palm cultivation

100%

H & L HIGH-TECH PROPERTIES DEVELOPMENT SDN BHD

Property development

100%

HLH DESA COALFIELDS SDN BHD

Dormant

100%

H & L HIGH-TECH PROPERTIES SDN BHD

Letting of properties and property investment

100%

STC TECHNOLOGY SDN BHD

Wholesale of electrical and electronic goods, telephone and telecommunications equipment, and retail sale of any kind of product over the internet

PROFILE OF THE BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

TAN LYE HUAT

Group Executive Chairman and Managing Director

• *Key Senior Management*

Tan Lye Huat (“Mr Tan”), Malaysian, Male, aged 72, was appointed as Group Executive Chairman and Managing Director of Kumpulan H & L High-Tech Berhad (“KHLHT” or “the Company” or “the Group”) on 2 September 1997. Mr Tan is also one of the Key Senior Management and he is a businessman by profession and the founder of H & L High-Tech Sdn Bhd (“HHT”), Plastik STC Sdn Bhd (“PSSB”), H & L High-Tech Deco Sdn Bhd (“HHTD”), H & L High-Tech Properties Sdn Bhd (“HHTP”) and H & L High-Tech Properties Development Sdn Bhd (“HHPD”).

He founded Hup Lee Engineering Works (“HLEW”) in 1976 as a partnership in the mould and dies industry and incorporated the partnership under HHT on 9 November 1988.

With about 50 years experience in closely managing the production and marketing operations of HHT and HLEW, Mr Tan possesses in-depth knowledge and experience in the overall operations of HHT as well as the industry in general.

He sits on the Board of all companies under KHLHT and also holds directorships in a number of other private limited companies. He has no conflict of interest with the Company. His children, Tan Sook Yee and Tan Yaw Bin, are also Executive Directors and major shareholders of KHLHT by virtue of their direct shareholdings in KHLHT and their interests in Affluent Future Sdn Bhd and Tan Lye Huat Holdings Sdn Bhd.

He has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

TAN SOOK YEE

Executive Director

• *Key Senior Management*

Tan Sook Yee (“Ms Tan”), Malaysian, Female, aged 45, was appointed as Executive Director of the Company on 30 June 2006. She is also one of the Key Senior Management.

Ms Tan graduated with a Bachelor of Manufacturing Engineering (Honours) and Bachelor of Commerce from the University of Melbourne.

She joined the Group as a Customer Support Engineer in 2004 and is now the Business Development Director of which her primary role is to develop new projects for the Group and manage the Group's international businesses. Ms Tan is also the Quality Management Representative for the Group. She sits on the Board of KHLHT and all its subsidiaries. She also holds directorships in a number of other private limited companies.

She is the daughter of Mr Tan Lye Huat who is the Group Executive Chairman and Managing Director and major shareholder of KHLHT by virtue of his direct shareholding in KHLHT and his interest in Affluent Future Sdn Bhd, Tan Lye Huat Holdings Sdn Bhd and his children. She has no conflict of interest with the Company.

She has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

(CONT'D)

TAN YAW BIN

Executive Director

• *Key Senior Management*

Tan Yaw Bin ("Mr YB Tan"), Malaysian, Male, aged 44, was appointed as Executive Director of the subsidiary companies of the Company in year 2023 and subsequently appointed as Executive Director of the Company on 20 June 2025. He is also one of the Key Senior Management.

Mr YB Tan graduated with a Bachelor of Computing from Monash University.

He joined the Group as an Information Technology and Business Development Executive in year 2005 and is now the Operations Director of which his primary role is to ensure the daily operations of every department run smoothly for the Group and assist in the Group's business development. He also holds directorships in a number of other private limited companies.

He is the son of Mr Tan Lye Huat who is the Group Executive Chairman and Managing Director and major shareholder of KHLHT by virtue of his direct shareholding in KHLHT and his interest in Affluent Future Sdn Bhd and Tan Lye Huat Holdings Sdn Bhd. He has no conflict of interest with the Company.

He has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

LIM HOCK AUN

Independent Non-Executive Director

Lim Hock Aun ("Mr Lim"), Malaysian, Male, aged 66, was appointed as Independent Non-Executive Director of KHLHT on 21 October 2020. He is a member of the Malaysian Institute of Accountant, and a member of the Institute of Chartered Accountants in England and Wales.

Mr Lim has more than 25 years of experience in the Malaysian Financial Industry. He was previously the Senior Vice President, Head of Group Basel and Sustainability Reporting in AMMB Holdings Berhad Group ("AmBank Group") until his retirement in July 2020. Prior to his accomplishments in the Malaysian Financial Sector, Mr Lim had served across Accounting, Audit and Tax Industries in the United Kingdom (UK) from September 1980 to July 1991. Upon his return from the UK in 1991, he joined Ban Hin Lee Bank Berhad ("BHLB Berhad") as Accountant. He was then promoted to Manager of Financial Control Department and subsequently assumed the role of Senior Manager/Head of Financial Control Department in 1992 and 1995, respectively.

In 2000, Mr Lim was appointed as Head of Group Finance upon the merger of Southern Bank Berhad and BHLB Berhad. In July 2001, he joined AmAssurance Berhad, the insurance arm of AmBank Group as Head of Finance, Corporate and Planning and had since held various positions within AmBank Group as follows: Head of Finance and Administration of AmBank (M) Berhad and AmIslamic Bank Berhad, Head of Group External Reporting, Head of Group Accounting Policy and Malaysian Financial Reporting Standards Projects, and finally Head of Group Basel and Sustainability Reporting.

He is the Chairman of Audit and Risk Management Committee of the Company and a member of the Nomination Committee and Remuneration Committee of the Company. He does not have any family relationship with any director and/or major shareholder of the Company and there is no conflict of interest with the Company.

He has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

(CONT'D)

YOON HIN YEOW

Independent Non-Executive Director

Yoon Hin Yeow ("Mr Yoon"), Malaysian, Male, aged 61, was appointed as Independent Non-Executive Director of KHLHT on 21 December 2022. He is a member of the Malaysian Institute of Accountant, and a member of the Chartered Institute of Management Accountant of U.K. as well as Member of Institute of Singapore Chartered Accountants.

Mr Yoon has more than 30 years of experience in manufacturing, financial services and power generation.

He was with Schnieder Electric for 24 years as the Chief Financial Officer and Finance Director seconded to multiple cities including Shanghai, Jakarta, Hong Kong, Beijing, Tianjin, Grenoble, Singapore and Kuala Lumpur.

He then joined AmBank Group in Malaysia as the Chief Financial Officer – Group Services in October 2015. In July 2018, he joined CGN/Edra power generation group as Head of Finance, overseeing their finance, accounting and tax for six power plants in Egypt and Bangladesh before retiring in March 2022.

He is the Chairman of the Nomination Committee, a member of the Audit and Risk Management Committee of the Company and a member of the Remuneration Committee of the Company. He does not have any family relationship with any director and/or major shareholder of the Company and there is no conflict of interest with the Company.

He has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROF. (DR) THONG CHEE THIM

Independent Non-Executive Director

Thong Chee Thim ("Prof. Thong"), Malaysian, Male, aged 66, was appointed as Independent Non-Executive Director of KHLHT on 6 June 2023. He holds Bachelor of Arts in Business Administration from University of Wales, United Kingdom, a Master of Business Administration from Asia International Open University and a PhD from the Netherlands Maritime University College (NMUC), Malaysia. He has also been conferred a Professorship by NMUC on 26 November 2024.

Prof. Thong has over 30 years of experience in management roles in various industries including securities and education.

He is a member of the Audit and Risk Management Committee of the Company and a member of the Nomination Committee and chair of Remuneration Committee of the Company. He does not have any family relationship with any director and/or major shareholder of the Company and there is no conflict of interest with the Company.

He has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

PROFILE OF THE BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

(CONT'D)

MAK WAI CHIN

Independent Non-Executive Director

Mak Wai Chin ("Ms Mak"), Malaysian, Female, aged 62, was appointed as Independent Non-Executive Director of KHLHT on 27 December 2023. She holds a Degree in Law from National University of Singapore.

Ms Mak is currently the Advocate & Solicitor of the High Court of Malaya. She was called to the Singapore Bar in year 1988 and the Malaysian Bar in the subsequent year. Ms Mak is proficient and well versed in various law fields with specialisation and experience in conveyancing & banking, commercial and corporate, probate & estate administration related matters. She is a Partner of Messrs Mak Loo & Co since year 2012.

She is a member of the Audit and Risk Management Committee, the Nomination Committee and Remuneration Committee of the Company. She does not have any family relationship with any director and/or major shareholder of the Company and there is no conflict of interest with the Company.

She has no conviction for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

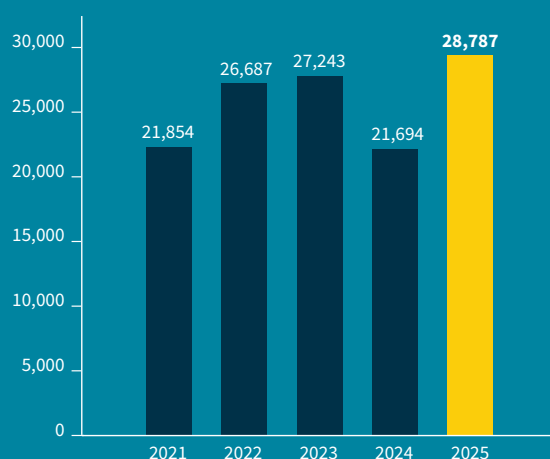
FIVE YEARS' FINANCIAL HIGHLIGHTS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER	2021 RM 000	2022 RM 000	2023 RM 000	2024 RM 000	2025 RM 000
Group Revenue	21,854	26,687	27,243	21,694	28,787
Profit Before Tax	20,056	10,951	12,409	8,787	6,798
Profit Attributable to Shareholder	18,403	9,171	10,187	7,425	4,892
Paid Up Capital	40,612	40,612	40,612	40,612	40,612
Total Assets	143,727	167,328	172,852	175,123	178,848
Shareholders' Equity	116,007	129,321	135,626	139,202	138,954
Net Earnings per Share (sen)*	15.57	7.58	8.55	6.31	4.23
Net Assets per Share (RM)*	0.9593	1.0807	1.1479	1.1913	1.2319
Dividend (sen)	3.50	3.00	3.00	3.00	3.00

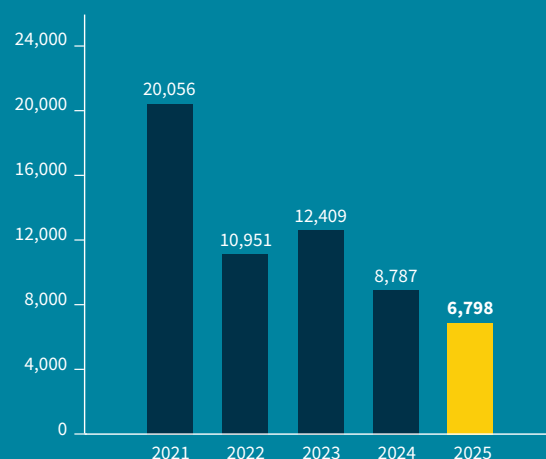
On 6 September 2021, the Company announced that Share Split exercise (every 1 existing share into 3 subdivided shares) has been completed.

* Excluding treasury shares

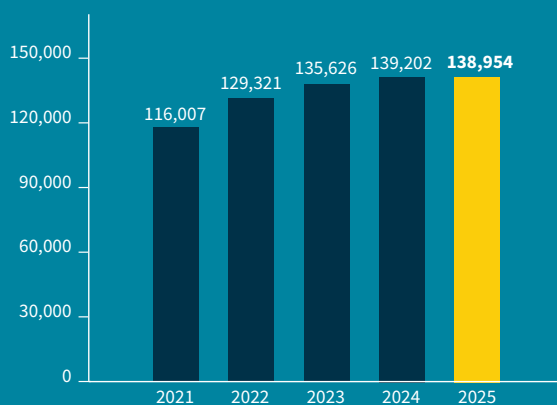
GROUP REVENUE
(RM'000)



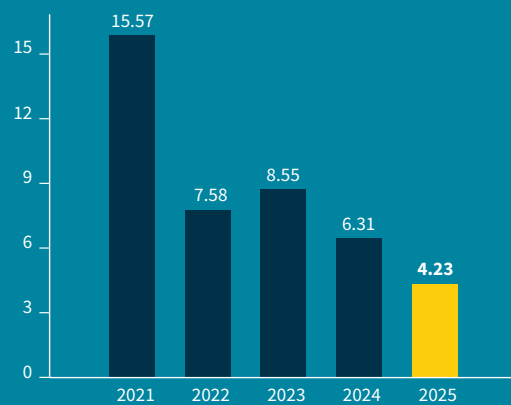
PROFIT BEFORE TAX
(RM'000)



SHAREHOLDERS' EQUITY
(RM'000)



NET EARNINGS PER SHARE*
(sen)



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP BUSINESS AND OPERATIONS

Kumpulan H & L High-Tech Berhad (“the Group”) continues to operate through four core business segments:

1. Manufacturing and Trading: Production of precision engineering moulds, machine parts, and plastic injection moulding components.
2. Plantation: Cultivation of oil palm.
3. Property Investment: Letting of properties and holding investment properties.
4. Property Development: Joint property development projects.

There were no significant changes in the principal activities of the Group during the financial year.

REVIEW OF FINANCIAL RESULTS

Financial Performance Overview

For FY2025, the Group recorded a significant increase in revenue but a decline in reported profit before tax (PBT), primarily due to a reduction in non-cash fair value gains on investment properties compared to the previous year.

KEY FINANCIAL INDICATOR	FY2025 RM	FY2024 RM	Variance %
Revenue	28,787,376	21,693,681	+32.7%
Gross Profit	11,693,878	8,453,013	+38.3%
Profit Before Tax (PBT)	6,798,417	8,787,027	-22.6%
Profit Attributable to Owners	4,891,513	7,424,965	-34.1%
Basic Earnings Per Share (sen)	4.23	6.31	-33.0%

Analysis of Results:

- Revenue Growth: The 32.7% increase in revenue was largely driven by the Plantation segment, which saw sales of fresh fruit bunches (FFB) nearly double from RM7.16 million in FY2024 to RM14.27 million in FY2025.
- Impact of Fair Value Adjustments: The reported PBT decline is largely attributable to valuation adjustments. In FY2025, the fair value gain on investment properties was RM1.77 million, significantly lower than the RM6.02 million gain recorded in FY2024.
- Operational Improvement: If the fair value gain on investment properties (RM1.77 million) is excluded, the Group’s operational performance actually improved, supported by the higher gross profit contribution from the plantation segment.

REVIEW OF OPERATING ACTIVITIES BY SEGMENT

Manufacturing and Trading

- Revenue: RM10.86 million (FY2024: RM11.13 million).
- Segment Result: Loss of RM0.58 million (FY2024: Loss of RM0.93 million).
- Analysis: This segment saw a marginal revenue decline of 2.4%. However, the segment successfully reduced its losses compared to the previous year. The Group continues to serve international markets, with significant exports to Europe (RM5.07 million) and the United States (RM1.06 million).

Plantation (Key Growth Driver)

- Revenue: RM14.27 million (FY2024: RM7.16 million).
- Segment Profit: RM3.05 million (FY2024: RM1.53 million).
- Analysis: This segment was the standout performer for FY2025. Revenue increased by 99% and segment profit doubled.
- Production Volume: The Group harvested approximately 16,329 metric tonnes of Fresh Fruit Bunches (FFB), a substantial increase from 9,531 metric tonnes in FY2024. This indicates successful yield improvements and operational efficiency in the estates.

MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

Investment (Property Investment)

- Revenue: RM3.14 million (FY2024: RM3.13 million).
- Segment Profit: RM3.75 million (FY2024: RM17.73 million).
- Analysis: Rental income remained stable and consistent with the previous year. The sharp drop in segment profit is purely technical, resulting from the lower fair value gain on investment properties recognised in FY2025 (RM1.77 million) compared to the significant gain in FY2024 (RM6.02 million).

Joint Property Development

- Revenue: RM0.52 million (FY2024: RM0.28 million).
- Segment Profit: RM0.41 million (FY2024: RM0.50 million).
- Analysis: Revenue distribution from the joint property development project increased year-on-year. The subsidiary continues its joint venture agreement where it is entitled to 21% to 23% of profit earned from properties sold, while development costs are borne by the partner.

FINANCIAL POSITION AND LIQUIDITY

The Group maintains a robust balance sheet with a net cash position and healthy capital ratios.

- Total Assets: Increased to RM178.85 million from RM175.12 million in FY2024.
- Cash Reserves: The Group holds cash and bank balances of RM6.62 million and deposits with licensed financial institutions of RM25.89 million, totaling RM32.51 million in liquid funds.
- Borrowings: Total borrowings (Terms loans and Lease liabilities) stood at RM22.63 million.
- Gearing Ratio: The gearing ratio remains low at 0.16 times (FY2024: 0.15 times), well below the internal policy threshold of 50%, indicating a conservative capital structure.
- Net Cash from Operations: The Group generated RM5.30 million in net cash from operating activities, increased from RM3.87 million in FY2024, primarily due to tax payments and working capital changes.

ANTICIPATED RISKS

The Group actively monitors the following risks as identified in the financial statements:

- Credit Risk: Significant exposure exists within trade receivables, particularly from major customers. As of the reporting date, 69% of trade receivables are due from just 4 customers. The Group mitigates this through strict credit controls and monitoring.

- Foreign Currency Risk: The Manufacturing segment is exposed to currency fluctuations, specifically the EURO and USD. A 1% strengthening of the USD would increase profit by approximately RM31,660.
- Interest Rate Risk: With floating rate borrowings of RM10.26 million, the Group is exposed to interest rate hikes. A 25 basis point increase in rates would impact equity by approximately RM25,650.
- Market Price Risk: The Group holds quoted equity investments in Malaysia. A 5% fluctuation in share prices would impact the Group's profit/equity by approximately RM136,364.

DIVIDEND

The Board acknowledges the importance of rewarding shareholders. For FY2025, the following dividends were paid:

- First interim single tier dividend of RM0.02 per ordinary share (Paid on 12 Dec 2024): RM2.34 million.
- Second interim single tier dividend of RM0.01 per ordinary share (Paid on 28 Oct 2025): RM1.14 million.
- Total Dividend: RM3.48 million.

The Directors do not recommend a final dividend payment for the current financial year.

OUTLOOK AND PROSPECTS

Looking ahead to 2026, the Group remains cautiously optimistic:

- Plantation: With FFB production showing a strong upward trend (increasing from 9,531 MT in 2024 to 16,329 MT in 2025), this segment is expected to remain a key revenue contributor, subject to crude palm oil (CPO) price fluctuations.
- Manufacturing: The Group will continue to focus on cost management and quality control to mitigate the losses recorded in FY2025, while maintaining its export markets in Europe and the US.
- Property: Investment properties provide a stable recurring income stream through rentals, which shields the Group from volatility in other sectors.

The Board is committed to maintaining the Group's strong financial footing, evidenced by its net cash position and low gearing, to navigate future economic uncertainties.

SUSTAINABILITY STATEMENT

ABOUT THIS SUSTAINABILITY STATEMENT

Kumpulan H&L High-Tech Berhad (“KHLHT”) brings over 40 years of industry expertise, underpinned by a firm dedication to sustainable business practices. Our ambition is to broaden our global reach and reinforce our standing as a premier provider of integrated plastic engineering solutions, delivering superior value through ongoing advancement and high performance.

We emphasise clear and accountable engagement with our stakeholders, ensuring transparency in the communication of our sustainability commitments. This approach is strengthened by well-defined strategies and actionable initiatives aimed at supporting long-term business resilience while generating meaningful benefits for all stakeholder groups.

REPORTING STANDARDS

The sustainability statement has been developed in accordance with the regulatory requirements and guidelines outlined below.

- Practice Note 9 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia Securities”);
- Sustainability Reporting Guide, 3rd Edition (“SRG”) issued by Bursa Malaysia Securities;
- Malaysian Code on Corporate Governance, updated on 28 April 2021 (“MCCG 2021”); and
- Global Reporting Initiative (“GRI”) 2021.

By adhering to these regulatory frameworks and guidelines, we reaffirm our commitment to high standards of professionalism, accountability, and transparency in the development of this Sustainability Statement.

REPORTING SCOPE AND PERIOD

The scope of our Sustainability Statement covers the following subsidiaries only:

Name of Entities	Division
• H & L High-Tech Sdn Bhd • Plastik STC Sdn Bhd	Manufacturing and sales of precision engineering moulds and other precision machine parts

This targeted approach helps us build a strong foundation for accurate reporting and continuous performance enhancement, while paving the way to broaden the scope in the future as we improve our data collection processes and sustainability strategies.

This Statement covers the period from 1 November 2024 to 31 October 2025, unless stated otherwise.

STATEMENT OF ASSURANCE

This Sustainability Statement has yet to undergo independent external assurance. However, rigorous internal validation by division heads and data stewards has been conducted to uphold the integrity and accuracy of the reported information. The Group is actively advancing towards the implementation of a formal assurance framework, aimed at enhancing the credibility and robustness of our sustainability disclosures. Recognising the critical importance of transparent and reliable reporting, we remain steadfast in our commitment to collaborate closely with all relevant stakeholders to achieve the highest standards of accountability.

FEEDBACK

We highly appreciate and encourage feedback from our stakeholders regarding this Sustainability Statement and the topics it covers. We welcome any comments, questions, or suggestions, which can be sent to ir@hlhightech.com. Your insights are invaluable and deeply valued.

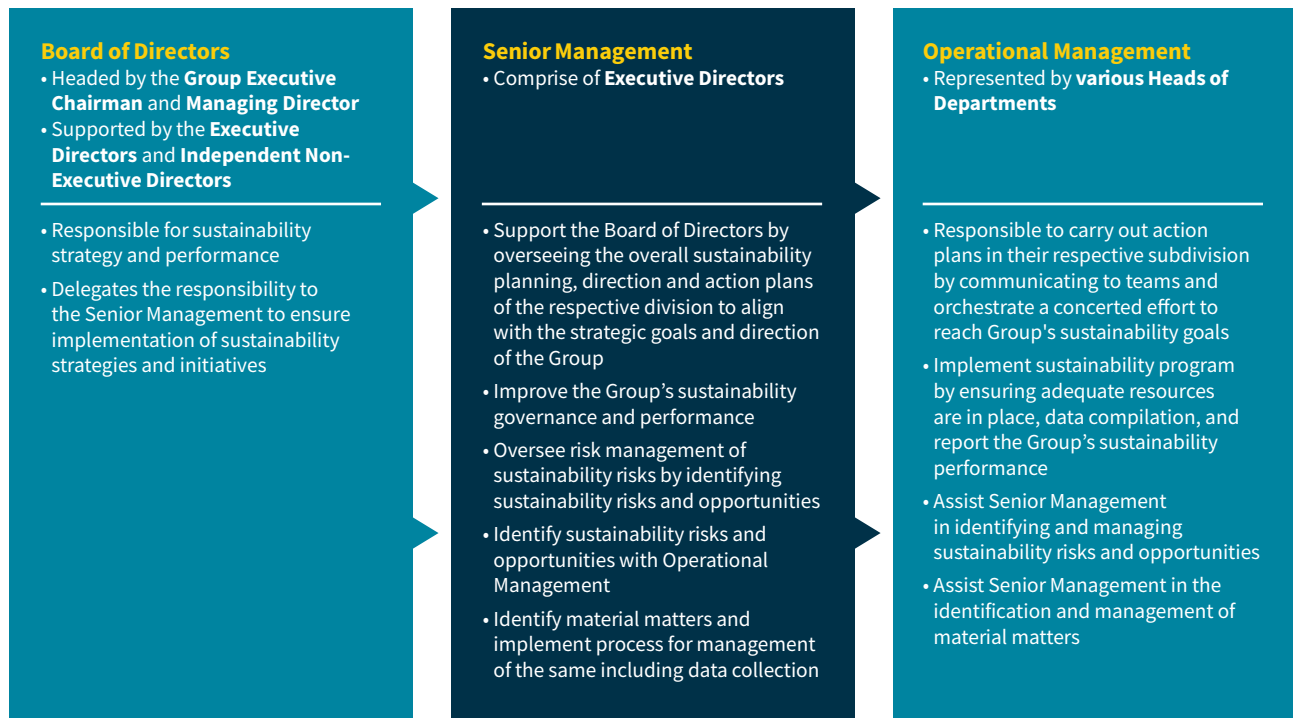
SUSTAINABILITY STATEMENT

(CONT'D)

SUSTAINABILITY GOVERNANCE

We recognise the critical importance of a sophisticated sustainability governance and leadership framework to adeptly steer KHLHT's sustainability agenda. Our governance architecture is meticulously designed to embed sustainability principles across every dimension of our operations and strategic decision-making. This framework exemplifies the Group's unwavering commitment to championing sustainable practices that create enduring and meaningful value for all stakeholders.

The following outlines the functions and responsibilities assigned to each level within our governance structure:



POLICIES AND PROCEDURES FOR GOVERNANCE AND OVERSIGHT

In line with our dedication to upholding robust corporate governance, the Group implements policies that not only establish a structured governance framework but also cultivate a culture of ethical business practices among our employees.



Conflict of Interest Policy



Board Charter



Directors' Fit and Proper Policy



Whistle Blowing Policy



Anti-Bribery and Anti-Corruption Policy



Code of Ethics and Conduct

By putting these policies into practice, we demonstrate our dedication to promoting transparency, accountability, and responsible management of both the environment and the communities we serve. We strive to maintain the highest levels of professionalism and ethical integrity in all that we do.

STAKEHOLDERS ENGAGEMENT

Our stakeholders are integral to the realisation of our strategic objectives, providing invaluable insights that help us identify opportunities for enhancement and craft targeted strategies to address them, thereby driving superior outcomes. We actively cultivate engagement with our stakeholders through a diverse array of communication channels, ensuring their perspectives are consistently heard and considered.

Demonstrating our commitment to collaboration and mutual understanding, we provide a detailed overview of our key stakeholders, the material sustainability issues relevant to them, and our continuous engagement initiatives, as illustrated in the table below:

Key Stakeholders	Areas of Interest	Engagement Methodology	Frequency	Our Response
Shareholders and Investors	- Accurate disclosure - Future direction - Recent performance - Sustainability	- Annual General Meetings - Conference Calls	Annually or when required	- Provide transparent disclosures on performance, strategy, and sustainability - Engage through AGMs and investor communications
Employees	- Compensation & Benefits - Personal Development - Insurance & Medical - Health and Safety - Efficiency & Comfort	- Annual performance appraisal - Occupational Health and Safety Committee meetings - Annual Team-Building & Dinner - Regular communications and meetings - Direct whistle-blowing channels	Regularly	- Offer fair compensation, benefits, and development opportunities - Ensure a safe, healthy, and open working environment
Customers	- Quality & Pricing - On-time Deliveries	- Annual Survey & Feedback - Regular communications - Complaints channel	Ongoing	- Deliver quality products at competitive prices - Ensure timely delivery and responsive feedback handling
Suppliers	- Quality & Pricing - On-time Deliveries - Sustainable supply chain and future business dealings - Procurement management	- Annual Review & Feedback - Regular communications - Complaints channel - On-Site Visits	Ongoing or regularly	- Practice fair and ethical procurement - Promote quality, timely delivery, and sustainable partnerships
Regulators	- Good & fair governance - Legal compliance	- Active participation in industry associations - Meetings with Government Agencies - Regular Audits & Inspections	When required	- Ensure full legal and regulatory compliance - Maintain cooperative relationships with authorities
Community	Community investment involves contributing donations, both in monetary and non-monetary.	- Donations - Fundraising - Charity events	Ongoing	- Support communities through donations and charitable activities - Contribute to social and community development

SUSTAINABILITY STATEMENT

(CONT'D)

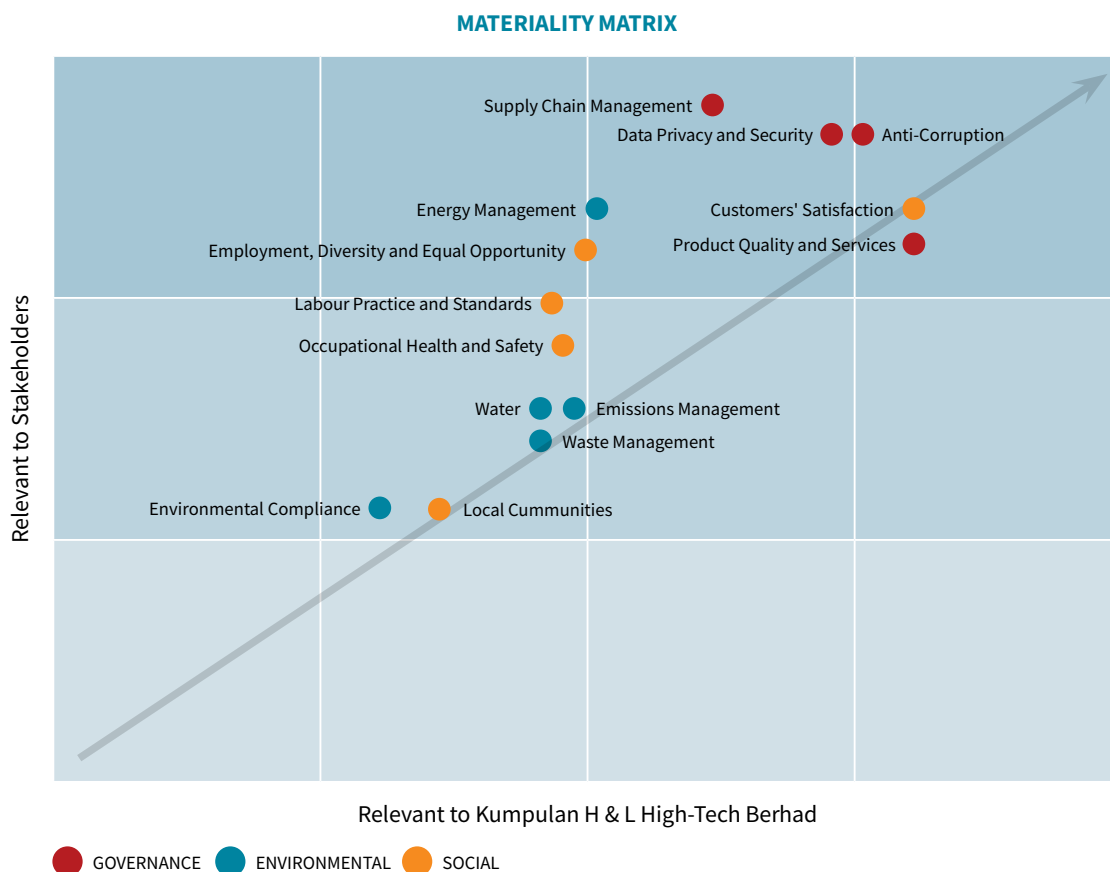
MATERIALITY MATTERS

Material matters comprise environmental, social and governance considerations that profoundly affect our ability to generate meaningful value for stakeholders. We strategically prioritise these issues by assessing their significance and harmonising them with our business objectives to effectively address and anticipate stakeholder expectations.

Our Group employs a thorough methodology to pinpoint material sustainability issues, considering both internal and external risks as well as stakeholder insights. We follow a four-step process to identify the material issues for reporting, aligned with industry best practices. This approach ensures a structured and comprehensive reflection of the organisation's sustainability priorities. The process consists of the following steps:

- i. Determine sustainability issues
- ii. Categorisation and prioritisation
- iii. Process review
- iv. Monitoring

A total of FOURTEEN (14) **KEY MATERIAL SUSTAINABILITY MATTERS** have been identified and mapped, as illustrated in the graph below, in accordance with the Sustainability Reporting Guide (3rd edition) and in response to the evolving business landscape.



The table below presents our material sustainability matters and illustrates how they align with the United Nations Sustainable Development Goals (UNSDGs).

Sustainability Matters	UNSDG reference
GOVERNANCE	
Anti-Corruption Upholding the highest standards of integrity and ethics throughout our operations. This involves implementing robust anti-corruption policies, promoting a culture of transparency, and actively preventing bribery and corrupt practices.	
Supply Chain Management Ensuring a resilient, ethical, and sustainable supply chain that encompasses responsible sourcing, prioritising local suppliers, contributing to community development, reducing carbon footprint, and promoting economic growth at the local level.	
Product Quality and Services Committing to excellence by consistently delivering high-quality products and services that meet or exceed customer expectations.	 
Data Privacy and Security We prioritise and diligently safeguard the privacy and security of data, ensuring robust measures are in place to protect sensitive information from unauthorised access or breaches.	
ENVIRONMENTAL	
Energy Management We actively seeks to minimize its environmental impact by implementing energy-efficient technologies, promoting conservation measures, and exploring renewable energy sources.	  
Water Actively monitoring and assessing water consumption, we strive to reduce our footprint, protect water quality, and support local ecosystems.	
Emissions Management Regular assessments and monitoring ensure compliance with regulatory standards and guide continuous improvement initiatives. We aim to mitigate our carbon footprint, contribute to climate change mitigation efforts, and foster a sustainable future for generations to come.	  
Waste Management Regular monitoring and assessment of waste generation enable us to enhance disposal practices and explore opportunities for waste reduction. We are committed to improving waste segregation, increasing recycling efforts, and minimising landfill contributions to support a circular economy and drive long-term sustainability.	 
Environmental Compliance Upholding a steadfast commitment to regulatory adherence and environmental responsibility in all aspects of our operations.	

SUSTAINABILITY STATEMENT

(CONT'D)

Sustainability Matters	UNSDG reference
SOCIAL	
Employment, Diversity and Equal Opportunity We are committed to securing employee contentment by upholding workforce rights through equitable treatment while embracing diversity as a core strength, fostering an inclusive environment that promotes equal opportunities for all.	  
Labour Practices and Standards Investing in the continuous development and empowerment of our workforce through comprehensive training and educational initiatives. We are committed to providing relevant and up-to-date training programs that enhance the skills, knowledge, and capabilities of our employees.	
Occupational Health and Safety We are committed to providing a safe and healthy working environment through comprehensive risk assessments, regular safety training, and the implementation of preventive measures.	
Local Communities We actively engage with and contribute to the well-being of the communities in which we operate.	
Customers' Satisfaction Placing the highest priority on understanding and meeting the needs of our customers. We are committed to delivering products and services that consistently surpass customer expectations.	

KEY PERFORMANCE INDICATORS (“KPIs”)

A set of sustainability targets and KPIs have been established.

ESG Indicators	FY2026 Sustainability Target	FY2025 Performance
Anti-Corruption	Zero cases on bribery and corruption	Zero cases on bribery & corruption
Supply Chain Management	To maintain 76% of local spend on local suppliers	Exceeded as achieved 91%
Product Quality and Services	Maintain and ensure 100% compliance with ISO 9001:2015 and ISO 13485:2016 certification	- Maintain and ensure 100% compliance with ISO 9001:2015 and ISO 13485:2016 certification – Met
Data Privacy and Security	Maintain zero data breaches	- Maintain zero data breaches – Met
Energy Management	Reduce energy intensity by 5%	- Maintain total energy consumption – Reduced by 9.4 % - Increase renewable energy generated by 3% – Increased by 57.3 % due to new solar facility at another subsidiary

ESG Indicators	FY2026 Sustainability Target	FY2025 Performance
Water	Maintain water consumption	- Maintain water consumption - Water usage intensity reduced by 20.7%
Emissions Management	Maintain Scope 1, 2 & 3	- Maintain Scope 1, 2 & 3 - Reduced by 26%
Waste Management	- Reduce directed waste disposal by 3% - Establish and identify the type of waste produced	- Reduce directed waste disposal by 3% - Increased by 5.48% - Establish and identify the type of waste produced - Met. Have started to report on hazardous waste
Environmental Compliance	Maintain zero cases of non-compliance	- Maintain zero cases of non-compliance - Met
Employment, Diversity and Equal Opportunity	- Maintain % of female representatives on the Board of Director - Increase or maintain female employee representation to 50% and local employment rate to 65%	- Maintain one-third of female representatives on the Board of Director - Not met as % of female directors amounts to 29% - Increase or maintain female employee representation to 50% and local employment rate to 65% - Female employee representation was 43% and local employment rate was at 64%
Labour Practices & Standards	- Increase average training hours to 4.5 per employee - Maintain a low employee turnover rate - Maintain zero human rights violations	- Increase average training hours per employee was 4.17 hours - Average training hours achieved was 2.44 hours - Maintain a low employee turnover rate - Employee turnover rate reduced to 3.82% - Maintain zero human rights violations - Met
Occupational Health and Safety	- Maintain zero workplace fatalities and lost time incidents - Expanding OSH training to at least 40 employees	- Maintain zero workplace fatalities and lost time incidents - Met - Expanding OSH training to at least 40 employees 2 employees attended OSH training
Local Communities	Continue contributing towards development of local communities	- Increase the total amount invested in the communities by 10% from FY2024 - Met. Total spend on both internal and external communities increased by 28%.
Customers' Satisfaction	Increase or maintain an average customer satisfaction rate above 90%	- Increase or maintain an average customer satisfaction rate above 90% - H & L High-Tech Sdn Bhd achieved an overall satisfaction rating of 91%, while Plastik STC Sdn Bhd recorded a score of 86%.

SUSTAINABILITY STATEMENT

(CONT'D)

RISKS, OPPORTUNITIES AND MANAGEMENT APPROACH

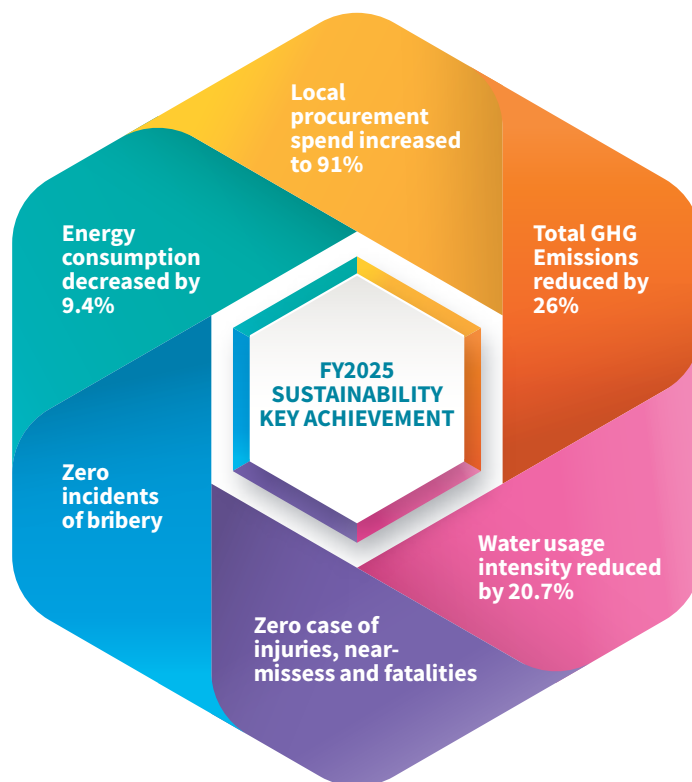
Through our materiality assessment process, we have identified potential sustainability risks and opportunities that are relevant and material to both our business and stakeholders. This step enables us to gain a better understanding of materiality matters and formulate proactive strategies and address these issues.

Material Topics	Risks	Opportunities	Impacted Key Stakeholders	Management Approach
Anti-Corruption	- Integrity risk - Reputation damage	Increased reputation and customers' loyalty	- Shareholders and Investors - Regulators - Employees	- Anti-Bribery and Anti-Corruption ("ABAC") declaration by employees on annual basis - Reminders on ABAC through training and briefings
Supply Chain Management	- Supplier reliability - Quality assurance - Labour shortage	- Building strong relationships and working closely with suppliers - Streamlining supply chain processes can lead to cost savings through improved efficiency, reduced waste and better negotiation with suppliers	- Suppliers - Customers - Shareholders and Investors	Continuously assessing and addressing supply chain risks
Product Quality and Services	- Manufacturing defects - Material quality - Equipment and machinery failure	- Quality certification and standards - Implement process automation for improved precision and consistency	- Customers - Suppliers - Shareholders and Investors	- Implement and maintain a robust Quality Management System ("QMS") such as ISO 9001 - Regularly conduct risk assessments - Quality control and testing - Training and skill development
Data Privacy and Security	- Leakage / Loss of confidential information - Cybersecurity risk	- Strengthened customer confidence - Enhanced operational efficiency and streamlined data management processes	- Shareholders and Investors - Employees - Customers - Suppliers	- Foster awareness among employees in handling confidential information - Implement access control measures
Energy Management	Pollution and environmental risk	Lessen environmental impact whilst decreasing overall cost	- Customers - Suppliers - Employees	- Implement energy efficiency practices - Install solar panels
Water	Shortage of water supply disrupts production processes and daily use	- Create opportunities for water saving technologies and management solutions - Educate staff about water saving	- Regulators - Shareholders and Investors - Employees	Continue usage of alternative water sources for daily usage such as rainwater
Emissions Management	Impact of GHG emissions on the environment, climate and human health	- Energy efficiency solutions - Renewable energy integration	- Shareholders and Investors - Employees - Suppliers	- Implement emissions reduction measures - Set emissions reduction targets
Waste Management	Increased waste generation and lack of formal recycling initiatives	- Establishing proper waste segregation and recording mechanisms - Practice recycling efforts	- Regulators - Suppliers - Customers - Employees	- Implement structured waste segregation - Track recycling activities - Explore sustainable waste reduction strategies

Material Topics	Risks	Opportunities	Impacted Key Stakeholders	Management Approach
Environmental Compliance	• Pollution and environmental risk	• Capable of adhering to legal regulations and avoiding penalties	• Shareholders and Investors • Customers • Suppliers	• Conduct environmental audits on annual basis
Employment, Diversity and Equal Opportunity	• Shortages of skilled labour • Employee turnover • Competency gap • Instances of discriminatory practices and failure to comply with basic human rights regulations can result in reputational risks	• Skilled labour development • Engage with employees and uphold open communication	• Employees	• Robust talent management strategies • Foster open communication with employees to comprehend their concerns and prioritise their well-being
Labour Practices and Standards	• Emerging industrial trends, evolving practices, and changes in regulatory requirements may render the existing knowledge of employees outdated	• Continuous learning within the company that is aligned with key performance indicators (KPIs)	• Employees	• Assess training requirements by conducting performance appraisals
Occupational Health and Safety	• Safety and health hazards • Reputational damage	• Taking care of overall well-being of employees by mitigating future accidents	• Employees	• Quarterly meeting to identify potential hazards, develop safety policies and procedures, and implement safety improvement initiatives • Sharing lesson learned from the accident reporting during the meeting
Local Communities	• Possible health hazards for the local community could arise from the operations, potentially leading to the issuance of a penalty notice	• Establish a reputation as a leading and sustainable industrial entity	• Community	• Implement activities/events that engage the community such as donations, charity and fundraising
Customers' Satisfaction	• Product quality issues • Pricing and cost issues • Lack of After-Sales support • Supply chain disruptions	• Offer customisation options to tailor products to individual customers' needs • On-time deliveries • Quality assurance	• Customers • Suppliers	• Implement rigorous quality control measures and standards • Encourage customer feedback • Establish an efficient after-sales support system

SUSTAINABILITY STATEMENT

(CONT'D)



GOVERNANCE

Anti-Corruption

The Group places great emphasis in building and maintaining an ethical business practice as it plays a critical role in enhancing our credibility, strengthening stakeholders confidence, and elevating the value of our business. Hence, the Group has always maintained a zero-tolerance stance towards anti-bribery and anti-corruption in all their business activities.

The Group has an established Anti-Bribery and Anti-Corruption ("ABAC") Policy and Guidelines ("ABAC Policy") that ensures bribery and corruption practices are prohibited in the business conduct within the Group. The ABAC Policy that has been established is in line with the Malaysian Anti-Corruption Commission Act 2009 and its Amendment Act 2018 ("MACC Act") and any of its amendments or re-enactments that may be made by the relevant authority from time to time. The ABAC Policy is applicable to all employees of the Group, being all the Directors, employees, and any third parties associated with the Group. The Board maintains overall oversight on the ABAC governance with the help of senior management.

In FY2025, no incidents of bribery or corruption were reported as shown in the table below. The Group remains steadfast in its efforts to maintain this record in FY2026 by enforcing stringent controls and procedures in alignment with the ABAC Policy.

	FY2023	FY2024	FY2025
Confirmed Incidents of Corruption	0 cases	0 cases	0 cases

Whistleblowing

The Group also has in place a Whistleblowing Policy for its directors, employees, contractors, joint venture partners, external stakeholders, other parties working with the group or members of the public (where relevant) to report any misconduct or wrongdoings in the Group. The objective of the Whistleblowing Policy is to provide all relevant parties with a platform to raise serious concerns or any known malpractices or wrongdoings that they encounter involving the interests of the Group.

The whistle-blowers are given protection and shall be granted immunity from any disciplinary action by the whistle-blower's immediate supervisor or Head of Department or any other person exercising power or authority over the whistle-blower in his/her employment. The identity of the whistle-blower shall be kept confidential to the extent possible unless otherwise required by law or for purposes of any proceedings by or against the Group. The protection will be accorded by the Group only when the whistle-blower satisfies the conditions as stated in the Whistleblowing Policy.

This policy is reviewed by the Group's Audit Risk Management Committee periodically to ensure that it is compliant with the requirements of the relevant legislation and remains effective for the Group. The reporting channel and the process for disclosure is stated clearly in the Whistleblowing Policy.

For FY2025, we have not received any whistleblowing reports. The ABAC Policy and Whistle-blowing Policy is available on the Company's website at KUMPULAN H & L HIGH-TECH BHD - IR System By Insage.

Data Privacy and Security

In today's digital age and with cyber threats becoming more relevant, the Group needs to protect the data of our customers, employees and business partners as it is vital for the long-term sustainability of the business. To comply with the Personal Data Protection Act 2010 ("PDPA"), the Group places a strong emphasis on safeguarding customer privacy to ensure full compliance with PDPA. The Group has embedded data confidentiality into its corporate framework, forming an integral part of our Code of Conduct, Employment Letters and Employee Handbook. The responsibilities of the employees with regards to data protection is clearly outlined in these documents.

Stringent protective measures and robust technologies are implemented and adopted by the Group to reinforce data security. Security Protocols of the Group are:

- i) The use of anti-virus software;
- ii) Routine system updates and;
- iii) Strict access controls.

The Group has restricted the employee's internet access on their computers. The USB drive ports of the employees are disabled as well to minimize risk of unauthorized data transfers or cyber threats. The designated computers, primarily those used by Managements and above, are granted internet access. These preventive measures are to ensure that the cybersecurity defences are strengthened and to reduce the risk of malware or virus attacks. The Group also has a Non-Disclosure and Confidentiality Agreement (NDA) to safeguard sensitive information shared within the Group.

The IT policy of the Group has provided clear guidelines on access management, network security, and the appropriate use of IT assets. The IT policy is continuously reviewed and updated to ensure that the best practices are being used in cybersecurity and that the emerging risks are being handled properly.

The oversight of the data privacy matters is entrusted to the Key Senior Management team, ensuring a top-level focus on compliance and security.

As at FY2025, there were zero substantiated complaints concerning breaches of customer privacy or losses of customer data across the Group.

Supply Chain Management

To ensure that its suppliers deliver quality products and services, a robust supplier evaluation system is implemented by the Group. The Group has in place a comprehensive supplier assessment framework which evaluates amongst others key criteria like customer services, product quality and timely delivery. The Group conducts the evaluation prior to onboarding a supplier and also conducts an annual evaluation. This thorough evaluation provides critical insights into supplier performance, reliability, and compliance, strengthening our overall supply chain management. As at 31 October 2025, the Group had evaluated 70.4% of the total active suppliers of the Group.

SUSTAINABILITY STATEMENT

(CONT'D)

Local Procurement

The Group also prioritises procuring its materials and products from local suppliers located near its operational facilities. This effort will not only contribute to regional economic growth, promote job creation, and help sustain local businesses but also reduce its carbon footprint due to reduction in distance of transporting such materials.

	FY2023	FY2024	FY2025
Local Procurement	69%	76%	91%

In FY2025, the Group's spend on local procurement had increased to 91% which is a testament of its effort to help build the local economy.

Product Quality and Services

The Group specialises in the design and manufacture of precision moulds for plastic, rubber, and metal products, serving industries such as electronics, automotive, furniture, and medical devices. We prioritise product and service excellence, supported by recognised certifications that reflect our compliance with stringent standards and industry best practices, providing customers with confidence in the quality and reliability of our operations.

Our Group has in place the following certifications to ensure our products and services meet recognised industry standards:

Accreditation	Entity	Scope of approval	Issue Date	Expiry Date
ISO 9001:2015	H & L High-Tech Sdn Bhd	Design and Manufacture of Precision Moulds for Plastic, Rubber and Metal Products	10-Jan-2024	11-Jun-2027
	Plastik STC Sdn Bhd	Manufacture of Plastic Injection Moulding for Electronics & Electrical, Automotive and Furniture Parts	18-Aug-2022	31-Aug-2028
ISO 13485:2016	Plastik STC Sdn Bhd	Molding and Assembly of Medical Device Plastic Components	08-Sep-2023	22-Sep-2026

ENVIRONMENTAL

The Group remains steadfast in our commitment to responsible environmental practices to ensure the business operations has minimal impact to the environment.

In FY2025, there was no non-compliance of any environmental laws by the Group.

Energy Management

Electricity

As part of the Group's business involve manufacturing, effective energy management is a vital aspect of the Group's operations as energy consumption significantly impacts performance. Energy Management is very impactful to the climate, hence, the Group has always been looking for ways to reduce its emissions from usage of purchased energy by looking at renewable energy sources. The Group had invested in renewable energy by installing a 123 kW solar panel system on the roof of our facilities.

By investing in energy management systems and continuously refining our optimisation efforts, we strive to strengthen both our operational efficiency and overall sustainability performance. This investment helps reduce our dependence on traditional energy sources while reinforcing our dedication to responsible environmental practices. In the year under review, the solar facility at H & L High-Tech Sdn Bhd had commenced operations. The solar energy facilities had reduced the usage of electricity by 9.4% when compared to the previous year.

Total Electricity Consumed

Electricity Consumption	Unit	FY2024	FY2025
Total Electricity Consumed*	kWh	1,929,646	1,748,556
Total Energy	kWh	1,929,646	1,748,556
Energy Intensity MWh per each RM 1 million of revenue	MWh	87.39	56.67

* Total electricity consumed is inclusive of renewable energy generated

Fuel Usage

For FY2025, the Group will be reporting on the fuel consumed by vehicles controlled or owned by the Group which data is as follows:

Type of Fuel	Unit	FY2025
Diesel	litres	1,263
Petrol	litres	12,783
Total Fuel	litres	14,046

Emissions Management

The Group is committed to enhance its operational efficiencies to mitigate environmental impact, including pollution and greenhouse gas (GHG) emissions as it is now a growing urgency to address climate-related concerns.

To enhance the Group's environmental transparency, the Group has monitored and managed the GHG emissions across all operational scopes through a proactive approach. In FY2025, the Group's GHG emissions have reduced by 26%.

GHG Emissions	Unit	FY2023	FY2024	FY2025
Direct (Scope 1)	tCO ₂ e	39.88	32.78	33.45
Energy indirect (Scope 2)	tCO ₂ e	1,708.10	1,493.55	1,124.50
Other indirect (Scope 3)	tCO ₂ e	No Data	77.23	15.36
Total GHG emissions	tCO ₂ e	1,747.98	1,603.56	1,173.31

The GHG emissions in Scope 1 are primarily attributed to the fuel usage by vehicles controlled or owned by the Group. Scope 2 emissions which is from electricity consumption is mainly from machinery usage in manufacturing and the implementation of solar generation facilities in the Group has contributed to a reduction of the emissions for Scope 2 by 25%.

This year the Group's Scope 3 emissions data will only include data for Business Travel and exclude employee commute as we would like to review the process and methodology of the data collection for this matter.

To further enhance the Group's sustainability performance in the future, the Group will be leveraging new technologies, refining operational workflows, and engaging stakeholders in its decarbonization journey.

SUSTAINABILITY STATEMENT

(CONT'D)

Waste Management

During FY2025, the Group has managed to collect 34.25 metric tonnes of non-hazardous waste which comprise mostly food waste, spoil pallets, material bags and coconut tree. These non-hazardous waste is directed to landfills. For FY2025, the Group will commence reporting on its scheduled waste.

The Group also recognizes that recycling is important to minimize the environmental impact. Plastik STC Sdn Bhd has a small-scale recycling initiative but these activities are not formally recorded by the Group.

The Group is committed to adopt a structured waste management framework that focuses on waste reduction, recycling expansion, and responsible disposal methods that is able to minimize environmental impact. The Group needs to ensure compliance with environmental regulations that also aligns with broader sustainability objectives.

Waste Management	FY2024	FY2025
Non-hazardous Waste (mt)	32.47	34.25
Hazardous Waste SW 305 (mt)	N/A	0.21

** The non-hazardous waste data has been restated by benchmarking with the standard bulk density stated in United Nations Environment Programme and Eawag, "Solid Waste Management in Developing Countries," Chapter III: Waste Characteristics and Bulk Densities, 2005. Available at UNEP/Eawag publication*

Water

Water is a vital resource for sustainable business and global water availability is a growing global concern. The Group is committed to protect the environment with effective water consumption and conservation as it is the essential component to our commitment to sustainability.

The Group is very sensitive to the local water resources in the operational sites and will try to minimize our impact wherever possible. We continuously review our water conservation practices, including regular monitoring, reducing wastage and promoting water-saving initiatives applicable in the operations.

As at FY2025, water consumption for the Group is recorded at 11.48 megalitres.

Water Consumption	Unit	FY2023	FY2024	FY2025
Water Consumption	Megalitres	12.72	10.89	11.48
Intensity (megalitres per each RM1 mil revenue)		N/A	0.493*	0.391

** Note the intensity has been restated to be per each RM1 million of revenue*

Environmental Compliance

The Group is committed to minimising environmental impacts through strict compliance with applicable global standards and local environmental regulations. Our operations are designed to reduce environmental risks while enhancing efficiency across the value chain.

The Group fully complies with the Restriction of Hazardous Substances (RoHS) Directive to limit the use of hazardous materials and manage environmental impacts across the product lifecycle.

For three consecutive financial years (FY2023–FY2025), the Group recorded zero cases of non-compliance, with no regulatory breaches, penalties, or adverse findings. We remain focused on sustaining full compliance and continuous improvement in environmental risk management.

SOCIAL

Employment, Diversity and Equal Opportunity

The Group is dedicated to promoting inclusivity and equal opportunity, cultivating a workplace that prohibits discrimination on the grounds of gender, age, or ethnicity. As a progressive employer, we recognise that a diverse workforce enhances our organisational culture and fuels innovation by bringing together a broad range of perspectives, talents, skills, and experiences.

This commitment is mirrored at the Board level, where appointments are based on integrity, expertise, capability, and merit, without regard to gender. Reflecting our ongoing focus on gender diversity, women continue to hold 25% of the Board seats.

The current Board representation is summarised as follows:

Board Diversity by gender and age group	Unit	FY2025
By Gender		
Male	71%	5
Female	29%	2
Under 30	0%	0
Between 30-50	29%	2
Above 50	71%	5

Please refer to pages 4 to 7 of the Annual Report 2025 for further details on the Board of Directors.

The mix of gender diversity underscores the Group's dedication to fostering an inclusive leadership structure. By combining diverse viewpoints with extensive experience, the Board is well-equipped to offer strategic direction and support the Group's long-term growth objectives.

In FY2025, the Group's total workforce comprised 157 employees, with the majority aged between 30 and 50, reflecting a concentration of experienced professionals actively advancing their careers. Female representation declined slightly from 47% in FY2024 to 43% in FY2025, but still represents a healthy mix of gender diversity. While the workforce remains predominantly male, reflecting the nature of the industries in which the Group operates, the Group continues to be committed in building a more balanced and inclusive workplace.

Further details on the Group's workforce are set out in the tables below:

Diversity by Gender

	FY2023		FY2024		FY2025	
Female	62	42%	73	47%	68	43%
Male	86	58%	83	53%	89	57%
Total Employees	149		156		157	

Note: The above information on employees includes the board of directors of the Group

SUSTAINABILITY STATEMENT

(CONT'D)

Diversity by Age

	FY2024 (%)	FY2025 (%)
Below 30 years	34	34
30 to 50 years	36	38
Above 50 years	30	29

Diversity by Nationality

	FY2024 (%)	FY2025 (%)
Malaysian	62.5	63.7
Non-Malaysian	37.5	36.3

Consistent with our commitment to supporting local employment, the proportion of Malaysian employees increased slightly in FY2025 at 63.7% compared with FY2024 which was 62.5%, reflecting the Group's dedication to hiring local talent and contributing to national employment initiatives. Foreign employees are primarily engaged in operational roles within our manufacturing and production functions. The Group continues to ensure that its remuneration packages remain equitable and competitive by regularly benchmarking its salary structures and benefits against market standards. This practice supports the attraction and retention of capable and diverse talent, while also reinforcing a positive and inclusive workplace environment.

Over the past three financial years, the Group's workforce has not been represented by any labour union, and industrial relations have remained harmonious, with no material disputes reported. For FY2025, the Group recorded no substantiated complaints relating to human rights violations, reflecting our continued commitment to fair and responsible employment practices.

Types of Benefits	Description
Allowances	Outstation allowance, shift and meal allowance
Healthcare	Medical benefits, Hospitalisation benefits
Fringe Benefits	Mileage reimbursement, company car
Paid Leave Entitlement	Annual leave, medical leave, maternity leave, hospitalisation leave, compassionate leave, congratulatory leave, special leave (attending training courses/seminars/convention), industrial accident leave

Labour Practices and Standards

The Group remains committed to cultivating a supportive and equitable workplace that prioritises employee well-being, professional growth, and adherence to high labour standards. In FY2025, we made notable progress in strengthening labour practices, upholding ethical employment standards, and fostering continuous learning through targeted training initiatives. During the year, a total of 330.5 training hours were delivered, averaging 2.44 hours per employee, with an investment of RM19,974. This represented a 46% decrease from the total training hours in FY2024. These initiatives demonstrate our proactive approach to developing employee skills, equipping our workforce with the competencies needed to excel, and promoting a culture of continuous improvement.

	FY2024	FY2025
Total training hours	612.8 Hours	330.5 Hours
Average training hours per employee	3.93	2.44

Training programs covered a wide spectrum of topics including:

- Technical and operational skills training on production processes, inspection, measurement, assembly and product quality
- Quality, audit and supplier management training on quality systems, audits traceability and supplier controls
- Health, safety and workplace compliance training on workplace safety, occupational health and safety and employee well-being
- Governance, ethics and sustainability training on compliance, integrity, ESG and anti-corruption
- Business training on tax, customs and related regulations
- Personal development training

We prioritise creating an inclusive and multicultural workplace, welcoming employees from a variety of ethnic and cultural backgrounds.

In line with the Group's people strategy, all employees were engaged on a permanent basis in FY2025, with no reliance on contract or temporary staff. The Group believes that providing long-term employment security strengthens organisational continuity, commitment, and morale, which in turn supports stronger overall performance. During the year, staff turnover remained low, with six departures representing 3.8% of the total workforce, reflecting a positive and stable working environment that supports talent retention and reduces employee attrition.

	FY2025
Total number of new hires	8
Total number of employee turnover	6
Turnover rate (%)	3.8

Respecting human rights is a cornerstone of our labour practices. In FY2025, there were no reported complaints related to human rights violations. This result highlights the strength of our responsible employment standards, the robustness of our grievance handling processes, and our continued commitment to fostering a workplace environment built on mutual respect and inclusion.

The Group adopts recognised industry standards and is committed to upholding exemplary practices in employee well-being, workplace rights, and talent development. These efforts strengthen workforce morale and commitment, improve organisational effectiveness, and ultimately underpin the Group's sustainable expansion and long-term performance.

Occupational Health and Safety

Health and Safety at work is of primary concern to the Group. The Group has established robust health and safety practices, guided by a clear policy that defines safety standards, procedures, and roles. Our policy emphasises that safety is a collective responsibility, encouraging all employees to follow established procedures to protect both their own well-being and that of their colleagues. This philosophy helps cultivate a workplace culture grounded in mutual care, vigilance, and safety.

Key initiatives carried out to enhance occupational health and safety include carrying out ongoing safety briefings, awareness initiatives, and compliance assessments at project locations.

Owing to the Group's rigorous safety controls and proactive approach to risk management, no incidents, accidents, injuries, or fatalities were reported during the period under review. We continue to uphold a strong safety culture and are committed to ongoing improvement in workplace health and employee well-being.

A total of 2 employees attended health and safety training, and the total training hours for FY 2025 amounted to 21 hours.

Health & Safety ("HSE")	FY2024	FY2025
Number of work related fatalities	0	0
Lost Time Incident Rate ("LTIR")	0	0
Number of employees being trained on HSE	25	2
% of employees trained	16%	1.3%

SUSTAINABILITY STATEMENT

(CONT'D)

Local Communities

Employee Engagement

In support of employee well-being and the cultivation of a positive workplace culture, the Group invested a total of RM152,138.61 in a range of staff welfare initiatives. The chart below presents a breakdown of these expenditures across key areas, including healthcare, sanitation, community and cultural contributions, logistics, and food and beverage.

The Group invested RM17,640.98 in employee cultural and social programmes. Expenditures covered festive items, including red packets and oranges, representing prosperity and goodwill, as well as sponsorship of events and activities designed to promote inclusiveness and foster stronger bonds among staff.

In addition to cultural initiatives, the Group placed strong emphasis on protecting the physical well-being of its employees by focusing on health and cleanliness in the workplace. An amount of RM32,732.31, representing 22% of total welfare expenditure, was allocated to healthcare and sanitation programmes. This spending covered a range of measures, including the provision of medical support, the upkeep of strict hygiene standards, and the maintenance of appropriate sanitation facilities for employees.

Additionally, RM72,706.32, accounting for 48% of total welfare expenditure, was directed towards food and beverage provisions for special occasions and light refreshments. An additional RM23,398.00, or 15% of total welfare spending, was allocated to logistics and accommodation support, demonstrating the Group's commitment to prioritising employee convenience and comfort, thereby creating a conducive environment for work.

Contribution to Employee Welfare

	FY2023	FY2024	FY2025
Total contribution to internal communities	RM 18,588.00	RM 113,829.78	RM 152,138.61

Our Contribution to External Communities

The Group is committed to supporting the communities in which we operate by promoting social welfare, inclusivity, and solidarity. In FY2025, our efforts focused on initiatives that create meaningful social impact and strengthen community ties, reflecting our role as a responsible corporate citizen.

Key contributions during the year included:

- **Sponsorship for the Majlis Lambaian Kasih Sanjungi Budi community event through the village security and development committee for Kampung Nyalau** – the Group provided sponsorship for this local cultural and welfare programme, which aims to recognise and support community members in need while fostering a sense of belonging and togetherness.
- **Donation to the Miri Flood Volunteer Program via Junior Chamber International Riam Miri** – the Group contributed resources to aid communities affected by flooding, providing essential support to those impacted and assisting volunteers in relief efforts. This initiative demonstrates our commitment to disaster response and social resilience.
- **Provision of Hari Raya hampers to residents in Kampung Nyalau** – the Group extended festive support to local families, helping to celebrate Hari Raya and promote joy, inclusivity, and community cohesion during significant cultural occasions.

In addition, the Group provided condolence contributions to the families of employees during times of bereavement, reflecting our commitment to supporting our workforce and their loved ones in times of need.

Through these initiatives, the Group aims to foster stronger community engagement, enhance social cohesion, and contribute to the well-being of society. Our CSR approach focuses on initiatives that generate tangible and lasting benefits, reinforcing a culture of empathy, responsibility, and positive social impact.

	FY2024	FY2025
Total contribution to external communities	RM 7,500	RM 3,600
Number of Beneficiaries	4	5

Customers' Satisfaction

Customer satisfaction remains a core priority of the Group and underpins every aspect of our service delivery, reinforcing our commitment to product quality and service excellence. To uphold this standard, our subsidiaries implement a Customer Complaint & Satisfaction Procedure designed to minimise complaints and product rejections, drive continuous quality improvement, and systematically monitor customer satisfaction levels.

H&L High-Tech Sdn Bhd and Plastik STC Sdn Bhd carry out customer satisfaction assessments on an annual basis as part of their ongoing efforts to strengthen customer engagement and gather systematic feedback. In the latest survey exercise, participation reached 100%, indicating strong customer involvement. H&L High-Tech Sdn Bhd achieved an overall satisfaction rating of 91%, while Plastik STC Sdn Bhd recorded a commendable score of 86%. These outcomes demonstrate the ability of both subsidiaries to consistently deliver reliable service standards, supported by effective communication, clear lead-time management, a strong understanding of customer expectations, and seamless working relationships throughout the pre- and post-sales stages.

In addition to the surveys, the Group monitors customer satisfaction through multiple channels, including:

- Customer complaints,
- Direct communication channels, and
- Customer satisfaction surveys.

Together, these mechanisms provide a comprehensive view of customer expectations and experiences, enabling the Group to continuously refine its processes and address improvement areas in a timely and effective manner.

Notably, H&L High-Tech Sdn Bhd recorded zero customer complaints for FY2025, underscoring its strong quality standards and customer-focused approach. Plastik STC Sdn Bhd, meanwhile, recorded an average of less than one complaint per month in FY2025, reflecting consistent service performance and a proactive approach to resolving issues promptly.

The Quality Assurance team evaluates each complaint to determine whether an internal investigation and/or a formal Corrective Action Request ("CAR") is required. Where corrective action is necessary, a CAR reference number is issued and recorded in the Customer Complaint Register to ensure proper monitoring, follow-up, and closure. This structured and disciplined approach to complaint management demonstrates our commitment to enhancing service quality and ensuring a consistent level of service and delivery to our customers.

SUSTAINABILITY STATEMENT

(CONT'D)

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
GHG Emissions	Scope 1	tCO2e	33.45	–	No Assurance	
GHG Emissions	Scope 2	tCO2e	1,124.50	–	No Assurance	
GHG Emissions	Scope 3	tCO2e	15.36	–	No Assurance	Business Travel
Anti-Corruption	C1(c) Confirmed incidents of Corruption	No of Cases	0	–	No Assurance	
Diversity	C3(a) Percentage of employees by gender and age group	Percentage	Male (57); Female (43). Under 30 years old (34), between 30 to 50 years old (38); Above 50 years old (28)	–	No Assurance	
Diversity	C3(b) Percentage of directors by gender and age group	Percentage	Male (71); Female (29). Under 30 years old (0), between 30 to 50 years old (29); Above 50 years old (71)	–	No Assurance	
Energy management	C4(a) Total energy consumption	Megawatt hour	1.75	–	No Assurance	
Anti-Corruption	C1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	Management/ Executive (0); Non-executive/General Workers (0)	–	No Assurance	
Anti-Corruption	C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0	–	No Assurance	
Community/ Society	C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3,600	–	No Assurance	
Community/ Society	C2(b) Total number of beneficiaries of the investment in communities	Number	5	–	No Assurance	
Health and safety	C5(a) Number of work-related fatalities	Number	0	–	No Assurance	
Health and safety	C5(b) Lost time incident rate ("LTIR")	Rate	0	–	No Assurance	
Health and safety	C5(c) Number of employees trained on health and safety standards	Number	2	–	No Assurance	
Labour practices and standards	C6(a) Total hours of training by employee category All Staff	Hours	330.5	–	No Assurance	
Labour practices and standards	C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0	–	No Assurance	
Labour practices and standards	C6(c) Total number of employee turnover by employee category All Staff	Number	6	–	No Assurance	
Labour practices and standards	C6(d) Number of substantiated complaints concerning human rights violations	Number	0	–	No Assurance	
Supply chain management	C7(a) Proportion of spending on local suppliers	Percentage	90	–	No Assurance	
Data privacy and security	C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	–	No Assurance	
Water	C9(a) Total volume of water used	Megalitres	11.48	–	No Assurance	

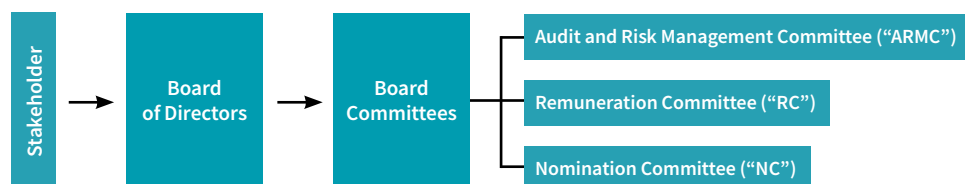
CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Kumpulan H & L High-Tech Berhad (“KHLHT” or “the Company”) is committed to uphold the high standards of corporate governance (“CG”) through the Company and its subsidiaries (“the Group”) with the ultimate objective of realising long-term shareholder value while taking into consideration the interest of other stakeholders.

This CG Overview Statement sets out the extent to which the Company has applied the practices encapsulated in the Principles of the Malaysian Code on Corporate Governance (“MCCG”) except where stated otherwise, during the financial year ended 31 October 2025 (“FY2025”).

Details of the Group’s application of each practice sets out in the MCCG is disclosed in the Corporate Governance Report, which is available together with this Report in Bursa Malaysia Securities Berhad (“Bursa Securities”)’s website and the Company’s website at www.hlhightech.com.

GOVERNANCE FRAMEWORK



ADOPTION OF CG CODE

The Board considers that the Company has adopted the CG practices and applied the main principles of the MCCG for FY2025 except:

- Practice 1.3 as Chairman and CEO are the same person.
- Practice 5.9 as the Board does not currently comprise at least 30% female directors.
- Practice 5.10 (Gender Diversity) as the Company does not have specific policies and target on Gender Diversity.
- Practice 8.2 as the Company did not disclose on a named basis the top five (5) senior management’s remuneration in bands of RM50,000.
- Practice 13.3 as the Company did not facilitate the remote shareholders’ participation at the Annual General Meeting (“AGM”) due to previous AGM was held physically on 25 April 2025.
- Practice 13.5 as the Company did not convene its AGM virtually, the shareholders could not participate in the AGM remotely. Nevertheless, the shareholders were given sufficient opportunity to pose questions during the AGM and received meaningful responses from the Board and Management.

BOARD COMPOSITION

As at 31 October 2025

By Category	By Gender	By Tenure of Independent Non-Executive
• Three (3) out of seven (7) or 42.86% are Executive • Four (4) out of seven (7) or 57.14% are Independent Non-Executive	• Two (2) out of seven (7) or 28.57% Female • Five (5) out of seven (7) or 71.43% Male	• Four (4) out of four (4) or 100% are less than nine (9) years
Change to the composition of the Board during FY2025		
• One (1) Executive Director was appointed during FY2025		

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

BOARD LEADERSHIP AND EFFECTIVENESS

The Board is aware of the importance of good corporate governance and are guided by the Corporate Governance Guide published by Bursa Securities on the following:

- Board Leadership, Roles and Responsibilities
- Directors' Core Areas of Expertise
- Board Evaluation
- Board Effectiveness Review Cycle
- Appointment to the Board, Succession Planning and Diversity

Meeting Attendance in FY2025

The meeting attendance of our Board and Board Committees members in FY2025, is as set out in the table below:

Number of Meetings held in FY2025	Board	ARMC ¹	RC ²	NC ³
Executive Directors				
Tan Lye Huat	6 / 6 (100%)	N/A ⁴	N/A ⁴	N/A ⁴
Tan Sook Yee	6 / 6 (100%)	N/A ⁴	N/A ⁴	N/A ⁴
Tan Yaw Bin (appointed on 20 June 2025)	2 / 2 (100%)	N/A ⁴	N/A ⁴	N/A ⁴
Independent Non-Executive Directors				
Lim Hock Aun	6 / 6 (100%)	5 / 5 (100%)	1 / 1 (100%)	2 / 2 (100%)
Yoon Hin Yeow	6 / 6 (100%)	5 / 5 (100%)	1 / 1 (100%)	2 / 2 (100%)
Thong Chee Thim	6 / 6 (100%)	5 / 5 (100%)	1 / 1 (100%)	2 / 2 (100%)
Mak Wai Chin	6 / 6 (100%)	5 / 5 (100%)	1 / 1 (100%)	2 / 2 (100%)

Notes:

¹ ARMC: Audit and Risk Management Committee

² RC: Remuneration Committee

³ NC: Nomination Committee

⁴ N/A: Not applicable

The Board is satisfied with the level of time commitment given by the Directors toward fulfilling their roles and responsibilities as Board and/or Board Committee members.

Board Responsibilities

Board Charter and Board Committees

The Board is responsible for the overall oversight and management of the Group. The Board has established clear functions reserved for the Board and those delegated to Management to enhance accountability. There is a formal schedule of matters reserved for the Board's deliberation and decision to ensure that the direction and control of the Company remain with the Board. Key matters reserved for the Board include, inter-alia, the approval of quarterly and annual financial statements for announcement, investment and divestment decisions, and the monitoring of the Group's financial statements and operating performance.

The delineation of roles and responsibilities is set out in the Board Charter ("Charter"), which serves as a key reference for the Board's activities. The Charter provides guidance for the Directors and Management regarding the roles and responsibilities of the Board, its Committees and Management, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. The Board is committed to take full responsibility for the overall corporate governance of the Group. In performing its duties, the Board is guided by the Charter that sets out amongst others its roles, composition, responsibilities, powers, Board Committees and Board meeting. The governance principles embedded in the Charter regulate the Board's conduct and guide the business strategic initiatives of the Group. The Charter is available on the Company's website at www.hlightech.com.

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Responsibilities (cont'd)

Board Charter and Board Committees (cont'd)

The Board has established three (3) Board Committees, namely ARMC, NC and RC that are delegated with specific responsibilities and authorities to assist the Board in executing its duties and to provide the Board with recommendations and advice. The delegation of authority to the Committees enables the Board to achieve operational efficiency, by empowering each Committee to review, report and make recommendations to the Board on matters relevant to their roles and responsibilities. Each Committee is governed by its own Terms of Reference ("TOR") which sets out its functions and duties, composition, rights and meeting procedures. These Terms of Reference are reviewed periodically in accordance with the needs of the Company and taking into account the changes in the business, governance and legal environment that may have an impact on the discharge of the Committees' duties and responsibilities. The Chairmen of the various Board Committees will report to the Board the outcome of the Committee meetings which will be recorded in the minutes of the Board meeting. The ultimate responsibility for decision making, however, lies with the Board.

The TOR of the Board Committees are available on the Company's website at www.hlhightech.com.

Company Secretaries

The Board is supported by Company Secretaries, one of whom is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), while the other is a member of the Malaysian Institute of Accountants ("MIA"). The appointment of the Company Secretaries is based on the capability and proficiency as determined by the Board. The Directors have unrestricted access to the advice and services of the Company Secretaries to enable the Directors to discharge their duties effectively. The Company Secretaries ensure that the Board is regularly updated on their obligations under relevant regulatory requirements such as Main Market Listing Requirements ("MMLR") of Bursa Securities, Companies Act 2016 ("CA 2016"), MCGG and other relevant guidelines and rules issued from time to time.

The Company Secretaries also attend all Board, Board Committees and general meetings, and ensure that deliberations at the meetings are accurately minuted and kept in the minutes books and subsequently communicated to the relevant party for necessary actions. Such minutes of meetings are confirmed by the Board and the respective Board Committees and signed by the Chairman of the meeting.

Information and Support for Directors

The Board papers comprising due notice of issues to be discussed and supporting information and documentations were provided to the Board on a timely manner. This is to ensure that the Directors are given sufficient time to read the Board papers and seek clarification they may need from Management or to consult the Company Secretaries or independent advisers before the Board Meetings, if necessary. This enables the Directors to discuss the issues effectively at the Board meetings. The Board has full and unrestricted access to all information within the Company to enable them to discharge their duties and responsibilities and is supplied in a timely basis with information and reports on financial, regulatory and audit matters by way of Board papers for informed decision making and meaningful discharge of its duties. All Directors have direct access to the advice and services of the Company Secretaries who are responsible for ensuring the Board's meeting procedures are adhered to and that applicable rules and regulations are complied with. The Chairman of the Board Committees, namely, the ARMC, RC and NC brief the Board on matters discussed as well as decisions taken at the meetings of their respective Board Committees meetings. When necessary, all Directors may, whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the Directors to discharge their duties with adequate knowledge on the matters being deliberated.

Code of Ethics and Conduct

Good governance at all levels is essential for sustainable development. The Board is committed to embrace the highest standards of corporate governance practices and ethical standards throughout the Group. In this respect, the Board has formalised a Code of Ethics and Conduct, setting out the standards of conduct expected from the Directors and employees to inculcate good ethical conduct. The Board recognises the importance of adhering to the Code of Ethics and Conduct and has taken measures to put in place a process to ensure its compliance. The same is available on the Company's website at www.hlhightech.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Responsibilities (cont'd)

Whistleblowing, Anti-Bribery and Anti-Corruption and Conflict of Interest Policies

The Board is committed to achieve and maintain high standards of corporate governance practices across the Group. The Board has formalised a Whistleblowing Policy, with the aims of providing an avenue for raising concerns relating to possible breaches of business conduct, non-compliance with laws and regulatory requirements, as well as other malpractices. The policy was revised and approved by the Board on 20 December 2024. The Whistleblowing Policy is available on the Company's website at www.hlhightech.com.

The Company has also adopted the Group's Anti-Bribery and Anti-Corruption Policy, which sets out the principles, guidelines and requirements for addressing bribery and corrupt practices that may arise in the course of the Group's business and operations. The Board reviewed and assessed the effectiveness of the policy and approved it on 20 December 2024. The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at www.hlhightech.com.

Conflict of Interest Policy

In line with the amendments of the MMLR which covers the area of potential Conflict of Interest ("COI") of Directors and Key Senior Management, the Board has adopted the COI Policy on 27 December 2023. The COI Policy is intended to ensure that the Directors and Key Senior Management act in the best interests of the Group and remain free from any personal, financial, non-financial, or other conflicts that could compromise their judgement or impartiality. The COI Policy is available on the Company's website at www.hlhightech.com.

The Board has entrusted the oversight of COI matters to the ARMC. As part of its role, the ARMC actively monitors and reviews disclosures by Directors to identify any actual, potential, or perceived conflicts of interest. This process enables timely assessments of conflicts and the implementation of appropriate mitigation measures where necessary, thereby reducing the risk of biased decision-making.

Board Composition

The Board recognises the importance of having a diverse Board in terms of age, ethnicity, and gender, as such diversity provides a broad range of perspectives, experience, and expertise that add value to the Company and support effective stewardship. The present Board comprises seven (7) members, consisting of three (3) Executive Directors and four (4) Independent Non-Executive Directors. This composition complies with the requirements under Paragraph 15.02 of the MMLR, which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be independent. With this current composition, the Board has also complied with Practice 5.2 of MCCG, whereby at least half of the Board comprises Independent Directors.

The Directors, with their diverse backgrounds and areas of specialisation, collectively bring a wide range of experience and expertise in areas such as engineering, entrepreneurship, finance, taxation, accounting and audit, legal, and economics. The Executive Directors are responsible for managing the Group's day-to-day business and operational decisions, as well as implementing the Board-approved policies. There is a clear division of duties and responsibilities among them to ensure an appropriate balance of control, authority, and accountability within Management.

Independence

The Independent Non-Executive Directors provide objective and independent views, advice, and judgement in the best interests of the Group and its stakeholders, including shareholders, employees, customers, suppliers, and the communities in which the Group operates. They play an essential role in safeguarding shareholders' interests and contribute significantly to the Board's deliberations and decisions through their independent and impartial perspectives.

The Board is satisfied that its current size and composition reflect an appropriate balance between Executive and Non-Executive Directors and are adequate for the scope and nature of the Group's business and operations. The Board also considers that the Independent Non-Executive Directors are able to function independently of Management and are free from any business or other relationships that could materially interfere with their ability to exercise independent judgement in the best interests of the Group.

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition (cont'd)

Tenure of Independent Directors

As at 31 October 2025, all independent directors have served on the board for less than nine (9) years.

Diversity on Board and Senior Management

The existing composition of the Board represents a good mix of knowledge, skills and experience to ensure that the Group is competitive within its industry. The Board, through the NC will consider appropriate targets for appointment as Board members in terms of skills, experience, gender, ethnicity, time commitment and age and will take required measures to meet those targets from time to time if deemed necessary to enhance the effectiveness of the Board.

Currently, the Board comprises five (5) male and two (2) female Directors. This composition complies with Paragraph 15.02 of the MMLR, which requires at least one (1) female Director on the Board. However, the Company does not meet the MCGG recommendation of having at least 30% female representation on the Board, with female Directors representing only 28.57% of the Board. Notwithstanding this, the Board is of the view that the existing composition, in terms of skills, experience, and diversity of perspectives, supports effective decision-making and enables the Board to efficiently lead and oversee the Group. The size of the Board is considered optimal, allowing for effective oversight, appropriate delegation of responsibilities, and productive discussions among Board members. The Board will consider the appointment of additional female candidates, when there is further expansion of the Board's composition.

The Board does not have a formal diversity policy in relation to gender, age, and ethnicity for Board appointments. The evaluation of the suitability of candidates is based on their competency, character, time commitment, integrity and experience in meeting the needs of the Company. Nevertheless, the NC will continue to take steps to ensure that gender, age, and ethnicity are taken into consideration as part of its recruitment exercise.

Nomination Committee

The NC comprises four (4) Independent Non-Executive Directors and is chaired by Mr Yoon Hin Yeow. The duties and responsibilities of the NC are set out in its TOR, which are available on the Company's website at www.hllhightech.com.

The NC meets at least once a year, with additional meetings convened as and when required. During FY2025, the NC met twice.

During the FY2025, the NC carried out the following key activities:

- i. Reviewed the training needs and programmes for the Board and facilitated training sessions;
- ii. Conducted annual assessment of the effectiveness and performance of the Board, Board Committees, and individual Directors;
- iii. Reviewed and recommended candidate for appointment to the Board;
- iv. Assessed the independence of the Independent Directors; and
- v. Reviewed and recommended the re-election of Directors retiring at the AGM.

Re-election of Directors

In accordance with the Company's Constitution (the "Constitution"), all Directors who are appointed by the Board to fill a casual vacancy are subject to election by shareholders of the Company at the first AGM after their appointment. Clause 76(3) of the Constitution also provides that one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office at least once in every three (3) years, but shall be eligible for re-election.

Clause 78 of the Constitution further provides that any Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next AGM and shall be eligible for re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition (cont'd)

Re-election of Directors (cont'd)

The re-election of Directors at the AGM is subject to prior assessment by the NC in accordance with the Fit and Proper Policy. For the forthcoming AGM, the following Directors will be retiring and, being eligible, have offered themselves for re-election:

- Mr Thong Chee Thim (pursuant to Clause 76(3) of the Constitution)
- Ms Mak Wai Chin (pursuant to Clause 76(3) of the Constitution)
- Mr Tan Yaw Bin (pursuant to Clause 78 of the Constitution)

The NC has conducted an assessment on the fit and proper criteria, including any COI, of the retiring directors seeking re-election at the forthcoming AGM, namely Mr Thong Chee Thim, Ms Mak Wai Chin and Mr Tan Yaw Bin, in accordance with the Fit and Proper Policy and Constitution. The NC concluded that they meet the criteria set out under the Fit and Proper Policy and Paragraph 2.20A of the MMLR in terms of character, experience, integrity, competence, and time commitment to effectively discharge their duties as Directors. Accordingly, the Board has recommended to the shareholders their re-election at the forthcoming AGM of the Company.

A brief profile of the above Directors and their respective attendance at Board meetings, are presented in this Annual Report.

Evaluation of Board, Board Committees and Individual Directors

The NC conducts an annual Board self-evaluation to assess the performance of the Board, Board Committees, and individual Directors, to ensure that the Board operates effectively and efficiently as a whole. Each Director completes a detailed performance evaluation questionnaire covering matters relevant to the Board performance, among other things, contribution to discussions, quality of input, understanding of role, and personal development. The performance of each Board Committee is assessed based on its structure, roles and responsibilities, the effectiveness of the respective Chairmen, and its performance against its TOR.

The assessment was internally facilitated, with the results compiled, documented, and reported to the Board as part of the Company's ongoing corporate governance practices. Based on the assessment carried out during the FY2025, the NC concluded that:

- (a) The Board was found to be competent and had a dynamic and balanced mix of skills and experience, enabling the Directors to contribute effectively to the Board's decision-making process.
- (b) The current structure, size, and composition of the Board, comprising Directors with a wide range of expertise, experience, and diverse backgrounds and specifications, enable the Board to lead and manage the Company effectively.
- (c) The Directors have discharged their responsibilities in a commendable manner, acted competently, contributed effectively to the Board, and demonstrated full commitment to their duties as Directors.
- (d) The Board and Board Committees have contributed positively to the Company and its subsidiaries and operated in an effective manner.
- (e) The performance of the Board Committees was found to be effective and satisfactory.

Directors' Training

The Board is mindful of the importance for its members to undergo continuous training to be apprised of changes to regulatory requirements and the impact of such regulatory requirements on the Group. All Directors have attended the Mandatory Accreditation Programme ("MAP") and MAP II as required under the MMLR, except for Mr Tan Yaw Bin in respect of MAP II, which was appointed on 20 June 2025. He will be attending the MAP II within eighteen (18) months from the date of his appointment, in accordance with Practice Note 5 of the MMLR. The Board will continue to evaluate and determine the training needs of the Directors on an ongoing basis.

The Company Secretaries circulate relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable. The Finance Advisor and External Auditors also brief the Board members if there are any changes to the Financial Reporting Standards that affect the Group's financial statement during the financial year under review. The Directors continue to undergo relevant training programmes to further enhance their skills and knowledge in the discharge of their stewardship role.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Board Composition (cont'd)

Directors' Training (cont'd)

The Board has through the NC assesses the training needs of each Director on an annual basis by determining areas that would strengthen their contribution to the Board. From the assessment, the NC is satisfied that the Directors have attended adequate trainings to enable them to discharge their duties.

During the FY2025, the courses/seminars attended by the Directors include:

Name of Directors	Courses/Seminars attended	Date
Tan Lye Huat	• Tax Seminar on Budget 2026 – Budget Highlights and Recent Tax Developments	29 October 2025
Tan Sook Yee	• The 7 Habits of Highly Effective People • Sales Tax Amendments & Service Tax Expansion • Kursus Penyelaras Keselamatan & Kesihatan Pekerjaan (OSH Coordinator)	24 April 2025 30 June 2025 12 – 14 August 2025
Tan Yaw Bin	• Mandatory Accreditation Programme Part I	22 – 23 July 2025
Lim Hock Aun	• Tax Seminar on Budget 2026 – Budget Highlights and Recent Tax Developments	29 October 2025
Thong Chee Thim	• Tax Seminar on Budget 2026 – Budget Highlights and Recent Tax Developments	29 October 2025
Yoon Hin Yeow	• Tax Seminar on Budget 2026 – Budget Highlights and Recent Tax Developments	29 October 2025
Mak Wai Chin	• Budget Conference 2025 by Bar Council • Data and Compliance Seminar by Bar Council • Real Property Gains Tax Seminar by Bar Council	22 November 2024 3 January 2025 30 April 2025

Remuneration

Remuneration Policy

The Board recognises the need to establish a fair and transparent Remuneration Policy with the objective to guide the Group in attracting, retaining and motivating highly qualified individuals to serve on the Board and key senior management. On a yearly basis, the RC reviewed and recommended to the Board the remuneration packages of the Executive Directors, while the remuneration for the Non-Executive Directors was determined by the Board as a whole. Fees and benefits payable to the Directors are subject to approval by the shareholders at the Company's AGM. The affected Directors had abstained from participation in deliberations and decisions regarding their individual remuneration.

In making its recommendation, the RC considered the principles set out in the Remuneration Policy. The remuneration was structured to align rewards to corporate and individual performances besides adequately compensating the Directors for risks and complexities of the duties and responsibilities they assumed.

Remuneration Committee

The RC comprises four (4) Independent Non-Executive Directors and is chaired by Mr Thong Chee Thim. The duties and responsibilities of the RC are set out in its TOR, which are available on the Company's website at www.hlhightech.com.

The RC meets at least once a year, with additional meetings convened as and when required. During FY2025, the RC met once.

The RC, established by the Board, is responsible for setting the policy framework and recommending to the Board the remuneration of Directors so as to ensure that the Company is able to attract and retain its Directors needed to run the Group successfully. The components of Directors' remuneration are structured so as to link rewards to corporate and individual performance in the case of Executive Directors. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual Non-Executive Director concerned. Directors do not participate in discussions of their individual remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Remuneration (cont'd)

Remuneration Committee (cont'd)

The responsibilities of RC are as follows:

- (i) Support the Board in actively overseeing the design and operation of the Company's remuneration system;
- (ii) Review and recommend to the Board on the remuneration of Non-Executive Directors, particularly on whether the remuneration remains appropriate to each Director's contribution, by taking into account the level of expertise, commitment and responsibilities undertaken;
- (iii) Review and recommend to the Board on the total individual remuneration package for Executive Directors and senior management personnel including, where appropriate, bonuses and incentive payments within the terms of the agreed remuneration policy and based on individual performance; and
- (iv) Provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and senior management as well as the overall remuneration framework of the Company.

Remuneration of Directors pursuant to the respective service contracts with the Company and its subsidiaries, the details of individual Directors' remuneration are as follows:

Remuneration to be disclosed on a named basis:

Group Level	Fee / Salaries and other emoluments (RM '000)	Bonus (RM '000)	EPF (RM '000)	Allowance / Benefit in kind (RM '000)	Total (RM '000)
Independent Non-Executive Directors					
Lim Hock Aun	39	-	-	18	57
Yoon Hin Yeow	20	-	-	6	26
Thong Chee Thim	20	-	-	6	26
Mak Wai Chin	20	-	-	6	26
Executive Directors					
Tan Lye Huat	746	108	111	25	990
Tan Sook Yee	220	50	35	10	315
Tan Yaw Bin	166	31	25	16	238

Company Level	Fee / Salaries and other emoluments (RM '000)	Bonus (RM '000)	EPF (RM '000)	Allowance / Benefit in kind (RM '000)	Total (RM '000)
Independent Non-Executive Directors					
Lim Hock Aun	39	-	-	18	57
Yoon Hin Yeow	20	-	-	6	26
Thong Chee Thim	20	-	-	6	26
Mak Wai Chin	20	-	-	6	26

EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

ARMC comprises four (4) Independent Non-Executive Directors.

Mr Lim Hock Aun has served as Chairman since 21 October 2020. He is a member of the MIA and the Institute of Chartered Accountants in England and Wales. The composition of the ARMC also meets the requirements of Paragraph 15.09(1) of the MMLR.

The ARMC's composition and its summary activity are set forth in the Audit and Risk Management Committee Report of this Annual Report. Full details of the Committee's duties and responsibilities are stated in its TOR which is available on the Company's website at www.hlhightech.com.

II. Risk Management and Internal Control Framework

The Board recognises the importance of maintaining a sound internal control system covering risk management and the financial, operational and compliance controls to safeguard shareholders' investment and the Group's assets. The Board acknowledges that it is responsible for the Group's system of internal control and risk management for the continuing review of its adequacy, effectiveness and integrity. Additionally, the Group Executive Chairman and Managing Director together with the Finance Advisor have given assurance to the Board that the Group's risk management and internal control systems are operating adequately and effectively to meet the Group's objectives.

The internal control system is designed to cater to the Group's needs and manage the risks to which it is exposed. It should be noted that the system of internal control is designed to manage rather than eliminate the risk of failure to achieve the business objectives of the Group and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is assisted by the ARMC to ensure the risk and control framework is embedded into the culture, processes and structure of the Group. Further details of the Group's state of risk management and internal control systems are reported in the Statement of Risk Management and Internal Control of this Annual Report. A risk profile of the Group has been compiled to help the Board and senior management prioritise their focus on areas of high risk. The senior management is responsible for identifying, evaluating, managing and reporting on significant risks on an ongoing basis faced by the Group in its achievement of objectives and strategies. Significant risk matters are brought to the attention of the Executive Directors, and if necessary, are also discussed at Board meetings.

Internal Audit Functions

The Group has appointed an established external professional Internal Audit firm, namely One Finnacle Governance Sdn Bhd (formerly known as Silver Ocean Governance Sdn Bhd), who reports to the ARMC and assists the ARMC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives. Internal audit provides an independent assessment of the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the ARMC.

The scope of work covered by the internal audit functions during the financial year, a summary of activities carried out, including its observations and recommendations, are provided in the Statement on Risk Management and Internal Control and Audit and Risk Management Committee Report of this Annual Report.

Anti-Bribery and Anti-Corruption

Our core values and behaviours drive our culture and conduct throughout the Group. We have a zero-tolerance approach to misconduct of any kind and will take stern disciplinary action, up to and including immediate dismissal, in the event of a breach. Our Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") is clear in our commitment not to tolerate bribery or corruption in any form. Our ABAC Policy is managed by the compliance officer and our compliance manager oversees the progress of implementation and compliance of the ABAC Policy.

The Group's ABAC Policy is available on the Company's Investor Relations website at www.hlhightech.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Board recognises the importance of being transparent and accountable to the Company's shareholders, prospective investors and other stakeholders. The Company communicates with its stakeholders through various channels, including meetings with institutional shareholders and investment communities, quarterly announcements of financial results to Bursa Securities, and relevant announcements and circulars. The Board is committed to providing accurate, useful, and timely information about the Group, its business and its activities. Recognising the importance of timely and comprehensive dissemination of material information to shareholders, investors, and the public at large, the Company maintains an open communication policy and welcomes feedback from them. The Group's information is disseminated through various disclosures and announcements made to Bursa Securities and is also published on the Company's website at www.hlhightech.com.

The Company's website is continuously updated to provide timely and accurate information to the public and investors. The notice of general meetings, proxy form, Annual Report, Circulars to shareholders and summary of key matters discussed at the AGM are also published on the Company's website. Additionally, the Minutes of the AGM was also published on the Company's website no later than 30 business days after the conclusion of the AGM.

Notice of General Meeting

The Board recognises the rights of shareholders. In order to continue encouraging shareholders' participation in the general meetings, the Board would ensure that the Notice of AGM is sent to shareholders at least twenty-eight (28) days ahead of the date of the general meeting and to provide sufficient time and opportunities for shareholders to seek clarifications during general meetings on any matters pertaining to the issues in the Annual Report, corporate developments in the Group, the resolutions being proposed and the operational and financial performance of the Company.

In addition, the Notice of AGM is published in a national newspaper and includes explanatory statements on the proposed resolutions to facilitate shareholders' understanding and evaluation of the relevant issues.

Attendance of Directors at General Meetings

The AGM is the key element of the Company's dialogue with its shareholders. During the AGM, shareholders are encouraged to ask questions about the resolutions being proposed, the Company's operations in general or the annual reports of the Company and of the Group. All the Directors, the Key Senior Management, the Company Secretaries and the External Auditors are present at the AGM to provide responses to questions from the shareholders.

The Chairman plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the Board members are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility.

Voting at Annual General Meeting

The last AGM of the Company was held on 25 April 2025 with the appointment of a poll administrator and a scrutineer for the poll voting process. In accordance with the MMLR, the Board put all resolutions to vote by way of poll at the AGM and the results of the polling were made to Bursa Securities on the same day.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“Board”) is pleased to present the report on the Audit and Risk Management Committee (“ARMC”) for the financial year ended 31 October 2025 in compliance with Paragraph 15.15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“MMLR”).

COMPOSITION

The ARMC comprises the following members, all of whom are Independent Non-Executive Directors. A summary of their attendance at the ARMC meetings held during the financial year is as follows:

MEMBERS AND MEETINGS ATTENDANCE

Name & Designation	Membership status	Attendance
Lim Hock Aun (<i>Independent Non-Executive Director</i>)	Chairman	5 / 5
Yoon Hin Yeow (<i>Independent Non-Executive Director</i>)	Member	5 / 5
Thong Chee Thim (<i>Independent Non-Executive Director</i>)	Member	5 / 5
Mak Wai Chin (<i>Independent Non-Executive Director</i>)	Member	5 / 5

The ARMC Chairman, Mr Lim Hock Aun, is a member of the Malaysian Institute of Accountants (“MIA”) and the Institute of Chartered Accountants in England and Wales.

Mr Yoon Hin Yeow is also a member of MIA, the Chartered Institute of Management Accountants of the United Kingdom and the Institute of Singapore Chartered Accountants.

Thus, the Company has complied with Paragraph 15.09(1)(c)(i) of the MMLR.

TERMS OF REFERENCE

The Terms of Reference (“TOR”) of the ARMC which set out its authority, responsibilities and duties are published on the Company’s website at www.hlhightech.com.

The TOR is reviewed periodically by the ARMC and the Board, especially when there are changes to the MMLR, the Malaysian Code on Corporate Governance and Companies Act 2016, or at least once every three (3) years. The TOR of ARMC was last reviewed on 27 December 2023.

SUMMARY OF ACTIVITIES

During the financial year, the ARMC conducted its activities in accordance with its existing TOR, which included the review of the external auditors’ scope of work and the annual audit plan.

Five (5) meetings of the ARMC were held during the financial year ended 31 October 2025:

- At each ARMC meeting, the Group’s Finance Advisor was invited to brief the ARMC on the financial reporting matters;
- Reviewed the Group’s quarterly and year-to-date unaudited financial statements prior to submission to the Board for consideration and approval. During the respective Board meetings, the ARMC Chairman briefed the Board on issues raised in respect of the financial report and the recommendations of the ARMC thereon;
- Reviewed the Audit Completion Memorandum presented by Messrs Grant Thornton Malaysia PLT in respect of the financial year ended 31 October 2024;
- During the review of the Group’s twelve-month financial results, representatives of the External Auditors, Messrs Grant Thornton Malaysia PLT were invited to discuss the Group’s financial statements for the financial year ended 31 October 2024. Management’s response to all pertinent issues and findings had been raised and noted by the External Auditors during their examination of the said Group Accounts, together with recommendations in respect of the findings;

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(CONT'D)

SUMMARY OF ACTIVITIES (CONT'D)

- e. Met up with the External Auditors and Internal Auditors without the presence of Executive Directors and Management;
- f. Reviewed the Audit Planning Memorandum presented by Messrs Grant Thornton Malaysia PLT in respect of the financial year ended 31 October 2025;
- g. Received an update on the Annual Transparency Report issued by Messrs Grant Thornton Malaysia PLT;
- h. Evaluated the performance and independence of the external auditors and made recommendations to the Board on their re-appointment and audit fees;
- i. Reviewed the ARMC Report, Statement on Risk Management and Internal Control and Sustainability Statement for inclusion in the 2024 Annual Report;
- j. Reviewed and confirmed with the Management that the Group did not enter into any related party transaction during the financial year;
- k. Reviewed potential conflict of interest situations, with no cases reported;
- l. Reviewed whistleblowing reports, with no cases reported;
- m. Discussed the proposed payment of interim dividend in respect of the financial year ending 31 October 2025;
- n. Reviewed and assessed the performance of the Internal Auditors; and
- o. Reviewed the revised Whistleblowing Policy, Anti-Bribery and Anti-Corruption Policy.

The ARMC also reviewed, deliberated the internal audit reports presented and considered the significant findings of internal audit in the Group's operating subsidiaries through the review of internal audit reports tabled and Management's responses thereto and ensuring significant findings were adequately addressed by Management.

INTERNAL AUDIT FUNCTION

The Group's internal audit function had since November 2002 been outsourced to independent consultants, which are independent of its activities and operation and will report to the ARMC on the following:

- a. Undertakes the internal audit of the Group's operating units; ascertaining the extent of the units compliance with the established internal control procedures, policies and statutory requirements; highlighting the weaknesses and recommending improvements to the existing systems of controls;
- b. Assists in reviewing the adequacy and effectiveness of the Group's processes for controlling its activities;
- c. Reviews and appraises the soundness, adequacy and application of accounting, financial and other controls, and promotes effective control in the Company and the Group at reasonable cost; and
- d. Provides periodic updates on the status and results of the internal audit plan.

During the financial year, the ARMC reviewed the Internal Audit Reports in respect of:

- Internal Control Review of Inventory Management (Plastik STC Sdn Bhd);
- Internal Control Review of E-Invoicing Implementation (Plastik STC Sdn Bhd);
- The International Organisation for Standardisation (ISO) compliance certification audit carried out for ISO 13485 and ISO 9001 for the manufacturing segment; and
- The Malaysian Sustainable Palm Oil (MSPO) compliance certification audit for the plantation segment.

The costs incurred for the Internal Audit function in respect of the financial year ended 31 October 2025 were approximately RM30,107 only.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

This Statement on Risk Management and Internal Control (“Statement”) is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). It is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (SORMIC Guide 2025) and aligns with the principles of the Malaysian Code on Corporate Governance (“MCCG”). The Board of Directors (“the Board”) is committed to providing a comprehensive overview of the Group’s risk management and internal control framework, ensuring stakeholders are informed of the systems in place to safeguard their interests and the Group’s assets.

BOARD RESPONSIBILITY

The Board is responsible for establishing and maintaining a sound and effective system of risk management and internal control to safeguard shareholders’ interests and the Group’s assets. The Board has reviewed the adequacy and effectiveness of the Group’s risk management and internal control systems during the financial year.

The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement, fraud, or loss.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Group has established a risk management framework to identify, assess, and manage the key risks that may affect the achievement of its business objectives. The framework is aligned with recognised risk management principles and is integrated into the Group’s business and operational processes.

The Board has overall responsibility for the oversight of risk management, supported by the Audit and Risk Management Committee (“ARMC”). Management is responsible for implementing the risk management framework and ensuring that risks are identified, evaluated, and managed appropriately within the approved risk appetite.

Key risks, including strategic, operational, financial, regulatory, reputational, technology, and sustainability-related risks, are identified through periodic risk assessments and documented in risk registers.

The Board reviews the adequacy and effectiveness of the Group’s risk management framework periodically to ensure that it remains relevant and responsive to changes in the Group’s operating environment.

KEY ELEMENTS OF THE GROUP’S INTERNAL CONTROL

The key elements of the Group’s internal control system include the following:

- Clearly defined delegation of authority and responsibilities of the Board, Board Committees and Management of the Group including authorization limits across all business activities, to support achievement of the Group’s strategic and business objectives. Subsidiaries have clear accountabilities to ensure appropriate risk management and control procedures are in place;
- Clearly documented internal procedures in the ISO 9001, where applicable, to ensure consistency and reliability of operational controls across the Group’s subsidiaries;
- Regular and comprehensive reporting to the Board of Directors and Management on operational and financial performance, enabling informed strategic decision-making and effective oversight;
- Monitoring of actual performance against approved budget. Significant variances are investigated, reported and addressed through appropriate management actions;
- Internal audit reviews conducted by outsourced internal auditors to evaluate the adequacy and effectiveness of the Group’s internal control system in accordance with the approved internal audit plan;
- Periodic briefings by the Group Executive Chairman and Managing Director to the Board on significant developments in the Group’s objectives, business and external environment;
- Where areas of improvement in the system are identified, the Board considers the recommendations made by the ARMC and the Management;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

KEY ELEMENTS OF THE GROUP'S INTERNAL CONTROL (CONT'D)

The key elements of the Group's internal control system include the following (cont'd):

- There is an ongoing process for identifying, evaluating and managing the significant risks in line with the Group's business objectives, approved strategy and risk appetite; and
- The Group has implemented Anti-Bribery and Anti-Corruption Policy to prohibit bribery and corruption in all business dealings and a Whistleblowing Policy to provide a secure and confidential channel to report any suspected misconduct or unethical behavior.

In addition, the Board engages independent professional consultants, where appropriate, to assist in reviewing and assessing the adequacy and effectiveness of the Group's internal control system.

INTERNAL AUDIT FUNCTION

The Internal Audit function provides independent assurance to the ARMC and the Board on the adequacy and effectiveness of the Group's internal control system. Internal audit reviews are conducted based on a risk-based audit plan approved by the ARMC. Key findings and recommendations are reported to the ARMC, and Management is responsible for implementing corrective actions.

During the financial year, internal audit reviews were conducted in selected areas, and no material control weaknesses were identified that resulted in material losses to the Group.

BOARD COMMENTARY

During the financial year, the findings of the internal audit reviews, including recommended corrective actions, were reported to the ARMC and considered in the context of the Group's business objectives and strategic priorities.

The Board is of the view that no material losses were incurred during the financial year arising from weaknesses in the system of internal control. In assessing the adequacy and effectiveness of the internal control system, the ARMC considered reports from the internal audit function together with Management's responses and action plans and made recommendations to the Board for enhancements where necessary to support the Group's strategy and risk profile.

The Board has also received assurance from the Group Executive Chairman and Managing Director together with the Management that the Group's risk management and internal control systems were operating adequately and effectively during the financial year, and were aligned with the Group's strategic objectives and risk appetite.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the MMLR of Bursa Securities, the External Auditors have performed limited assurance procedures on this Statement pursuant to the scope set out in Audit and Assurance Practice Guides ("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 for inclusion in the Annual Report.

Based on the review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process that the Board has adopted in the review of the adequacy and integrity of the internal controls of the Group.

AAPG 3 does not require the External Auditors to consider whether this Statement 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 Directors and Management thereon. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

This Statement is approved by the Board on 5 February 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to external auditors and its affiliates for the financial year ended 31 October 2025 were as below:

	Audit Fee RM	Non-Audit Fee RM
Listed Issuer	35,000	6,000
Group	139,000	6,000

2. MATERIAL CONTRACTS

During the financial year, there were no material contracts entered into by the Company or its subsidiaries involving interest of Directors and major shareholders of the Company.

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RRPT”)

During the financial year, there were no RRPT entered into by the Company or its subsidiaries.

STATEMENT ON DIRECTORS' RESPONSIBILITY

FOR PREPARING THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("the Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards, the IFRS Accounting Standards and the requirements of the Act in Malaysia.

The Directors are responsible to ensure that the financial statements give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year.

In preparing the financial statements for the financial year ended 31 October 2025, the Directors have:

- (a) adopted appropriate accounting policies and applied them consistently;
- (b) made judgements and estimates that are reasonable and prudent;
- (c) ensure that all applicable accounting standards have been followed; and
- (d) prepared the financial statements on a going concern basis.

The Directors are responsible to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

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

This Statement on Directors' Responsibility for preparing the audited financial statements is approved by the Board of Directors on 5 February 2026.

REPORTS & FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 October 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are described in Note 6 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit for the financial year	5,549,679	1,137,304
Attributable to:-		
Owners of the Company	4,891,513	1,137,304
Non-controlling interests	658,166	-
	5,549,679	1,137,304

DIVIDENDS

The amount of dividends declared and paid since the end of the previous financial year were as follows:-

	RM
In respect of the financial year ended 31 October 2025:-	
First interim single tier dividend of RM0.02 per ordinary share, paid on 12 December 2024	2,335,679
Second interim single tier dividend of RM0.01 per ordinary share, paid on 28 October 2025	1,142,252
	3,477,931

The Directors do not recommend any final dividend payment for the current financial year.

RESERVES AND PROVISIONS

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

DIRECTORS

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

Tan Lye Huat*
 Tan Sook Yee*
 Lim Hock Aun
 Yoon Hin Yeow
 Thong Chee Thim
 Mak Wai Chin
 Tan Yaw Bin* (Appointed on 20 June 2025)

* Directors of the Company and all of the subsidiaries.

In accordance with Clause 76(3) and 78 of the Company's Constitution, Tan Yaw Bin, Thong Chee Thim and Mak Wai Chin will retire from the Board by rotation at the forthcoming Annual General Meeting and being eligible offered themselves for re-election.

DIRECTORS' INTERESTS IN SHARES

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

	At 1.11.2024	Number of ordinary shares		At 31.10.2025
		Bought	Sold	
Company				
<u>Direct interests</u>				
Tan Lye Huat	3,121,016	687,800	-	3,808,816
Tan Sook Yee	2,304,268	-	-	2,304,268
Tan Yaw Bin	3,704,439	-	-	3,704,439
<u>Indirect interests</u>				
Tan Lye Huat*	59,597,824	-	-	59,597,824
Tan Sook Yee [#]	50,628,738	-	-	50,628,738
Tan Yaw Bin [#]	50,628,738	-	-	50,628,738

* Deemed interest by virtue of the shareholdings in Affluent Future Sdn. Bhd., Tan Lye Huat Holdings Sdn. Bhd. and shares held by his children.

[#] Deemed interest by virtue of the shareholdings in Affluent Future Sdn. Bhd. and Tan Lye Huat Holdings Sdn. Bhd..

By virtue of their interests in the shares of the Company, Tan Lye Huat, Tan Sook Yee and Tan Yaw Bin are also deemed interest in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

Except as disclosed above, none of the other Directors in office at the end of the financial year held any interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' REPORT

(CONT'D)

DIRECTORS' EMOLUMENTS AND BENEFITS

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

	Incurrd by the Company RM	Incurrd by the subsidiaries RM	Group RM
Directors' fees	99,000	-	99,000
Salaries and other emoluments	34,000	1,309,738	1,343,738
Defined contribution plan	-	171,013	171,013
Social security contribution	-	9,698	9,698
	133,000	1,490,449	1,623,449

The estimated monetary value of benefits-in-kind received by the Directors other than in cash from the Group is RM50,276.

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Notes 25 and 29 to the financial statements) 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 of which the Director has a substantial financial interest.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital and no issuance of debentures during the financial year.

TREASURY SHARES

The shareholders of the Company, by a special resolution passed at an Annual General Meeting held on 28 March 2007, approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed in the last Annual General Meeting held on 25 April 2025. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the purchase plan can be applied in the best interest of the Company and its shareholders.

The Company has the right to cancel or to resell these shares and/or distributes as dividends at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution is suspended. As disclosed in Note 14 to the financial statements, the Company purchased 2,674,800 units of treasury shares for total consideration of RM2,051,518 during the financial year.

As at the reporting date, the number of ordinary shares in issue after deducting treasury shares is 114,173,375 units.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that adequate provision had been made for doubtful debts and there were no bad debts to be written off; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (a) which would render it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

- (a) any charge on the assets of the Group and of the Company which have arisen since the end of the financial year which secure the liability of any other person; or
- (b) any contingent liability of the Group and of the Company which have arisen since the end of the financial year.

In the opinion of the Directors:-

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of indemnity coverage and insurance premium paid for Directors and Officers of the Company during the financial year are amounted to RM5,000,000 and RM18,154 respectively.

DIRECTORS' REPORT

(CONT'D)

AUDITORS

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

The amount of audit fees paid or payable to the Auditors by the Group and the Company for the financial year ended 31 October 2025 amounted to RM145,000 and RM41,000 respectively.

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

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

.....	)	
TAN LYE HUAT	)	
	)	
	)	
	)	
	)	DIRECTORS
	)	
	)	
	)	
.....	)	
TAN SOOK YEE	)	

Kuala Lumpur
5 February 2026

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 58 to 113 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 October 2025 and of their financial performance and their cash flows for the financial year then ended.

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

.....
TAN LYE HUAT

.....
TAN SOOK YEE

Kuala Lumpur
5 February 2026

STATUTORY DECLARATION

I, Chong Kong Hui, being the Officer primarily responsible for the financial management of Kumpulan H & L High-Tech Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 58 to 113 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared)
by the abovenamed at Kuala Lumpur)
in the Federal Territory this day of)
5 February 2026)

.....
CHONG KONG HUI
(MIA NO.: 25067)
CHARTERED ACCOUNTANT

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KUMPULAN H & L HIGH-TECH BERHAD
(Incorporated in Malaysia) Registration No: 199401032123 (317805-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Kumpulan H & L High-Tech Berhad, which comprise statements of financial position as at 31 October 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 58 to 113.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 October 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Impairment assessment of the carrying amount of trade receivables

The risk

Refer to Notes 10 and 31.2.1 to the financial statements. We focused on this area because the Group has material amounts of trade receivables that are past due but not impaired. Management judgement is required in determining the completeness of the provision for impairment losses on trade receivables and assessing their adequacy through considering the expected recoverability of the trade receivables as at financial year end.

Our response

We have obtained an understanding of the Group's control over the trade receivables' collection process, how the Group identifies and assesses the loss allowance of trade receivables and how the Group makes the accounting estimates for loss allowance.

We have reviewed and challenged management's assumptions in the application of the Group's policy for calculating the expected credit loss, considered the ageing of the trade receivables and testing the reliability thereon. In doing so, we have evaluated techniques and methodology applied for the expected credit loss approach and assessed the estimated future cash inflows by examining the historical collection records, historical loss rate of receivables, information regarding the current creditworthiness and any significant changes in credit quality of the debtors, evidence of subsequent settlements and other relevant information.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KUMPULAN H & L HIGH-TECH BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 199401032123 (317805-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Key Audit Matters (cont'd)

Inventories valuation - net

The risk

Refer to Note 7 to the financial statements. The Group holds a significant amount of inventories which is subject to risk that the inventories become slow-moving or obsolete, such that they could not be sold or can only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation required in determining the accuracy of inventory obsolescence provision and in making an assessment of its adequacy as it consists of risks such as inventory prices not valid and inventory not stated at the lower of cost or net realisable value.

Our response

We tested the methodology for calculating the provisions, challenged the appropriateness and consistency of judgements and assumptions, and considered the nature and suitability of historic data used in estimating the provisions. In doing so, we obtained understanding on the ageing profile of inventories, the process for identifying specific problem inventories and historical loss rates. Besides that, we also tested a sample of inventories to ensure that they were held at the lower of cost and net realisable value.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

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. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KUMPULAN H & L HIGH-TECH BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 199401032123 (317805-V)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KUMPULAN H & L HIGH-TECH BERHAD (CONT'D)
(Incorporated in Malaysia) Registration No: 199401032123 (317805-V)

OTHER MATTER

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

.....
GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

.....
KOH SOOK LI
(NO: 03804/11/2027 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
5 February 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 OCTOBER 2025

	Note	2025 RM	Group 2024 RM	Company 2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	8,039,985	7,944,240	-	-
Right-of-use assets	4	41,747,999	38,861,532	-	-
Investment properties	5	85,590,000	83,820,000	-	-
Investment in subsidiaries	6	-	-	34,573,491	34,170,724
Inventories	7	9,483	30,707	-	-
Other investments	8	50,924	50,924	-	-
Total non-current assets		135,438,391	130,707,403	34,573,491	34,170,724
Current assets					
Inventories	7	3,363,013	3,208,826	-	-
Bearer biological assets	9	534,593	303,996	-	-
Trade receivables	10	3,050,254	2,342,732	-	-
Other receivables	11	560,835	452,165	151,197	18,873
Other investments	8	2,727,285	2,504,725	1,387,525	1,320,325
Amount due from subsidiaries	6	-	-	1,500,000	2,487,696
Tax recoverable		667,092	540,693	-	-
Deposits with licensed financial institutions	12	25,887,256	27,574,399	8,298,392	9,687,567
Cash and bank balances		6,619,453	7,488,218	553,149	3,170,895
Total current assets		43,409,781	44,415,754	11,890,263	16,685,356
TOTAL ASSETS		178,848,172	175,123,157	46,463,754	50,856,080
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company					
Share capital	13	40,612,085	40,612,085	40,612,085	40,612,085
Treasury shares	14	(6,406,007)	(4,354,489)	(6,406,007)	(4,354,489)
Revaluation reserve	15	20,602,980	20,194,793	-	-
Retained earnings		84,144,762	82,749,326	12,211,078	14,551,705
		138,953,820	139,201,715	46,417,156	50,809,301
Non-controlling interests		1,697,280	-	-	-
Total equity		140,651,100	139,201,715	46,417,156	50,809,301
LIABILITIES					
Non-current liabilities					
Borrowings	16	8,731,914	10,222,979	-	-
Lease liabilities	17	12,246,631	9,373,186	-	-
Deferred tax liabilities	18	11,654,298	11,771,062	-	-
Total non-current liabilities		32,632,843	31,367,227	-	-

STATEMENTS OF FINANCIAL POSITION

AS AT 31 OCTOBER 2025 (CONT'D)

	Note	2025 RM	Group 2024 RM	Company 2025 RM	2024 RM
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES (CONT'D)					
Current liabilities					
Trade payables	19	1,240,060	459,012	-	-
Other payables	20	2,257,050	2,030,646	44,100	46,714
Contract liabilities	21	83,517	59,606	-	-
Borrowings	16	1,527,945	1,715,796	-	-
Lease liabilities	17	121,817	51,300	-	-
Tax payable		333,840	237,855	2,498	65
Total current liabilities		5,564,229	4,554,215	46,598	46,779
Total liabilities		38,197,072	35,921,442	46,598	46,779
TOTAL EQUITY AND LIABILITIES		178,848,172	175,123,157	46,463,754	50,856,080

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	22	28,787,376	21,693,681	814,155	11,833,333
Cost of sales		(17,093,498)	(13,240,668)	-	-
Gross profit		11,693,878	8,453,013	814,155	11,833,333
Other income		2,848,699	6,691,635	131,820	25,026
Finance income	23	954,680	1,205,589	358,123	318,385
Net loss on impairment of financial assets		-	-	(115,930)	(18,782)
Net gain/(loss) on impairment of non-financial assets		-	-	402,767	(402,767)
Selling and distribution expenses		(413,144)	(131,443)	-	-
Administrative expenses		(4,420,154)	(4,340,063)	(169,037)	(167,367)
Other expenses		(2,827,607)	(2,091,980)	(275,177)	(247,508)
Finance costs	24	(1,037,935)	(999,724)	-	-
Profit before tax	25	6,798,417	8,787,027	1,146,721	11,340,320
Tax (expense)/income	26	(1,248,738)	(1,362,062)	(9,417)	4,846
Profit for the financial year		5,549,679	7,424,965	1,137,304	11,345,166
Other comprehensive income, net of tax					
<i>Items that will not be subsequently reclassified to profit or loss</i>					
- Revaluation of land and buildings		537,088	998,717	-	-
- Tax effect on revaluation of land and buildings	26	(128,901)	(239,692)	-	-
Other comprehensive income for the financial year		408,187	759,025	-	-
Total comprehensive income for the financial year		5,957,866	8,183,990	1,137,304	11,345,166
Profit for the financial year attributable to:-					
Owners of the Company		4,891,513	7,424,965	1,137,304	11,345,166
Non-controlling interests		658,166	-	-	-
		5,549,679	7,424,965	1,137,304	11,345,166
Total comprehensive income attributable to:-					
Owners of the Company		5,299,700	8,183,990	1,137,304	11,345,166
Non-controlling interests		658,166	-	-	-
		5,957,866	8,183,990	1,137,304	11,345,166
Earnings per share attributable to the owners of the Company (sen)					
- Basic/Diluted	27	4.23	6.31		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025

Group	Share capital RM	Revaluation reserve RM	Non-distributable	Distributable	Non-controlling interests RM	Total RM
			Treasury shares RM	Retained earnings RM		
Balance at 1 November 2023	40,612,085	19,435,768	(3,266,246)	78,844,422	-	135,626,029
Profit for the financial year	-	-	-	7,424,965	-	7,424,965
Other comprehensive income for the financial year	-	759,025	-	-	-	759,025
Total comprehensive income for the financial year	-	759,025	-	7,424,965	-	8,183,990
Transactions with owners:						
Own shares acquired (Note 14)	-	-	(1,088,243)	-	-	(1,088,243)
Dividends (Note 28)	-	-	-	(3,520,061)	-	(3,520,061)
Total transactions with owners	-	-	(1,088,243)	(3,520,061)	-	(4,608,304)
Balance at 31 October 2024	40,612,085	20,194,793	(4,354,489)	82,749,326	-	139,201,715
Profit for the financial year	-	-	-	4,891,513	658,166	5,549,679
Other comprehensive income for the financial year	-	408,187	-	-	-	408,187
Total comprehensive income for the financial year	-	408,187	-	4,891,513	658,166	5,957,866
Transactions with owners:						
Own shares acquired (Note 14)	-	-	(2,051,518)	-	-	(2,051,518)
Dividends (Note 28)	-	-	-	(3,477,931)	-	(3,477,931)
Total transactions with owners	-	-	(2,051,518)	(3,477,931)	-	(5,529,449)
Issuance of ordinary shares to non-controlling interest of a subsidiary	-	-	-	-	1,245,083	1,245,083
Dividend paid to non-controlling interest of a subsidiary	-	-	-	-	(224,115)	(224,115)
Dilution of equity interest in a subsidiary	-	-	-	(18,146)	18,146	-
Balance at 31 October 2025	40,612,085	20,602,980	(6,406,007)	84,144,762	1,697,280	140,651,100

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025 (CONT'D)

Company	Share capital RM	Revaluation reserve RM	Non-distributable Treasury shares RM	Distributable Retained earnings RM	Non-controlling interests RM	Total RM
Balance at 1 November 2023	40,612,085	-	(3,266,246)	6,726,600	-	44,072,439
Total comprehensive income for the financial year	-	-	-	11,345,166	-	11,345,166
Transactions with owners:						
Own shares acquired (Note 14)	-	-	(1,088,243)	-	-	(1,088,243)
Dividends (Note 28)	-	-	-	(3,520,061)	-	(3,520,061)
Total transactions with owners	-	-	(1,088,243)	(3,520,061)	-	(4,608,304)
Balance at 31 October 2024	40,612,085	-	(4,354,489)	14,551,705	-	50,809,301
Total comprehensive income for the financial year	-	-	-	1,137,304	-	1,137,304
Transactions with owners:						
Own shares acquired (Note 14)	-	-	(2,051,518)	-	-	(2,051,518)
Dividends (Note 28)	-	-	-	(3,477,931)	-	(3,477,931)
Total transactions with owners	-	-	(2,051,518)	(3,477,931)	-	(5,529,449)
Balance at 31 October 2025	40,612,085	-	(6,406,007)	12,211,078	-	46,417,156

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025

	Note	Group 2025 RM	2024 RM	Company 2025 RM	2024 RM
OPERATING ACTIVITIES					
Profit before tax		6,798,417	8,787,027	1,146,721	11,340,320
Adjustments for:-					
Depreciation of property, plant and equipment		1,357,034	1,295,479	-	-
Depreciation of right-of-use assets		781,397	694,453	-	-
Dividend income from other investments		(80,917)	(55,026)	(54,707)	(24,937)
Fair value gain on investment properties		(1,770,000)	(6,020,000)	-	-
Fair value gain on bearer biological assets		(230,597)	(76,518)	-	-
Fair value loss on other investments		80,051	91,383	33,572	6,328
Gain on disposal of property, plant and equipment		(55,833)	(129,999)	-	-
Gain on disposal of other investments		(124,048)	-	(72,450)	-
Impairment losses on investment in a subsidiary		-	-	-	402,767
Impairment losses on amount due from subsidiaries		-	-	115,930	18,782
Interest income		(954,680)	(1,205,589)	(358,123)	(318,385)
Interest expenses		1,037,935	999,724	-	-
Unrealised (gain)/loss on foreign exchange		(115,940)	169,542	-	-
Property, plant and equipment written off		1	6,298	-	-
Reversal of impairment losses on investment in a subsidiary		-	-	(402,767)	-
Loss on lease modification		13,460	-	-	-
Operating profit before working capital changes		6,736,280	4,556,774	408,176	11,424,875
Changes in working capital:-					
Inventories		(132,963)	501,703	-	-
Receivables		(803,657)	541,505	(132,324)	(5,740)
Payables		1,001,779	124,792	(2,614)	2,314
Contract liabilities		23,911	(35,757)	-	-
Cash generated from operations		6,825,350	5,689,017	273,238	11,421,449
Tax refunded		5,751	7,032	-	7,032
Tax paid		(1,530,568)	(1,822,390)	(6,984)	(719)
Net cash from operating activities		5,300,533	3,873,659	266,254	11,427,762

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025 (CONT'D)

	Note	2025 RM	Group 2024 RM	Company 2025 RM	2024 RM
INVESTING ACTIVITIES					
Dividends received from other investments		80,917	55,026	54,707	24,937
Interest received		954,680	1,205,589	358,123	318,385
Repayment from/(Advances to) subsidiaries		-	-	871,766	(2,462,998)
Proceeds from disposal of property, plant and equipment		59,500	130,000	-	-
Proceeds from disposal of other investments		1,048,368	-	656,613	-
Purchase of other investments		(1,226,931)	(1,583,050)	(684,935)	(1,326,653)
Purchase of right-of-use assets	A	(112,509)	(310,400)	-	-
Purchase of property, plant and equipment		(1,456,447)	(715,722)	-	-
Net cash (used in)/from investing activities		(652,422)	(1,218,557)	1,256,274	(3,446,329)
FINANCING ACTIVITIES					
Interest paid		(1,037,935)	(999,724)	-	-
Dividends paid		(3,477,931)	(3,520,061)	(3,477,931)	(3,520,061)
Dividend paid to non-controlling interest of a subsidiary		(224,115)	-	-	-
Placement of deposits with licensed financial institutions		(2,360)	(2,415)	-	-
Repayment of lease liabilities		(87,765)	(49,022)	-	-
Repayment of borrowings		(1,678,916)	(1,624,136)	-	-
Proceeds from issuance of ordinary shares to non-controlling interest of a subsidiary		1,245,083	-	-	-
Purchase of treasury shares		(2,051,518)	(1,088,243)	(2,051,518)	(1,088,243)
Net cash used in financing activities		(7,315,457)	(7,283,601)	(5,529,449)	(4,608,304)
CASH AND CASH EQUIVALENTS					
Net changes		(2,667,346)	(4,628,499)	(4,006,921)	3,373,129
Effect of exchange rate changes		109,078	(142,803)	-	-
Brought forward		34,957,947	39,729,249	12,858,462	9,485,333
Carried forward	B	32,399,679	34,957,947	8,851,541	12,858,462

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025 (CONT'D)

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Total purchase of right-of-use assets	2,852,765	310,400	-	-
Less: Purchase through finance lease arrangement	(2,740,256)	-	-	-
Cash payment	112,509	310,400	-	-

B. CASH AND CASH EQUIVALENTS

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	6,619,453	7,488,218	553,149	3,170,895
Deposits with licensed financial institutions	25,887,256	27,574,399	8,298,392	9,687,567
	32,506,709	35,062,617	8,851,541	12,858,462
Less: Deposits pledged with licensed financial institutions	(107,030)	(104,670)	-	-
	32,399,679	34,957,947	8,851,541	12,858,462

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2025 (CONT'D)

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group

	1 November 2024 RM	Addition RM	Cash flows RM	Lease modification RM	31 October 2025 RM
Borrowings	11,938,775	-	(1,678,916)	-	10,259,859
Lease liabilities	9,424,486	2,740,256	(87,765)	291,471	12,368,448
	21,363,261	2,740,256	(1,766,681)	291,471	22,628,307

	1 November 2023 RM	Addition RM	Cash flows RM	Lease modification RM	31 October 2024 RM
Borrowings	13,562,911	-	(1,624,136)	-	11,938,775
Lease liabilities	9,355,378	-	(49,022)	118,130	9,424,486
	22,918,289	-	(1,673,158)	118,130	21,363,261

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

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The registered office of the Company is located at Unit 521, 5th Floor, Lobby 6, Block A, Damansara Intan, No 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at No. 6, Jalan TSB 1, Taman Industri Sungai Buloh, 47000 Sungai Buloh, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are described in Note 6 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 5 February 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for certain properties and equity financial assets that have been measured at fair value.

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial market takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

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

2.2 Basis of Measurement (cont'd)

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

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

2.3 Functional and Presentation Currency

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

2.4 MFRSs

2.4.1 Adoption of Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 November 2024.

Initial application of the amendments/improvements to MFRSs did not have material impact on the financial statements of the Group and of the Company.

2.4.2 Standards Issued but Not Yet Effective

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

Effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability
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Effective for financial period beginning on or after 1 January 2026:-

Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Financial Instruments and Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity
Annual Improvements to MFRS Accounting Standards - Volume 11	

Effective for financial period beginning on or after 1 January 2027:-

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19 and amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency

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

2.4 MFRSs (cont'd)

2.4.2 Standards Issued but Not Yet Effective (cont'd)

Amendments to MFRSs – effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The initial application of the above applicable standards and amendments are not expected to have material financial impact to the financial statements of the Group and of the Company except as following:-

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:-

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group and the Company are currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

2.5 Significant Accounting Estimates and Judgements

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

2.5.1 Key Sources of Estimation Uncertainty

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

Useful Lives of Depreciable Assets

Management estimates the useful lives of the property, plant and equipment and right-of-use assets to be within 4 to 67 years and reviews the useful lives of depreciable assets at the end of each reporting year. Management assesses the useful lives represent the expected utility of the assets to the Group. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's assets.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

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

2.5 Significant Accounting Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty (cont'd)

Leases - Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for Group that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the Group's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group's stand-alone credit rating).

Impairment of Non-financial Assets

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

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

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The realisation of these inventories may be affected by market-driven changes that may occur in the future.

Fair Value of Bearer Biological Assets

The Group's bearer biological assets are measured at fair value less point-of-sale costs. In measuring fair values of fresh fruit bunches, management uses estimates of cash flows using inputs or assumptions of life to maturity, productivity quantity, mortality rate, selling prices of fresh fruit bunches, variable costs and profit margins. The probability-weighted cash flows are discounted using an appropriate discount rate that reflects the time value of money and the risk. As prices in agricultural business are volatile, the actual cash flows and discount rate may not coincide with the estimates made and this may have a significant effect on the Group's financial position and results.

Provision for Expected Credit Losses ("ECLs") of Trade Receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

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

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

2.5 Significant Accounting Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty (cont'd)

Provision for Expected Credit Losses ("ECLs") of Trade Receivables (cont'd)

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

Valuation of Right-of-use Assets and Investment Properties

The Group measures its land and buildings (under right-of-use assets) and investment properties at revalued amount with changes in fair value being recognised in other comprehensive income and in profit or loss respectively. The Group engaged independent valuation specialists to determine fair values with sufficient regularity to ensure that the carrying amount or closing balance does not differ materially from the fair value of the land and buildings and investment properties at the reporting date.

The carrying amount or closing balance of the land and buildings and investment properties at the end of the reporting period, the relevant revaluation bases and information regarding the valuation techniques and inputs used in determining the fair value are disclosed in Notes 4 and 5 to the financial statements.

Income Tax/Deferred Tax Liabilities

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

2.5.2 Significant Management Judgement

There are no significant areas of management judgements in applying the accounting policies that have any significant effect on the amount recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT

Group	Staff quarters	Plant and machinery	Motor vehicles	Office equipment, furniture and fittings	Warehouse	Renovations	Electrical installation	Tools and utensils	Bearer plants	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Cost										
At 1 November 2023	577,575	33,265,249	6,144,722	6,031,346	1,190,088	1,331,651	1,694,833	4,445,075	7,367,010	62,047,549
Additions	71,608	-	410,800	88,314	-	-	145,000	-	-	715,722
Disposal	-	-	(584,435)	-	-	-	-	-	-	(584,435)
Written off	-	-	(3,200)	(8,720)	-	-	-	-	-	(11,920)
At 31 October 2024	649,183	33,265,249	5,967,887	6,110,940	1,190,088	1,331,651	1,839,833	4,445,075	7,367,010	62,166,916
Additions	-	20,000	463,150	22,739	10,000	69,000	-	-	871,558	1,456,447
Disposal	-	-	(350,090)	-	-	-	-	-	-	(350,090)
Written off	-	-	-	(7,190)	-	-	-	-	-	(7,190)
At 31 October 2025	649,183	33,285,249	6,080,947	6,126,489	1,200,088	1,400,651	1,839,833	4,445,075	8,238,568	63,266,083
Accumulated depreciation										
At 1 November 2023	571,148	32,335,856	4,787,907	5,890,661	910,055	1,289,879	1,297,609	4,281,808	2,152,330	53,517,253
Charge for the financial year	11,448	217,281	562,840	49,241	52,779	6,950	59,361	3,362	332,217	1,295,479
Disposal	-	-	(584,434)	-	-	-	-	-	-	(584,434)
Written off	-	-	(3,200)	(2,422)	-	-	-	-	-	(5,622)

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

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

Group (cont'd)	Staff quarters RM	Plant and machinery RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Warehouse RM	Renovations RM	Electrical installation RM	Tools and utensils RM	Bearer plants RM	Total RM
Accumulated depreciation (cont'd)										
At 31 October 2024	582,596	32,553,137	4,763,113	5,937,480	962,834	1,296,829	1,356,970	4,285,170	2,484,547	54,222,676
Charge for the financial year	18,697	171,266	570,426	46,673	44,865	6,792	72,225	360	425,730	1,357,034
Disposal	-	-	(346,423)	-	-	-	-	-	-	(346,423)
Written off	-	-	-	(7,189)	-	-	-	-	-	(7,189)
At 31 October 2025	601,293	32,724,403	4,987,116	5,976,964	1,007,699	1,303,621	1,429,195	4,285,530	2,910,277	55,226,098
Net carrying amount										
At 31 October 2025	47,890	560,846	1,093,831	149,525	192,389	97,030	410,638	159,545	5,328,291	8,039,985
At 31 October 2024	66,587	712,112	1,204,774	173,460	227,254	34,822	482,863	159,905	4,882,463	7,944,240

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

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

Material accounting policy information

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

Depreciation is recognised in profit or loss on the straight-line method in order to write off the cost of each asset over its estimated useful life. The estimated useful lives for the current and comparative periods are as follows:-

Staff quarters	25%
Plant and machinery	10% - 20%
Motor vehicles	20%
Office equipment, furniture and fittings	10% - 20%
Warehouse	10%
Renovations	10%
Electrical installation	10%
Tools and utensils	10% - 14%
Bearer plants	5%

4. RIGHT-OF-USE ASSETS

Group	Buildings RM	Leasehold land RM	Leased lands RM	Motor vehicle RM	Total RM
Cost or valuation					
At 1 November 2023	15,132,151	14,240,000	9,502,852	-	38,875,003
Additions	310,400	-	-	-	310,400
Lease modification	-	-	118,130	-	118,130
Revaluation adjustment	(279,900)	760,000	-	-	480,100
At 31 October 2024	15,162,651	15,000,000	9,620,982	-	39,783,633
Representing:					
- Cost	-	-	9,620,982	-	9,620,982
- Valuation	15,162,651	15,000,000	-	-	30,162,651
At 31 October 2024	15,162,651	15,000,000	9,620,982	-	39,783,633
Additions	-	-	2,590,256	262,509	2,852,765
Lease modification	-	-	282,153	-	282,153
Revaluation adjustment	9,600	-	-	-	9,600
	15,172,251	15,000,000	12,493,391	262,509	42,928,151
Representing:					
- Cost	-	-	12,493,391	262,509	12,755,900
- Valuation	15,172,251	15,000,000	-	-	30,172,251
At 31 October 2025	15,172,251	15,000,000	12,493,391	262,509	42,928,151

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

Group (cont'd)	Buildings RM	Leasehold land RM	Leased lands RM	Motor vehicle RM	Total RM
Accumulated depreciation					
At 1 November 2023	-	-	746,265	-	746,265
Charge for the financial year	309,206	209,411	175,836	-	694,453
Revaluation adjustment	(309,206)	(209,411)	-	-	(518,617)
At 31 October 2024	-	-	922,101	-	922,101
Charge for the financial year	303,608	223,880	227,658	26,251	781,397
Lease modification	-	-	4,142	-	4,142
Revaluation adjustment	(303,608)	(223,880)	-	-	(527,488)
At 31 October 2025	-	-	1,153,901	26,251	1,180,152
Net carrying amount					
At 31 October 2025	15,172,251	15,000,000	11,339,490	236,258	41,747,999
At 31 October 2024	15,162,651	15,000,000	8,698,881	-	38,861,532

The leasehold land and buildings were revalued on 31 October 2025, based on valuation carried out by an independent professional valuer, on an open market value basis to reflect the market value of existing use. There have been no changes to the valuation technique during the financial year.

Leasehold land and buildings at valuation are categorised at Level 2 fair value. There was no transfer between Level 1 and Level 2 during the financial year.

Level 2 fair value

Level 2 fair value of leasehold land and buildings has been generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square feet of comparable properties.

At the reporting date, had the revalued leasehold land and buildings of the Group carried under the cost model, the carrying amount would have been as follows:-

	2025 RM	2024 RM
Leasehold land	1,530,953	1,820,986
Buildings	2,870,359	2,944,052
	<u>4,401,312</u>	<u>4,765,038</u>

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

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

Material accounting policy information

The Group recognises right-of-use assets, except for leasehold land and buildings at the commencement date of the lease (i.e., the date the underlying assets is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Leasehold land and buildings are measured at fair value less accumulated depreciation on buildings and impairment loss recognised after the date of the revaluation. Valuations are performed with sufficient regularity (i.e., every 5 years and at shorter intervals), to ensure that the carrying amount does not differ materially from the fair value of the leasehold land and buildings at the end of the reporting period.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal is recognised in other comprehensive income and credited to the 'revaluation reserve' in equity. To the extent that any revaluation decreases or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in the equity on disposal of the asset is transferred to retained earnings.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:-

Buildings	2%
Leasehold land	66 - 67 years
Leased lands	60 years
Motor vehicle	10%

5. INVESTMENT PROPERTIES

Group	Freehold land RM	Leasehold land RM	Freehold buildings RM	Leasehold buildings RM	Total RM
Fair value					
At 1 November 2023	40,100,000	12,785,000	24,600,000	315,000	77,800,000
Fair value adjustment	3,700,000	2,315,000	-	5,000	6,020,000
At 31 October 2024	43,800,000	15,100,000	24,600,000	320,000	83,820,000
Fair value adjustment	1,350,000	420,000	-	-	1,770,000
At 31 October 2025	45,150,000	15,520,000	24,600,000	320,000	85,590,000

Freehold land and building and leasehold land and building of a subsidiary with net carrying amount of RM59,100,000 (2024: RM58,200,000) and Nil (2024: RM1,200,000) respectively have been charged to financial institutions for credit facilities granted to the subsidiaries as disclosed in Note 16 to the financial statements.

5. INVESTMENT PROPERTIES (CONT'D)

Income and expenses recognised in profit or loss

	2025 RM	Group 2024 RM
Rental income from investment properties	3,307,664	3,295,884
Direct operating expenses:		
- income generating investment properties	(241,286)	(218,941)
- non-income generating investment properties	(261)	(261)

The operating lease payments to be received on leases of investment properties are as follows:-

	2025 RM	Group 2024 RM
Within 1 year	2,504,710	3,278,100
Between 1 to 5 years	636,261	2,614,528
	3,140,971	5,892,628

Fair value basis of investment properties

The fair value of the investment properties are based on valuations performed by an accredited independent valuer with recent experience in the location and category of properties being valued. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the financial year.

Fair value measurement of the investment properties were categorised as follows:-

	Level 2 2025 RM	Group Level 2 2024 RM
Recurring fair value measurements:-		
Freehold land	45,150,000	43,800,000
Leasehold land	15,520,000	15,100,000
Freehold buildings	24,600,000	24,600,000
Leasehold buildings	320,000	320,000

Level 2 fair value

Level 2 fair value of freehold and leasehold land and buildings have generally derived using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square feet of comparable properties.

Material accounting policy information

Investment properties are initially measured at cost. Subsequent to initial recognition, investment properties are stated at fair value and are revalued annually.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

6. SUBSIDIARIES

6.1 Investment in subsidiaries

	Company	
	2025	2024
	RM	RM
Unquoted shares, at cost	34,573,491	34,573,491
Less: Accumulated impairment losses	-	(402,767)
	<u>34,573,491</u>	<u>34,170,724</u>

Details of the subsidiaries at the end of the reporting year are as follows:-

Name of company	Principal place of business	Effective interest		Principal activities
		2025	2024	
		%	%	
H & L High-Tech Sdn. Bhd.	Malaysia	100	100	Manufacture and sale of precision engineering moulds, dies, jigs, fixtures, tools and other precision machine parts.
Plastik STC Sdn. Bhd.	Malaysia	100	100	Manufacture and sale of customised precision engineering plastic injection moulding parts and components for electrical and electronic, medical, automotive, furniture and other industries.
H & L High-Tech Deco Sdn. Bhd.	Malaysia	78.41	100	Oil palm cultivation.
H & L High-Tech Properties Sdn. Bhd.	Malaysia	100	100	Letting of properties and property investment.
H & L High-Tech Properties Development Sdn. Bhd.	Malaysia	100	100	Property development.
HLH Desa Coalfields Sdn. Bhd.	Malaysia	100	100	Dormant.
STC Technology Sdn. Bhd.	Malaysia	100	100	Dormant.

6. SUBSIDIARIES (CONT'D)

6.1 Investment in subsidiaries (cont'd)

Impairment of subsidiaries

Management reviews the material investments in subsidiaries for impairment when there is an indication of impairment.

The recoverable amounts of the investments in subsidiaries are assessed by reference to the value-in-use or fair value less cost to sell of the respective subsidiaries, whichever is higher.

The movement of accumulated impairment losses is as follows:-

	Company	
	2025	2024
	RM	RM
Brought forward	402,767	-
Additions	-	402,767
Reversal	(402,767)	-
Carried forward	-	402,767

The impairment loss on a subsidiary was reversed as a result of the recoverable amount of the investment in a subsidiary is higher than the carrying amount.

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity by reference to the fair value of its assets and liabilities.	Fair value of individual assets and liabilities.	The higher the net assets, the higher the fair value.

Changes in the Group's ownership interest in subsidiary that did not result in a loss of control

On 22 November 2024, a wholly-owned subsidiary of the Company, H & L High-Tech Deco Sdn. Bhd. ("Deco"), entered into an Estate Merger Agreement with Prosperous Plantation PLT ("PPP") to merge their existing planted lots in Kampung Nyalau, Bintulu, Sarawak through the issuance of 1,245,083 new ordinary shares at an issue price of RM1 per ordinary share, for a total consideration of RM1,245,083 to PPP. As a result, the Group's equity interest in Deco was diluted from 100% to 78.41%.

The dilution did not result in a loss of control, and the Group recorded a net loss of RM18,146, which was recognised in retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

6. SUBSIDIARIES (CONT'D)

6.1 Investment in subsidiaries (cont'd)

Non-controlling interests ("NCI") in a subsidiary

The Group's subsidiary that has material NCI is as follows:-

	H & L High-Tech Deco Sdn. Bhd. RM
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2025

Percentage of ownership interest and voting interest (%)	21.59
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Carrying amount of NCI	1,697,280
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Profit allocated to NCI	658,166
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The summary of financial information before intra-group elimination for the Group's subsidiary that has material NCI is as below:-

	H & L High-Tech Deco Sdn. Bhd. RM
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2025

Financial position as at 31 October

Non-current assets	17,548,005
Current assets	5,579,352
Non-current liabilities	(13,350,297)
Current liabilities	(1,913,974)

Net assets	7,863,086
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Summary of financial performance for the financial year ended 31 October

Profit/Total comprehensive income for the financial year	3,049,123
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Summary of cash flows for the financial year ended 31 October

Net cash inflows from operating activities	4,819,100
Net cash outflows from investing activities	(433,583)
Net cash outflows from financing activities	(3,053,237)

Net cash inflows	1,332,280
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Other information

Dividend paid to non-controlling interest	224,115
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6. SUBSIDIARIES (CONT'D)

6.1 Investment in subsidiaries (cont'd)

Subscription of additional shares in a subsidiary

On 30 August 2024, the Company subscribed an additional 7,156,520 new ordinary shares of RM1 each in H & L High-Tech Properties Sdn. Bhd. by capitalising the amount due from the subsidiary of RM7,156,520.

Material accounting policy information

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

6.2 Amount due from subsidiaries

	2025 RM	Company 2024 RM
Amount due from subsidiaries	1,769,220	2,640,986
Less: Accumulated impairment losses	(269,220)	(153,290)
	1,500,000	2,487,696

The movement of the accumulated impairment losses is as follows:-

	2025 RM	Company 2024 RM
Brought forward	153,290	134,508
Additions	115,930	18,782
Carried forward	269,220	153,290

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

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

7. INVENTORIES

	2025 RM	Group 2024 RM
Non-current		
Land held for property development (Note 7.1)	9,483	30,707
Current		
Property development costs (Note 7.2)	1,511	5,938
Raw materials	1,426,582	1,368,911
Work-in-progress	367,139	434,252
Finished goods	1,567,781	1,399,725
	<u>3,363,013</u>	<u>3,208,826</u>
	<u>3,372,496</u>	<u>3,239,533</u>
Recognised in profit or loss:-		
Inventories recognised as cost of sales	<u>10,127,150</u>	<u>10,097,491</u>

7.1 Land held for property development

	2025 RM	Group 2024 RM
Freehold land		
Cost		
Brought forward	30,707	48,521
Transferred to property development costs	(21,224)	(17,814)
	<u>9,483</u>	<u>30,707</u>

7.2 Property development costs

	2025 RM	Group 2024 RM
Freehold land		
Cost		
Brought forward	5,938	-
Transferred from land held for property development	21,224	17,814
Transferred to profit or loss	(25,651)	(11,876)
	<u>1,511</u>	<u>5,938</u>

7. INVENTORIES (CONT'D)

7.2 Property development costs (cont'd)

Title deeds of the freehold land are currently surrendered to Perak state authority as part of the conditions for the property development project entered by a subsidiary.

The subsidiary has entered into a joint venture agreement with PYHomes Realty Sdn. Bhd. (joint venture partner) to develop two pieces of land. The subsidiary is entitled to 21% to 23% of the profit earned from the properties sold. All the development cost is operated and financed by the joint venture partner.

Material accounting policy information

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials is determined on a first-in-first-out/weighted average basis. Cost of work-in-progress and finished goods comprise raw materials, direct labour, other direct costs and appropriate proportions of production overhead.

8. OTHER INVESTMENTS

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fair value through profit or loss ("FVTPL"):-				
Non-current assets				
Golf club membership	49,000	49,000	-	-
Unquoted share in Malaysia	1,924	1,924	-	-
	50,924	50,924	-	-
Current asset				
Quoted shares in Malaysia	2,727,285	2,504,725	1,387,525	1,320,325
	2,778,209	2,555,649	1,387,525	1,320,325

9. BEARER BIOLOGICAL ASSETS

	Group	
	2025	2024
	RM	RM
At fair value:-		
Fresh fruit bunches		
Brought forward	303,996	227,478
Changes in fair value less costs to sell	230,597	76,518
Carried forward	534,593	303,996

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

9. BEARER BIOLOGICAL ASSETS (CONT'D)

The biological assets of the Group comprise fresh fruit bunches ("FFB") prior to harvest. The valuation model adopted by the Group considers the present value of the net cash flows expected to be generated from the sale of FFB. To arrive at the fair value, the management has considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest is negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 80% of the ripe FFB, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from the laboratory tests. Costs to sell include harvesting cost and transport.

During the financial year, the Group harvested approximately 16,329 metric tonnes (2024: 9,531 metric tonnes) of FFB. The fair value measurement of the Group's biological assets, which are estimated using unobservable inputs, are categorised within Level 3 of the fair value hierarchy. Fair value assessments have been completed consistently using the same valuation techniques.

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

None of the biological assets are pledged as securities for liabilities.

10. TRADE RECEIVABLES

	2025 RM	Group 2024 RM
Trade receivables	3,050,254	2,342,732

Trade receivables are non-interest bearing and are recognised at their original invoice amounts which represent their fair values on initial recognition.

The credit terms granted by the Group to the trade receivables ranging from 7 to 75 days (2024: 7 to 75 days). Other credit terms are assessed and approved on a case-by-case basis.

11. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade receivables	186,179	84,744	140,084	-
Deposits	31,460	20,960	1,000	1,000
Prepayments	343,196	346,461	10,113	17,873
	560,835	452,165	151,197	18,873

12. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

The average interest rates for deposits with licensed financial institutions of the Group and of the Company ranged from 0.16% to 4.96% (2024: 0.05% to 6.14%) and 0.16% to 0.81% (2024: 0.05% to 2.48%) per annum and the average maturity period are ranging from 30 to 365 days (2024: 30 to 365 days) and 30 to 90 days (2024: 30 to 90 days) respectively.

Included in deposits with licensed financial institutions of the Group is an amount of RM107,030 (2024: RM104,670) which has been pledged for bank guarantee facility granted to a subsidiary.

13. SHARE CAPITAL

	Group and Company	
	2025	2024
	RM	RM

Issued and fully paid with no par value:-

121,836,255 units of ordinary shares	40,612,085	40,612,085
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The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

14. TREASURY SHARES

		Group and Company		
		2025		2024
	Number of treasury shares Unit	Amount RM	Number of treasury shares Unit	Amount RM
Brought forward	4,988,080	4,354,489	3,682,780	3,266,246
Purchase of treasury shares	2,674,800	2,051,518	1,305,300	1,088,243
Carried forward	7,662,880	6,406,007	4,988,080	4,354,489

The shareholders of the Company, by a special resolution passed at an Annual General Meeting held on 28 March 2007, approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed in the last Annual General Meeting held on 25 April 2025. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the purchase plan can be applied in the best interest of the Company and its shareholders.

The shares purchased were retained as treasury shares. The Company has the right to cancel or to resell these shares and/or distribute as dividends at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distributions are suspended.

During the financial year, the Company purchase 2,674,800 units of treasury shares for total consideration of RM2,051,518.

As at the reporting date, the Company held 7,662,880 (2024: 4,988,080) units of the Company's shares and the number of ordinary shares in issue after setting off against treasury shares is 114,173,375 (2024: 116,848,175) units.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

15. REVALUATION RESERVE

	2025 RM	Group 2024 RM
Brought forward	20,194,793	19,435,768
Revaluation surplus during the financial year	537,088	998,717
Transferred to deferred tax liabilities	(128,901)	(239,692)
Carried forward	20,602,980	20,194,793

Revaluation reserve arising from revaluation of properties are not available for distribution as dividends.

16. BORROWINGS

	2025 RM	Group 2024 RM
Secured:-		
Non-current		
Term loans	8,731,914	10,222,979
Current		
Term loans	1,527,945	1,715,796
	10,259,859	11,938,775
Repayment terms:		
- Not later than 1 year	1,527,945	1,715,796
- Later than 1 year but not later than 5 years	4,781,873	5,681,958
- More than 5 years	3,950,041	4,541,021
	8,731,914	10,222,979
	10,259,859	11,938,775

The effective interest rate of term loans ranging from 4.15% to 4.52% (2024: 4.40% to 4.52%) per annum.

The term loans are secured by way of:-

- (i) Fixed charge against freehold land and building and leasehold land and building of a subsidiary as disclosed in Note 5 to the financial statements;
- (ii) Assignment of rental proceeds; and
- (iii) Corporate guarantee by the Company.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

17. LEASE LIABILITIES

	2025 RM	Group 2024 RM
Non-current	12,246,631	9,373,186
Current	121,817	51,300
	<u>12,368,448</u>	<u>9,424,486</u>

The total cash outflows for leases amounted to RM639,442 (2024: RM484,466).

The effective interest rate of the lease liabilities ranging from 4.33% to 4.65% (2024: 4.65%) per annum.

Set out below are the carrying amounts of lease liabilities and the movements during the year:-

	2025 RM	Group 2024 RM
At 1 November	9,424,486	9,355,378
Accretion of interest	551,677	435,444
Additions	2,740,256	-
Lease modifications	291,471	118,130
Payment of lease liabilities	<u>(639,442)</u>	<u>(484,466)</u>
At 31 October	<u>12,368,448</u>	<u>9,424,486</u>

The maturity analysis of lease liabilities is disclosed in Note 31 to the financial statements.

18. DEFERRED TAX LIABILITIES

The deferred tax liabilities are made up of the following:-

	Assets RM	2025 Liabilities RM	Group Net RM	Assets RM	2024 Liabilities RM	Group Net RM
Brought forward	(617,000)	12,388,062	11,771,062	(377,700)	11,718,910	11,341,210
Recognised in profit or loss	(301,700)	204,303	(97,397)	(239,300)	573,672	334,372
Recognised in other comprehensive income	-	128,901	128,901	-	239,692	239,692
Crystallisation of deferred tax upon depreciation of revalued assets	<u>-</u>	<u>(148,268)</u>	<u>(148,268)</u>	<u>-</u>	<u>(144,212)</u>	<u>(144,212)</u>
Carried forward	<u>(918,700)</u>	<u>12,572,998</u>	<u>11,654,298</u>	<u>(617,000)</u>	<u>12,388,062</u>	<u>11,771,062</u>

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

18. DEFERRED TAX LIABILITIES (CONT'D)

The components of deferred tax liabilities/assets are made up of temporary difference arising from:-

Deferred tax assets

	Unabsorbed capital allowances RM	Unabsorbed reinvestment allowance RM	Unutilised business losses RM	Total RM
At 1 November 2023	181,100	62,000	134,600	377,700
Recognised in profit or loss	32,800	-	206,500	239,300
At 31 October 2024	213,900	62,000	341,100	617,000
Recognised in profit or loss	65,600	-	236,100	301,700
At 31 October 2025	279,500	62,000	577,200	918,700

Deferred tax liabilities

	Property, plant and equipment, investment properties and right-of-use assets RM	Revaluation surplus RM	Fair value gain on investment properties RM	Total RM
At 1 November 2023	2,703,854	5,124,758	3,890,298	11,718,910
Recognised in profit or loss	(96,828)	(144,212)	670,500	429,460
Recognised in other comprehensive income	-	239,692	-	239,692
At 31 October 2024	2,607,026	5,220,238	4,560,798	12,388,062
Recognised in profit or loss	6,403	(148,268)	197,900	56,035
Recognised in other comprehensive income	-	128,901	-	128,901
At 31 October 2025	2,613,429	5,200,871	4,758,698	12,572,998

Material accounting policy information

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying values at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the asset and liabilities, using tax rates enacted or substantively enacted at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

19. TRADE PAYABLES

The trade payables of the Group are non-interest bearing and the normal credit terms granted by suppliers to the Group ranging from 30 to 60 days (2024: 30 to 60 days).

20. OTHER PAYABLES

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Non-trade payables	121,018	82,260	-	3,414
Sundry deposits	931,227	930,827	-	-
Accrual of expenses	1,204,805	1,017,559	44,100	43,300
	<u>2,257,050</u>	<u>2,030,646</u>	<u>44,100</u>	<u>46,714</u>

Included in the sundry deposits of the Group is an amount of RM150,000 (2024: RM150,000) that is in relation with a subsidiary entering into an arrangement with a joint venture partner for the purpose of developing the subsidiary's lands into a mixed residential project with the usual amenities.

21. CONTRACT LIABILITIES

	Group	
	2025	2024
	RM	RM
Deposit received	<u>83,517</u>	<u>59,606</u>

Contract liabilities comprised of advance deposit from customers for delivery of goods.

When the Group received advances before the activity commences, this will give rise to contract liabilities at the start of a contract. The advances will be reversed and recognised as revenue upon satisfying the performance obligation within the contract. The Group expects to fulfil the performance obligation and recognise the revenue within 1 year (2024: 1 year).

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

22. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers				
Manufacturing and sales of goods	10,372,478	10,689,742	-	-
Sales of fresh fruit bunches	14,268,454	7,162,400	-	-
Distribution from joint property development project	519,110	275,655	-	-
Repair and maintenance	485,270	435,600	-	-
	25,645,312	18,563,397	-	-
Other revenue				
Rental income	3,142,064	3,130,284	-	-
Dividend income	-	-	814,155	11,833,333
	3,142,064	3,130,284	814,155	11,833,333
	28,787,376	21,693,681	814,155	11,833,333

Timing of revenue recognition from contracts with customers

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At a point of time	25,153,861	17,887,068	-	-
Over time	491,451	676,329	-	-
	25,645,312	18,563,397	-	-

Primary geographical markets

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	18,100,269	10,475,014	-	-
European countries	5,067,371	7,753,841	-	-
United States	1,062,624	202,892	-	-
China	1,415,048	131,650	-	-
	25,645,312	18,563,397	-	-

22. REVENUE (CONT'D)

22.1 Performance obligation

Information about the Group's and the Company's performance obligations are summarised below:-

Manufacturing, sales of goods, sales of precision engineering moulds and sales of fresh fruit bunches

Revenue relating to manufacturing, sales of goods and sales of fresh fruit bunches are recognised net of sales returns and discount upon the transfer of control of the goods to the customers. Revenue relating to sales of precision engineering moulds is recognised over time as the performance obligations are satisfied over time as the customers simultaneously received and consumes the benefits provided by the Group. Revenue is not recognised to extent there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Distribution from joint property development project

Revenue from joint property development project is recognised when the right to receive distribution is established.

Repair and maintenance

Revenue from repair and maintenance are recognised when the services are delivered and accepted by the customers.

Revenue from other sources

Dividend income

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

Rental income

Rental income is recognised on an accrual basis unless collectability is in doubt.

23. FINANCE INCOME

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Interest income from deposits with licensed financial institutions	954,680	1,205,589	358,123	318,385

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

24. FINANCE COSTS

	Group	
	2025 RM	2024 RM
Interest expenses:		
- Lease liabilities	551,677	435,444
- Term loans	486,258	564,280
	<u>1,037,935</u>	<u>999,724</u>

25. PROFIT BEFORE TAX

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration:				
- statutory audit	139,000	135,000	35,000	35,000
- other services	6,000	6,000	6,000	6,000
Depreciation of property, plant and equipment	1,357,034	1,295,479	-	-
Depreciation of right-of-use assets	781,397	694,453	-	-
Dividend income from financial assets measured at FVTPL:				
- quoted shares in Malaysia	(80,917)	(55,026)	(54,707)	(24,937)
Directors' fees	99,000	95,667	99,000	95,667
Fair value loss on other investments	80,051	91,383	33,572	6,328
Fair value gain on investment properties	(1,770,000)	(6,020,000)	-	-
Fair value gain on bearer biological assets	(230,597)	(76,518)	-	-
Gain on disposal of property, plant and equipment	(55,833)	(129,999)	-	-
Gain on disposal of other investments	(124,048)	-	(72,450)	-
Impairment losses on amount due from subsidiaries	-	-	115,930	18,782
Reversal on impairment losses on investment in a subsidiary	-	-	(402,767)	-
Impairment losses on investment in a subsidiary	-	-	-	402,767
Property, plant and equipment written off	1	6,298	-	-
Rental income	(271,026)	(269,682)	-	-
Loss on lease modification	13,460	-	-	-
Realised loss on foreign exchange	207,926	157,623	-	-
Unrealised (gain)/loss on foreign exchange	<u>(115,940)</u>	<u>169,542</u>	<u>-</u>	<u>-</u>

26. TAX EXPENSE/(INCOME)

Tax recognised in profit or loss

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax				
- Current financial year	1,510,137	1,072,635	6,500	714
- (Over)/Under provision in prior financial year	(15,734)	99,267	2,917	(5,560)
	1,494,403	1,171,902	9,417	(4,846)
Deferred tax				
- Current financial year	(67,697)	329,872	-	-
- Crystallisation of deferred tax upon depreciation of revalued assets	(148,268)	(144,212)	-	-
- (Over)/Under recognised in prior financial year	(29,700)	4,500	-	-
	(245,665)	190,160	-	-
	1,248,738	1,362,062	9,417	(4,846)

Malaysian income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated taxable profits for the financial year.

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	6,798,417	8,787,027	1,146,721	11,340,320
Tax at Malaysian statutory tax rate of 24%	1,631,620	2,108,886	275,213	2,721,677
Tax effects in respect of:-				
Income not subject to tax	(594,642)	(1,610,763)	(404,389)	(2,919,320)
Expenses not deductible for tax purposes	207,562	233,884	135,676	198,357
Crystallisation of deferred tax upon depreciation of revalued assets	(148,268)	(144,212)	-	-
Additional deferred tax on real property gain tax	197,900	670,500	-	-
(Over)/Under recognised of deferred tax liabilities in prior financial year	(29,700)	4,500	-	-
(Over)/Under provision of tax expense in prior financial year	(15,734)	99,267	2,917	(5,560)
	1,248,738	1,362,062	9,417	(4,846)

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

26. TAX EXPENSE/(INCOME) (CONT'D)

Tax recognised in other comprehensive income

	2025	Group	2024
	RM		RM

Revaluation of land and buildings	128,901		239,692
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Deferred tax assets are not recognised for the following temporary differences (stated at gross amount):-

	2025	Group	2024
	RM		RM
Unutilised business losses	17,488		17,488
Unabsorbed capital allowances	2,296		2,296
	19,784		19,784

Deferred tax assets are not recognised for the above temporary differences as it is not probable that future taxable profits will be available against which the unutilised business losses and unabsorbed capital allowances can be utilised by the subsidiary.

Tax losses for which no deferred tax asset is recognised will be expired as follows:-

	2025	Group	2024
	RM		RM
<u>Year of assessment ("YA")</u>			
YA 2028	17,488		17,488

27. EARNINGS PER SHARE

Group

Basic earnings per share have been calculated based on the net profit attributable to ordinary equity holders of the Company divided by the weighted average number of ordinary shares in issue during the financial year:-

	2025	Group	2024
Net profit attributable to ordinary equity holders of the Company (RM)	4,891,513		7,424,965
Weighted average number of ordinary shares in issue	115,581,766		117,738,831
Basic earnings per share (sen)	4.23		6.31

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding during the financial year.

28. DIVIDENDS

	Group and Company	
	2025	2024
	RM	RM
In respect of the financial year ended 31 October 2025:-		
First interim single tier dividend of RM0.02 per ordinary share, paid on 12 December 2024	2,335,679	-
Second interim single tier dividend of RM0.01 per ordinary share, paid on 28 October 2025	1,142,252	-
In respect of the financial year ended 31 October 2024:-		
First interim single tier dividend of RM0.01 per ordinary share, paid on 18 March 2024	-	1,180,076
Second interim single tier dividend of RM0.02 per ordinary share, paid on 28 October 2024	-	2,339,985
	<u>3,477,931</u>	<u>3,520,061</u>

The Directors do not recommend any final dividend payment for the current and previous financial year.

29. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Salaries and other emoluments	7,002,323	6,567,414	34,000	18,000
Defined contribution plan	631,797	592,990	-	-
Social security contribution	102,362	91,751	-	-
	<u>7,736,482</u>	<u>7,252,155</u>	<u>34,000</u>	<u>18,000</u>

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

29. EMPLOYEE BENEFITS EXPENSE (CONT'D)

Included in the employee benefits expense is the Directors' remuneration as below:-

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Directors of the Company				
<u>Executive Directors:-</u>				
Salaries and other emoluments	1,309,738	1,108,828	-	-
Defined contribution plan	171,013	141,379	-	-
Social security contribution	9,698	6,605	-	-
	1,490,449	1,256,812	-	-
<u>Non-executive Directors:-</u>				
Salaries and other emoluments	34,000	18,000	34,000	18,000
Director of the subsidiaries				
<u>Non-executive Director:-</u>				
Salaries and other emoluments	-	174,230	-	-
Defined contribution plan	-	22,490	-	-
Social security contribution	-	2,842	-	-
	-	199,562	-	-
Total	1,524,449	1,474,374	34,000	18,000

The estimated monetary value of benefits-in-kind received by the Directors other than in cash from the Group is RM50,276 (2024: RM53,400).

30. RELATED PARTY DISCLOSURES

Related party transactions and balances

The significant related party transactions during the financial year were as follows:-

	Company	
	2025	2024
	RM	RM
Advances to subsidiaries	1,610,000	10,000
Dividend income received from subsidiaries	814,155	11,833,333
Payment made on behalf to a subsidiary	5,930	8,782

The outstanding balances arising from the related party transactions as at the reporting date are disclosed in Note 6 to the financial statements.

30. RELATED PARTY DISCLOSURES (CONT'D)

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company.

The remuneration of key management personnel is same with the Directors' remuneration as disclosed in Notes 25 and 29 to the financial statements. The Group and the Company have no other members of key management personnel apart from the Board of Directors.

31. FINANCIAL INSTRUMENTS

31.1 Categories of Financial Instruments

The table below provides an analysis of financial instruments categorised as follows:-

- (i) Amortised cost ("AC"); and
- (ii) Financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
Group			
2025			
Financial assets			
Trade receivables	3,050,254	3,050,254	-
Other receivables	217,639	217,639	-
Deposits with licensed financial institutions	25,887,256	25,887,256	-
Cash and bank balances	6,619,453	6,619,453	-
Other investments	2,778,209	-	2,778,209
	38,552,811	35,774,602	2,778,209
Financial liabilities			
Trade payables	1,240,060	1,240,060	-
Other payables	2,257,050	2,257,050	-
Borrowings	10,259,859	10,259,859	-
	13,756,969	13,756,969	-
2024			
Financial assets			
Trade receivables	2,342,732	2,342,732	-
Other receivables	105,704	105,704	-
Deposits with licensed financial institutions	27,574,399	27,574,399	-
Cash and bank balances	7,488,218	7,488,218	-
Other investments	2,555,649	-	2,555,649
	40,066,702	37,511,053	2,555,649

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.1 Categories of Financial Instruments (cont'd)

The table below provides an analysis of financial instruments categorised as follows (cont'd):-

- (i) Amortised cost ("AC"); and
- (ii) Financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
Group (cont'd)			
2024			
Financial liabilities			
Trade payables	459,012	459,012	-
Other payables	2,030,646	2,030,646	-
Borrowings	11,938,775	11,938,775	-
	<u>14,428,433</u>	<u>14,428,433</u>	<u>-</u>
Company			
2025			
Financial assets			
Other receivables	141,084	141,084	-
Amount due from subsidiaries	1,500,000	1,500,000	-
Deposits with licensed financial institutions	8,298,392	8,298,392	-
Cash and bank balances	553,149	553,149	-
Other investments	1,387,525	-	1,387,525
	<u>11,880,150</u>	<u>10,492,625</u>	<u>1,387,525</u>
Financial liability			
Other payables	44,100	44,100	-
2024			
Financial assets			
Other receivables	1,000	1,000	-
Amount due from a subsidiary	2,487,696	2,487,696	-
Deposits with licensed financial institutions	9,687,567	9,687,567	-
Cash and bank balances	3,170,895	3,170,895	-
Other investments	1,320,325	-	1,320,325
	<u>16,667,483</u>	<u>15,347,158</u>	<u>1,320,325</u>
Financial liability			
Other payables	46,714	46,714	-

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and of the Company's business whilst managing its credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the Company and the policy of the Group and of the Company in respect of the major areas of treasury activity are set out as follows:-

31.2.1 Credit Risk

Credit risk refers to the risk that a counterparty will default in its contractual obligations resulting in financial loss to the Group and the Company. For other financial assets, the Group and the Company adopt the policy of dealing with reputation institutions.

Following are the areas where the Group and the Company are exposed to credit risk.

Exposure to credit risk

The Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets recognised in the statements of financial position.

Receivables

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and take appropriate actions to recover long overdue balances. For trade receivables' credit term that are past due but not impaired, the Group's debt recovery process is the Group will initiate a structured debt recovery process which is monitored via management reporting procedures.

The Group applies the simplified approach under MFRS 9 to measure expected credit losses, which uses a lifetime expected credit losses for all trade receivables. The Group evaluates the credit losses on a case-by-case basis.

The Group assesses the expected loss rates based on historical payment profiles of the trade receivables and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the financial capability of the debtor and default or significant delay in payments. No significant changes to estimation techniques or assumptions were made during the reporting period.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired. The gross carrying amounts of credit impaired trade receivables are written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Trade receivables that are written off are still subjected to enforcement activities.

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

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.1 Credit Risk (cont'd)

Receivables (cont'd)

Recognition and measurement of impairment loss (cont'd)

Set out below is the information about the credit risk exposure and ECLs on the Group's trade receivables are as follows:-

Group	Days past due					Total RM
	Current RM	1 to 30 days RM	31 to 60 days RM	61 to 90 days RM	More than 90 days RM	
2025						
Gross carrying amount	2,137,298	483,445	116,524	124,987	188,000	3,050,254
2024						
Gross carrying amount	1,802,074	389,891	107,203	18,931	24,633	2,342,732

Credit risk concentration profile

The credit risk concentration profile by geographical on trade receivables of the Group as at the reporting date is as follows:-

	2025		2024	
	RM	%	RM	%
By country				
Malaysia	2,177,846	71	1,322,469	56
European countries	612,767	20	155,758	7
United States	87,196	3	543,054	23
China	172,445	6	321,451	14
	3,050,254	100	2,342,732	100

As at the reporting date, 69% (2024: 51%) of the Group's trade receivables are due from 4 customers (2024: 3 customers).

The Group continuously monitors credit standing of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. External credit ratings and/or reports on customers and other counterparties may also be used.

Other investments

As at the reporting date, the Group and the Company invested in domestic shares and golf club membership. The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.1 Credit Risk (cont'd)

Other investments (cont'd)

Investments are mostly in liquid securities and only with counterparties that have a good credit rating to or better than the Group and the Company.

In view of the sound credit rating of counterparties, management does not expect any counterparty fail to meet its obligations.

Financial guarantee/Corporate guarantee

The maximum exposure to credit risk of RM10,259,859 (2024: RM11,938,775) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting year.

The Company provides financial guarantees to banks in respect of banking facilities granted to 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 year, there was no indication that the subsidiaries would default on repayment.

The corporate guarantee does not have a determinable effect on the term of the credit facilities due to the bank requiring parent's guarantees as a pre-condition for approving the banking facilities granted to the subsidiaries. The actual terms of credit facilities are likely to be the best indicator of "at market" term and hence the fair value of the credit facilities are equal to the credit facilities amount received by the subsidiaries. As such, there is no value on the corporate guarantee to be recognised in the financial statements.

Intercompany balances

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

Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when the subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the 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 the advances to be credit impaired when the subsidiaries are unlikely to repay the advance to the Company in full, the advance is overdue for more than a year, or the subsidiaries are continuously loss making and having deficit in shareholders' funds.

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

Cash and cash equivalents

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable financial institutions with high quality external credit ratings and have no history of default. Consequently, the Group and the Company are of the view that the allowance is not material and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.2 Liquidity Risk

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

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

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

Group	Carrying amount RM	Total contractual cash flows RM	Current	Non-current	
			Within 1 year RM	2 to 5 years RM	More than 5 years RM
2025					
Non-derivative financial liabilities					
Secured					
Borrowings	10,259,859	12,064,351	1,911,924	5,721,101	4,431,326
Unsecured					
Trade payables	1,240,060	1,240,060	1,240,060	-	-
Other payables	2,257,050	2,257,050	2,257,050	-	-
Lease liabilities	12,368,448	30,336,471	683,834	2,606,238	27,046,399
	15,865,558	33,833,581	4,180,944	2,606,238	27,046,399
Total undiscounted financial liabilities	26,125,417	45,897,932	6,092,868	8,327,339	31,477,725
2024					
Non-derivative financial liabilities					
Secured					
Borrowings	11,938,775	14,294,006	2,188,416	6,835,721	5,269,869
Unsecured					
Trade payables	459,012	459,012	459,012	-	-
Other payables	2,030,646	2,030,646	2,030,646	-	-
Lease liabilities	9,424,486	24,040,942	488,455	1,953,818	21,598,669
	11,914,144	26,530,600	2,978,113	1,953,818	21,598,669
Total undiscounted financial liabilities	23,852,919	40,824,606	5,166,529	8,789,539	26,868,538

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.2 Liquidity Risk (cont'd)

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

Company	Carrying amount RM	Total contractual cash flows RM	Current	Non-current	
			Within 1 year RM	2 to 5 years RM	More than 5 years RM
2025					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Other payables	44,100	44,100	44,100	-	-
Total undiscounted financial liabilities	44,100	44,100	44,100	-	-
Corporate guarantee*	-	10,259,859	10,259,859	-	-
2024					
Non-derivative financial liabilities					
<u>Unsecured</u>					
Other payables	46,714	46,714	46,714	-	-
Total undiscounted financial liabilities	46,714	46,714	46,714	-	-
Corporate guarantee*	-	11,938,775	11,938,775	-	-

* This exposure of liquidity risk is included for illustration purpose only as related financial guarantee has not crystallised.

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

31.2.3 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Company. The currencies giving rise to this risk are primarily Euro ("EURO"), United States Dollar ("USD") and Singapore Dollar ("SGD").

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.3 Foreign Currency Risk (cont'd)

The Group's exposure to foreign currency risk, based on carrying amounts as at the reporting date are as follows (foreign currency balances are unhedged):-

Group	Denominated in		
	EURO RM	USD RM	SGD RM
2025			
Trade receivables	173,911	698,496	-
Cash and bank balances	128,918	2,639,555	5,227
Trade payables	-	(172,100)	-
	302,829	3,165,951	5,227
2024			
Trade receivables	151,906	868,317	-
Cash and bank balances	191,070	1,540,718	5,354
Trade payables	-	(232,001)	-
Other payables	-	(14,430)	-
	342,976	2,162,604	5,354

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit/equity for the financial year to a reasonably possible change in the EURO, USD and SGD exchange rates against the functional currency of the Group, with all other variables held constant.

Group	Increase/(Decrease) on profit/equity for the financial year	
	2025 RM	2024 RM
EURO/RM		
- Strengthened 1%	3,028	3,430
- Weakened 1%	(3,028)	(3,430)
USD/RM		
- Strengthened 1%	31,660	21,626
- Weakened 1%	(31,660)	(21,626)
SGD/RM		
- Strengthened 1%	52	54
- Weakened 1%	(52)	(54)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.3 Foreign Currency Risk (cont'd)

This percentage has been determined based on average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

31.2.4 Interest Rate Risk

Interest rate risk is caused by changes in market interest rate resulting in fluctuation in fair value or future cash flows of financial instruments of the Group and of the Company. The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

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

	Group	
	2025	2024
	RM	RM
Fixed rate instruments		
<u>Financial asset</u>		
Deposits with licensed financial institutions	25,887,256	27,574,399
<u>Financial liability</u>		
Lease liabilities	(12,368,448)	(9,424,486)
Net financial assets	13,518,808	18,149,913
Floating rate instrument		
<u>Financial liability</u>		
Borrowings	10,259,859	11,938,775

	Company	
	2025	2024
	RM	RM
Fixed rate instrument		
<u>Financial asset</u>		
Deposits with licensed financial institutions	8,298,392	9,687,567

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss and 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 year would not affect profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

31.2 Financial Risk Management (cont'd)

31.2.4 Interest Rate Risk (cont'd)

Cash flow sensitivity analysis for floating rate instruments

At the reporting date, if interest rate had been 25 (2024: 25) basis points lower/higher, with all the other variable held constant, the Group's profit/equity for the financial year would have been RM25,650 (2024: RM29,847) higher/lower, arising mainly from lower/higher interest expense on floating rate borrowings.

31.2.5 Market Price Risk

Market price risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market prices (other than foreign exchange or interest rates). Equity price risk arises from the Group's and the Company's investments in equity securities quoted in Bursa Malaysia Securities Berhad.

Management of the Group and the Company monitors the equity investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the authorised person of the Group.

Equity price risk sensitivity analysis

This analysis assumes that all other variables remain constant and all the Group's and the Company's equity investments moved in percentage of the share price.

A 5% (2024: 3%) increase in share price of each counter at the reporting date would have increase the Group's and the Company's profit/equity for the financial year by RM136,364 and RM69,376 (2024: RM75,142 and RM39,610) respectively. A 5% (2024: 3%) weakening in the share price of each counter would have equal but opposite effect on the Group's and the Company's profit/equity for the financial year.

31.3 Fair Value Measurement of Financial Instruments

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

The following method and assumptions summarised below are used to determine the fair values of each class of financial instruments:-

Quoted securities

The fair value of quoted securities is determined by reference to their closing prices or quoted closing bid prices at the reporting date.

Club membership

The fair value of the club membership is determined based on the fair value obtained from the club membership's website whereby the quote obtained reflected transactions in similar instruments.

Unquoted investment

The fair value of the unquoted investment is determined based on the adjusted net asset method which derives the fair value of an investee's equity instruments by reference to the fair value of its assets and liabilities. Fair value of its assets and liabilities are the significant unobservable inputs used in the valuation method and the higher the net assets, the higher the fair value of the unquoted investment.

31. FINANCIAL INSTRUMENTS (CONT'D)

31.4 Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on the degree to which the fair value is observable.

- Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Group				
2025				
Financial assets at FVTPL				
Other investments				
- Golf club membership	-	49,000	-	49,000
- Unquoted shares	-	-	1,924	1,924
- Quoted shares	2,727,285	-	-	2,727,285
	2,727,285	49,000	1,924	2,778,209
2024				
Financial assets at FVTPL				
Other investments				
- Golf club membership	-	49,000	-	49,000
- Unquoted shares	-	-	1,924	1,924
- Quoted shares	2,504,725	-	-	2,504,725
	2,504,725	49,000	1,924	2,555,649
Company				
2025				
Financial assets at FVTPL				
Other investments				
- Quoted shares	1,387,525	-	-	1,387,525
2024				
Financial assets at FVTPL				
Other investments				
- Quoted shares	1,320,325	-	-	1,320,325

There were no transfers between levels during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

32. CAPITAL MANAGEMENT

The Group's and the Company's objective when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The Directors monitor and determine to maintain an optimal gearing ratio that complies with debt covenants and regulatory requirements.

The Group monitors capital using a gearing ratio measured in percentage, which are the total interest-bearing borrowings over owners' equity. The Group's policy is to keep the gearing ratio below 50%. The borrowings include term loans and lease liabilities while owners' equity refers to the equity attributable to the owners of the Company.

	2025 RM	Group 2024 RM
Borrowings	10,259,859	11,938,775
Lease liabilities	12,368,448	9,424,486
	<u>22,628,307</u>	<u>21,363,261</u>
Total equity attributable to the owners	<u>138,953,820</u>	<u>139,201,715</u>
Gearing ratio (times)	<u>0.16</u>	<u>0.15</u>

There were no changes in the Group's approach to capital management during the financial year.

33. OPERATING SEGMENT

Business segment

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

- (a) Manufacturing and trading - Manufacturing and sales of precision engineering moulds and other precision machine parts
- (b) Investment - Investment holding, letting of properties and properties investment
- (c) Plantation - Cultivation of oil palm
- (d) Joint property development - Property development

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain aspects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on negotiated basis.

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

33. OPERATING SEGMENT (CONT'D)

Business segment (cont'd)

	Note	Manufacturing and trading RM	Investment RM	Plantation RM	Joint property development RM	Elimination RM	Total RM
2025							
Revenue:-							
External revenue		10,857,748	3,142,064	14,268,454	519,110	-	28,787,376
Inter-segment revenue	(a)	494,470	835,755	-	-	(1,330,225)	-
Total revenue		11,352,218	3,977,819	14,268,454	519,110	(1,330,225)	28,787,376
Results:-							
Finance income		428,137	360,483	61,975	104,085	-	954,680
Finance costs		(2,607)	(464,311)	(571,017)	-	-	(1,037,935)
Depreciation and amortisation		(1,193,374)	(917)	(941,740)	(2,400)	-	(2,138,431)
Other non-cash income	(b)	233,319	1,632,450	217,137	120,000	-	2,202,906
Tax income/(expense)		359,577	(581,876)	(925,654)	(100,785)	-	(1,248,738)
Segment (loss)/profit		(577,991)	3,753,037	3,049,123	414,502	(1,088,992)	5,549,679
Assets:-							
Segment assets	(c)	59,631,828	125,356,777	23,127,357	6,537,763	(36,472,645)	178,181,080
Additions to non-current assets	(d)	368,398	55,000	3,885,814	-	-	4,309,212
Liabilities:-							
Segment liabilities	(e)	1,718,486	2,344,766	1,389,596	178,295	(2,050,516)	3,580,627

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

33. OPERATING SEGMENT (CONT'D)

Business segment (cont'd)

	Note	Manufacturing and trading RM	Investment RM	Plantation RM	Joint property development RM	Elimination RM	Total RM
2024							
Revenue:-							
External revenue		11,125,342	3,130,284	7,162,400	275,655	-	21,693,681
Inter-segment revenue	(a)	-	11,854,933	-	-	(11,854,933)	-
Total revenue		11,125,342	14,985,217	7,162,400	275,655	(11,854,933)	21,693,681
Results:-							
Finance income		572,222	320,800	191,602	120,965	-	1,205,589
Finance costs		-	(536,218)	(463,506)	-	-	(999,724)
Depreciation		(1,253,026)	-	(736,906)	-	-	(1,989,932)
Other non-cash (expenses)/income		(247,224)	5,560,000	186,518	460,000	-	5,959,294
Tax income/(expense)	(b)	248,590	(1,014,780)	(474,154)	(121,718)	-	(1,362,062)
Segment (loss)/profit		(927,960)	17,725,052	1,526,771	498,486	(11,397,384)	7,424,965
Assets:-							
Segment assets	(c)	59,910,166	127,877,726	18,544,602	6,098,891	(37,848,921)	174,582,464
Additions to non-current assets	(d)	543,714	800,000	482,408	-	(800,000)	1,026,122
Liabilities:-							
Segment liabilities	(e)	1,564,680	1,648,499	2,855,587	182,127	(3,701,629)	2,549,264

33. OPERATING SEGMENT (CONT'D)

Business segment (cont'd)

Notes:-

- (a) Intersegment revenues are eliminated on consolidation.
- (b) Notes to other non-cash income/(expenses) consist of the following items:-

	2025 RM	2024 RM
Fair value gain on investment properties	1,770,000	6,020,000
Fair value gain on bearer biological assets	230,597	76,518
Fair value loss on other investments	(80,051)	(91,383)
Gain on disposal of property, plant and equipment	55,833	129,999
Gain on disposal of other investments	124,048	-
Net unrealised gain/(loss) on foreign exchange	115,940	(169,542)
Property, plant and equipment written off	(1)	(6,298)
Loss on lease modification	(13,460)	-
	<u>2,202,906</u>	<u>5,959,294</u>

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

	2025 RM	2024 RM
Segment assets	178,181,080	174,582,464
Tax recoverable	<u>667,092</u>	<u>540,693</u>
Total assets	<u>178,848,172</u>	<u>175,123,157</u>

- (d) Additions to non-current assets consist of:-

	2025 RM	2024 RM
Property, plant and equipment	1,456,447	715,722
Right-of-use assets	<u>2,852,765</u>	<u>310,400</u>
	<u>4,309,212</u>	<u>1,026,122</u>

NOTES TO THE FINANCIAL STATEMENTS

31 OCTOBER 2025 (CONT'D)

33. OPERATING SEGMENT (CONT'D)

Business segment (cont'd)

Notes (cont'd):-

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

	2025 RM	2024 RM
Segment liabilities	3,580,627	2,549,264
Borrowings	10,259,859	11,938,775
Lease liabilities	12,368,448	9,424,486
Tax payable	333,840	237,855
Deferred tax liabilities	11,654,298	11,771,062
Total liabilities	38,197,072	35,921,442

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets are as follows:-

	2025		2024	
	Revenue RM	Non-current assets RM	Revenue RM	Non-current assets RM
Malaysia*	21,242,333	135,387,467	13,605,298	130,656,479
European countries	5,067,371	-	7,753,841	-
United States	1,062,624	-	202,892	-
China	1,415,048	-	131,650	-
	28,787,376	135,387,467	21,693,681	130,656,479

Non-current assets excluding financial instruments, i.e. other investments.

* The Company's home country

33. OPERATING SEGMENT (CONT'D)

Information about major customers

The following are major customers with revenue equal or more than 10 percent of the Group's revenue:-

	RM	%	Operating Segment
2025			
Customer A	11,797,028	41	Plantation
2024			
Customer A	4,178,892	19	Plantation
Customer B	2,552,148	12	Manufacturing and trading
	6,731,040	31	

34. CAPITAL COMMITMENT

	Group	
	2025	2024
	RM	RM
Authorised and contracted for:		
- Purchase of plant and equipment	93,000	-

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JANUARY 2026

Issued Share Capital : 121,836,255 ordinary shares (inclusive of treasury shares of 7,716,680)
 No. of Shareholders : 3,275
 Class of share : Ordinary share
 Voting Rights : One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders		No. of Shares*		%	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Less than 100	170	-	6,061	-	-	-
100 to 1,000	625	4	363,551	642	0.32	-
1,001 to 10,000	1,760	9	8,124,229	41,675	7.12	0.04
10,001 to 100,000	641	6	17,583,639	151,400	15.41	0.13
100,001 to less than 5% of issued shares	55	3	36,753,540	466,100	32.21	0.41
5% and above of issued shares	2	-	50,628,738	-	44.36	-
TOTAL	3,253	22	113,459,758	659,817	99.42	0.58
GRAND TOTAL*	3,275		114,119,575		100.00	

Note:

* Excluding treasury shares held.

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

(without aggregating the securities from different securities accounts belong to the same person)

No.	Names	No. of Shares Held	% of Shares*
1.	AFFLUENT FUTURE SDN BHD	34,440,003	30.18
2.	TAN LYE HUAT HOLDINGS SDN BHD	16,188,735	14.19
3.	TAN LYE HUAT	4,030,316	3.53
4.	TAN YAW BIN	2,729,970	2.39
5.	TAN KIM LAI	2,440,957	2.14
6.	TAN AH HENG	2,266,020	1.99
7.	TAN AI NEE	2,162,000	1.89
8.	TAN SOOK YEE	1,956,484	1.71
9.	NG TIONG KANG	1,922,689	1.68
10.	TAN LAY HOOI	1,789,100	1.57
11.	TAN AI LENG	1,500,000	1.31
12.	TAN FUNG YING	1,350,000	1.18
13.	TAN ENG LOON	1,229,847	1.08
14.	TAN YAW TUNG	1,056,264	0.93
15.	TAN YAW BIN	974,469	0.85
16.	YAYASAN TERENGGANU	922,500	0.81
17.	TAN AI LING	841,000	0.74
18.	TAN ENG YIK	709,800	0.62
19.	GOH LOKE OON	600,000	0.53
20.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN MAY LEE	595,300	0.52
21.	TAN YAW TUNG	554,115	0.49
22.	LEE KOK HIN	387,300	0.34

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JANUARY 2026 (CONT'D)

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

No.	Names	No. of Shares Held	% of Shares*
23.	TAN SOOK YEE	347,784	0.31
24.	LIANG CHEE FONG	342,000	0.30
25.	TAN PEI WEI	319,775	0.28
26.	CHUA CHWEE SIANG	308,000	0.27
27.	TAN PEI KAH	296,100	0.26
28.	TAN HWA	290,475	0.25
29.	PERBADANAN KEMAJUAN NEGERI KEDAH	281,274	0.25
30.	TAN HO FOOT	279,706	0.24
Total		83,111,983	72.83

Note:

* Excluding treasury shares held.

LIST OF SUBSTANTIAL SHAREHOLDERS

		Direct		Indirect	
		No. of Shares Held	% of Shares*	No. of Shares Held	% of Shares*
1.	AFFLUENT FUTURE SDN BHD	34,440,003	30.18	-	-
2.	TAN LYE HUAT HOLDINGS SDN BHD	16,188,735	14.19	-	-
3.	TAN LYE HUAT	4,030,316	3.53	59,597,824 ⁽¹⁾	52.22
4.	TAN SOOK YEE	2,304,268	2.02	50,628,738 ⁽²⁾	44.37
5.	TAN YAW BIN	3,704,439	3.24	50,628,738 ⁽²⁾	44.37

DIRECTOR'S INTEREST IN SHARES (AS PER THE DIRECTORS' SHAREHOLDINGS)

No.	Name of Directors	Direct		Indirect	
		No. of Shares Held	% of Shares*	No. of Shares Held	% of Shares*
1.	TAN LYE HUAT	4,030,316	3.53	59,597,824 ⁽¹⁾	52.22 ⁽¹⁾
2.	TAN SOOK YEE	2,304,268	2.02	50,628,738 ⁽²⁾	44.37 ⁽²⁾
3.	TAN YAW BIN	3,704,439	3.24	50,628,738 ⁽²⁾	44.37 ⁽²⁾
4.	LIM HOCK AUN	-	-	-	-
5.	YOON HIN YEOW	-	-	-	-
6.	THONG CHEE THIM	-	-	-	-
7.	MAK WAI CHIN	-	-	-	-

Notes:

* Excluding treasury shares held.

⁽¹⁾ Deemed interested by virtue of his shareholdings in Affluent Future Sdn Bhd (34,440,003 Shares) and Tan Lye Huat Holdings Sdn Bhd (16,188,735 Shares), and his children Tan Yaw Bin (3,704,439 Shares), Tan Yaw Tung (1,610,379 Shares), Tan Fung Ying (1,350,000 Shares) and Tan Sook Yee's (2,304,268 Shares) shareholdings.

⁽²⁾ Deemed interested by virtue of shareholdings in Affluent Future Sdn Bhd (34,440,003 Shares) and Tan Lye Huat Holdings Sdn Bhd (16,188,735 Shares).

LIST OF PROPERTIES

AS AT 31 OCTOBER 2025

Location	Date of Acquisition (A)/ Valuation (V)	Description/ Existing use	Land area/ built-up area (sq metres)	Tenure/age of buildings (years)	Net Book Value RM
Lot 546013 No. 2, Lebuhr Lapangan Perdana 2 Panorama Lapangan Perdana 31350 Ipoh Perak	31/10/2025 (V)	One-and-a-half storey Hypermarket/ rented out	16,088 / 7,228.6	Freehold / 8	17,800,000
Lot No. Pt 1539 52, Jalan SS 25/28 Taman Mayang 47301 Petaling Jaya Selangor	31/10/2025 (V)	2-storey Terrace Factory (Corner unit) /rented out	481.2 / 923.0	Freehold / 38	4,290,000
Lot No. Pt 1540 50, Jalan SS 25/28 Taman Mayang 47301 Petaling Jaya Selangor	31/10/2025 (V)	2-storey Terrace Factory/rented out	185.8 / 362.3	Freehold / 38	1,590,000
Lot No. Pt 1541 48, Jalan SS 25/28 Taman Mayang 47301 Petaling Jaya Selangor	31/10/2025 (V)	2-storey Terrace Factory/rented out	185.8 / 362.3	Freehold / 38	1,590,000
Lot No. Pt 1542 46, Jalan SS 25/28 Taman Mayang 47301 Petaling Jaya Selangor	31/10/2025 (V)	2-storey Terrace Factory/rented out	185.8 / 362.3	Freehold / 38	1,590,000
Lot No. Pt 1543 44, Jalan SS 25/28 Taman Mayang 47301 Petaling Jaya Selangor	31/10/2025 (V)	2-storey Terrace Factory/rented out	185.8 / 362.3	Freehold / 38	1,590,000
Lot No. Pt 20033* 6, Jalan TSB 1 Taman Industri Sungai Buloh 47000 Sungai Buloh Selangor	31/10/2025 (V)	Industrial building/factory	3715 / 6,151.3	99 year leasehold (24/03/2091) Leasehold / 28	15,800,000
Lot No. Pt 19770* 7, Jalan TSB 9 Taman Industri Sungai Buloh 47000 Sungai Buloh Selangor	31/10/2025 (V)	Factory, Warehouse and office space	3,633 / 5,018.1	99 year leasehold (24/03/2091) Leasehold / 28	12,500,000

*Leasehold land reclassified as Right-of-Use Assets

LIST OF PROPERTIES

AS AT 31 OCTOBER 2025 (CONT'D)

Location	Date of Acquisition (A)/ Valuation (V)	Description/ Existing use	Land area/ built-up area (sq metres)	Tenure/age of buildings (years)	Net Book Value RM
Lot 14, Lorong Keluli 1C Kaw Perindustrian Bukit Raja Seksyen 8, Shah Alam Selangor	31/10/2025 (V)	Warehouse cum office /rented out	16,489/13,834	Freehold / 30	41,300,000
Lot 2581, 2582, 2583, 2584	31/10/2025 (V)	Land for development	47,063	99 year leasehold (22/08/2081)	13,640,000
AND Lot 2573, 2574, 2575	31/10/2025 (V)		35,354	99 year leasehold (26/10/2081)	
AND Lot 2592 and PT47 Mukim of Ijuk Daerah Kuala Selangor Negeri Selangor	31/10/2025 (V)		22,250	99 year leasehold (22/08/2081)	
Lot No. PT 7268 No. 4, Jalan Cecawi 6/9 Section 6, Kota Damansara 47810 Petaling Jaya Selangor	31/10/2025 (V)	Double storey corner terrace house / rented out	342	99 year leasehold (04/04/2105)	1,080,000

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-First Annual General Meeting (“**31st AGM**”) of Kumpulan H & L High-Tech Berhad (“**the Company**”) will be held at ClubHouse, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 29 April 2026 at 11.00 a.m., to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 October 2025 together with the Reports of the Directors and Auditors thereon. *[Please refer to Explanatory Note 1 on Ordinary Business]*
2. To approve the payment of Directors’ fees of up to RM99,000 for the financial year ending 31 October 2026. **(Ordinary Resolution 1)**
[Please refer to Explanatory Note 2 on Ordinary Business]
3. To approve the payment of Directors’ benefits of up to RM130,000 for the period immediately after the 31st AGM until the next AGM of the Company to be held in 2027. **(Ordinary Resolution 2)**
[Please refer to Explanatory Note 2 on Ordinary Business]
4. To re-elect the following Directors who retire pursuant to Clause 76(3) of the Constitution of the Company:
(i) Mr Thong Chee Thim
(ii) Ms Mak Wai Chin **(Ordinary Resolution 3)**
(Ordinary Resolution 4)
[Please refer to Explanatory Note 3 & 4 on Ordinary Business]
5. To re-elect Mr Tan Yaw Bin who retires pursuant to Clause 78 of the Constitution of the Company. **(Ordinary Resolution 5)**
[Please refer to Explanatory Note 5 on Ordinary Business]
6. To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**
[Please refer to Explanatory Note 6 on Ordinary Business]

AS SPECIAL BUSINESS

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

7. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **(Ordinary Resolution 7)**
[Please refer to Explanatory Note 1 on Special Business]

“THAT subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company, from time to time, at such price, upon such terms and conditions, and for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for additional shares so issued from Bursa Securities AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company after the approval was given or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, whichever is earlier, unless such approval is revoked or varied by the Company at a general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

8. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

(Ordinary Resolution 8)

*[Please refer to Explanatory Note
2 on Special Business]*

“THAT subject always to the Companies Act 2016 (“**the Act**”), the Constitution of the Company, the Main Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued 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 and expedient in the interest of the Company provided that:

- (i) the aggregate number of issued shares in the Company (“**Shares**”) purchased (“**Purchased Shares**”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- (ii) the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“**Proposed Share Buy-Back**”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“**AGM**”) of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees’ share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

- viii. To deal with the treasury shares in the manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

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

By Order of the Board

KHOO MING SIANG [SSM PC NO. 202208000150 (MAICSA 7034037)]

CHONG KONG HUI [SSM PC NO. 201908003105 (MIA 25067)]

Company Secretaries

Kuala Lumpur

27 February 2026

Notes:

- For the purpose of determining who shall be entitled to attend the 31st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 22 April 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend the 31st AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
- A member entitled to attend and vote at the 31st AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at the General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor.
 - By electronic means via email
The proxy form can be submitted to Boardroom via email at bsr.proxy@boardroomlimited.com. We do not acknowledge receipt of the form(s) of proxy.
 - By electronic means through the Share Registrar’s website
Please refer the Administrative Guide.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
10. Please ensure **ALL** the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is **Monday, 27 April 2026 at 11.00 a.m.**
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - (a) Identity card (NRIC) (Malaysian), or
 - (b) Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - (c) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend the 31st AGM, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged at the Company's Share Registrar office earlier.

EXPLANATORY NOTES ON ORDINARY BUSINESS

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 October 2025

The Audited Financial Statements is meant for discussion only as an approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Companies Act 2016. Hence, this item on the Agenda is not being put forward for voting by shareholders of the Company.

2. Ordinary Resolutions 1 and 2 – Payment of Directors' Fees and Benefits

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolution 1 is to facilitate the payment of Directors' fees for the current financial year basis, calculated based on the size of the current Board of Directors ("**Board**").

The proposed Ordinary Resolution 2 for the Directors' benefits are benefits payable to the Executive Directors and meeting allowances payable to Non-Executive Directors and in determining the estimated amount, the Board has considered various factors including the current Board size and the number of scheduled Board and Committee meetings as well as additional two (2) Board/Committee meetings (if required) for the period immediately after the 31st AGM until the next AGM.

In the event the proposed amount of Directors' fees and/or benefits are insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the under-provision.

3. Ordinary Resolution 3 – Re-election of Director pursuant to Clause 76(3) of the Constitution of the Company – Mr Thong Chee Thim

Mr Thong Chee Thim ("**Mr Thong**") is standing for re-election as Director of the Company and being eligible, has offered himself for re-election at the 31st AGM.

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance, the profile of Mr Thong is set out in the Directors' profile of the Annual Report 2025. The Board, save for Mr Thong who has abstained from deliberation and voting, has through the Nomination Committee ("**NC**"), considered his assessment and agreed that he meets the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on character, experience, integrity, competence and time commitment to effectively discharge his role as Director.

The Board, save for Mr Thong who has abstained from deliberation and voting, has also through the NC conducted an assessment on the independence of Mr Thong and is satisfied that he has complied with the criteria on independence as prescribed by the Listing Requirements of Bursa Securities.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

4. **Ordinary Resolution 4 – Re-election of Director pursuant to Clause 76(3) of the Constitution of the Company – Ms Mak Wai Chin**

Ms Mak Wai Chin (“**Ms Mak**”) is standing for re-election as Director of the Company and being eligible, has offered herself for re-election at the 31st AGM.

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance, the profile of Ms Mak is set out in the Directors’ profile of the Annual Report 2025. The Board, save for Ms Mak who has abstained from deliberation and voting, has through the NC, considered her assessment and agreed that she meets the criteria as prescribed by Paragraph 2.20A of the Listing Requirements of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge her role as Director.

The Board, save for Ms Mak who has abstained from deliberation and voting, has also through the NC conducted an assessment on the independence of Ms Mak and is satisfied that she has complied with the criteria on independence as prescribed by the Listing Requirements of Bursa Securities.

5. **Ordinary Resolution 5 – Re-election of Director pursuant to Clause 78 of the Constitution of the Company – Mr Tan Yaw Bin**

Mr Tan Yaw Bin (“**Mr Tan**”) who was appointed as Director of the Company on 20 June 2025 will retire at this AGM. He has offered himself for re-election at this AGM.

Pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance, the profile of Mr Tan is set out in the Directors’ profile of the Annual Report 2025. The Board, save for Mr Tan, Mr Tan Lye Huat and Ms Tan Sook Yee who have abstained from deliberation and voting, has through the NC, considered his assessment and agreed that he meets the criteria as prescribed by Paragraph 2.20A of the Listing Requirements of Bursa Securities on character, experience, integrity, competence and time commitment to effectively discharge his role as Director. The justifications to support the Board’s recommendation to re-elect Mr Tan is as follows:

- (a) Mr Tan, the Executive Director of the Company, is primarily responsible for managing daily operations which include driving profitability, managing the company organisational structure, strategy and communicating with the Board. He assures the Board that the management team is carrying out their duties in line with the long-term strategies and targets set by the Board and ensures the Board’s decisions are executed effectively. He has exercised his due care and carried out his professional duties proficiently during his tenure as the Executive Director of the Company.

Based on the above, the Board, save for Mr Tan, Mr Tan Lye Huat and Ms Tan Sook Yee who have abstained from deliberation and voting, recommends the re-election of Mr Tan at this 31st AGM.

6. **Ordinary Resolution 6 – Re-appointment of Auditors**

The Board has through the Audit and Risk Management Committee (“**ARMC**”), considered the re-appointment of Messrs Grant Thornton Malaysia PLT as External Auditors of the Company. The factors considered by the ARMC in making recommendation to the Board to table the re-appointment of Messrs Grant Thornton Malaysia PLT at the forthcoming AGM, included assessment of the Auditors’ independence and objectivity, calibre and quality process/performance.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

EXPLANATORY NOTES ON SPECIAL BUSINESS

1. Ordinary Resolution 7 – Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 7, if passed, would renew the mandate granted to the Directors at the 30th AGM held on 25 April 2025 and provide flexibility to the Directors to undertake fundraising activities including but not limited to placement of shares for the purpose of funding the Company's future investment project(s), business expansion, working capital and/or acquisition(s) at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.

As at the date of this Notice, the Company did not allot any shares pursuant to the shareholders' mandate granted to the Directors at the 30th AGM as there were no requirements for such fundraising activities.

2. Ordinary Resolution 8 – Proposed Renewal of Authority for the Company to purchase its own shares

The proposed Ordinary Resolution 8, if passed, will allow the Company to purchase its own shares through Bursa Securities up to ten per centum (10%) of the total number of issued shares of the Company.

Please refer to the Statement to Shareholders dated 27 February 2026 in relation to the Proposed Renewal of Authority for Share Buy-Back for further information.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

1. There were no Directors standing for election (excluding Directors standing for re-election) at the 31st AGM.
2. Please refer to Explanatory Note 1 on Special Business for information relating to general mandate for issue of securities.

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 and undertakes that the member shall indemnify the Company and/or to keep the Company fully indemnified and save the Company harmless against all and/or any actions, demands, claims, losses, costs, proceedings and damages (including all legal fees and costs) which the Company may suffer or incur in any manner howsoever arising from or as a result of the member's breach of the aforementioned warranty.

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KUMPULAN H & L HIGH-TECH BERHAD

[Registration No. 199401032123 (317805-V)]
(Incorporated in Malaysia)

CDS Account No.	
No. of Shares held	

PROXY FORM

I/We, _____ Tel: _____
[Full name in block and as per NRIC/Passport/Company Registration No.]

of _____
(Address)

being a member of **Kumpulan H & L High-Tech Berhad**, hereby appoint:

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or^

Full Name (in Block and as per NRIC/Passport)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting as ^my/our proxy to vote for ^me/us and on ^my/our behalf, at the Thirty-First Annual General Meeting (“**31st AGM**”) of the Company to be held at **ClubHouse, Tropicana Golf and Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 29 April 2026 at 11.00 a.m.** or any adjournment thereof, and to vote as indicated below:

^ Strike out whichever not applicable

RESOLUTIONS	DESCRIPTION OF RESOLUTION	#FOR	#AGAINST
Ordinary Resolution 1	To approve the payment of Directors’ fees of up to RM99,000 for the financial year ending 31 October 2026.		
Ordinary Resolution 2	To approve the payment of Directors’ benefits of up to RM130,000 for the period immediately after the 31 st AGM until the next AGM of the Company.		
Ordinary Resolution 3	To re-elect Mr Thong Chee Thim as Director.		
Ordinary Resolution 4	To re-elect Ms Mak Wai Chin as Director.		
Ordinary Resolution 5	To re-elect Mr Tan Yaw Bin as Director.		
Ordinary Resolution 6	To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 7	To grant authority to Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
Ordinary Resolution 8	To approve the Proposed Renewal of Authority for Share Buy-Back.		

Please indicate with an “**X**” in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Signed this _____ day of _____

Signature*
Member

*Manner of execution:

- (a) If you are an individual member, please sign where indicated.
(b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
(c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
(i) at least two (2) authorised officers, one (1) of whom shall be a director; or
(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

- For the purpose of determining who shall be entitled to attend the 31st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 22 April 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend the 31st AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
- A member entitled to attend and vote at the 31st AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to attend and vote at the General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
- If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - In hard copy form
In the case of an appointment made in hard copy form, the proxy form must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor.
 - By electronic means via email
The proxy form can be submitted to Boardroom via email at bsr.proxy@boardroomlimited.com. We do not acknowledge receipt of the form(s) of proxy.
 - By electronic means through the Share Registrar’s website
Please refer the Administrative Guide.
- Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Share Registrar of the Company at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- Please ensure **ALL** the particulars as required in the proxy form are completed, signed and dated accordingly.
- Last date and time for lodging the proxy form is **Monday, 27 April 2026 at 11.00 a.m.**
- Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - Identity card (NRIC) (Malaysian), or
 - Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - Passport (Foreigner).
- For a corporate member who has appointed a representative instead of a proxy to attend the 31st AGM, please bring the **ORIGINAL** certificate of appointment executed in the manner as stated in the proxy form if this has not been lodged at the Company’s Share Registrar office earlier.

Fold this flap for sealing

Then Fold Here



KUMPULAN H & L HIGH-TECH BERHAD
[199401032123 (317805-V)]

c/o Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

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KUMPULAN H & L HIGH-TECH BERHAD

[199401032123 (317805-V)]

No. 6, Jalan TSB 1, Taman Industri Sungai Buloh
47000 Sungai Buloh, Selangor Darul Ehsan, Malaysia.
Tel: +603 6157 6339 Fax: +603 6156 8918

www.hlhightech.com