



EUROSPAN HOLDINGS BERHAD

Registration No. 199501022724 (351927-M)

EST. 1972



# ANNUAL REPORT 2025

# CONTENTS

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2	Corporate Information
3	Group Structure
4	Management Discussion and Analysis
9	Profile of Board of Directors
13	Profile of Key Senior Management
14	Corporate Governance Overview Statement
24	Statement on Risk Management & Internal Control
27	Audit Committee Report
30	Sustainability Statement
42	Director's Responsibility Statement
43	Other Compliance Information
45	Directors' Report
50	Directors's Statement
50	Statutory Declaration
51	Independent Auditors' Report to the Members
55	Statements of Financial Position
56	Statements of Comprehensive Income
57	Consolidated Statement of Changes in Equity
58	Statement of Changes in Equity
59	Statements of Cash Flows
62	Notes to the Financial Statements
96	Analysis of Shareholdings
99	List of property of the Group
100	Notice of Annual General Meeting
103	Administrative Guide
	Proxy Form

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

<b>Dato' Sri Tan Han Chuan</b>	<i>Non-Independent Non-Executive Chairman</i>
<b>Mr Guan Shaw Yin</b>	<i>Executive Director</i>
<b>Dato' Thor Poh Seng</b>	<i>Non-Independent Non-Executive Director</i>
<b>Mr Ng Heng Hong</b>	<i>Executive Director</i>
<b>Datuk Seri Tan Choon Hwa</b>	<i>Independent Non-Executive Director</i>
<b>Mr Eng Boon Kiat</b>	<i>Executive Director</i>
<b>Mr Tan Kok Leong</b>	<i>Non-Independent Non-Executive Director</i>
<b>Mr Yap Kan Lin</b>	<i>Independent Non-Executive Director</i>
<b>Ms Ho Jong Ching</b>	<i>Independent Non-Executive Director</i>
<b>Mr Hiew Yong Nin@Hew Yong Nin</b>	<i>Non-Independent Non-Executive Director</i>
<b>Ms Tan Yan Ching</b>	<i>Non-Independent Non-Executive Director</i>

### AUDIT COMMITTEE

Mr Yap Kan Lin (*Chairman*)  
Dato' Thor Poh Seng  
Ms Ho Jong Ching (*MIA Member*)

### REMUNERATION COMMITTEE

Dato' Thor Poh Seng  
Mr Yap Kan Lin  
Ms Ho Jong Ching

### NOMINATING COMMITTEE

Dato' Thor Poh Seng  
Mr Yap Kan Lin  
Ms Ho Jong Ching

### COMPANY SECRETARIES

Ms Tan Shien Yin  
(MAICSA No.7018545) SSM PC No. 202008002719  
Ms Chong Siew Duan  
(MAICSA No.7019353) SSM PC No. 202008002732

### REGISTERED OFFICE

29<sup>th</sup> Floor, Menara JKG  
No. 282, Jalan Raja Laut  
50350 Kuala Lumpur  
Tel: (603) 2775 8199  
Fax: (603) 2775 8189  
Email: [global@global-quality.com.my](mailto:global@global-quality.com.my)

### SHARE REGISTRAR

Tricor Investor & Issuing House  
Services Sdn. Bhd.  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur, Malaysia  
Tel: (603) 2783 9299  
Fax: (603) 2783 9222  
Email: [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

### EXTERNAL AUDITORS

Grant Thornton Malaysia PLT [201906003682]  
[LLP0022494-LCA (AF:0737)]  
Level 5 Menara BHL,  
51, Jalan Sultan Ahmad Shah  
10050 George Town  
Penang, Malaysia  
Tel: (604) 228 7828  
Fax: (604) 227 9828

### PRINCIPAL BANKERS

United Overseas Bank (Malaysia) Bhd.  
Public Bank Berhad  
Malayan Banking Berhad

### STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
Main Market  
Sector: Consumer Products & Services  
Stock Name: EUROSP  
Stock Code: 7094

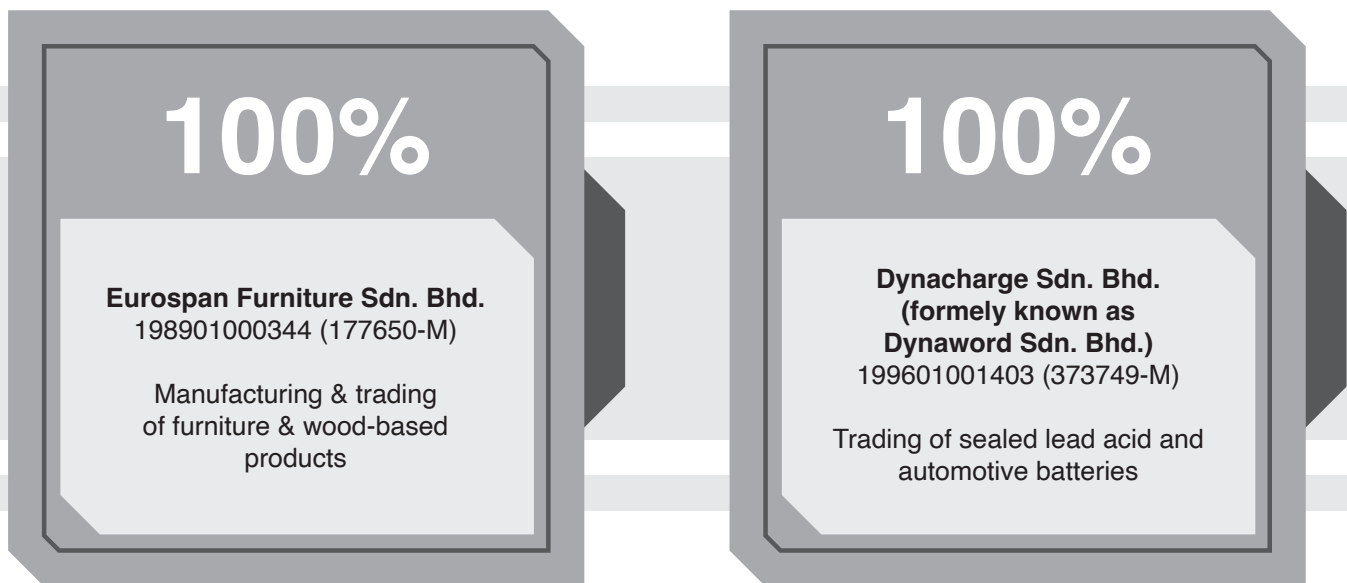
### WEBSITE

[www.eurospan.com.my](http://www.eurospan.com.my)

## GROUP STRUCTURE



Eurospan Holdings Berhad was incorporated in Malaysia on 19 July 1995 as a public limited company. It has been listed on the Main Market of Bursa Malaysia Securities Berhad since 10 July 2000. The Company is an investment holding company and its wholly-owned subsidiary companies are Eurospan Furniture Sdn. Bhd. and Dynacharge Sdn. Bhd. (formerly known as Dynaword Sdn. Bhd.)



# MANAGEMENT DISCUSSION AND ANALYSIS

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To our valued shareholders,

Eurospan Holdings Berhad (“Eurospan”) is listed on the Main Market of the Bursa Malaysia Securities Berhad (“Bursa Malaysia” or “the Exchange”). Eurospan and its subsidiaries (“the Group”) operate principally in Malaysia. The Group’s principal activities include manufacturing and trading of furniture and wood-based products as well as the trading of SLA and automotive batteries.

## Overview of Business and Strategies

Established in 1972 as Sin Bin Furniture, the Group’s furniture business enjoys a well-founded reputation for its world class wood dining sets. Our diverse range of ready-to-assemble and assembled furniture is produced primarily for export.

Located in Malaysia, the manufacturing facilities follow our internal systems to manage product quality. We are also able to meet stringent international production standards as attested by our ability to meet quality certifications for advanced strength and stability tests required by some of our international customers.

Todate, the Group exports its furniture to some of the world’s most competitive markets among which are Europe, United Kingdom, US, South America, Australia, Africa, Japan and Singapore.

We are customer orientated. We always place the customer’s needs and quality aspects as priority to meet customer’s expectation and satisfaction and strive to be a high-performance furniture manufacturer in order to deliver sustainable shareholder value to all stakeholders.

The Group’s products cover wide range of wood-based contemporary furniture and other wood-based products. These products come in various sizes, designs and colours. Our products are designed to serve a wide spectrum of customers. Its multiplicity product designs have provided buyers from various countries a wide choice. Whenever possible, the Group will endeavour to expand its product range to meet the needs of customers from all over the world. We will remain focused on fast moving dining sets product line but will continue to maintain our strategy of new product development using available machinery and resources. The Group strives to establish itself as a reliable furniture manufacturer and exporter providing good quality products at competitive price with timely delivery to its valuable customers throughout the world, however, we are constrained by our aging machinery and low production volume vis-à-vis much bigger competitors.

In recent years, competition in the furniture exports business has intensified. In Asia, key competitors to Malaysia’s manufacturers in the wood-based furniture exports business includes China, Vietnam, Indonesia and India. China, the largest exporter globally, dominates exports due to their strong manufacturing bases specialising in mass production, competitive pricing, availability of raw materials, and large-scale exports to the US, Europe and Asia.

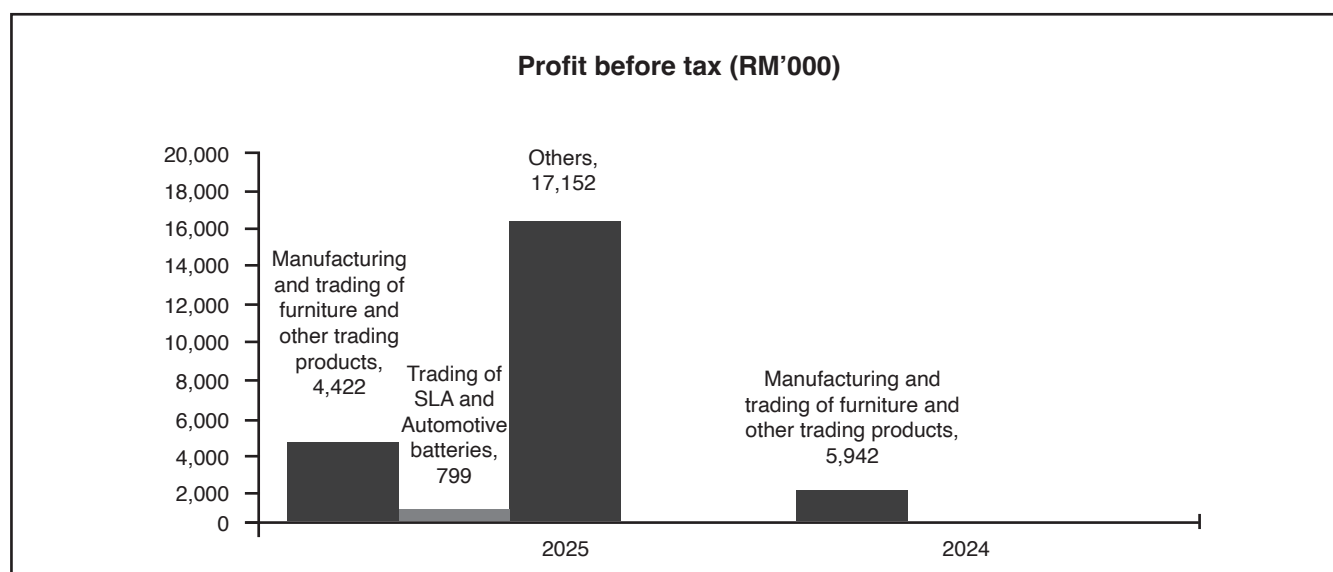
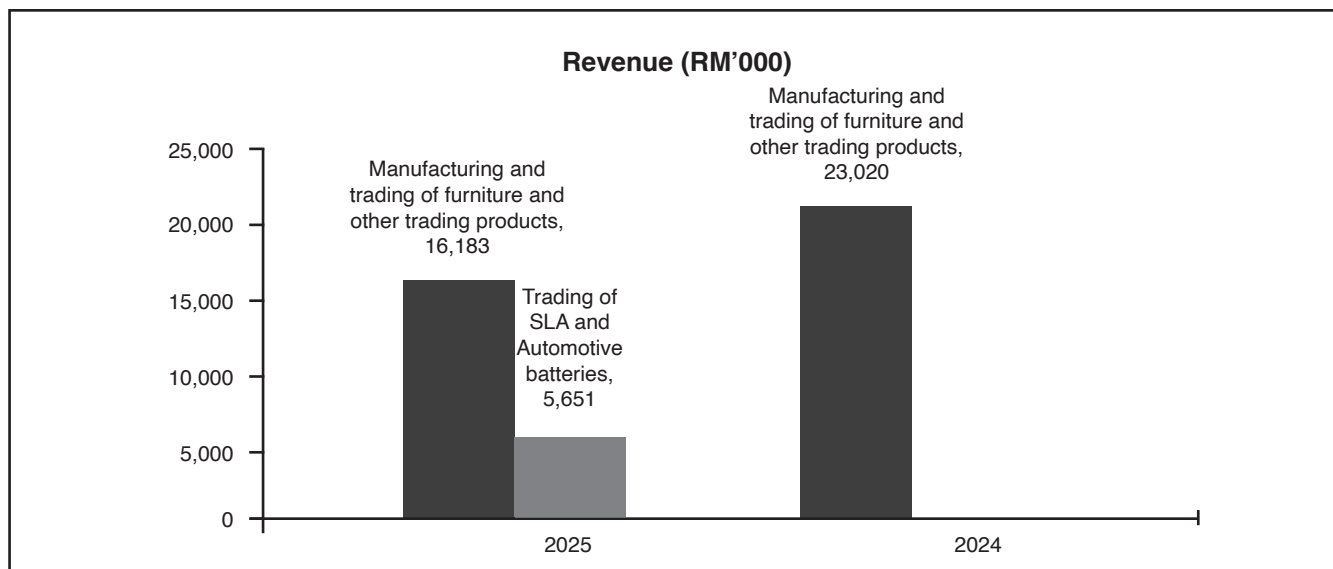
The Group anticipates an on-going challenging business environment for its furniture business, shaped by a confluence of global economic headwinds and geopolitical uncertainties. Escalating geopolitical conflicts and trade wars, particularly between major economies, and the US imposed reciprocal tariffs are disrupting global trade, increasing logistical and raw material costs and causing a rise in global inflation. Increase competition as well as inflationary pressures and rising employment uncertainty dampened market demand on discretionary items like furniture. These developments together with the recent increase in minimum wage, the expanded scope of the Sales and Service Tax, the restructuring of the electricity tariffs and the impending rationalisation of the RON 95 petrol prices are anticipated to further increase our operating and manufacturing costs. Moving forward, we anticipate the Group’s furniture business will be adversely affected. Nevertheless, the Group will continue to be agile in monitoring these developments to develop and implement measures to mitigate the impact on its operating results.

During the financial year, the Group had diversified its businesses to include trading in SLA batteries and automotive batteries. SLA batteries serve key consumer and industrial applications (UPS, telecoms, alarms, electronics equipment, etc) reinforcing a steady local consumption. With new Total Industry Volume (TIV) of 816,000 vehicles recorded by Malaysia Automotive Association for year 2024, demand for automotive batteries remains highly robust.

## Management Discussion And Analysis

### FINANCIAL REVIEW

#### Financial performance



In the financial year ended 31 May 2025, the Group recorded a revenue of RM21.83 million and profit before tax of RM22.37 million as compared to the revenue of RM23.02 million and profit before tax of RM5.94 million reported in the immediate preceding year.

During the financial year, the trading of furniture contributed a revenue of RM16.18 million whilst the trading of batteries achieved a revenue of RM5.65 million.

The significant increase in profit before tax was primarily due to a gain on disposal of Eurospan Furniture Sdn. Bhd. ("EFSB")'s properties and investment in a subsidiary, namely, Dynaspan Furniture Sdn. Bhd. ("DFSB") during the financial year. These disposals have contributed to gains of RM27.84 million. The furniture segment registered a profit before tax of RM4.42 million including the one-off gain from the disposal of properties whilst the batteries segment contributed a profit before tax RM0.80 million.

The global economic downturn and the high inflation in many of the markets we served led to reduce demand for the Group's furniture products during the financial year, which resulted in the decrease of revenue by RM6.84 million or 29.70% as compared to the preceding year.

## Management Discussion And Analysis

### FINANCIAL REVIEW (CONT'D)

#### Financial position

	2025 RM'000	2024 RM'000	Year-on-Year Variance (%)
Total assets	49,906	46,617	7.06%
Total liabilities	6,999	12,400	-43.56%
Shareholders' equity	42,906	34,218	25.39%
<b>Net assets per share (RM)</b>	<b>0.97</b>	<b>0.77</b>	

As at 31 May 2025, the Group's total assets base stood at RM49.91 million representing an increase of 7.06% as compared to the preceding year.

As at 31 May 2025, the shareholders' equity increased by 25.39% to RM42.91 million as compared to RM34.22 million at the end of the preceding year.

Net assets per share increased from RM0.77 as at 31 May 2024 to RM0.97 as at 31 May 2025.

#### Liquidity

	2025 (Days)	2024 (Days)	Changes (Days)
Trade receivables turnover period <sup>(1)</sup>	55	19	36
Inventories turnover period <sup>(2)</sup>	148	120	28
Trade payables turnover period <sup>(2)</sup>	63	13	50
Cash conversion cycle	140	126	14

<sup>(1)</sup> Closing balance as at year-end / Total revenue x 365 days

<sup>(2)</sup> Closing balance as at year-end / Cost of sales x 365 days

The trade receivables turnover period increased from 19 days in the financial year ended 31 May 2024 to 55 days in the financial year ended 31 May 2025, which was within our credit term granted to customers which range between 30 to 60 days.

The inventories turnover period increased from 120 days in the financial year ended 31 May 2024 to 148 days in the financial year ended 31 May 2025, mainly due to the increase in stock for the batteries businesses.

The trade payables turnover period increased from 13 days in the financial year ended 31 May 2024 to 63 days in the financial year ended 31 May 2025, mainly due to the increase in payables attributed to batteries segment. However, Our Group remains prudent in maintaining healthy financial position that will enable us to sustain the business.

	2025 RM'000	2024 RM'000
<b>Cash and cash equivalents at end of financial year:</b>		
- Cash and bank balances	30,576	2,843

As at 31 May 2025, the Group's cash and cash equivalents amounted to RM30.58 million compared to RM2.84 million in the last financial year. The increase is attributable to the proceeds from the sale of EFSB's properties and investment in DFSB. The excess cash, other than for working capital purposes, was placed for a mid-term investment to generate dividend income and/or capital appreciation.

# Management Discussion And Analysis

## FINANCIAL REVIEW (CONT'D)

### Borrowings

	2025 RM'000	2024 RM'000
Short term (repayable within 12 months)	143	144
Long term (repayable within 12 months)	51	193
Total borrowings	194	337

The Group's borrowings consisted of hire purchase to finance the purchase of motor vehicles. The Group is in net cash position which places it in a strong financial position to obtain financing to fund capital expenditures and/or working capital requirements for expansion of its operations or new ventures should the opportunity arise.

## BUSINESS REVIEW

### Market

For the Group's furniture business, we have established an international business network through our participation in various international furniture exhibitions throughout the years. We continuously seek long term partnerships with international buyers to identify market niches in high growth countries and to further enhance our delivery capabilities. During the year, the Group diversified its businesses to include the trading of SLA and automotive batteries through distributors, retail and on-line platforms and the Group is optimistic that it will achieve moderate growth on its trading of the SLA and automotive batteries, although the market for these products is highly competitive.

### Research and Development ("R&D")

As a leading furniture maker, we continue to diversify our product range to meet the latest home trends and customer needs. Prototype development, machinery upgrading and preventive maintenance, material development and process auditing are among the functions our R&D undertakes to ensure that we produce the finest quality products.

### RISKS

Similar to other players in the furniture industry, the Group has a significant dependency on labour for its production operations. The Group manages this risk through gradual enhancement of the production facilities and automation of key processes whenever possible to reduce manpower requirements.

The Group faces foreign currency risk as sales of its products and purchases of certain raw materials are denominated in foreign currencies. The Group has in place a mechanism to monitor currency fluctuation for costing and quotation purposes. It also uses foreign currency accounts and hedges trade receivables in foreign currencies to manage fluctuations in exchange rates of those currencies.

### OUTLOOK

The global market remains highly uncertain due to ongoing geopolitical tensions, including the Israel-Hamas conflict, the Russia-Ukraine war, the recent tariffs related concerns and rising global inflation. The Group anticipates an on-going challenging business environment for the financial year ending 31 May 2026 due to the global economic uncertainties.



## Management Discussion And Analysis

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### DIVIDEND

On 10 July 2024, the Board declared a Special Dividend of RM0.20 per share amounting to RM8,884,340 for the financial year ending 31 May 2025. The Special Dividend was paid on 5 August 2024 to depositors registered in the Record of Depositors on 25 July 2024.

On 27 November 2024, the Board declared an Interim Dividend of RM0.05 per share amounting to RM2,221,085 for the financial year ending 31 May 2025. The Interim Dividend was paid on 24 December 2024 to depositors registered in the Record of Depositors on 12 December 2024.

Save for the above, the Board did not recommend the payment of any final dividend for the current financial year ended 31 May 2025.

### APPRECIATION

We wish to express our deepest appreciation to our shareholders, customers, business associates, regulatory bodies, financial institutions and suppliers for their assistance and continued support. We will continue to uphold your trust and confidence in the Group. We wish to extend our heartfelt thanks to the management and all associates of the Group for their dedication, hard work and loyalty that are seeing us through our challenges. The Group continues to remain strong as a result of the concerted effort of the entire team.

# PROFILE OF BOARD OF DIRECTORS

## **Dato' Sri Tan Han Chuan**

Aged 58, Male, Malaysian  
Non-Independent Non-Executive Chairman

Dato' Sri Tan was appointed to the Board of the Company on 6 August 2024, and was re-designated as Non-Independent Non-Executive Chairman on 20 August 2024. He holds a Bachelor of Science degree in Business Administration, majoring in Finance and Operations from Boston University, U.S.A. Dato' Sri Tan joined Jasa Kita Trading Sdn Bhd, a wholly-owned subsidiary company of Jasa Kita Berhad, in 1991 and has since been involved in the management of the Jasa Kita Berhad Group. Dato' Sri Tan is also a Director of JKG Land Berhad and Jasa Kita Berhad.

## **Mr Guan Shaw Yin**

Aged 47, Male, Malaysian  
Executive Director

Mr Guan Shaw Yin was appointed as an Executive Director of the Company on 28 April 2008. He was re-designated as Managing Director on 1 June 2022. On 13 August 2024, Mr Guan was re-designated as Executive Director. He is primarily involved in manufacturing, logistic, finance as well as the quality control and assurance procedures of the Group. He holds a bachelor degree in Business Administration from Northwood University, USA. and joined Eurospan since 2006.

## **Dato' Thor Poh Seng**

Aged 65, Male, Malaysian  
Non-Independent Non-Executive Director

Dato' Thor was appointed to the Board of the Company on 6 August 2024. On 6 September 2024, Dato' Thor was appointed as member of the Board's Nominating Committee and Remuneration Committee and on 17 February 2025, Dato' Thor was appointed as member of the Audit Committee. Dato' Thor holds a Bachelor of Engineering degree from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) and a Master in Business Management Degree from the Asian Institute of Management, Philippines. Dato' Thor began his career in engineering, operations and finance before moving into investment banking. He has also served on the Board of several public listed companies since 1993, with business activities covering a wide range of industries. In a career spanning over four decades, Dato' Thor has held leadership and directorship positions across a wide spectrum of industries, including corporate finance, engineering, manufacturing, shipping and property development. Currently he is also Director of FCW Holdings Berhad and JKG Land Berhad.

## Profile of Board of Directors

### Mr Tan Kok Leong

Aged 29, Male, Malaysian  
Non-Independent Non-Executive Director

Mr Tan was appointed to the Board of the Company on 13 August 2024. Mr. Tan graduated in 2020 with a Bachelor of Science in Business Administration, majoring in Business Administration with a Minor in Computer Science, from Suffolk University, Boston. He began his career as an Entrepreneurship and Logistics Supply Chain Intern with ImEx Cargo LLC in Boston and then as a Staff Accountant for DavisKelly CPAs. Mr. Tan is a Director of Time Galerie (M) Sdn Bhd, and currently holds the position of Assistant to the Executive Director of Jasa Kita Berhad Group.

### Mr Eng Boon Kiat

Aged 46, Male, Malaysian  
Executive Director

Mr Eng was appointed as a Director of the Company and a member of the Board's Audit Committee on 13 August 2024. He was re-designated as Executive Director on 17 February 2025. Mr. Eng graduated with a Bachelor of Commerce, majoring in Accounting and Corporate Finance, from the University of Adelaide, Australia. He is also a member of CPA Australia. He began his career as an audit assistant with Price Waterhouse in Singapore. Upon his return to Malaysia, he joined several public listed companies, with business activities covering manufacturing, distribution, trading, construction, and property development, as an internal auditor. He has extensive knowledge and practical experience in the fields of audit and finance within public listed companies.

### Mr Yap Kan Lin

Aged 66, Male, Malaysian  
Independent Non-Executive Director

Mr Yap was appointed to the Board of the Company on 6 August 2024. On 13 August 2024, he was appointed as a member of the Audit Committee of the Board and later re-designated as Chairman of the Audit Committee on 15 September 2024. Mr. Yap was also appointed as a member of the Nominating Committee and Remuneration Committee on 6 September 2024. Mr. Yap holds a Diploma in Architectural & Project, Construction Management. Over the past 35 years, Mr. Yap has gained extensive diverse experience in architectural, property construction and project management focusing on the areas of, amongst others, contracts management, project documentations, implementation and management.

## Profile of Board of Directors

### Ms Ho Jong Ching

Aged 49, Female, Malaysian  
Independent Non-Executive Director

Ms Ho was appointed as a Director of the Company and a member of the Board's Audit Committee, Nominating Committee and Remuneration Committee on 15 September 2024. She is a member of CPA Australia and the Malaysian Institute of Accountants (MIA). Ms. Ho obtained her Bachelor of Accountancy from the University of South Australia, with a major in Accounting and a minor in Finance. She is an accomplished Audit Senior Manager with over 24 years of diverse experiences in auditing and accounting. In 2000, Ms. Ho started her career as an Audit Assistant at an audit firm, where she developed a strong base in auditing fundamentals and was later promoted to an Audit Senior. From 2004 to 2009, she worked as a Group Accountant in a public listed company, responsible for comprehensive financial management, reporting, and strategic analysis. Pursuant to that, Ms. Ho returned to the audit sector as an Audit Manager, leading audit teams and overseeing various audit engagements and its complexities. Currently she is an Audit Senior Manager in an audit firm.

### Mr Ng Heng Hong

Aged 46, Male, Malaysian  
Executive Director

Mr Ng Heng Hong was appointed as an Executive Director of the Company on 23 September 2025. Mr. Ng graduated with a Bachelor of Science from Universiti Teknologi Malaysia and embarked on his entrepreneurial journey in 2002, managing and growing businesses in the building materials industry. Mr. Ng has more than 15 years of experience in managing businesses and companies under the EC Excel Group. As the Managing Director of EC Excel Group, he plays a central role in driving the strategic direction, business expansion, and overall corporate growth of the Group. Over the years, Mr. Ng has been actively involved in the leadership and management of enterprises across diverse sectors. He holds various directorships and shareholdings in private companies primarily engaged in the manufacturing and trading of value-added steel wire, galvanised wire, and other metal products. His business interests also extend to the trading and wholesale of construction materials, property investment and development, as well as the food and beverage industry.

### Datuk Seri Tan Choon Hwa

Aged 68, Male, Malaysian  
Independent Non-Executive Director

Datuk Seri Tan Choon Hwa was appointed as Independent Non-Executive Director of the Company on 23 September 2025. Datuk Seri Tan Choon Hwa is a businessman with 27 years of experience in various industries such as timber mining, hotel resort, housing land development and finance and investment holding. Datuk Seri Tan is the Executive Chairman of TCH International Resources Group, his family company, and also holds directorship in Wazlian Group. He also holds other chairmanships in several associations, President of Malaysia-China Chamber of Commerce (Kelantan Branch), Vice President of Malaysia-Guangzhou Investment Association, and Advisor to Hongkong Chamber of Commerce and ASEAN Chamber of Commerce (Thailand). As for corporate advisory, he is the Chief Advisor (SEA) to China Shaanxi Group (Fortune 500), and Chief Advisor to Tarmah Development Group. Currently, Datuk Seri Tan also sits on the Board of CN Asia Corporation Berhad and SMTrack Berhad.

## Profile of Board of Directors

### Mr Hiew Yong Nin@Hew Yong Nin

Aged 73, Male, Malaysian  
Non-Independent Non-Executive Director

Mr Hiew Yong Nin was appointed as Non-Independent Non-Executive Director of the Company on 23 September 2025. He holds a Bachelor of Business (Accounting) from the University of Southern Queensland, Australia, a New Zealand Certificate in Commerce, and a qualification from the New Zealand Institute of Management, and is a member of several professional bodies including the Chartered Institute of Secretaries and Administrators, CPA Australia, the Malaysian Institute of Accountants, the Malaysian Institute of Chartered Secretaries and Administrators, and the Financial Planning Association of Malaysia. Mr. Hiew was appointed as Group Chief Financial Officer of EC Excel Wire Sdn Bhd in 2017, where he is responsible for the company's overall financial and accounting affairs, including budgetary control, forecasting, working capital, and cash flow management. With a wealth of experience gained since he began his career in 1981, Mr. Hiew brings expertise in finance, accounting, and corporate management to the Group.

### Ms Tan Yan Ching

Aged 31, Female, Malaysian  
Non-Independent Non-Executive Director

Ms Tan Yan Ching was appointed as Non-Independent Non-Executive Director of the Company on 23 September 2025. Ms Tan graduated with a Bachelor of Accounting (Hons.) at Universiti Utara Malaysia and has been a member of the Association of Chartered Certified Accountants (ACCA) since 2022. She began her career as an Auditor with Ernst & Young, where she gained valuable experience in financial reporting, compliance and statutory audit across diverse industries. Ms. Tan was appointed as Strategic Operations Manager of EC Excel Wire Sdn Bhd, where she is responsible for overseeing the Group's overall business operations and, in collaboration with the Board and senior management, contributes to strategic planning, risk management, and corporate governance initiatives. Prior to this role, she served as Group Assistant Manager in the Accounts & Finance Department, where she managed financial operations, statutory reporting and internal control enhancements.

# PROFILE OF KEY SENIOR MANAGEMENT

## Ms Tan Meow Yee

Aged 35, Female, Malaysian  
Finance Manager

Ms Tan Meow Yee is the Finance Manager of the Group. She joined the Group in 2019 as Finance Executive and was appointed to her current role in 2022. She was appointed as Director of a wholly-owned subsidiary of the Company, Eurospan Furniture Sdn Bhd on 7 August 2023. She is responsible for the statutory reporting, corporate governance, financial planning and accounting functions of the Group. Ms. Tan graduated with Bachelor of Accounting Information System (Hons.) at University Utara Malaysia and currently completing ACCA courses. She began her career as an auditor in a local audit firm and follow with trading company before moving to manufacturing industry.

## FURTHER INFORMATION ON THE BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT

### • Family Relationship

None of the Directors or key senior management have any family relationship with other Directors and/or major shareholders of the Company except for Dato' Sri Tan Han Chuan, Chairman of the Board, who is the father of Mr. Tan Kok Leong, a Director of the Company.

### • Conflict of Interest

None of the Directors or key senior management have any conflict of interest with the Company except for Mr. Guan Shaw Yin, the Executive Director of the Company and Managing Director of a wholly-owned subsidiary of the Company, Eurospan Furniture Sdn Bhd, which is in the similar business industry with Dynaspan Furniture Sdn Bhd. Mr. Guan is the Managing Director and shareholder of Dynaspan Furniture Sdn Bhd, which supplies component parts to Eurospan Furniture Sdn Bhd for its manufacturing of furniture products.

### • Conviction of Offences

None of the Directors or key senior management have been convicted of offences within the past 5 years (other than traffic offences, if any), or imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year or since his/her appointment as Director of the Company.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of the Company (“the Board”) values the importance of implementing and maintaining good corporate governance practices within the daily business operations of the Group to safeguard the Group’s assets, enable sustainable performance and ultimately enhance shareholders’ value. In this respect, the Board is committed to continue ensuring good corporate governance standards are applied across the Group with the objective of achieving a good corporate culture that aims to balance between conformance requirements with the delivery of long-term strategic success through performance, without compromising on corporate ethics and integrity.

The Board is pleased to present its Corporate Governance Statement (“CG Statement”) for the financial year ended 31 May 2025 (“FYE 2025”), outlining the Company’s application of the three (3) key principles of the Malaysian Code of Corporate Governance (“MCCG”):

- a) Board leadership and effectiveness;
- b) Effective audit and risk management; and
- c) Integrity in corporate reporting and meaningful relationship with stakeholders.

This CG Statement should be read together with the Corporate Governance Report 2025 of the Company which is available on the Company’s website at <http://www.eurospan.com.my>

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. Roles and Responsibilities of the Board

The Board is responsible for providing guidance and overseeing the Company on behalf of its shareholders. In fulfilling its function, the Board assumes, among others, the following responsibilities:

- Providing leadership, reviewing and adopting strategic plans and directions for the Group;
- Overseeing the conduct of the Group’s business;
- Ensuring existence of prudent and effective controls and sound risk management system;
- Reviewing the adequacy and the integrity of the Group’s internal control systems and management information systems including compliance with applicable laws, regulations, rules, directives and guidelines;
- Reviewing the performance of management; and
- Overseeing the overall sustainability strategies and performance of the Group.

The Board has adopted a Board Charter that sets out the division of responsibilities between the Executive Directors, the Non-Executive Directors, and the management team. The Board delegates the day-to-day operation of the business to the Executive Directors and the management team. However, certain functions are specifically reserved for the Board which include the following:

- In conjunction with management, establishing a vision and strategies for the Group;
- Approving the Group’s annual business plan and budget;
- Approving specific items of material capital expenditure and investments and disinvestments;
- Appointing new Directors to the Board;
- Approving any significant changes to accounting policies;
- Approving the quarterly financial statements;
- Approving the annual financial statements;
- Approving any interim dividends and recommending any final dividends to shareholders;
- Approving all circulars, statements and corresponding documents sent to shareholders;
- Approving the terms of reference and membership of Board Committees;
- Approving Company policies which may be developed from time to time; and
- Approving major acquisition and disposal of investments, businesses, mergers and acquisitions.



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

### I. Roles and Responsibilities of the Board (Cont'd)

#### Chairman

The Board has appointed a Chairman who is responsible for the proper conduct of Board meetings and ensures that Board discussions are conducted in a manner where all views are taken into consideration before a decision is made.

The Chairman is responsible for the leadership of the Board and controls the orderly and effective functioning of the Board. He ensures that all Directors are provided with sufficient relevant information on financial and non-financial matters to enable them to participate actively in Board discussions. His role includes:

- Providing strategic direction and leadership to executive management;
- Leading the Board effectively on all aspects of its role;
- Ensuring that appropriate procedures are in place to govern the Board's operations;
- Setting the agenda, style and tone of Board deliberations, facilitating effective review, analysis, discussions and contributions by each director with sufficient time allocated for discussion of complex and contentious issues, encouraging constructive debate so as to enable a sound decision making process;
- Ensuring accurate and timely information, in particular about the performance of the Company, is furnished to Board members;
- Promoting good corporate governance standards within the Group;
- Leading initiatives to address the Board's developmental needs; and
- Chairing of board meetings and general meetings, and ensuring a smooth, open and constructive dialogue between the Board and the shareholders.

#### Separation of the positions of the Chairman and the Executive Director

The Chairmanship of the Board is held by a Non-Independent Non-Executive Director. The positions of Chairman and Executive Directors of the Company are held by different individuals who are not related to each other.

In compliance with Practice 1.4 of the MCCG, the Chairman of the Board is not a member of the Audit Committee, Nominating Committee and Remuneration Committee.

#### Company Secretaries

The Directors have direct access to the advice and the services of the Company Secretaries to assist them to discharge their duties. The Company Secretaries updated the Directors periodically when new statutes and requirements were issued by the regulatory authorities to ensure that the Directors were aware of regulatory developments that affected them in carrying out their responsibilities.

The Company Secretaries convened all Board meetings and attended all Board meetings to ensure that Board procedures were followed and accurate records of the proceedings and resolutions passed were maintained. The Company Secretaries also ensured that the statutory registers were properly maintained at the registered office of the Company.

#### Access to information and advice

All Directors have full and timely access to information with Board papers distributed in advance of meetings. The agenda and discussion papers, including quarterly and annual financial statements, minutes of meetings and board papers which include reports relevant to the issues of the meetings covering the areas of strategic, financial and operational matters are usually circulated at least one week prior to Board Meetings to enable Directors to review and evaluate the matters to be discussed.



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

#### I. Roles and Responsibilities of the Board (Cont'd)

If required, the Directors may seek independent professional advice in the furtherance of their duties at the Company's expense. Before incurring the professional fee, the Director concerned must seek the approval of the Board. The Directors may access all information within the Group in furtherance of their duties.

##### **Board Charter**

The Board has formally adopted a Board Charter which provides guidance to the Board in the discharge of its roles, duties and responsibilities which are in line with relevant legislations, regulations, and the principles of good corporate governance. The Board Charter outlines the composition and structure of the Board, the appointment of new Directors to the Board, the Board's powers, duties, and responsibilities including the division of responsibilities between Executive and Independent Non-Executive Directors and management, establishment of Board Committees, remuneration of Directors and processes and procedures for convening Board meetings. The Board Charter also underlines the Board's commitment to compliance with laws, regulations, and its internal Code of Ethics. The Board Charter is subject to periodic review and will be updated from time to time to reflect changes to the Company's policies, procedures, and processes as well as changes to legislations and regulations. The Board Charter is available on the Company's website at <http://www.eurospan.com.my>.

##### **Code of conduct, Anti-Corruption Policy and Whistleblowing Policy**

The Board is committed to uphold compliance with relevant requirements of laws, its Constitution and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") in the conduct of the business of the Company. In addition, the Directors observe a Code of Ethics, which was developed by the Board based substantially on the Company Directors' Code of Ethics established by the Companies Commission of Malaysia. The Directors' Code of Ethics is available on the Company's website at <http://www.eurospan.com.my>.

The Group has adopted an Anti-Corruption Policy which sets out parameters to prevent the occurrence of bribery and corrupt practices in the conduct of the its business. This policy provides guidelines to all Directors and employees of the Group on the standard of behaviour which they must adhere to and how to recognise and deal with bribery and corruption.

In addition, the Board has established a whistleblowing framework to enable employees and associates to report suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company. The Whistleblowing Policy adopted by the Company provides and facilitates a mechanism for any employee and associate to report concerns about any suspected and/or known misconduct wrongdoings, corruption, fraud, waste and/or abuse in good faith without fear of adverse consequences.

The Anti-Corruption Policy and Whistleblowing Policy of the Group are available on the Company's website at <http://www.eurospan.com.my>.

##### **Sustainability**

The Board takes sustainability into account in discharging its duties. The Board plays its role in overseeing that senior management, consider material sustainability matters in formulating the Group's strategies and business plans, including identification and management of sustainability related risks and opportunities.

Details of the Group's sustainability initiatives and performance are presented in the Sustainability Statement of this Annual Report.

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

### II. Board Composition

#### Composition of Board

The Board presently has eleven (11) members which comprises of one (1) Non-Independent Non-Executive Chairman, three (3) Executive Directors and seven (7) Non-Executive Directors, three (3) of whom are Independent Non-Executive Directors. The current ratio of the independent directors is less than one third of the Board size. The Board will ensure the required ratio of Independent Directors is fulfilled within three (3) months such that no individual or group of individuals dominates the Board's decision making. The profile of each Director is presented on pages 9 to 12 of this Annual Report.

#### Tenure of Independent Directors

The MCGG recommends that the tenure of an Independent Director should not exceed a cumulative term of nine years. Upon completion of the nine years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. If the Board intends to retain an Independent Director beyond nine years, it should justify and seek annual shareholders' approval.

Shareholder approval through a two-tier voting process must be sought in the event that the Company intends to retain a director who has served the Board as an Independent Director for more than nine years.

#### Nominating Committee

The Nominating Committee ("NC") comprises wholly of Non-Executive Directors. Details of the current membership of the NC are as follows:

Nominating Committee Members	Directorate
Dato' Thor Poh Seng	Non-Independent Non-Executive Director
Mr Yap Kan Lin	Independent Non-Executive Director
Ms Ho Jong Ching	Independent Non-Executive Director

The key duties and responsibilities of the NC include, amongst others, the following:

- to assess and recommend to the Board all candidates for directorships;
- to assess the contribution of each individual Director, the effectiveness of the Board as a whole and the Committees of the Board;
- To review the required mix of skills, experience, gender diversity and other qualities, including core competencies, of the members of the Board;
- To review the balance of Executive and Non-Executive Directors (including Independent Directors) and the size of the Board with an aim to achieving a balance of view and effectiveness of the Board
- To review and assess the independence of Independent Directors on the Board; and
- To review the terms of office and performance of the Audit Committee and each of its members annually to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

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

#### II. Board Composition (Cont'd)

The terms of reference of the NC is available on the Company's website at <http://www.eurospan.com.my>.

During the financial year, the NC had four meetings, all chaired by an independent director and with full attendance of the NC members. The activities carried out by the NC during the financial year under review were as follows:

- i) Assessment on the proposed appointment of new Independent Non-Executive Director;
- ii) Assessed suitability for re-election of the Directors who were due for retirement at the next Annual General Meeting ("AGM") of the Company and its subsidiary company pursuant to the Constitution of the respective companies;
- iii) Annual evaluation on the performance and effectiveness of the Board of Directors (including Senior Management) as a whole and its Committees, based on the attributes of their size and structure, mix of skills, experience, qualities, diversity in age, gender, race and ethnicity, effectiveness and frequency of Board meetings, and nature as well as extent of functions performed by the Board Committees. The NC also assessed the level of effectiveness of the Board in addressing the Company's material sustainability risk and opportunities.

In reviewing Board composition, the NC considered the benefits of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively. Whilst the contribution of each individual Director was assessed based on the prescribed criterion of character, experience, level of integrity, core competencies, length of service, contributions towards Board deliberations during the various meetings held and whether he/she has contributed sufficient time to effectively discharge his/her duties and responsibilities as well as to whether there is conflict/potential conflict of interest of the Directors with the business of the Group.

- iv) Assessment of the term of office and performance of the Audit Committee and each of its members based on the requisite criteria set out in the annual assessment form.

All the proceedings, outcome and conclusions of the assessment and evaluation carried out by the NC were properly documented and submitted to the Board for consideration and notation and where necessary, further action would be taken to adjust the board composition, to enhance the effectiveness of functions of the Board and its committees.

#### Directors' fit and proper policy

The NC responsibilities include the development and review of the criteria for the recruitment of Board members and conducting the annual assessment of Directors. The criteria used in considering potential Board candidates as well as the annual assessment of existing Board members are set out in the Directors' Fit and Proper Policy which is available on the Company's website at <http://www.eurospan.com.my>.

#### Gender diversity

The Company strives to adhere to a practice of non-discrimination and selection based on merit in recruitment. It is also mindful of encouraging gender diversity at all levels including the selection of senior management personnel and Board members. The Board acknowledges the importance of boardroom diversity and supports non-discrimination on the basis of gender, age, race and religion. The recent appointments of female members to the Board reflects the Board's commitment in recognising female representation on the Board and encourages Board deliberations from different perspectives.

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

#### II. Board Composition (*Cont'd*)

##### **Annual assessment of Independent Directors**

The role of the Independent Directors is to bring independent and objective judgment to the Board which mitigates risks arising from conflict of interest or undue influence from interested parties and protects the interest of minority shareholders. The Board recognises that it is important to periodically assess whether a Director who is designated as independent continue to satisfy such designation.

During the financial year, the Board carried out an assessment on each of the Independent Directors. In addition, all the Board members were required to evaluate whether each of the Independent Director had continued to show independent and objective judgment in deliberations at Board meetings. Based on the evaluation carried out, the Board of Directors concluded that the Independent Directors satisfied the criteria of independence set by the Board.

##### **Time commitment of Directors**

The Board is mindful of the importance of devoting sufficient time to carry out their responsibilities, regularly updating their knowledge and enhancing their skills. Each Director is expected to commit sufficient time as and when required to discharge their responsibilities. Each Director of the Company does not hold more than five (5) directorships in public listed companies, in line with the MMLR.

The Board has pre-scheduled meetings annually which dates are set in advance so as to facilitate the Directors' time planning. Each Board member is expected to attend at least 50% of the total Board Meetings held in any applicable financial year.

Board members may also be nominated to serve on Board Committees which hold their own meetings. Directors and Board Committee members are furnished with papers, reports, and material relevant to the issues to be discussed prior to the meetings and are expected to review such material beforehand so that meaningful discussion can take place during meetings. This expectation of time commitment is communicated to new Board members before they are appointed.

During the financial year ended 31 May 2025, there were two (2) Board meetings held. The commitment of the Directors in carrying out their duties is reflected in full attendance of all the Directors at Board meetings held during the financial year as shown below:

## Corporate Governance Overview Statement

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

#### II. Board Composition (Cont'd)

Name of Director	Designation	Attendance
Mr Guan Kok Beng (resigned w.e.f. 13.08.2024)	Executive Chairman	100%
Mr Guan Shaw Kee (resigned w.e.f. 13.08.2024)	Deputy Managing Director	100%
Mr Sim Yee Fuan (resigned w.e.f. 06.08.2024)	Independent Non-Executive Director	100%
Ms Ch'ng Lay Hoon (resigned w.e.f. 06.08.2024)	Independent Non-Executive Director	100%
Mr Ting Hon Sum (resigned w.e.f. 06.08.2024)	Independent Non-Executive Director	100%
Dato' Sri Tan Han Chuan	Non-Independent Non-Executive Chairman	100%
Dato' Thor Poh Seng	Non-Independent Non-Executive Director	100%
Mr Guan Shaw Yin	Executive Director	100%
Mr Eng Boon Kiat	Executive Director	100%
Mr Yap Kan Lin	Independent Non-Executive Director	100%
Mr Tan Kok Leong	Non-Independent Non-Executive Director	100%
Ms Ho Jong Ching	Independent Non-Executive Director	100%

*The record of attendance are based on the number of meeting(s) attended by the Board members concerned during their respective tenure as member of the Board of Directors of the Company for the financial year under review.*

#### Continuing education programmes

To date, all the Directors (except for three new Directors who were appointed on 23 September 2025 will complete their MAP within the timeframe set by Bursa Securities) have completed the Part I and Part II of the Mandatory Accreditation Programme (MAP), prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities"). The Directors recognise the need to continue to undergo relevant training programmes to update their knowledge and enhance their skills where relevant to enable them to sustain their active participation as a Board member.

During the financial year ended 31 May 2025, the Directors of the Company had attended seminar/training programme which covered topics related to the 2025 Budget and Consolidated and Group Financial Statements Reporting.

Newly appointed Director(s) will be provided with a brief induction of the Group for an insight of the Group's business operations and financial performance. In addition, the Board is updated by the Company Secretaries from time to time on changes of statutory requirements.

#### III. Remuneration

##### Remuneration policies and procedures

The Remuneration Committee ("RC") presently comprises wholly of Non-Executive Directors. Details of the current membership of the RC are as follows:

## Corporate Governance Overview Statement

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

#### III. Remuneration (Cont'd)

Remuneration Committee Members	Directorate
Dato' Thor Poh Seng	Non-Independent Non-Executive Director
Mr Yap Kan Lin	Independent Non-Executive Director
Ms Ho Jong Ching	Independent Non-Executive Director

The RC recommends the remuneration of the Executive Directors. The determination of the remuneration of the Non-Executive Directors is a matter for the Board as a whole. Individual Directors abstain from deliberations and voting on the decision in respect of their own remuneration.

The Board recognises that the remuneration package should be sufficient to attract, retain and motivate Directors of caliber required to drive the Group's success. The remuneration of Executive Directors is generally based on their experience, responsibilities held, market conditions and the Group's overall financial performance. The remuneration of Non-Executive Directors is by way of fixed annual fees. Decisions and recommendations of the RC are reported back to the Board for approval and where required by the rules and regulations governing the Company, for approval of shareholders at the AGM.

The RC met once during the financial year.

The key duties and responsibilities of the RC include the following:

- To recommend to the Board of Directors the policy framework and remuneration structure of the Executive and Non-Executive Directors.
- To review and present recommendations to the Board of Directors regarding the remuneration and conditions of service of the Executive Directors in all its forms including the grant of entitlements under any share schemes.
- To review superannuation benefits, if any, for the Executive Directors of the Company.
- To review the retirement and termination schemes.
- To consider other fringe benefits issues that may arise from time to time.
- To review indemnity and liability insurance policies for the Directors and Officers of the Company.
- To seek external advice in drawing up its recommendations where necessary.
- To ensure that Directors play no part in the decisions on their own remuneration.

The terms of reference of the RC is available at the Company's website at <http://www.eurospan.com.my>.

#### Directors' Remuneration

The details of the Directors' remuneration of the Company for the financial year ended 31 May 2025 are set out in the Company's Corporate Governance Report 2025.

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit Committee

The current Audit Committee ("AC") of the Board of Directors of the Company comprises 3 Non-Executive Directors, the majority of whom are Independent Directors, and is chaired by an Independent Director.



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

### I. Audit Committee (Cont'd)

The AC's composition and performance are reviewed by the NC annually and subsequently recommended to the Board for its approval.

In order to maintain the independence and effectiveness of the AC, the NC ensures that majority of the AC members appointed are Independent Non-Executive Directors who are financially literate and possess the requisite expertise and experience.

The AC shall ensure that any former key audit partner of the Group's external auditors observe a cooling-off period of at least three years before being appointed as a member of the AC.

#### Suitability and Independence of External Auditors

The external auditors fulfill an essential role in providing assurance to shareholders and other stakeholders on the reliability of the financial statements of the Company. The Company maintains a formal and transparent relationship with the external auditors in ensuring the Company's compliance with applicable approved accounting standards and statutory requirements.

The role of the AC in relation to the external auditors is described in the AC's terms of reference.

The AC is responsible for recommending the appointment or re-appointment of external auditors. In assessing the suitability of external auditors, the AC will ensure that only firms which have experience in the audit of listed companies and are registered with the Audit Oversight Board will be considered. The AC assess the performance and independence of the external auditors annually.

The AC recognises that the regular provision of non-audit services by the external auditors may lead to impairment of the external auditor's independence and objectivity. The external auditors are therefore not normally engaged for non-audit related services. However, the external auditors may be engaged for services related to corporate exercises carried out by the Group from time to time, which are not regular in nature, for which the engagement of the external auditors may be deemed to be more effective for the Group. The external auditors have affirmed that members of their engagement team and the firm have complied with the relevant ethical requirements regarding independence in the conduct of their audit engagement.

### II. Risk Management and Internal Control Framework

#### Framework to manage risks

The Board is responsible for establishing a sound framework to manage risks and maintaining a sound system of internal controls to safeguard shareholders' investment and the Company's assets as required by the MCGG. The Directors also have a general responsibility for taking reasonable steps to prevent and detect fraud and other irregularities. The Statement of Risk Management and Internal Control as set out in this Annual Report provides an overview of risk management and the state of internal control within the Group for the financial year ended 31 May 2025.

#### Internal audit function

The Board has outsourced the internal audit activities to a professional service firm ("Internal Auditors") to serve as the internal audit function. The Internal Auditors report directly to the AC.

The outsourcing of the internal audit function with a direct reporting line to the AC helps to ensure that internal audit is carried out objectively and is independent from the management of the Company and the functions which it audits. The personnel who carry out internal audit work are free from any relationships or conflict of interest which could impair their objectivity and independence.

In appointing the Internal Auditors, the Board and the AC have taken into consideration that the firm's experience in providing internal audit services to listed companies and is adequately staffed with a team of qualified, competent, and experienced professionals to carry out the internal audit assignments.

# Corporate Governance Overview Statement

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

### II. Risk Management and Internal Control Framework (Cont'd)

The internal audit work has been carried out in line with guidelines of the International Professional Practice framework. The scope of work is performed based on an internal audit plan approved by the AC. with primary focus on high risk areas identified through the Group's risk evaluation process.

The Audit Committee Report as set out in this Annual Report provides a summary of the internal audit function and the internal audit activities carried out during the financial year.

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

### I. Communication with Stakeholders

The Company acknowledges the importance of transparent, timely and equal dissemination of quality material information to shareholders, investors and public at large. As such, the Board observed the Corporate Disclosure Guide issued by Bursa Securities which can be viewed from Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) as well as adhering to and complying with the disclosure requirements of the MMLR.

The Company reaches out to its shareholders through the distribution of its annual report, quarterly financial results announcements, circulars to shareholders, press release and the various disclosures and announcements made to Bursa Securities.

### II. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders. Notice of AGM and Annual Reports are sent to shareholders at least 28 days before the meeting.

During the AGM, shareholders are given opportunities to enquire and comment on matters relating to the Group's business. The shareholders are encouraged to participate in the open question and answer session in the AGM pertaining to the resolutions being proposed at the meeting and the financial performance and business operation in general. The Directors are available to provide responses to questions from the shareholders during the meeting.

In addition, Extraordinary General Meetings ("EGMs") are held as and when needed to obtain shareholders' approval on certain business or corporate proposals. Adequate notice of EGMs, in compliance with regulatory requirements, are sent to shareholders together with comprehensive Circulars/Statements setting out details and explaining the rationale with regards to the matters for which shareholders approval are being sought.

#### Poll voting

In accordance with the MMLR, the Company will conduct poll voting for all the resolutions put to vote at general meetings of the Company. In addition, the Company will appoint a scrutineer to validate the votes cast at the general meeting.

#### Communication and proactive engagement with shareholders

AGM and EGM where appropriate remain the most common platform for the Company and the Board to have effective communication and engagement with shareholders about performance, corporate governance and other matters affecting shareholders' interest. In addition, the Board may hold press conference where appropriate to keep shareholders informed of the Group's affairs. Information released to the public will also be made available on the Company's website for shareholders to have easy access.

### III. Compliance Statement

Save as disclosed, throughout the financial year ended 31 May 2025, the Group has complied with all the principles and recommendations of the MCGG.



# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of Directors is pleased to provide the following Statement on Risk Management & Internal Control of the Group. This Statement has been prepared in accordance with the *Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers*.

## Board's Responsibility

The Board of Directors acknowledges its overall responsibility for the adequacy and effectiveness of the Group's risk management and internal control system. In discharging this responsibility, the Board recognises the importance of good corporate governance and is committed to maintaining a sound framework of risk management and internal controls.

This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets. The Board is pleased to provide the following statement, which outlines the nature and scope of risk management and internal control of the Group during the financial year.

The system of risk management and internal control covers financial operational, compliance and information systems controls. An ongoing process has been established to identify, evaluate and manage significant risks faced or potentially encountered by the Group and this process is regularly reviewed by the Board.

The Board recognises that any system of internal control has inherent limitations. Accordingly, such systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives and it can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has received assurance from the Executive Director and the senior management team that the Group's risk management and internal control system has operated adequately and effectively in all material aspects, throughout the financial year and to the date of this Statement.

## Risk Management and Internal Control Structure

The Group has an ongoing process for the identification, evaluation, reporting, managing, monitoring and reviewing of the major strategic, business and operation risks within the Group. Both the Audit Committee and Board of Directors review the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports on a regular basis to ensure they remain responsive to the evolving business environment.

To further strengthen governance, the Board has established a Risk Management Committee ("RMC") which comprises the Executive Director and senior management team to oversee the risk management process across the Group.

The Group's internal control structure is supported by the followings:

- (a) An organisational structure with clearly defined lines of responsibilities, authority and accountability;
- (b) Documented internal policies, guidelines, procedures and manuals, which are updated from time to time;
- (c) Regular Board and management meetings where information is provided to the Board and management covering financial performance and operation;
- (d) Quarterly reviews of financial results by the Board and Audit Committee;
- (e) Regular training and development programmes attended by employees with the objective of enhancing their knowledge and competency;
- (f) A dedicated risk management team to support its risk management practice; and
- (g) Ongoing reviews on the system of internal controls by an independent internal audit function. Results of such reviews are reported to the Audit Committee, which in turn reports to the Board.

# Statement On Risk Management & Internal Control

## Risk Management and Internal Control Structure (Cont'd)

In addition, the Executive Directors are involved in day to day operations and responsible for monitoring risks affecting the business and control activities. These are supplemented by comprehensive and independent reviews undertaken by the internal audit function on the controls in operation in each individual business. The internal auditors independently report to the Audit Committee on the outcome and findings from their reviews.

## Risk Management Process

Risk management is regarded as an integral part of the Group's business operations. For the year under review, the RMC is supported by senior management team from various divisions to effectively embedded risk management processes into the corporate culture, processes and structures within the Group.

The RMC has identified and reviewed the major business risk factors affecting the Group and formulate risk management strategies to manage and mitigate the risks identified. The following factors have been considered in the risk assessment:

- (a) The nature and extent of risks facing the Group;
- (b) The risk appetite and categories of risk acceptable to the Group;
- (c) The likelihood of the risks materialising; and
- (d) The Group's ability to mitigate or manage the impact of risks on its business.

## Control Environment

The Group has implemented a proper control environment that emphasises on quality and performance of the Group's employees through the development and implementation of human resources policies and programmes designed to enhance the effectiveness and efficiency of the individual and the organisation.

The Board acknowledges that even with a strong control environment, internal control system can only reduce, but not eliminate risks arising from human error, poor judgement deliberate circumvention of controls, management override or unforeseeable circumstances.

## Internal Audit Function

The Board outsourced its internal audit function to an independent professional firm. This ensures objectivity in assessing the adequacy, effectiveness and integrity of the Group's internal control system. The internal audit function adopts a risk-based approach in developing its audit plan, which is reviewed and approved by Audit Committee.

During the financial year, the internal audit function carried out reviews on the following areas:

- Common Sustainability Indicators
- Information Technology

Audit findings were presented to the Audit Committee via internal audit report whilst Management formulates action plans to address issues noted from internal audit to improve the system of internal controls.

Based on the internal auditors' report for the financial year ended 31 May 2025, the Board is satisfied that the Group's system of internal controls provides reasonable assurance that the risks are managed and objectives are met. Nevertheless, the internal control systems will continue to be reviewed and enhanced in line with changes in the operating environment.

## Statement On Risk Management & Internal Control

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### Review of the Statement by External Auditors

The external auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the annual report of the Group for the financial year ended 31 May 2025 and reported to the Board that nothing has come to their attention that cause them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the risk management and internal control system.

### Conclusion

The Board is of the opinion that the Group's risk management and internal control system is sound and has functioned adequately and effectively for the financial year under review and up to the date of this Statement. These systems provide reasonable assurance in safeguarding shareholders' investments and the Group's assets.

This Statement was made in accordance with a Board of Directors' resolution dated 22 September 2025.

# AUDIT COMMITTEE REPORT

## 1. MEMBERSHIP AND MEETINGS

Details of the membership of the Audit Committee and attendance of meetings during the financial year are as follows :-

### Composition of Audit Committee

#### Present Members

Chairman	
Mr Yap Kan Lin	Independent Non-Executive Director
Members	
Dato' Thor Poh Seng (appointed w.e.f. 17 February 2025)	Non-Independent Non-Executive Director
Ms Ho Jong Ching	Independent Non-Executive Director

#### Past Member

Member	
Mr Eng Boon Kiat (resigned w.e.f. 17 February 2025)	Independent Non-Executive Director

### Meetings

The Audit Committee ("AC") held four meetings during the financial year ended 31 May 2025. The attendance records of the AC members during their tenure as AC members are as follows :-

Audit Committee Members	Date of Meeting				% of Attendance
	23/07/2024	15/10/2024	22/01/2025	17/04/2025	
Mr Sim Yee Fuan (resigned w.e.f. 6 August 2024)	√	-	-	-	100
Ms Ch'ng Lay Hoon (resigned w.e.f. 6 August 2024)	√	-	-	-	100
Mr Ting Hon Sum (resigned w.e.f. 6 August 2024)	√	-	-	-	100
Mr Eng Boon Kiat (resigned w.e.f. 17 February 2025)	-	√	√	-	100
Mr Yap Kan Lin (appointed w.e.f. 13 August 2024)	-	√	√	√	100
Dato' Thor Poh Seng (appointed w.e.f. 17 February 2025)	-	-	-	√	100
Ms Ho Jong Ching (appointed w.e.f. 15 September 2024)	-	√	√	√	100

The attendance records of the AC members were based on the number of meeting(s) attended by the AC Member concerned during their respective tenure as member of the AC for the financial year under review.

# Audit Committee Report

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## 1. MEMBERSHIP AND MEETINGS (CONT'D)

The proceedings and conclusions of each AC meeting were documented and distributed to each member of the AC and also to the other non-Audit Committee Board members.

## 2. TERMS OF REFERENCE OF AC

The terms of reference of the AC is available on the Company's website at <http://www.eurospan.com.my>.

The Board of Directors is satisfied that the AC and its members have discharged their responsibilities during the financial year in accordance with the terms of reference of the AC.

## 3. SUMMARY OF WORK OF THE AC

During the financial year ended 31 May 2025, the AC had carried out the following activities to meet their responsibilities as set out in the terms of reference of the AC :-

### (a) Financial reporting

- Reviewed the financial performance and financial highlights of the Group at quarterly meetings;
- Reviewed the unaudited quarterly financial results of the Group before recommending the same for Board approval and subsequent release to Bursa Malaysia Securities Berhad; and
- Reviewed the audited financial statements for the financial year ended 31 May 2025 together with the external auditors before recommending the same for Board approval.

### (b) External Audit

- Reviewed and approved the external auditors' audit plan for the year ending 31 May 2025 covering the key areas of audit focus and the audit approach for each area identified;
- Received briefing and discussed on amendments to financial reporting standards that were relevant to the Group and may have an impact or require more extensive disclosure in the financial statements of the Group;
- Discussed and agreed to the reporting schedule for completion of the audit to meet reporting deadlines;
- Reviewed points on internal control/recommendations for improvement that were brought up by the external auditors for discussion with management upon completion of the audit.
- Met two times with the external auditors without the presence of Executive Directors and management staff;
- Reviewed the extent of assistance rendered by management in the course of the audit;
- Noted the external auditors' confirmation that there was no matter that may impair the external auditors' professional independence and that they complied with the requirements on professional independence and ethics in relation to the audit engagement; and
- Reviewed the audit fees and the performance of the external auditors, and was satisfied with the conduct of their professional work and the timeliness of completion of their work to meet the reporting deadline. Accordingly, the AC recommended for the re-appointment of the external auditors at the forthcoming Annual General Meeting.

### 3. SUMMARY OF WORK OF THE AC (CONT'D)

#### (c) Internal audit and risk management

- Met with the internal auditors to discuss and approve the internal audit plan drawn up by the internal auditors based on the Group's risk profile to ensure that the relevant controls are in place to properly manage the risks;
- Met the internal auditors twice during the year to review their internal audit/risk management reports with relevant management members including Executive Directors invited to attend the AC meetings to provide insight and clarification on specific matters raised in the internal auditors' reports; and
- Reviewed status updates from the internal auditors in respect of implementation of management action plans or agreed course of action on the findings reported in previous audit cycles to ensure that issues have been resolved satisfactorily.

#### (d) Other matters

- Reviewed the conflict of interest or potential conflict of interest situation within the Group.

### 4. INTERNAL AUDIT FUNCTION

The Company has outsourced its Internal Audit Function to a professional firm of consultants which is Tan Yen Yeow & Company to assist the AC in evaluating the adequacy, integrity and effectiveness of the Group's overall internal control system. The principal of Tan Yen Yeow & Company is a member of the Institute of Internal Auditors Malaysia. The internal audit work has been carried out in line with guidelines of the International Professional Practice framework. Their scope of function covers all units and operations of the significant subsidiaries of the Group. The Internal Audit Function reports directly to the AC.

The cost incurred in maintaining the Internal Audit Function for the financial year ended 31 May 2025 was RM16,000.

### 5. SUMMARY OF THE WORK OF THE INTERNAL AUDIT

The internal auditors assisted the Audit Committee in discharging its duties and responsibilities by executing independent reviews of the adequacy and effectiveness of the Group's internal control systems. The internal auditors prepared the audit plan for the year that focused on high risk areas. During the financial year, the internal auditors conducted internal audit reviews on areas in accordance with the audit plan approved by the AC.

The internal audit reports on the reviews carried out, identifying weaknesses with root cause analysis, defined risks ratings based on financial or quantitative impact and suggested recommendations for improvements to management for further action, were presented to the AC at the AC meetings. The internal audit presented to the AC the internal audit reports on "Sustainability Reporting" which recorded the performance data indicators in relation to the sustainability matters of the Group and "Information Technology" of Eurospan Furniture Sdn Bhd to assess the adequacy of the internal audit controls of the IT control environment, data back-up, computer virus and corporate website and social media during the financial year.

The internal auditors also provided status updates to the AC in respect of implementation of corrective action plans or best practices that were reported and agreed with the management in previous audit cycles during those meetings. The internal audit and risk management review carried out during the financial year did not reveal material weaknesses which may result in material losses or contingencies that may affect the Group.

# SUSTAINABILITY STATEMENT

## OUR COMMITMENT TO SUSTAINABILITY

The Board of Directors of Eurospan Holdings Berhad (“Eurospan” or the “Company”) (“Board”) is pleased to present the Sustainability Statement (“Statement”) for the financial year ended 31 May 2025 (“FY2025”). This Statement has been prepared in accordance with the Sustainability Reporting Guide (“Guide”) issued by Bursa Malaysia Securities Berhad (“Bursa Securities”).

This Statement covers Eurospan and its wholly-owned subsidiaries located in Malaysia (“the Group”). The Group’s principal activities comprise of manufacturing and trading of furniture and wood-based products, trading of sealed lead acid and automotive batteries and investment holding. The Guide provides guidance on how to embed sustainability in Group’s organization and helps the Group to identify, evaluate and manage the Group’s material economic, environmental, social governance risk and opportunities.

Sustainability practices should be embedded and integrated into the business operations of an organization rather than on a standalone basis, to ensure continuity, relevance and sustainability of the practices. In order to embed sustainability effectively, the Board has committed to lead the sustainability development efforts and is responsible to identify material sustainability matters, formulate the related sustainability initiatives and practices and overseeing their implementation and performance.

## GOVERNANCE STRUCTURE

The Board is responsible for oversight of the sustainability strategies of the Group. It ensures that the Group’s business strategies give due considerations to all aspects of sustainability as prescribed by Bursa Securities. The Board has established a Risk Management Committee (“RMC”) which comprises the Executive Director and senior management team to assist in the implementation of sustainability strategies. It identifies and evaluates overall sustainability risks and opportunities and manages sustainability matters of the Group. The RMC also oversees the sustainability management at each subsidiary or business unit.

The Group acknowledges the involvement of stakeholders is fundamental to achieving the Group’s sustainability goals as direct engagement with our internal and external stakeholders enables the Group to have access to feedback and insights which enable us to bridge the gap between their expectations and our actions. A summary of the various types of stakeholder engagements are listed in the table below :-

Stakeholders	Focus areas	Type of Engagement
Shareholders and Investor	<ul style="list-style-type: none"><li>• Group financial performance</li><li>• Operation in compliance with applicable laws and regulations</li></ul>	<ul style="list-style-type: none"><li>• Annual General Meeting</li><li>• Annual Report</li><li>• Quarterly financial results</li><li>• Investor relations channel</li><li>• Corporate website</li></ul>
Employees	<ul style="list-style-type: none"><li>• Career development and training</li><li>• Occupational health and safety</li><li>• Working conditions and welfare</li></ul>	<ul style="list-style-type: none"><li>• Performance appraisal exercise</li><li>• Regular safety inspection</li><li>• Training and development</li><li>• Meetings and discussions</li></ul>



# Sustainability Statement

## GOVERNANCE STRUCTURE (CONT'D)

Stakeholders	Focus areas	Type of Engagement
Government and Regulatory Bodies	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Participating in programmes to keep abreast of changes in rules and regulations</li> <li>Audit or inspection visit by authorities</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Products quality and timely delivery</li> <li>Customer satisfaction</li> <li>Sustaining long term relationship</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Frequent customer engagement and interaction</li> <li>Products brochures</li> <li>On-site factory visit</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Sustainable and consistency in supply</li> <li>Products quality</li> </ul>	<ul style="list-style-type: none"> <li>Supplier evaluation and selection process</li> <li>Regular meetings and correspondence</li> </ul>
Local communities	<ul style="list-style-type: none"> <li>Corporate social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Donations</li> <li>Community or engagement programme</li> </ul>

## MATERIAL SUSTAINABILITY MATTERS

Sustainability matters are the risks and opportunities arising from the economic, environmental, social and governance (“EESG”) impacts of our organisation’s operations and activities and sustainability matters are considered material if they reflect the Group’s significant EESG impacts or substantively influence the assessments and decisions of the Group’s stakeholders.

Based on existing policies and practices, the Group has identified and prioritised the following material sustainability matters which have the greatest impact on the Group’s business operations and stakeholders.

### Environmental Sustainability

As a major wood-based furniture manufacturer, the Group believes in the sustainable use of environmentally friendly materials. Majority of our wood materials are Forest Stewardship Council (“FSC”) Controlled wood and are Programme for the Endorsement of Forest Certification (“PEFC”) certified. PEFC certificate is a transparent and independent control system for safeguarding sustainable and thus exemplary forest cultivation. PEFC is also a monitoring system for proof of origin from certified forests via wood processing companies to the finished product on the shelf.

The Group is in compliance with the environmental laws governing plant operations in areas relating to emission standards and plant effluents management.



# Sustainability Statement

## MATERIAL SUSTAINABILITY MATTERS (CONT'D)

### Waste Management

The Group is aware of the importance of environmental management arising from the waste generated from manufacturing activities. The Group has categorised waste as scheduled and non-scheduled according to the regulations of the Department of Environment (“DOE”). Scheduled wastes are collected by the DOE approved contractors pursuant to the Environmental Quality (Scheduled Waste) Regulations, 2005 while non-scheduled wastes on the other hand are scrapped or collected by DOE approved contractor to be recycled or disposed of.

The Group encourages all employees to practice reducing, reusing and recycling papers including 2-sided printing are applied on daily printed documents and seeking alternative use for any waste materials or resources that may be applicable for different purposes within our business. The Group also encourages paperless working environment and practices online E-payment to suppliers, E-notification from human resource department to all employees and E-Annual Report to shareholders.

### Energy Management

With a commitment to sustainability, we seek to ensure the sustainability of our business through careful management of our energy consumption. One of the subsidiaries has installed solar system to generate sustainable energy reliably and at the same time have access to real time view of the net energy consumption. Solar power in Malaysia represents a clean green source of energy which can reduce carbon footprint and does not pollute the environment. Other current practices taken by the Group included setting all the air conditioners at a fixed temperature setting, switching off lights and air-conditioners or other electrical appliances immediately when they are not in use.

Year	2025	2024
Energy Consumption (Megawatt)	723.67	2,060.09

### Water Management

As part of the Group’s environmental initiatives, we are dedicated to reducing water consumption and preventing water wastage and pollution. Consistency on monitoring water meter readings aids in curbing excessive usage and identifying any water loss resulting from leaks.

Year	2025	2024
Water Consumption (Megalitres)	5.36	17.91

### Economic Sustainability

The Group acknowledges that product quality and customers’ satisfaction are of the highest priority to the Group’s business continuity. The research and development team has been continuously putting effort into new products development with improvement in furniture design and quality to ensure the products provide comfort and durability.

The management regularly communicates with our customers to gather feedback in respect of our product quality, services, delivery and etc. to meet customers’ ever-changing needs. During FY2025, there was no major non-compliance of product quality which resulted in significant product return and neither was there any major complaint from customers.

### Supply Chain Management

The Group are engaged in responsible procurement practices whereby proper procedures are laid down to ensure that any procurement made is evaluated and approved following the procedures and policy. The Group only sources the materials from approved vendors which meet acceptable and ethical business practices. In this respect, vendors are required to submit a Supplier Declaration Form which declares on the conflict of interest (if any), compliance with laws, payments terms, etc.

# Sustainability Statement

## MATERIAL SUSTAINABILITY MATTERS (CONT'D)

Our employees are expected to conduct themselves ethically. We will not tolerate any corrupt practices in all business dealings and any breach of this policy will be dealt with severely.

### Local Procurement

Engaging in local procurement brings significant social and economic benefits to the local communities. By supporting local businesses, the Group actively stimulates economic development, creating opportunities for growth and innovation.

However, in certain circumstances, relying on foreign supplies may be unavoidable, particularly for raw materials not easily accessible locally. Nonetheless, the Group consistently seeks ways to reduce the reliance on foreign supplies.

Year	2025	2024
Proportion of spending on local suppliers	89.79%	61.96%

### **Social Sustainability**

The Group's social commitment covers our responsibility to our employees and the community living within close proximity to our manufacturing facilities. We are committed to engaging with each stakeholder group to understand their needs more clearly so that we can improve our social impact on all stakeholders and provide better opportunities for collaboration that is both beneficial to our business as well as to our employees and communities around us.

We believe employees are our greatest assets; we value our people and know that they are vital to our business. They are key to sustaining a growing business particularly in providing excellent customer service and delivering consistent quality and safe products to our customers. Providing our employees with good working conditions, reasonably good benefits and keeping our people safe, healthy and closely engaged is of utmost importance to us.

### Workforce Diversity and Equal Opportunity

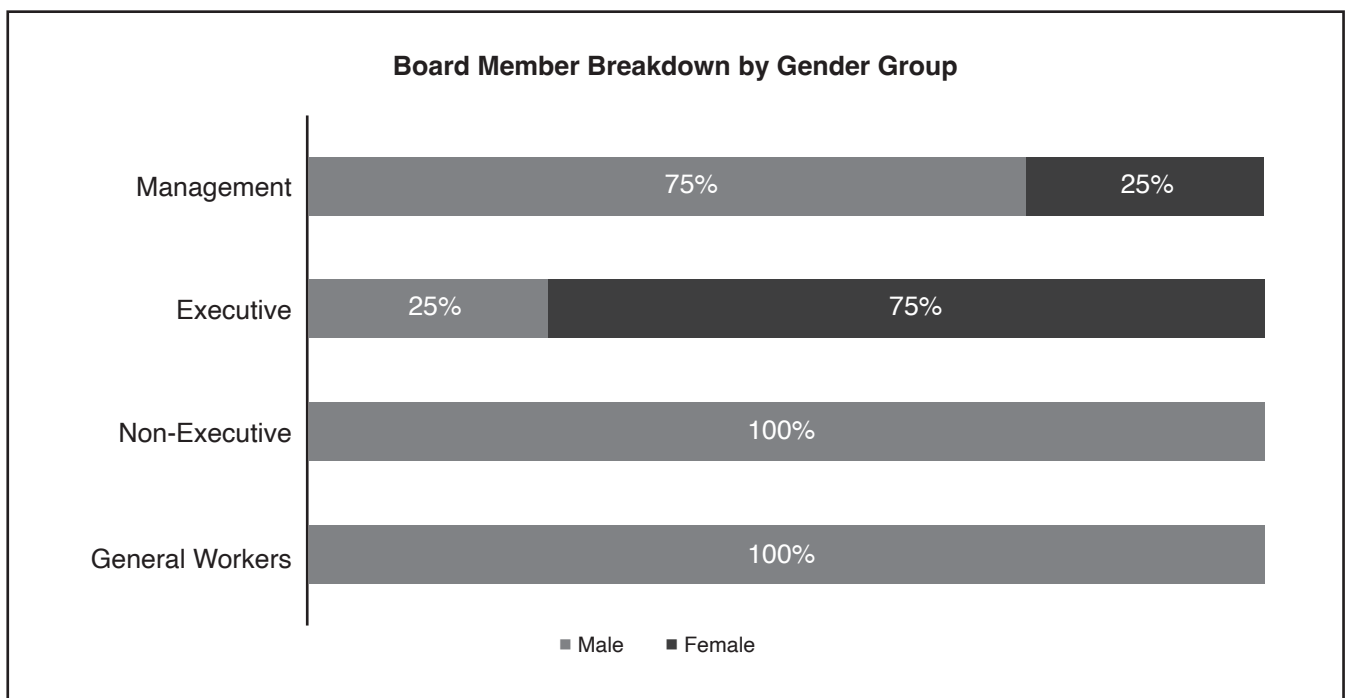
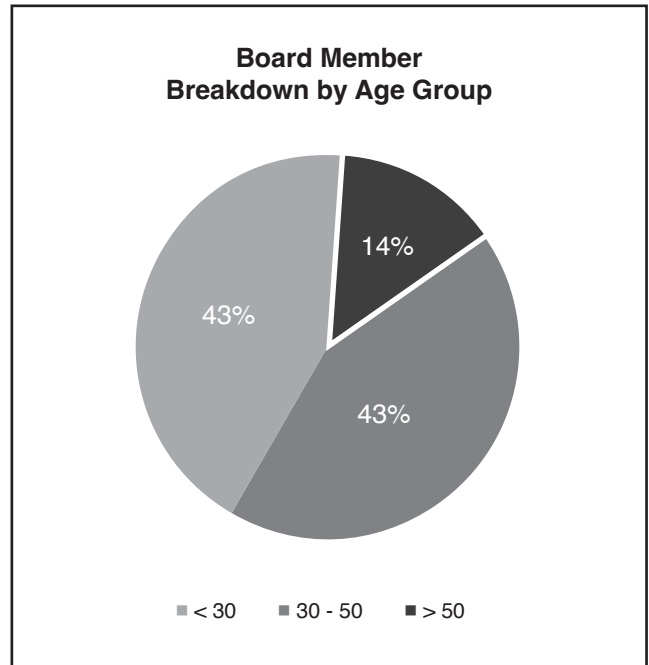
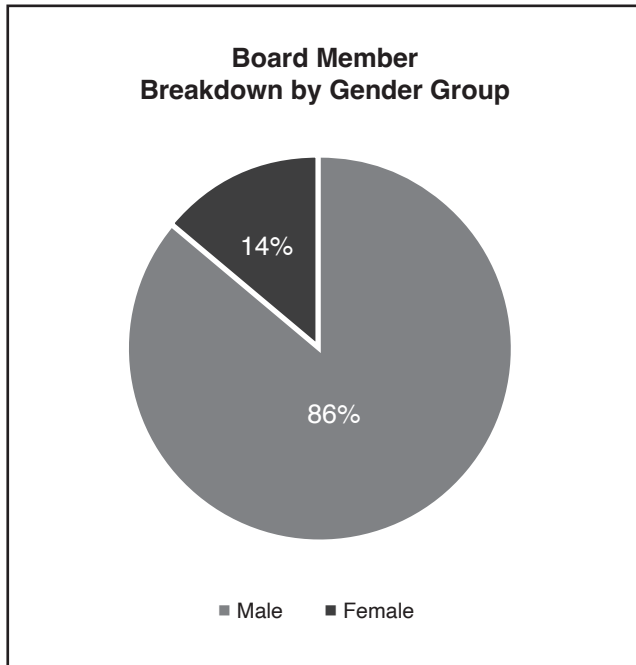
The Group promotes principles of equality and practices no discrimination against employees on race, belief, gender and sexual orientation. There are equal opportunities for all employees within the Group.

The remuneration of an employee is strictly based on skill, merit and qualification and is governed by the pay scale of a particular grade. The management monitors that employee affairs are conducted in accordance with the Employment Act 1955. There is approximately equal number of employees of each gender in the management and executive position while male workers made up higher number in production areas due to the job requirement which are physically more demanding.

# Sustainability Statement

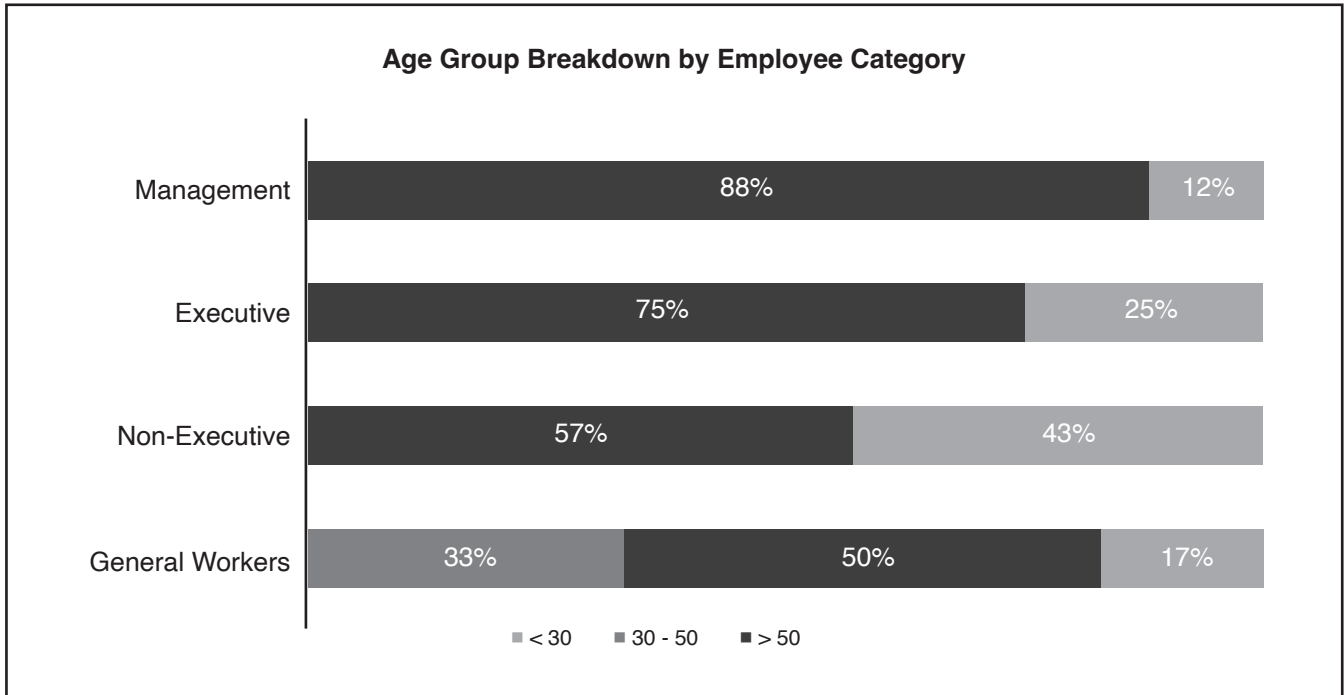
## MATERIAL SUSTAINABILITY MATTERS (CONT'D)

The employee distribution as of 31 May 2025 as per below :-



## Sustainability Statement

### MATERIAL SUSTAINABILITY MATTERS (CONT'D)



Total Number of Employee Turnover by Employee Category	2025	2024
Management	1	0
Executive	3	14
Non-Executive	10	13
General Workers	41	57

Year	2025	2024
Percentage of employees that are contractors or temporary staff	5.13%	1.76%

### Human Rights and Labour Practice

The Group is highly committed in creating and maintaining an environment that respects and support human rights and ensuring compliance with applicable regulations and law as part of being a good corporate citizen. We continually review and address human rights and labour practice risks and opportunities in our business operations where it is the right thing to do. This helps us to build trust with stakeholders, operate business activities responsibly and manage these risks.

We believe there is an undeniable link between social sustainable development and human rights coupled with good labour practice. As responsible corporate citizen, we respect and recognise universal human rights and require our people to report any human rights abuse and issues that arise in our business operations. As a good corporate citizen, the Group offers a respectful working place which is free from harassment, violence, discrimination and other inappropriate behavior, conduct and action.

Year	2025	2024
Number of substantiated complaints concerning human rights violations	0	0

# Sustainability Statement

## MATERIAL SUSTAINABILITY MATTERS (CONT'D)

### Sexual Harassment

The Group views sexual harassment as a serious misconduct that undermines the respect of employees' working relationship. Sexual harassment in workplace could be possibly expected to make a person feel offended, humiliated or intimidated due to unwelcome sexual behaviour by their working colleagues. Following the Group's code of conduct under the clause titled "Forms of Sexual Harassment", it is stated that sexual harassment encompasses all forms of verbal, non-verbal or gestural, psychological, visual and physical harassment.

Any employee found guilty of any form of sexual harassment will face disciplinary action which ranges from a final warning to dismissal.

### Child and Forced Labour

The Group prohibits any form of child and forced labour in our value chain and business activities. Our policy forbids child labour and our recruitment procedures strictly verify that the age of our potential employees is legal for work.

Our compliance with the Children and Young Persons (Employment) Act 1966 shows our support in prohibiting child labour and minors for work. We continuously monitor the compliance in our factory to ensure adherence to this policy. We have a clear policy in place that guides us to act in the best way if child and forced labour is discovered in our business operations and activities.

### Occupational Health and Safety

Safety is a non-negotiable priority and a vital part of our working culture. As a Group of manufacturing companies, we are committed to providing a safe and healthy work place for our employees. The Group's occupational health and safety policy exists which provides clear emphasis on the principles and values that we subscribe to:

- Ensure compliance with local regulations and respective policies and law;
- Encourage and implemented employee's responsibility for safety and health at the workplace; and
- Actively organising occupational safety and health programs to create an awareness and culture to the employees.

The Group has an existing Occupational Health and Safety policy and a formal Safety and Health ("SH") Committee in our factory with the objective to ensure that all the necessary procedures, code of conduct and policy are put in place in order to prevent and minimise workplace incidents and injuries to our employees.

We also commit to continuously providing trainings and briefings on matters related to Fire Safety, First Aid Training, Fire Drill in order to inculcate a culture of safety first in our workplace. Fire Safety Awareness Training was conducted by the Group with the objective to create greater awareness. To ensure our employees are knowledgeable in fire prevention at the workplace, our SH Team conducts Fire Drills at least once every year in our factory.

Regular safety inspections are carried out to identify the potential risks and immediate corrective actions are taken to address the shortcomings. A major industrial accident is defined as severe injuries and/or loss of human life, death or permanent or prolonged disability to the injured employee. During FY2025, the Group has achieved zero work-related fatalities among the employees and we strive to maintain this record as our long term commitment.

Year	2025	2024
Number of work-related fatalities	0	0
Lost time incident rate ("LTIR")	0	0
Number of employees trained in health and safety standards	36	171

# Sustainability Statement

## MATERIAL SUSTAINABILITY MATTERS (CONT'D)

### Human Capital and Employee Welfare

The Group acknowledges that the sustainability of the Group is highly dependent on strong human capital. As the Group strategically grows and develops its operations, we look at providing our employees with the best avenue for career and personal development. A training master plan has been developed to provide adequate training opportunities for employees to develop their technical skills and knowledge.

Total Hours of Training by Employee Category	2025	2024
Management	78	89
Executive	84	183
Non-Executive	8	71
General Workers	10	108

During the financial year, the Group managed to identify and organise various job-skills-related training to equip employees with improved skills and knowledge.

The Group also provided employees with suitable and adequate mechanisms to voice out their issues or comments through our performance evaluation exercise which was carried out for all employees during the year. For employees with less than one year service, there are a total of four appraisals to be carried out while for employee with more than one year service, two appraisals will be conducted per year. The assessment process allows the respective superior to highlight constructive input with regards to an employee's performance as well as for employees to share any concerns or feedback to the Group. Eventually, we hope to achieve an open workplace culture focused on impartial and approachable engagement platforms between every tier of our employees.

### Engaging our communities

Part of being a responsible business is supporting the local community in meeting societal needs. As such, the Group always attempted to play an active role in fulfilling our social responsibility and to promote its awareness among us and other stakeholders within our network. The Group's initiatives in the community seek to make a positive social contribution by providing financial assistance and participating in fundraising and awareness programmes.

The Group does not have annual fixed budget or amount for this purpose, however, the Group takes this matter seriously and will continue to actively seek opportunities to support the community moving forward.

# Sustainability Statement

## GOVERNANCE

### Transparency and Integrity

In addition to prioritising business performance, the Group acknowledges the importance of integrity and transparency in sustaining the business. The Board and Management are dedicated to fostering a positive corporate culture that encourages ethical and professional behavior among all employees.

The Board has implemented essential policies and procedures, such as the Code of Ethics and Conduct, Whistleblowing Policy, and Anti-Bribery and Corruption Policy. More information regarding the Group's corporate governance practice during the financial year can be found in the Corporate Governance Overview Statement in the Annual Report 2025.

### Anti-Fraud, Bribery and Corruption

During the financial year, the Group did not incur any fines from regulatory authorities due to non-compliance or misconduct in anti-corruption matters. The Group also reported zero incidents of corruption.

Year		2025	2024
Percentage of employees who have received training on anti-corruption by employee category	Management	5.13%	0
	Executive	20.51%	0
	Non-Executive	0	0
	General Workers	0	0
Percentage of operations assessed for corruption-related risks		0	0
Confirmed incidents of corruption and action taken		0	0

During the financial year, external training on anti-corruption is provided to employees.

### Code of Conduct and Ethics

This Code is applicable to Directors of the Group in their dealings with each other and all stakeholders of the Group. The Board is committed to upholding compliance with relevant requirements of laws, Constitution and the Listing Requirements of Bursa Securities in the conduct of the business of the Group. In addition, the Directors observe a Code of Ethics, which was developed by the Board based substantially on the Company Directors' Code of Ethics established by the Companies Commission of Malaysia.

### Whistle Blowing Policy

The Group's Whistle Blowing Policy ("WP") promotes an environment of integrity and ethical behaviour within the Group. The WP provides an avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential manner.

The WP which can be viewed on our Company's website at <http://www.eurospan.com.my>, are reviewed regularly to ensure they reflect any changes in legislative requirements and the business environment.

### Data Privacy and Security

Ensuring data privacy and security fosters trust between institutions and the public, encourages transparency, and ensures accountability in data handling practices.

Year	2025	2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0



# Sustainability Statement

## STATEMENT OF ASSURANCE

In strengthening the creditability of the Sustainability Statement, selected parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors.

The scope and subject matters covered in the review were as follows :-

Material Matters	Subject Matters	Scope
Supply Chain Management	Proportion of spending on local suppliers	Manufacturing and trading operations
Energy Management	Total energy consumption	
Water	Total volume of water used	
Health and Safety	Number of work fatalities	
	Lost time incidents rate ("LTIR")	
	Number of employees trained in health and safety standards	
Diversity	Percentage of employees by gender and age group, for each employee category	
	Percentage of directors by gender and age group	
Labour practices and standards	Total hours of training by employee category	
	Total number of employee turnover by employee category	
	Percentage of employees that are contractors or temporary staff	
	Number of substantiated complaints concerning human rights violation	
Community/society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	
	Total number of beneficiaries of the investment in communities	
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	
	Percentage of operations assessed for corruption-related risks	
	Confirmed incidents of corruption and action taken	
Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	

## Conclusion

Going forward, the Group will continue to strengthen the sustainability development efforts by revisiting and reassessing the identified material sustainability matters for recalibration if necessary, and to identify new material sustainability matters for action.

# Sustainability Statement

## SUSTAINABILITY PERFORMANCE DATA TABLE FY2025

Indicator	Measurement Unit	2024	2025
<b>Bursa (Anti-corruption)</b>			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	0.00	5.13
Executive	Percentage	0.00	20.51
Non-executive/Technical Staff	Percentage	0.00	0.00
General Workers	Percentage	0.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
<b>Bursa (Community/Society)</b>			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0	0
<b>Bursa (Diversity)</b>			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	64.00	88.00
Management Above 50	Percentage	36.00	12.00
Executive Under 30	Percentage	4.00	0.00
Executive Between 30-50	Percentage	72.00	75.00
Executive Above 50	Percentage	24.00	25.00
Non-executive/Technical Staff Under 30	Percentage	0.00	0.00
Non-executive/Technical Staff Between 30-50	Percentage	77.00	57.00
Non-executive/Technical Staff Above 50	Percentage	23.00	43.00
General Workers Under 30	Percentage	31.00	33.00
General Workers Between 30-50	Percentage	55.00	50.00
General Workers Above 50	Percentage	14.00	17.00
Gender Group by Employee Category			
Management Male	Percentage	82.00	75.00
Management Female	Percentage	18.00	25.00
Executive Male	Percentage	36.00	25.00
Executive Female	Percentage	64.00	75.00
Non-executive/Technical Staff Male	Percentage	93.00	100.00
Non-executive/Technical Staff Female	Percentage	7.00	0.00
General Workers Male	Percentage	80.00	100.00
General Workers Female	Percentage	20.00	0.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	83.00	86.00
Female	Percentage	17.00	14.00
Under 30	Percentage	0.00	14.00
Between 30-50	Percentage	33.00	43.00
Above 50	Percentage	67.00	43.00
<b>Bursa (Energy management)</b>			
Bursa C4(a) Total energy consumption	Megawatt	2,060.09	723.67
<b>Bursa (Health and safety)</b>			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	171	36
<b>Bursa (Labour practices and standards)</b>			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	89	78
Executive	Hours	183	84
Non-executive/Technical Staff	Hours	71	8
General Workers	Hours	108	10
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.76	5.13

Internal assurance

External assurance

No assurance

(\*)Restated

# Sustainability Statement

## SUSTAINABILITY PERFORMANCE DATA TABLE FY2025 (CONT'D)

Indicator	Measurement Unit	2024	2025
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	0	1
Executive	Number	14	3
Non-executive/Technical Staff	Number	13	10
General Workers	Number	57	41
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
<b>Bursa (Supply chain management)</b>			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	61.96	89.79
<b>Bursa (Data privacy and security)</b>			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
<b>Bursa (Water)</b>			
Bursa C9(a) Total volume of water used	Megalitres	17.91	5.36

Internal assurance

External assurance

No assurance

(\*)Restated

## DIRECTORS' RESPONSIBILITY STATEMENT

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The Directors are responsible for the preparation of the financial statements of the Group and the Company for each financial year in accordance with applicable Malaysian Financial Reporting Standards, [IFRS Accounting Standards], requirements of the Companies Act 2016 and the MMLR so as to give a true and fair view of the financial position of the Group and the Company as at 31 May 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements for the financial year ended 31 May 2025 ("Financial Statements"), the Directors have applied appropriate and relevant accounting policies in a consistent manner and made judgments and estimates that are reasonable and prudent.

The Directors also consider that all applicable approved accounting standards have been complied with and confirm that the Financial Statements have been prepared on a going concern basis. The Directors are also responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and for maintaining internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## OTHER COMPLIANCE INFORMATION

### Status of utilization of proceeds from corporate proposal

On 24 August 2023, the Company announced its intention to dispose of Dynaspan Furniture Sdn Bhd (“DFSB”) (“Disposal of Subsidiary”) and 2 parcels of Eurospan Furniture Sdn Bhd (“EFSB”)’s freehold industrial land (“Disposal of EFSB Properties”) to related parties.

The proposed utilization of the proceeds from the Disposal of Subsidiary and Disposal of EFSB Properties to related parties amounting to RM54,550,000 was as follows:

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Estimated timeframe for utilisation
Distribution of special dividend to shareholders	8,884	8,884	-	Within 1 month from completion of the Disposal of Subsidiary and Disposal of EFSB Properties.
Payment for amount owing to DFSB	4,279	2,221	-(1)	Within 1 month from completion of the Disposal of Subsidiary.
Acquisition of new business(es) / asset(s) to be identified	15,000	6,500	8,500	Within 24 month from completion of the Disposal of Subsidiary, Disposal of EFSB Properties and Tenancy Agreement between EFSB and DFSB (“Proposals”).
Working capital	27,095 <sup>(1)</sup>	21,338	5,757	Within 24 month from completion of the Disposal of Subsidiary, Disposal of EFSB Properties and Tenancy Agreement between EFSB and DFSB.
Estimated expenses for the Proposals	1,650	1,350	-(1)	Immediately
	<b>54,550</b>	<b>40,293</b>	<b>14,257<sup>(2)</sup></b>	

Notes:

- (1) The unutilised balance payable by EFSB to DFSB of RM2.06 million and unutilised balance expenses relating to the Proposals of RM0.30 million have been moved to working capital
- (2) The unused proceeds have been placed in interest-bearing deposits with financial institutions and/or short-term money markets instruments as the management deemed fit.

### Audit Fees And Non-Audit Fees

The amount of audit and non-audit fees incurred for services rendered to the Company and the Group by the External Auditors, or a firm or corporation affiliated to the External Auditors’ firm for the financial year ended 31 May 2025 were as below:

	Group RM	Company RM
Audit fees	88,000	43,000
Non-audit fees	4,000	4,000
Total	<b>92,000</b>	<b>47,000</b>

## Other Compliance Information

### Material Contracts

There were no material contracts entered into by the Group involving the interest of Directors or major shareholders which were still subsisting at the end of the financial year or entered into since the end of the previous financial year.

### Recurrent Related Party Transactions Of A Revenue Or Trading Nature

The recurrent related party transactions of a revenue or trading nature of the Group conducted during the financial year ended 31 May 2025 are as follows:

Transacting subsidiary of the Group	Transacting Related Party	Interested Related Party(ies) and nature of their relationships	Nature of transaction	Aggregate Value
Eurospan Furniture Sdn Bhd ("EFSB")	Dynaspan Furniture Sdn Bhd ("DFSB")	<p>Guan Shaw Yin, the Executive Director of the Company [and Managing Director of EFSB], is Managing Director and shareholder of DFSB and a son of Guan Kok Beng (GKB) and brother to Guan Shaw Kee (GSK).</p> <p>GKB is Executive Chairman and shareholder of DFSB and father to GSY and GSK.</p> <p>GSK, the Deputy Managing Director of EFSB, is Deputy Managing Director and shareholder of DFSB and a son of GKB and brother to GSY.</p>	Purchase of component parts for EFSB's furniture products.	RM10,869,642

# 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 May 2025**.

## PRINCIPAL ACTIVITIES

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

The principal activities of its subsidiaries are disclosed in Note 5 to the financial statements.

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

## RESULTS

	GROUP RM	COMPANY RM
Profit/ (Loss) for the financial year		
- Continuing operation	20,580,782	11,217,927
- Discontinued operation	(786,441)	-

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **31 May 2025** have not been substantially affected by any item, transaction or event of a material and unusual nature, other than the effect arising from the impairment loss on investment in a subsidiary amounting to RM16,600,000 as disclosed in Note 5 to the financial statements.

## DIVIDENDS

Since the end of the previous financial year, the Company has declared the following dividends in respect of the financial year ended 31 May 2025:

- (i) Special dividend of RM0.20 per ordinary share amounting to RM8,884,340 on 10 July 2024 and paid on 5 August 2024; and
- (ii) Interim single-tier dividend of RM0.05 per ordinary share amounting to RM2,221,085 on 27 November 2024 and paid on 24 December 2024.

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

## RESERVES OR PROVISIONS

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

## SHARE CAPITAL AND DEBENTURE

During the financial year, the Company did not issue any share or debenture.



## Directors' Report

### DIRECTORS

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

#### *Directors of the Company:*

- \* Guan Shaw Yin  
Dato' Sri Tan Han Chuan (appointed on 6.8.2024)
- \* Dato' Thor Poh Seng (appointed on 6.8.2024)  
Yap Kan Lin (appointed on 6.8.2024)
- \* Eng Boon Kiat (appointed on 13.8.2024)
- \* Tan Kok Leong (appointed on 13.8.2024)  
Ho Jong Ching (appointed on 15.9.2024)  
Sim Yee Fuan (resigned on 6.8.2024)  
Ch'ng Lay Hoon (resigned on 6.8.2024)  
Ting Hon Sum (resigned on 6.8.2024)  
Guan Kok Beng (resigned on 13.8.2024)  
Guan Shaw Kee (resigned on 13.8.2024)

#### *Directors of subsidiaries:*

Guan Shaw Kee  
Tan Meow Yee  
Guan Kok Beng (resigned on 23.2.2025)  
Beh Hee Noay (resigned on 30.6.2025)

- \* The directors are also directors of the Company's subsidiaries

### DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings, the interests of directors in office at the end of the financial year held or dealt in the shares of the Company and its related corporations at any time during the financial year are as follows:

	----- Number of ordinary shares -----		
	Balance at appointment	Bought	Sold
Direct Interest:			
Dato' Sri Tan Han Chuan	30,852,300	-	-
			Balance at 31.5.2025
			30,852,300

By virtue of his interest in the Company, **Dato' Sri Tan Han Chuan** is also deemed interested in the shares of all the subsidiaries of the Company, to the extent that the Company has interests as at the end of the financial year.

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

## Directors' Report

### DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company for their services are as follows:

	COMPANY RM	SUBSIDIARIES RM	GROUP RM
Fees	83,833	22,500	106,333
Salaries, allowances and bonus	4,710	767,250	771,960
Defined contribution plan ("EPF")	4,196	146,207	150,403
Reversal of defined benefit plan	-	(1,146,261)	(1,146,261)
Social security contributions ("SOCSO")	-	1,684	1,684
Employment insurance scheme ("EIS")	-	197	197
Benefits-in-kind	-	25,295	25,295
	92,739	(183,128)	(90,389)

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling the 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 of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown above) by reason of a contract made by the Company or a related corporation with a director or with a firm in which the director is a member or with a company in which the director has a substantial financial interest, other than those related party transactions disclosed in the notes to the financial statements.

### INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

No indemnity has been given to or insurance effected for any of the directors or officers of the Group and of the Company during the financial year.

### OTHER STATUTORY INFORMATION

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

- 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 there were no bad debts to be written off and no provision for doubtful debts was required; and
- 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:

- which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company; or
- which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or
- which have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

### OTHER STATUTORY INFORMATION (*CONT'D*)

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

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

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the directors:

- (i) 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; and
- (ii) 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 the operations of the Group and of the Company for the current financial year in which this report is made.

### SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

The details of the event after the reporting period is disclosed in Note 29 to the financial statements.

## Directors' Report

### AUDITORS

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

The total amount of fees paid to or receivable by the auditors as remuneration for their services as auditors of the Group and the Company for the financial year ended 31 May 2025 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	88,000	43,000
Assurance related services	4,000	4,000
Total	92,000	47,000

The Company has agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

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

.....  
**Dato' Thor Poh Seng**

**Penang,**

**Date: 22 September 2025**

.....  
**Guan Shaw Yin**

# DIRECTORS' STATEMENT / STATUTORY DECLARATION



EUROSPAN HOLDINGS BERHAD

Registration No. 199501022724 (351927-M)

EST. 1972

(Incorporated in Malaysia)

## DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 55 to 95 are properly 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 May 2025** and of their financial performance and cash flows for the financial year then ended.

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

.....  
**Dato' Thor Poh Seng**

.....  
**Guan Shaw Yin**

**Date: 22 September 2025**

## STATUTORY DECLARATION

I, **Guan Shaw Yin**, the director primarily responsible for the financial management of **Eurospan Holdings Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 55 to 95 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by    )  
the abovenamed in Penang, this 22nd    )  
day of September 2025.                            )

.....  
**Guan Shaw Yin**

**Before me,**

.....  
**Goh Suan Bee**  
**No. P125**  
**Commissioner for Oaths**

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **Eurospan Holdings Berhad**, which comprise the statements of financial position as at **31 May 2025** of the Group and of the Company, and the statements of 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 55 to 95.

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 May 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence and Other Ethical Responsibilities

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

### Key Audit Matters

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

# Independent Auditors' Report To The Members

## Report on the Audit of the Financial Statements (Cont'd)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Revenue recognition</b> (Notes 16 to the financial statements)</p> <p>The Group's revenue is mainly derived from the manufacturing and trading of furniture and wood-based products and is recognised at a point in time.</p> <p>We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised.</p>	<p>Our audit procedures in relation to the revenue recognition included, amongst others, the following:</p> <ul style="list-style-type: none"><li>• Obtained an understanding of the Group's revenue recognition process and application and thereafter tested key controls on the occurrence of revenue;</li><li>• Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities;</li><li>• Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers;</li><li>• Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transactions taking place at either side of the reporting date as well as reviewing credit notes and sales returns issued after the reporting period; and</li><li>• Reviewed the sales ledger to identify any sales transactions that were entered using journals or non-sales invoices references and evaluated the nature of the transactions to determine whether they were <i>bona fide</i> transactions.</li></ul>

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

## Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of 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 the financial statements of the Group and of the Company so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the 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

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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**

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### **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**  
**AF: 0737**  
**201906003682 (LLP0022494-LCA)**  
**Chartered Accountants**

**Yeap Bee Har**  
**No. 03715/02/2027 J**  
**Chartered Accountant**

**Penang**

**Date: 22 September 2025**

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MAY 2025

		Group		Company	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	1,358,265	3,984,547	-	-
Investment in subsidiaries	5	-	-	8,786,479	25,386,479
Other investments	6	1,956,000	1,998,909	1,956,000	1,998,909
		<b>3,314,265</b>	<b>5,983,456</b>	<b>10,742,479</b>	<b>27,385,388</b>
<b>Current assets</b>					
Inventories	7	8,205,200	3,889,752	-	-
Trade and other receivables	8	6,210,772	5,838,365	4,012,034	672,495
Tax recoverable		-	53,774	-	-
Other investments	6	1,599,304	3,715,970	-	333,164
Cash and bank balances	9	30,576,138	2,843,303	29,004,901	56,690
		<b>46,591,414</b>	<b>16,341,164</b>	<b>33,016,935</b>	<b>1,062,349</b>
Non-current assets held for sale	10	-	24,292,709	-	20,813,333
		<b>46,591,414</b>	<b>40,633,873</b>	<b>33,016,935</b>	<b>21,875,682</b>
<b>TOTAL ASSETS</b>		<b>49,905,679</b>	<b>46,617,329</b>	<b>43,759,414</b>	<b>49,261,070</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	11	52,796,145	52,796,145	52,796,145	52,796,145
Accumulated losses		(9,889,647)	(18,578,563)	(9,084,880)	(9,197,382)
<b>Total equity</b>		<b>42,906,498</b>	<b>34,217,582</b>	<b>43,711,265</b>	<b>43,598,763</b>
<b>Non-current liability</b>					
Borrowings	12	50,569	193,411	-	-
		<b>50,569</b>	<b>193,411</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>					
Trade and other payables	13	5,704,303	5,578,479	48,149	5,662,307
Retirement benefit obligations	14	-	3,410,661	-	-
Borrowings	12	142,843	143,672	-	-
Contract liabilities	15	987,428	2,031,896	-	-
Provision for taxation		114,038	-	-	-
		<b>6,948,612</b>	<b>11,164,708</b>	<b>48,149</b>	<b>5,662,307</b>
Non-current liabilities held for sale	10	-	1,041,628	-	-
		<b>6,948,612</b>	<b>12,206,336</b>	<b>48,149</b>	<b>5,662,307</b>
<b>Total liabilities</b>		<b>6,999,181</b>	<b>12,399,747</b>	<b>48,149</b>	<b>5,662,307</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>49,905,679</b>	<b>46,617,329</b>	<b>43,759,414</b>	<b>49,261,070</b>

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

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<b>CONTINUING OPERATIONS:</b>					
Revenue	16	21,833,752	23,020,206	11,027,161	-
Cost of sales		(20,255,643)	(11,834,531)	-	-
<b>Gross profit</b>		<b>1,578,109</b>	<b>11,185,675</b>	<b>11,027,161</b>	<b>-</b>
Other income		30,664,199	1,683,794	18,446,337	396,254
Administrative expenses		(8,279,268)	(5,880,734)	(1,352,449)	(434,771)
Selling and distribution expenses		(1,840,760)	(825,897)	-	-
Other operating expenses		(488,412)	(404,978)	(16,613,304)	(5,500,066)
<b>Operating profit/(loss)</b>		<b>21,633,868</b>	<b>5,757,860</b>	<b>11,507,745</b>	<b>(5,538,583)</b>
Finance income		749,488	201,858	637,643	5,826
Finance costs		(10,372)	(17,507)	-	-
<b>Profit/(Loss) before tax</b>	17	<b>22,372,984</b>	<b>5,942,211</b>	<b>12,145,388</b>	<b>(5,532,757)</b>
Taxation	18	(1,792,202)	(240,093)	(927,461)	-
<b>Profit/(Loss) from continuing operations, net of tax</b>		<b>20,580,782</b>	<b>5,702,118</b>	<b>11,217,927</b>	<b>(5,532,757)</b>
<b>DISCONTINUED OPERATION:</b>					
Loss from discontinued operation, net of tax	10	(786,441)	(4,521,473)	-	-
<b>Net profit/(loss), representing total comprehensive income/ (loss) for the financial year</b>		<b>19,794,341</b>	<b>1,180,645</b>	<b>11,217,927</b>	<b>(5,532,757)</b>
<b>Profit/(Loss) per share attributable to owners of the Company (sen)</b>	19				
Basic/Diluted earning per share:					
- Profit from continuing operations		46.33	12.84		
- Loss from discontinued operation		(1.77)	(10.18)		
		<b>44.56</b>	<b>2.66</b>		

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	NOTE	Share Capital RM	Accumulated Losses RM	Total Equity RM
<b>2025</b>				
Balance at beginning		52,796,145	(18,578,563)	34,217,582
Total comprehensive income for the financial year		-	19,794,341	19,794,341
<i>Transaction with owner of the Company:</i>				
Dividends	20	-	(11,105,425)	(11,105,425)
Balance at end		<u>52,796,145</u>	<u>(9,889,647)</u>	<u>42,906,498</u>
<b>2024</b>				
Balance at beginning		52,796,145	(19,759,208)	33,036,937
Total comprehensive income for the financial year		-	1,180,645	1,180,645
Balance at end		<u>52,796,145</u>	<u>(18,578,563)</u>	<u>34,217,582</u>

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

# STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	NOTE	Share Capital RM	Accumulated Losses RM	Total Equity RM
<b>2025</b>				
Balance at beginning		52,796,145	(9,197,382)	43,598,763
Total comprehensive income for the financial year		-	11,217,927	11,217,927
<i>Transaction with owner of the Company:</i>				
Dividends	20	-	(11,105,425)	(11,105,425)
Balance at end		<u>52,796,145</u>	<u>(9,084,880)</u>	<u>43,711,265</u>
<b>2024</b>				
Balance at beginning		52,796,145	(3,664,625)	49,131,520
Total comprehensive income for the financial year		-	(5,532,757)	(5,532,757)
Balance at end		<u>52,796,145</u>	<u>(9,197,382)</u>	<u>43,598,763</u>

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

		Group		Company	
	NOTE	2025 RM	2024 RM	2025 RM	2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit/(Loss) before tax from continuing operations		<b>22,372,984</b>	5,942,211	<b>12,145,388</b>	(5,532,757)
Loss before tax from discontinued operation	<b>12</b>	<b>(786,441)</b>	(4,061,707)	-	-
Profit/(Loss) before tax		<b>21,586,543</b>	1,880,504	<b>12,145,388</b>	(5,532,757)
Adjustments for:					
Dividend received from subsidiary		-	-	<b>(11,027,161)</b>	-
Accretion of interest on lease liability		-	1,748	-	-
Defined benefit plan		-	203,143	-	-
Depreciation of:					
- property, plant and equipment		<b>348,691</b>	1,154,801	-	-
- right-of-use asset		-	45,189	-	-
Dividend income from other investment		<b>(122,793)</b>	(120,780)	<b>(122,793)</b>	(120,780)
Fair value gain on:					
- derivatives		-	(31,911)	-	-
- other investments, net		<b>(236,876)</b>	(397,109)	<b>(236,876)</b>	(275,474)
(Gain)/Loss on:					
- derecognition of lease		-	(3,752)	-	-
- disposal of investments		<b>14,653</b>	(11,311)	<b>105,889</b>	-
- disposal of non-current asset held for sale		<b>(31,298,919)</b>	(6,660,004)	<b>(18,086,667)</b>	-
- disposal of property, plant and equipment		<b>(1,162,554)</b>	(30,926)	-	-
Impairment loss on investment in a subsidiary		-	-	<b>16,600,000</b>	5,500,000
Impairment loss on property, plant and equipment		<b>2,105,375</b>	-	-	-
Interest expenses		<b>10,372</b>	17,507	-	-
Interst income		<b>(749,488)</b>	(243,918)	<b>(637,643)</b>	(5,826)
Property, plant and equipment written off		<b>9,770</b>	-	-	-
Reversal of retirement benefit obligations		<b>(1,146,261)</b>	-	-	-
Unrealised gain on foreign exchange		<b>(227,209)</b>	(290,013)	-	-
Operating (loss)/profit before working capital changes		<b>(10,868,696)</b>	(4,486,832)	<b>(1,259,863)</b>	(434,837)
Changes in:					
Inventories		<b>(4,315,448)</b>	2,261,151	-	-
Receivables		<b>(385,283)</b>	853,224	<b>(339,539)</b>	(543,640)
Payables		<b>4,015,824</b>	(1,344,902)	<b>(1,724,158)</b>	(3,029,633)
Contact liabilities		<b>(1,044,468)</b>	981,859	-	-
Balance brought forward		<b>(12,598,071)</b>	(1,735,500)	<b>(3,323,560)</b>	(4,008,110)



## Statements of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Group		Company	
NOTE	2025 RM	2024 RM	2025 RM	2024 RM
Balance carried forward	(12,598,071)	(1,735,500)	(3,323,560)	(4,008,110)
Income tax paid	(1,633,670)	(707,933)	(927,461)	-
Income tax refunded	9,280	448,352	-	-
Interest paid	(10,372)	(17,507)	-	-
Retirement benefit paid	(2,264,400)	-	-	-
Net cash used in operating activities	(16,497,233)	(2,012,588)	(4,251,021)	(4,008,110)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Net change in subsidiary's balance	-	-	(3,000,000)	-
Dividend received from other investment	122,793	120,780	122,793	120,780
Dividend received from a subsidiary	-	-	11,027,161	-
Interest received	749,488	243,918	637,643	472
Additions of property, plant and equipment	-	(501,660)	-	-
Additions of other investments	(40,868,327)	(15,309,399)	(25,743,065)	(3,750,000)
Deposit received for disposal of assets	-	3,890,000	-	3,890,000
Proceeds from disposal of:				
- property, plant and equipment	1,325,000	61,900	-	-
- non-current asset held for sales	50,307,479	8,150,002	35,010,000	-
- other investments	43,250,125	5,540,000	26,250,125	3,440,000
Net cash from investing activities	54,886,558	2,195,541	44,304,657	3,701,252
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend paid	(11,105,425)	-	(11,105,425)	-
Repayment of:				
- finance lease liabilities	B (143,671)	(138,285)	-	-
- foreign currency invoice financing	B -	(64,339)	-	-
- lease liability	B -	(47,580)	-	-
Net cash used in financing activities	(11,249,096)	(250,204)	(11,105,425)	-
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES</b>	<b>27,140,229</b>	<b>(67,251)</b>	<b>28,948,211</b>	<b>(306,858)</b>
Effects of foreign exchange rate changes	240,085	310,812	-	-
<b>CASH AND BANK BALANCES AT BEGINNING</b>	<b>3,195,824</b>	<b>2,952,263</b>	<b>56,690</b>	<b>363,548</b>
<b>CASH AND BANK BALANCES AT END</b>	<b>A 30,576,138</b>	<b>3,195,824</b>	<b>29,004,901</b>	<b>56,690</b>

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

## Statements of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MAY 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>A. The cash and cash equivalents are presented by:</b>				
Cash and bank balances	2,576,138	2,843,303	1,004,901	56,690
Fixed deposit with licensed bank	28,000,000	-	28,000,000	-
Cash and cash equivalents included in non-current assets held for sale (Note 10.2)	-	352,521	-	-
	<b>30,576,138</b>	<b>3,195,824</b>	<b>29,004,901</b>	<b>56,690</b>

### B. Liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	Net cash flows RM	Others <sup>1</sup> RM	Balance at end RM
<b>GROUP</b>				
<b>2025</b>				
Borrowings, representing total liabilities arising financing activities	337,083	(143,671)	-	193,412
<b>2024</b>				
Borrowings	539,707	(202,624)	-	337,083
Lease liability	155,025	(47,580)	(107,445)	-
Total liabilities arising financing activities	694,732	(250,204)	(107,445)	337,083

<sup>1</sup> Others consist of non-cash movement as follows:

	GROUP	
	2025 RM	2024 RM
Derecognition of lease liabilities	-	(109,193)
Accretion of interest on lease liability	-	1,748
	-	(107,445)

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

# NOTES TO THE FINANCIAL STATEMENTS

31 MAY 2025

## 1. CORPORATE INFORMATION

### General

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

The registered office of the Company is located at 29th Floor, Menara JKG, No. 282, Jalan Raja Laut, 50350 Kuala Lumpur.

The principal place of business of the Company is located at 1168, Kampung Teluk, Sungai Dua, Kawasan Perusahaan Sungai Lokan, 13800 Butterworth, Penang.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 22 September 2025.

### Principal Activities

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

The principal activities of its subsidiaries are disclosed in Note 5 to the financial statements.

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

## 2. BASIS OF PREPARATION

### 2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with the applicable Malaysian Financial Reporting Standards ("MFRS"), 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 financial instruments that are measured at fair values at the end of each reporting period, as indicated in the material accounting policy information as set out in the notes to the financial statements.

### 2.3 Functional and Presentation Currency

Ringgit Malaysia ("RM") is the presentation currency of the Group and of the Company.

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates.

### 2.4 Adoption of New Amendments to MFRSs

The accounting policies adopted by the Group and the Company are consistent with those of the previous financial years except for the adoption of the following new amendments to MFRSs that are mandatory for the current financial year.

## 2. BASIS OF PREPARATION (CONT'D)

### 2.4 Adoption of New Amendments to MFRSs (Cont'd)

#### **Effective for annual periods beginning on or after 1 January 2024**

*Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback*

*Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants*

*Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements*

Initial application of the above new amendments to the MFRSs did not have material impact to the financial statements.

### 2.5 Standards/Amendments to MFRSs Issued But Not Yet Effective

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

#### **Effective for annual period beginning on or after 1 January 2025**

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

#### **Effective for annual period beginning on or after 1 January 2026**

*Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments*

*Annual Improvements to MFRS Accounting Standards - Volume II*

*Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity*

#### **Effective for annual period beginning on or after 1 January 2027**

*MFRS 18 Presentation and Disclosure in Financial Statements*

*MFRS 19 Subsidiaries without Public Accountability: Disclosures*

#### **Effective date yet to be confirmed**

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

The initial application of the above standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

*MFRS 18* introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to *MFRS 107 Statement of Cash Flows* and *MFRS 134 Interim Financial Reporting*.

The amendments will have an impact on the Group's and the Company's presentation of statements of comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group is currently assessing the impact of *MFRS 18* and plans to adopt the new standard on the required effective date.

### 3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

#### 3.1 Key sources of estimation uncertainty

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

##### (i) Inventories

The management reviews for damage, slow-moving and obsolete inventories. This review requires judgements and estimates. Possible changes in these estimates could result in revision to the valuation of inventories.

The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 7 to the financial statements.

##### (ii) Provision for expected credit losses ("ECL") of receivables

The Group uses a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

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. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

The information about the ECL on the Group's trade receivables is disclosed in Note 24.3.1 to the financial statements.

#### 4. PROPERTY, PLANT AND EQUIPMENT

##### GROUP

2025

##### At Cost

Balance at beginning	735,605	12,869,582	3,094,679	2,883,438	19,583,304
Disposals	(367,803)	-	-	(406,476)	(774,279)
Written off	-	-	(1,534,663)	-	(1,534,663)

Balance at end

	367,802	12,869,582	1,560,016	2,476,962	17,274,362
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##### Accumulated depreciation

Balance at beginning	397,227	10,645,334	3,020,890	1,535,306	15,598,757
Current charge	14,719	110,748	27,056	196,168	348,691
Disposals	(205,357)	-	-	(406,476)	(611,833)
Written off	-	-	(1,524,893)	-	(1,524,893)

Balance at end

	206,589	10,756,082	1,523,053	1,324,998	13,810,722
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##### Accumulated impairment losses

Balance at beginning	-	-	-	-	-
Current charge	-	2,068,412	36,963	-	2,105,375

Balance at end

	-	2,068,412	36,963	-	2,105,375
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##### Carrying amount

	161,213	45,088	-	1,151,964	1,358,265
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4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GROUP (CONT'D)

2024

At Cost	Freehold land RM	Buildings RM	Plant, machinery and factory equipment RM	Furniture, fittings, renovation and office equipment RM	Motor vehicles RM	Capital work- in-progress RM	Total RM
Balance at beginning	4,667,050	11,170,156	39,915,115	3,557,582	2,445,402	816,545	62,571,850
Additions	-	-	-	-	501,660	-	501,660
Disposals	-	-	(308,913)	-	-	-	(308,913)
Written off	-	-	(31,027)	-	-	-	(31,027)
Reclassified to non-current assets held for sale	(4,667,050)	(10,434,551)	(26,705,593)	(462,903)	(63,624)	(816,545)	(43,150,266)
Balance at end	-	735,605	12,869,582	3,094,679	2,883,438	-	19,583,304
Accumulated depreciation							
Balance at beginning	-	5,346,373	32,820,275	3,217,199	1,436,208	-	42,820,055
Current charge	-	146,003	713,924	132,147	162,727	-	1,154,801
Disposals	-	-	(257,142)	-	-	-	(257,142)
Written off	-	-	(31,027)	-	-	-	(31,027)
Reclassified to non-current assets held for sale	-	(5,095,149)	(22,600,696)	(328,456)	(63,629)	-	(28,087,930)
Balance at end	-	397,227	10,645,334	3,020,890	1,535,306	-	15,598,757
Accumulated impairment losses							
Balance at beginning	-	-	2,205,980	68,970	-	189,305	2,464,255
Disposals	-	-	(20,797)	-	-	-	(20,797)
Reclassified to non-current assets held for sale	-	-	(2,185,183)	(68,970)	-	(189,305)	(2,443,458)
Balance at end	-	-	-	-	-	-	-
Carrying amount	-	338,378	2,224,248	73,789	1,348,132	-	3,984,547



## Notes To The Financial Statements

### 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (i) The motor vehicles with carrying amount of **RM519,455** (2024: RM603,740) are acquired under hire purchase and pledged as securities for the finance lease liabilities as disclosed in Note 12 to the financial statements.
- (ii) The Group had carried out a review of the recoverable amount of its equipment as the Company were making loss continuously. An impairment loss of RM2,105,375 representing the write down of the plant and equipment to the recoverable amount, was recognised as “administrative expenses” in the profit or loss. The recoverable amount was based on its fair value less cost to sell.

#### 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.

Property, plant and equipment are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, at the following annual rates.

#### Categories

Buildings	2%
Plant, machinery and factory equipment	10% - 20%
Furniture, fittings, renovation and office equipment	10%
Motor vehicles	10%

Freehold land is not depreciated as it has an infinite life.

### 5. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2025 RM	2024 RM
Unquoted shares, at cost	27,386,479	27,386,479
Unquoted non-cumulative redeemable convertible preference shares, at cost	3,500,000	3,500,000
	30,886,479	30,886,479
Less: Accumulated impairment losses	(22,100,000)	(5,500,000)
	8,786,479	25,386,479

## Notes To The Financial Statements

### 5. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries, all of which were incorporated and principal place of business in Malaysia, are as follows:

Name of entities	Effective equity interest		Principal activities
	2025 %	2024 %	
Eurospan Furniture Sdn. Bhd. ("EFSB")	100	100	Manufacturing and trading of furniture and wood-based products.
Dynaspan Furniture Sdn. Bhd. ("DFSB")	-	100	Manufacturing of furniture and wood based products.
Dynacharge Sdn. Bhd. (formerly known as Dynaword Sdn. Bhd.) ("Dynacharge")	100	100	Trading of sealed lead acid, automotive and motorcycle batteries, lubricants and related products.

During the financial year, the Company has carried out an impairment loss assessment on its cost of investment in subsidiaries as certain subsidiaries is either in continuing loss position or negative shareholder's fund. The recoverable amounts of the investment in subsidiaries are assessed by reference to the higher of value-in-use or fair value less cost to sell of the respective subsidiaries as at the end of the reporting period. Accordingly, an impairment loss of RM16,600,000 is recognised as "other operating expenses" in the profit or loss in respect of investment in a subsidiary during the financial year.

#### Material accounting policy information

Investment in subsidiaries is measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs.

### 6. OTHER INVESTMENTS

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Debt instrument at fair value through profit or loss ("FVTPL"):</b>				
Investment funds with a licensed bank	1,599,304	3,715,970	-	333,164
<b>Equity instrument at fair value through other comprehensive income ("FVOCI"):</b>				
Investment in quoted shares in Malaysia	1,956,000	1,998,909	1,956,000	1,998,909
Represented by:				
Non-current assets	1,956,000	1,998,909	1,956,000	1,998,909
Current assets	1,599,304	3,715,970	-	333,164
	3,555,304	5,714,879	1,956,000	2,332,073

#### Material accounting policy information

The Group and the Company recognise their other investments at fair value with any changes therein recognised in profit or loss and other comprehensive income for the period in which they arise.

## Notes To The Financial Statements

### 7. INVENTORIES

	Group	
	2025 RM	2024 RM
<b>At cost</b>		
Raw materials	1,497,113	2,774,157
Work-in-progress	214,522	230,800
Finished goods	6,493,565	884,795
	<b>8,205,200</b>	<b>3,889,752</b>
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	<b>20,932,087</b>	<b>21,207,248</b>

#### Material accounting policy information

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

The cost of inventories is calculated using the first-in, first-out cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

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

### 8. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade receivables</b>				
Third parties	3,292,821	1,174,072	-	-
<b>Other receivables</b>				
Sundry receivable	1,012,041	7	1,012,034	-
Amount due from a subsidiary	-	-	3,000,000	-
Refundable deposits	1,884,329	3,725,663	-	-
Prepayments	21,581	938,623	-	672,495
	<b>2,917,951</b>	<b>4,664,293</b>	<b>4,012,034</b>	<b>672,495</b>
<b>Total trade and other receivables</b>	<b>6,210,772</b>	<b>5,838,365</b>	<b>4,012,034</b>	<b>672,495</b>

The normal credit terms granted to trade receivables range from **30 to 90 days** (2024: 30 to 60 days). Other credit terms are assessed and approved on case-by-case basis. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The amount due from a subsidiary was unsecured, non-interest bearing and classified based on expected timing of realisation.

## Notes To The Financial Statements

### 8. TRADE AND OTHER RECEIVABLES (CONT'D)

The currency profile of trade and other receivables is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia	6,026,695	4,566,553	4,012,034	672,495
United States Dollar ("USD")	184,077	1,271,812	-	-
	<b>6,210,772</b>	<b>5,838,365</b>	<b>4,012,034</b>	<b>672,495</b>

### 9. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with a licensed bank	28,000,000	-	28,000,000	-
Cash in hand and in banks	2,576,138	2,843,303	1,004,901	56,690
	<b>30,576,138</b>	<b>2,843,303</b>	<b>29,004,901</b>	<b>56,690</b>

The effective interest rates per annum and maturities of the fixed deposits with licensed banks as at the end of the reporting period are **3.45%** (2024: Nil) and **1 month** (2024: Nil) respectively.

The currency profile of cash and bank balances is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia	30,050,104	2,482,733	29,004,901	56,690
USD	515,446	338,447	-	-
Euro ("EUR")	-	16,928	-	-
Others	10,588	5,195	-	-
	<b>30,576,138</b>	<b>2,843,303</b>	<b>29,004,901</b>	<b>56,690</b>

### 10. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current assets held for sale</b>				
Property (Note 10.1)	-	4,091,710	-	-
Subsidiary (Note 10.2)	-	20,200,999	-	20,813,333
	-	<b>24,292,709</b>	-	<b>20,813,333</b>
<b>Non-current liabilities held for sale</b>				
Subsidiary (Note 10.2)	-	1,041,628	-	-

## Notes To The Financial Statements

### 10. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONT'D)

#### 10.1 Property

On 24 August 2023, EFSB has entered into a conditional sale and purchase agreement with DFSB for the disposal of EFSB's properties of 2 parcels of freehold land together with the buildings erected thereon ("EFSB Properties") to DFSB for a total disposal consideration of RM15,650,000 upon completion of the disposal of DFSB.

The disposal transaction was completed on 6 August 2024.

#### 10.2 Subsidiary

On 24 August 2023, the Company has entered into a conditional share sale agreement with Guan Kok Beng, Guan Shaw Yin and Guan Shaw Kee, the directors/former directors of the Company, for the proposed disposal of 2,600,000 ordinary shares and 15,000,000 non-cumulative shares redeemable convertible preference shares in DFSB, representing the entire equity interest of the Company in DFSB, for a total disposal consideration of RM38,900,000.

As at 31 May 2024, the assets and liabilities of DFSB have been presented on the consolidated statements of financial position as assets and liabilities held for sales and results from DFSB is presented separately on the consolidated statements of profit or loss and other comprehensive income as discontinued operation. The carrying amount of the investment in DFSB has also been presented as a non-current asset held for sales on the Company's statement of financial position as at 31 May 2024.

The disposal transaction was completed on 2 July 2024.

#### Statement of Financial Position

The major classes of assets and liabilities of DFSB classified as held for sale as at 31 May 2024 are as follows:

	GROUP RM
Assets	
Property, plant and equipment	8,527,168
Deferred tax assets	46,841
Inventories	2,004,418
Receivables	1,304,162
Tax recoverable	8,500
Short term investment	7,957,389
Cash and bank balances	352,521
	<u>20,200,999</u>
Liability	
Trade payables	<u>1,041,628</u>

## Notes To The Financial Statements

### 10. DISCONTINUED OPERATION AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONT'D)

#### Statement of Profit or Loss and Other Comprehensive Income

The results of DFSB are as follows:

	GROUP	
	2025 RM	2024 RM
Revenue	13,869	210,978
Cost of sales	(676,444)	(9,372,717)
Gross loss	(662,575)	(9,161,739)
Other income	40,810	6,843,597
Administrative expenses	(169,213)	(1,784,905)
Other operating expenses	(239)	(720)
Loss from operations	(791,217)	(4,103,767)
Finance income	4,776	42,060
Loss before tax	(786,441)	(4,061,707)
Taxation	-	(459,766)
Loss net of tax	(786,441)	(4,521,473)

#### Statement of Cash Flows

The cash flows attributed from DFSB are as follows:

	GROUP 2024 RM
Operating activities	562,879
Investing activities	(786,697)

### 11. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2025	2024	2025 RM	2024 RM
Issued and fully paid with no par value	44,421,700	44,421,700	52,796,145	52,796,145

## Notes To The Financial Statements

### 12. BORROWINGS

	GROUP	
	2025 RM	2024 RM
<b>Non-current liabilities</b>		
Secured:		
Finance lease liabilities		
Minimum payments:		
Within one year	147,583	154,044
More than one year and less than two years	51,278	147,583
More than two years and less than five years	-	51,278
	<b>198,861</b>	<b>352,905</b>
Future finance charges	(5,449)	(15,822)
	<b>193,412</b>	<b>337,083</b>
Amount due within one year included under current liabilities	(142,843)	(143,672)
	<b>50,569</b>	<b>193,411</b>
<b>Current liabilities</b>		
Secured:		
Finance lease liabilities	142,843	143,672
Total borrowings	<b>193,412</b>	<b>337,083</b>

The borrowings are secured by way of corporate guarantees of the Company and a subsidiary, and lease assets as disclosed in Note 4 to the financial statements.

A summary of the effective interest rates per annum and the maturities of the borrowings is as follows:

	Effective interest rates per annum (%)	Total RM	Within one year RM	More than one year and less than two years RM	More than two years and less than five years RM
<b>GROUP</b>					
<b>2025</b>					
Finance lease liabilities	3.78 to 3.87	193,412	142,843	50,569	-
<b>2024</b>					
Finance lease liabilities	3.78 to 3.87	337,083	143,672	142,843	50,568

## Notes To The Financial Statements

### 13. TRADE AND OTHER PAYABLES

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Trade receivables</b>				
Third parties	819,606	405,461	-	-
Amount due to a related party	2,686,044	-	-	-
	3,505,650	405,461	-	-
<b>Other payables</b>				
Sundry payables	1,340,042	4,191,107	1,149	3,890,000
Amount due to a subsidiary	-	-	-	1,500,000
Amount due to a related party	350,684	-	-	-
Accruals	507,927	981,911	47,000	272,307
	2,198,653	5,173,018	48,149	5,662,307
<b>Total trade and other payables</b>	<b>5,704,303</b>	<b>5,578,479</b>	<b>48,149</b>	<b>5,662,307</b>

Trade payables of the Group are non-interest bearing and are normally settled within **15 to 90 days** (2024: 15 to 90 days) credit terms.

Amount due to a related party is an amount due to a company in which the directors of the Company have substantial financial interests. The amount is unsecured, non-interest bearing and repayable on demand.

Included in the sundry payables of the Group and of the Company is an amount of **RM Nil** (2024: RM3,890,000) the deposit received for the disposal of a subsidiary.

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

The currency profile of trade and other payables is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Ringgit Malaysia	5,704,303	5,572,873	48,149	5,662,307
USD	-	5,606	-	-
	5,704,303	5,578,479	48,149	5,662,307

### 14. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded, defined benefit plan – Retirement Benefit Scheme (“the Scheme”) for its Executive Chairman. Under the Scheme, the Executive Chairman is entitled to retirement benefits upon attaining the retirement age. The Group’s obligation under the Scheme is determined based on the latest actuarial valuation issued by an independent actuary.



## Notes To The Financial Statements

### 14. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

The present value of the defined benefit plan is represented as follows:

	<b>GROUP</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Balance at beginning	<b>3,410,661</b>	<b>3,207,518</b>
Recognised in profit or loss		
- Current service cost	-	94,087
- Interest cost	-	109,056
- Reversal	<b>(1,146,261)</b>	-
	<b>(1,146,261)</b>	<b>203,143</b>
Benefit paid/payable	<b>(2,264,400)</b>	-
Balance at end	<b>-</b>	<b>3,410,661</b>

The principal actuarial assumptions used in determining the defined benefit plan are as follows:

	<b>GROUP</b>	
	<b>2025</b>	<b>2024</b>
	<b>%</b>	<b>%</b>
Discount rate	-	3.40
Expected salary increment rate	-	8.00

The following table demonstrates the sensitivity analysis of the Group of the impact on retirement benefit obligation if significant actuarial assumptions at the end of the reporting period changed by one hundred (100) basis points with all other variables held constant:

		<b>GROUP</b>	
		<b>2025</b>	<b>2024</b>
		<b>RM</b>	<b>RM</b>
Discount rate increase	1%	-	(16,374)
Discount rate decrease	(1%)	-	16,615
Expected salary increment rate increase	1%	-	95,622
Expected salary increment rate decrease	(1%)	-	(93,867)

The expected payments to the defined benefit plan in future years are as follows:

	<b>GROUP</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	-	<b>3,410,661</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is **Nil** (2024: 0.1 years).

## Notes To The Financial Statements

### 15. CONTRACT LIABILITIES

	GROUP	
	2025 RM	2024 RM
Balance at beginning	2,031,896	1,050,037
Revenue recognised during the year	(2,031,896)	(1,050,037)
Deposits received during the year	987,428	2,031,896
Balance at end	987,428	2,031,896

Contract liabilities represent deposits received from customers in advance for sales orders before commencing production activity. The deposits will be reversed and recognised as revenue upon satisfying the performance obligation.

All deposits received are expected to be recognised as revenue within one year from the date of receipt.

### 16. REVENUE

#### 16.1 Disaggregated revenue information

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Continuing operations:</b>				
Sales of goods recognised at a point in time upon delivery of goods to the customers	21,833,752	23,020,206	-	-
<b>Discontinued operation:</b>				
Sales of goods recognised at a point in time upon delivery of goods to the customers	13,869	210,978	-	-
<b>Revenue from contracts with customers</b>	<b>21,847,621</b>	<b>23,231,184</b>	<b>-</b>	<b>-</b>
Gross dividend income from subsidiaries, representing other revenue	-	-	11,027,161	-
<b>Total revenue</b>	<b>21,847,621</b>	<b>23,231,184</b>	<b>11,027,161</b>	<b>-</b>
<b>Geographical markets</b>				
Asia Pacific	2,752,254	5,101,173	-	-
Africa	4,969,157	4,799,810	-	-
Europe	4,228,189	6,707,071	-	-
United States of America	4,232,668	4,446,842	-	-
Oceania	-	239,275	-	-
Malaysia	5,665,353	1,937,013	11,027,161	-
<b>Total revenue from contracts with customers</b>	<b>21,847,621</b>	<b>23,231,184</b>	<b>11,027,161</b>	<b>-</b>

## Notes To The Financial Statements

### 16. REVENUE (CONT'D)

#### 16.2 Contract balance

	GROUP	
	2025 RM	2024 RM
Trade receivables (Note 8)	3,292,821	1,174,072
Trade receivables included in non-current assets held for sales	-	99,200
	<b>3,292,821</b>	<b>1,273,272</b>

#### 16.3 Performance obligations

The performance obligations of the Group's revenue have been disclosed in the material accounting policy information below.

#### Material accounting policy information

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

### 17. PROFIT/(LOSS) BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Continuing operations:</b>				
After charging:				
Auditors' remuneration				
- Statutory audit				
- Grant Thornton Malaysia PLT ("GTM")				
- current year	88,000	63,000	43,000	29,000
- under provision in prior year	-	1,000	-	-
- Assurance related services				
- GTM	4,000	4,000	4,000	4,000
Depreciation				
- property, plant and equipment	348,691	890,697	-	-
- right-of-use asset	-	45,189	-	-
Directors' fees				
- Executive directors of the Company				
- Present directors	21,667	151,000	6,667	106,000
- Former directors	15,416	-	15,416	-
- Executive directors of a subsidiary				
- Present directors	45,000	30,000	-	-
- Former directors	11,250	-	-	-
- Non-executive directors of the Company				
- Present directors	40,750	112,000	40,750	112,000
- Former directors	21,000	-	21,000	-

## Notes To The Financial Statements

### 17. PROFIT/(LOSS) BEFORE TAX (CONT'D)

This is arrived at: (Cont'd)

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Impairment loss on investment in a subsidiary	-	-	16,600,000	5,500,000
Impairment loss on property, plant and equipment	2,105,375	-	-	-
Interest expenses on:				
- accretion of interest on lease liability	-	1,748	-	-
- finance lease liabilities	10,372	15,759	-	-
Loss on disposal of property, plant and equipment	-	26,074	-	-
Loss on disposal of other investment	14,653	-	105,889	-
Net realised loss on foreign exchange	439,149	356,750	-	-
Property, plant and equipment written off	9,770	-	-	-
Rental expenses	876,710	-	-	-
Research and development expenses	-	208	-	-
*Staff costs	3,789,911	6,171,512	8,906	34,007

And crediting:

Dividend income	122,793	120,780	122,793	120,780
Fair value gain on derivatives	-	31,911	-	-
Fair value gain on investments	236,876	275,474	236,876	275,474
Gain on derecognition of lease	-	3,752	-	-
Gain on disposal of non-current assets held for sale	31,298,919	943,406	18,086,667	-
Gain on disposal of other investments	-	11,311	-	-
Gain on disposal of property, plant and equipment	1,162,554	-	-	-
Interest income	749,488	201,858	637,643	5,826
Net unrealised gain on foreign exchange	227,209	317,114	-	-
Rental income	32,000	6,120	-	-

#### Discontinued operation:

After charging:

Auditors' remuneration				
- Statutory audit				
- GTM	1,916	23,000	-	-
Depreciation of property, plant and equipment	-	264,104	-	-
Directors' fees				
- Executive directors of the company	-	45,000	-	-
- Executive director of a subsidiary	6,250	30,000	-	-
Net unrealised loss on foreign exchange	-	27,101	-	-
*Staff costs	298,308	3,720,321	-	-

## Notes To The Financial Statements

### 17. PROFIT/(LOSS) BEFORE TAX (CONT'D)

This is arrived at: (Cont'd)

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
And crediting:				
Fair value gain on investments	12,738	121,635	-	-
Gain on disposal of non-current assets held for sale	-	5,716,598	-	-
Gain on disposal of property, plant and equipment	-	57,000	-	-
Interest income	4,776	42,060	-	-
Net unrealised gain on foreign exchange	23,851	5,977	-	-
<b>*Staff costs</b>				
<b>Continuing operations:</b>				
- Salaries, allowances and bonus	4,329,438	5,197,245	4,710	13,867
- Defined contribution plan ("EPF")	555,081	719,041	4,196	20,140
- Social security contributions ("SOCSO")	47,791	48,120	-	-
- Employment insurance scheme ("EIS")	3,862	3,963	-	-
- (Reversal of)/Defined benefit plan	(1,146,261)	203,143	-	-
<b>Total staff costs from continuing operations</b>	<b>3,789,911</b>	<b>6,171,512</b>	<b>8,906</b>	<b>34,007</b>
<b>Discontinued operation:</b>				
- Salaries, allowances and bonus	256,277	3,272,524	-	-
- EPF	29,970	404,123	-	-
- SOCSO	2,826	39,866	-	-
- EIS	235	3,808	-	-
<b>Total staff costs from discontinued operation</b>	<b>289,308</b>	<b>3,720,321</b>	<b>-</b>	<b>-</b>
<b>Total staff costs</b>	<b>4,079,219</b>	<b>9,891,833</b>	<b>8,906</b>	<b>34,007</b>

#### Directors' emoluments

Included in the staff costs are directors' emoluments as shown below:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of the Company:</b>				
- Salaries, allowances and bonus	507,210	2,824,487	4,710	13,867
- EPF	101,702	551,414	4,196	20,140
- SOCSO	1,387	5,644	-	-
- EIS	158	476	-	-
- (Reversal of)/Defined benefit plan	(1,146,261)	203,143	-	-
	<b>(535,804)</b>	<b>3,585,164</b>	<b>8,906</b>	<b>34,007</b>

## Notes To The Financial Statements

### 17. PROFIT/(LOSS) BEFORE TAX (CONT'D)

#### Directors' emoluments (Cont'd)

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of a subsidiary:</b>				
- Salaries, allowances and bonus	1,279,940	429,924	-	-
- EPF	245,370	71,727	-	-
- SOCSO	4,159	3,639	-	-
- EIS	404	416	-	-
	<b>1,529,873</b>	<b>505,706</b>	<b>-</b>	<b>-</b>
Total directors' emoluments	<b>994,069</b>	<b>4,090,870</b>	<b>8,906</b>	<b>34,007</b>

The directors' emoluments can be further analysed as:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of the Company:</b>				
- Present directors	605,690	3,585,164	4,140	34,007
- Former directors	4,767	-	4,766	-
	<b>610,457</b>	<b>3,585,164</b>	<b>8,906</b>	<b>34,007</b>
<b>Directors of a subsidiary:</b>				
- Present directors	774,858	505,706	-	-
- Former directors	755,015	-	-	-
	<b>1,529,873</b>	<b>505,706</b>	<b>-</b>	<b>-</b>
Total directors' emoluments	<b>2,140,330</b>	<b>4,090,870</b>	<b>8,906</b>	<b>34,007</b>

The estimated money value of benefits-in-kind received or receivable by the directors of the Company and a director of a subsidiary during the financial year as shown below:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors of the Company:</b>				
- Present directors	25,295	200,278	-	-
<b>Directors of a subsidiary:</b>				
- Present directors	37,231	-	-	-
- Former directors	76,917	-	-	-
	<b>114,148</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total estimated money value of benefits-in-kind	<b>139,443</b>	<b>200,278</b>	<b>-</b>	<b>-</b>

## Notes To The Financial Statements

### 18. TAXATION

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Continuing operation:</b>				
Malaysian income tax				
Based on results for the financial year				
- Current tax	(406,461)	(10,106)	(149,461)	-
- Real property gains tax	(560,670)	(229,902)	-	-
- Capital gains tax	(778,670)	-	(778,000)	-
- Deferred tax relating to origination and reversal of temporary differences	(46,171)	-	-	-
	(1,791,972)	(240,008)	(927,461)	-
Under provision in prior year	(230)	(85)	-	-
<b>Total income tax expenses from continuing operations</b>	<b>(1,792,202)</b>	<b>(240,093)</b>	<b>(927,461)</b>	<b>-</b>
<b>Discontinued operation:</b>				
Malaysian income tax				
Based on results for the financial year				
- Real property gain tax	-	(434,986)	-	-
- Deferred tax relating to origination and reversal of temporary differences	-	(24,780)	-	-
<b>Total income tax expenses from discontinued operations</b>	<b>-</b>	<b>(459,766)</b>	<b>-</b>	<b>-</b>
<b>Total income tax expenses</b>	<b>(1,792,202)</b>	<b>(699,859)</b>	<b>(927,461)</b>	<b>-</b>

## Notes To The Financial Statements

### 18. TAXATION (CONT'D)

The reconciliation of taxation of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before tax, continuing operations	22,328,071	5,942,211	13,745,563	(5,532,757)
Loss before tax, discontinued operation	(786,441)	(4,061,707)	-	-
Profit/(Loss) before tax	21,541,630	1,880,504	13,745,563	(5,532,757)
Income tax at Malaysian statutory tax rate of 24%	(5,169,992)	(451,321)	(3,298,936)	1,327,862
Income not subject to income tax	9,855,959	1,729,726	7,073,639	96,386
Expenses not deductible for tax purposes	(3,479,308)	(157,220)	(3,924,164)	(1,424,248)
Deferred tax asset not recognised	(1,659,961)	(1,156,071)	-	-
Real property gains tax	(560,670)	(664,888)	-	-
Capital gains tax	(778,000)	-	(778,000)	-
	(1,791,972)	(699,774)	(927,461)	-
Under provision in prior year	(230)	(85)	-	-
	(1,792,202)	(699,859)	(927,461)	-

### 19. EARNINGS/(LOSSES) PER SHARE

#### (i) Basic losses per share

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

	GROUP	
	2025 RM	2024 RM
Profit/(Loss) attributable to owners of the Company		
- Continuing operations	20,580,782	5,702,118
- Discontinued operation	(786,441)	(4,521,473)
	19,794,341	1,180,645
Weighted average number of ordinary shares in issue	44,421,700	44,421,700
Basic earnings/(losses) per share (sen)		
- Continuing operations	46.33	12.84
- Discontinued operation	(1.77)	(10.18)
	44.56	2.66

#### (ii) Diluted earnings/(losses) per share

The losses per share is not diluted as the Company does not have any dilutive potential ordinary shares as at the end of the reporting period.



## Notes To The Financial Statements

### 20. DIVIDENDS

	GROUP / COMPANY	
	2025 RM	2024 RM
In respect of the financial year ended 31 May 2025		
- Special dividend of RM0.20 per ordinary share	8,884,340	-
- Interim single-tier dividend of RM0.05 per ordinary share	2,221,085	-
	<b>11,105,425</b>	-

### 21. CAPITAL COMMITMENT

The Group have no capital commitments as at the end of the reporting period.

### 22. RELATED PARTY DISCLOSURES

#### (i) Identity of related party

The Group has related party relationship with its subsidiaries, key management personnel and the following party:

Related party	Relationship
Dynaspan Furniture Sdn. Bhd.	A company in which a director of the Company have substantial financial interests.

#### (ii) Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transaction between the Company and a subsidiary took place during the financial year.

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Purchase from a related party	10,869,642	-	-	-
Rental charge by a related party	876,710	-	-	-
Advances to a subsidiary	-	-	3,000,000	-

#### (iii) Compensation of key management personnel

Key management personnel are those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The remuneration of directors is disclosed in Note 17 to the financial statements. The Group does not have any members of key management personnel.

## Notes To The Financial Statements

### 23. SEGMENTAL INFORMATION

The Group is principally engaged in the manufacturing and trading of furniture and wood-based products which are principally carried out in Malaysia and these business activities are considered as one business segment by the Group.

#### Geographical segments

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

	Revenue		Non-current assets*	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	5,665,353	1,937,013	1,313,717	14,557,465
Asia Pacific	2,752,254	5,101,173	-	-
Africa	4,969,157	4,799,810	-	-
Europe	4,228,189	6,707,071	-	-
United States of America	4,232,668	4,446,842	-	-
Oceania	-	239,275	-	-
	<b>21,847,621</b>	<b>23,231,184</b>	<b>1,313,717</b>	<b>14,557,465</b>

\* Non-current assets comprise of property, plant and equipment.

#### Information about major customers

Total revenue from 1 (2024: Nil) major customer which individually contributed to 10% or more of the Group's revenue amounted to **RM3,429,911** (2024: RM Nil).

### 24. FINANCIAL INSTRUMENTS

#### 24.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC"), FVTPL and FVOCI.

	Carrying amount RM	AC RM	FVTPL RM	FVOCI RM
<b>GROUP</b>				
<b>2025</b>				
<b>Financial assets</b>				
Trade and other receivables excluding prepayments	6,189,191	6,189,191	-	-
Other investments	3,555,304	-	1,599,304	1,956,000
Cash and bank balances	30,576,138	30,576,138	-	-
	<b>40,320,633</b>	<b>36,765,329</b>	<b>1,599,304</b>	<b>1,956,000</b>
<b>Financial liabilities</b>				
Trade and other payables	5,704,303	5,704,303	-	-
Borrowings	193,412	193,412	-	-
	<b>5,897,715</b>	<b>5,897,715</b>	<b>-</b>	<b>-</b>

## Notes To The Financial Statements

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### 24.1 Categories of financial instruments (Cont'd)

	Carrying amount RM	AC RM	FVTPL RM	FVOCI RM
2024				
Financial assets				
Trade and other receivables excluding prepayments	4,899,742	4,899,742	-	-
Other investments	5,714,879	-	3,715,970	1,998,909
Cash and bank balances	2,843,303	2,843,303	-	-
	<u>13,457,924</u>	<u>7,743,045</u>	<u>3,715,970</u>	<u>1,998,909</u>
Financial liabilities				
Trade and other payables	5,578,479	5,578,479	-	-
Borrowings	337,083	337,083	-	-
	<u>5,915,562</u>	<u>5,915,562</u>	<u>-</u>	<u>-</u>

#### COMPANY 2025

##### Financial assets

Trade and other receivables excluding prepayments	4,012,034	4,012,034	-	-
Other investments	1,956,000	-	-	1,956,000
Cash and bank balances	29,004,901	29,004,901	-	-
	<u>34,972,935</u>	<u>33,016,935</u>	<u>-</u>	<u>1,956,000</u>

##### Financial liability

Trade and other payables	48,149	48,149	-	-
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#### 2024

##### Financial assets

Other investments	2,332,073	-	333,164	1,998,909
Cash and bank balances	56,690	56,690	-	-
	<u>2,388,763</u>	<u>56,690</u>	<u>333,164</u>	<u>1,998,909</u>

##### Financial liabilities

Trade and other payables	5,662,307	5,662,307	-	-
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## Notes To The Financial Statements

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### 24.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

#### 24.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and to the Company. The Group's exposure to credit risk arises principally from its trade receivables whilst the Company's exposure to credit risk arises principally from financial guarantees provided to financial institutions in respect of credit facilities granted to the subsidiaries. For other financial assets (including short term investments and cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

##### 24.3.1 Trade receivables

The Group gives its customers credit terms that range between 30 to 90 days (2024: 30 to 60 days). Credit period extended to its customers is based on careful evaluation of the customers' financial condition and credit history. Receivables are monitored on an ongoing basis via Group's management reporting procedures and action will be taken for long outstanding debts. In order to further minimise its exposure to credit risk, the Group requires deposits from the customers.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statements of financial position.

The ageing analysis of trade receivables of the Group at the end of the reporting period is as follows:

	GROUP	
	2025 RM	2024 RM
Not past due	2,721,806	925,779
1 to 30 days past due	376,605	248,293
61 to 90 days past due	192,265	-
More than 90 days past due	2,145	-
	571,015	248,293
	3,292,821	1,174,072

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group. None of the Group's trade receivables that are neither past due nor impaired has been renegotiated during the financial year.

The Group has trade receivables amounting to **RM571,015** (2024: RM248,293) that are past due but not impaired as the management is of the view that these debts will be collected in due course.

The Group has significant concentration of credit risk in the form of outstanding balances due from **3 customers** (2024: 6 customers) representing **37%** (2024:100%) of the total trade receivables.

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### 24.3.1 Trade receivables (Cont'd)

##### Maximum exposure to credit risk

The Group regards the entire trade receivables to be low risk.

In managing the credit risk of the trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group measures the allowance for expected credit losses of trade receivables at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables are estimated based on past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankruptcy. Forward looking information such as country risk assessment has been incorporated in determining the expected credit losses.

Trade receivables are usually collectable and the Group does not have much material historical bad debts written off or impairment of trade receivables. There are circumstances where the settlement of trade receivables will take longer than the credit terms given to the customers. The delay in settlement is mainly due to disagreement of pricing and quality issue or administrative matter. No expected credit losses is provided during the financial year based on the above assessment as the impact to the Group's financial statements is not material.

#### 24.3.2 Financial guarantees

The Company provides unsecured financial guarantees to financial institutions in respect of banking facilities granted to certain subsidiaries up to a limit of **RM Nil** (2024: RM461,380), of which the amount utilised as at the end of the reporting period was **RM Nil** (2024: RM Nil), representing the credit risk exposure to the Company as at that date.

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

#### 24.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet their working capital requirements.

## Notes To The Financial Statements

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### 24.4 Liquidity risk (Cont'd)

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM
<b>GROUP</b>				
<b>2025</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	5,704,303	5,704,303	5,704,303	-
Borrowings	193,412	198,861	147,583	51,278
Total undiscounted financial liabilities	5,897,715	5,903,164	5,851,886	51,278
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables	5,578,479	5,578,479	5,578,479	-
Borrowings	337,083	352,905	154,044	198,861
Total undiscounted financial liabilities	5,915,562	5,931,384	5,732,523	198,861
<b>COMPANY</b>				
<b>2025</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables, representing total undiscounted financial liabilities	48,149	48,149	48,149	-
<b>2024</b>				
<i>Non-derivative financial liabilities</i>				
Trade and other payables, representing total undiscounted financial liabilities	5,662,307	5,662,307	5,662,307	-

\* The financial guarantees are included for illustration purpose only as they have not crystallised as at the end of the reporting period.

## 24. FINANCIAL INSTRUMENTS (CONT'D)

### 24.5 Interest rate risk

The Group's fixed rate instruments are exposed to a risk of change in its fair value due to changes in interest rates. The Group does not have any floating rate instruments.

The interest rate profile of the Group's interest-bearing financial instruments based on the carrying amount as at the end of the reporting period is as follows:

	GROUP	
	2025 RM	2024 RM
<b>Fixed rate instruments</b>		
Financial assets	28,000,000	-
Financial liabilities	193,412	337,083

### Sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

### 24.6 Foreign currency risk

The objectives of the Group's foreign exchange policy are to allow the Group to manage exposures that arise from trading activities effectively within a framework of controls that does not expose the Group to unnecessary foreign exchange risks.

The Group is exposed to foreign currency risk mainly on sales, purchases and borrowings that are denominated in currencies other than the functional currency of the Group entities. The currency giving rise to this risk is primarily United States Dollar ("USD").

### Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates against Ringgit Malaysia, with all other variables held constant, of the Group's profit before tax. A 10% strengthening of RM against the following currencies at the end of the reporting period would have increased in profit before tax and decreased in equity by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period.

## Notes To The Financial Statements

### 24. FINANCIAL INSTRUMENTS (CONT'D)

#### 24.6 Foreign currency risk (Cont'd)

	2025 RM
USD	
Increase in profit before tax	<u>69,952</u>
Decrease in equity	<u>53,164</u>
	2024 RM
USD	
Increase in profit before tax	<u>160,465</u>
Decrease in equity	<u>121,953</u>

#### 24.7 Equity price risks

Equity price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial assets designated at FVTPL and FVOCI will fluctuate because of changes in market prices. Equity price risk arises from the Group's and the Company's short term investments funds with a licensed bank and investment in quoted shares in Malaysia.

Management of the Group and of the Company monitors the investment funds, investment in quoted shares in Malaysia and the material investments within the portfolio on an individual basis and all buy and sell decisions are approved by the Board of Directors of the Company.

#### Sensitivity analysis for equity price risk

A 5% increase in the quoted prices of the investment at the end of the reporting period would have impacted on profit before tax and equity by the amount shown below, and a decrease would have an equal but opposite effect, arising as a result of higher/lower fair value gain on short-term investment funds.

	GROUP		COMPANY	
	2025 RM	2024 RM	2025 RM	2024 RM
Increase in profit before tax, continuing operations	79,965	185,799	-	-
Decrease in loss before tax, continuing operations	-	-	-	16,658
Increase in equity	<u>177,765</u>	<u>285,744</u>	<u>-</u>	<u>116,604</u>

### 25. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and of the Company's financial assets (other than investments) and financial liabilities as at the end of the reporting period approximate their fair values due to their short-term nature.

The carrying amounts of the non-current portion of finance lease liabilities are reasonable approximation of fair values due to the insignificant impact of discounting.



## Notes To The Financial Statements

### 25. FAIR VALUE MEASUREMENT (CONT'D)

#### 25.1 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Carrying amount RM
<b>GROUP</b>					
<b>2025</b>					
<b>Financial asset</b>					
Other investments	3,555,304	-	-	3,555,304	3,555,304
<b>2024</b>					
<b>Financial asset</b>					
Other investments	5,714,879	-	-	5,714,879	5,714,879
<b>COMPANY</b>					
<b>2025</b>					
<b>Financial asset</b>					
Other investments	1,956,000	-	-	1,956,000	1,956,000
<b>2024</b>					
<b>Financial asset</b>					
Other investments	2,332,073	-	-	2,332,073	2,332,073

#### Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets at the end of the reporting period.

#### Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between level 1, level 2 and level 3 during the financial year.

## Notes To The Financial Statements

### 26. CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its business and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustments to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to its shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

The Group consider its total equity and total loans and borrowings to be the key components of their capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as net debts divided by total equity as follows:

	<b>GROUP</b>	
	<b>2025 RM</b>	<b>2024 RM</b>
Total borrowings	<b>193,412</b>	337,083
Less: Cash and bank balances	<b>(30,576,138)</b>	(2,843,303)
Net cash	<b>(30,382,726)</b>	(2,506,220)
Total equity	<b>42,906,498</b>	34,217,582
Gearing ratio	<b>N/A</b>	N/A

N/A - not applicable as net cash position

### 27. RIGHT-OF-USE ASSET AND LEASE LIABILITY

#### Group as lessee

The Group has a lease contract for premise used in its operations that has lease terms of two years. Generally, the Group is restricted from assigning and subleasing the leased asset.

The Group also has certain leases of hostel with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

#### GROUP

#### *Right-of-use asset*

Set out below are the carrying amount of right-of-use asset recognised and the movements during the financial year:

	<b>Premise 2024 RM</b>
Balance at beginning	150,630
Depreciation	(45,189)
Derecognition	<u>(105,441)</u>
Balance at end	<u>-</u>

## Notes To The Financial Statements

### 27. RIGHT-OF-USE ASSET AND LEASE LIABILITY (CONT'D)

#### *Lease liability*

Set out below are the carrying amount of lease liability recognised and the movements during the financial year:

	2024 RM
Balance at beginning	155,025
Accretion of interest	1,748
Payments	(47,580)
Derecognition	(109,193)
Balance at end	-
Represented by:	
Current liabilities	-

The following are the amounts recognised in profit or loss:

	GROUP	
	2025 RM	2024 RM
Depreciation expense of right-of-use asset	-	45,189
Accretion of interest on lease liability	-	1,748
Expenses relating to short-term lease	945,933	101,770
Gain on derecognition of lease	-	(3,752)
<b>Total amount recognised in profit or loss</b>	<b>945,933</b>	<b>144,955</b>

The total cash outflows for leases of the Group during the financial year are **RM1,089,604** (2024: RM149,350).

#### **Material accounting policy information**

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

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Category	
Premise	24 months

## Notes To The Financial Statements

### 28. DEFERRED TAX ASSET

	GROUP	
	2025 RM	2024 RM
Balance at beginning	-	71,621
Recognised in profit or loss	-	(24,780)
Reclassified to non-current asset held for sale	-	(46,841)
Balance at end	-	-

The following net deferred tax assets have not been recognised as at the end of the reporting period as it is not probable that future taxable profit will be available against which they may be utilised. As at the end of the reporting period, the Group's deferred tax position is as follow:

	GROUP	
	2025 RM	2024 RM
Deferred tax recognised:		
Property, plant and equipment	(28,708)	(2,206,668)
Unabsorbed capital allowances	28,708	2,206,668
	-	-
Deferred tax not recognised:		
Unused tax losses	20,167,341	11,726,807
Unabsorbed capital allowances	3,996,796	1,620,854
Unutilised reinvestment allowances	2,023,236	2,023,236
Other deductible temporary differences	33,310	3,933,282
	26,220,683	19,304,179

The gross amount and future availability of unused tax losses and unabsorbed allowances which are available to be carried forward for set-off against future taxable income are estimated as follows:

	GROUP	
	2025 RM	2024 RM
Unused tax losses	20,167,341	11,726,807
Unabsorbed capital allowances	4,025,504	3,827,522
Unabsorbed reinvestment allowance	2,023,236	2,023,236

The unused tax losses can be carried forward for ten consecutive years of assessment immediately following that year of assessment ("YA") of which tax losses was incurred. Unabsorbed reinvestment allowance at the end of the qualifying reinvestment allowance period of fifteen years can be carried forward for seven consecutive YAs. However, unabsorbed capital allowances can be carried forward indefinitely.

## Notes To The Financial Statements

### 28. DEFERRED TAX ASSET (CONT'D)

The unabsorbed reinvestment allowance and unused tax losses will be disregarded in the following YAs:

	GROUP	
	2025 RM	2024 RM
YA 2026	1,081,424	1,081,424
YA 2028	58,683	58,683
YA 2029	511,110	511,110
YA 2030	4,342,889	4,342,889
YA 2031	3,308,567	3,308,567
YA 2033	202,516	202,516
YA 2034	722,696	722,696
YA 2035	3,522,158	3,522,158
YA 2036	8,440,534	-
	<b>22,190,577</b>	<b>13,750,043</b>

### 29. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

#### Disposal of properties to a third party company

On 4 June 2025, the EFSB has entered into a conditional sale and purchase agreement with a third party to dispose the EFSB's properties located at Daerah Seberang Perai Utara, Negeri Pulau Pinang for a total consideration of RM1,270,000.

# ANALYSIS OF SHAREHOLDINGS

As at 4 September 2025

## A. SHARE CAPITAL

Total number of Issued Shares	:	44,421,700
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each Ordinary Share held

## B. DISTRIBUTION OF SHAREHOLDINGS

Holdings	No. of Holders	Total Holdings	% of Holdings
Less than 100	10	375	0.00
100 - 1,000	498	449,325	1.01
1,001 - 10,000	282	1,277,700	2.88
10,001 - 100,000	94	2,881,500	6.49
100,001 - less than 5% of issued shares	11	6,878,200	15.48
5% and above of issued shares	1	32,934,600	74.14
	<b>896</b>	<b>44,421,700</b>	<b>100.00</b>

## C. SUBSTANTIAL SHAREHOLDER

Name of Shareholder	Direct Interest	
	No. of Shares	% of Holdings
1. AMSEC Nominees (Tempatan) Sdn Bhd (Pledged Securities Account – Ambank (M) Berhad for EC Synergy (M) Sdn Bhd)	32,934,600	74.14

## D. DIRECTOR'S INTERESTS IN SHARES AS (As at 23 September 2025)

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
1. Mr Ng Heng Hong	-	-	32,934,600 <sup>(1)</sup>	74.14

<sup>(1)</sup>Deemed interested by virtue of his interest in EC Synergy (M) Sdn Bhd.

## Analysis Of Shareholdings

As at 4 September 2025

### E. THIRTY LARGEST REGISTERED SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Holdings
1.	AMSEC Nominees (Tempatan) Sdn Bhd (Pledged Securities Account – Ambank (M) Berhad for EC Synergy (M) Sdn Bhd)	32,934,600	74.14
2.	Ong Har Hong	1,976,900	4.45
3.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for How Yoke Kam)	1,875,600	4.22
4.	Maybank Securities Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lim Eng Huat)	1,241,600	2.80
5.	TA Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Ooi Youk Lan)	351,400	0.79
6.	TA Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Khor Kai Fu)	345,500	0.78
7.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chia Kah Moon)	278,000	0.63
8.	Affin Hwang Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Heng Chang Hooi)	226,400	0.51
9.	RHB Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lok Ai Tee)	175,000	0.39
10.	TA Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Cheong Kuang Huang)	166,000	0.37
11.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account for Chiau Sheng Yong)	125,000	0.28
12.	Quan Yew Hwat	116,000	0.26
13.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lok Boon Cheng)	98,200	0.22
14.	Kenanga Nominees (Tempatan) Sdn Bhd (Rakuten Trade Sdn Bhd For Ng Hian Hzu)	93,900	0.21
15.	Lim Soon Huat	92,000	0.21
16.	M & A Nominee (Tempatan) Sdn Bhd Pledged Securities Account For Ooi Chen Seng (M&A)	80,000	0.18
17.	Wong Kiong @ Wong Sun Chong	80,000	0.18
18.	Tan Yen Joo	64,000	0.14
19.	Yuan Lee Yu	61,000	0.14
20.	TA Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Lee Kean Leng)	55,000	0.12
21.	AMSEC Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Wong Pak Yii)	54,000	0.12

## Analysis Of Shareholdings

As at 4 September 2025

### E. THIRTY LARGEST REGISTERED SHAREHOLDERS (CONT'D)

No.	Name of Shareholders	No. of Shares	% of Holdings
22.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. (Pledged Securities Account For Khor Kai Fu)	50,000	0.11
23.	CIMSEC Nominees (Tempatan) Sdn Bhd (CIMB For Mahesh A/L Siva Kumar (PB))	50,000	0.11
24.	CIMSEC Nominees (Tempatan) Sdn Bhd (CIMB For Akkhesh (PB))	50,000	0.11
25.	Maybank Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Tan Cheak Joo)	50,000	0.11
26.	Tan Hang Kim	50,000	0.11
27.	Yusman Yazı Bin Zulkifli	50,000	0.11
28.	Lim Kian Huat	46,000	0.10
29.	Arivest Sdn Bhd	45,000	0.10
30.	Alliancegroup Nominees (Tempatan) Sdn Bhd (Pledged Securities Account For Chng Teong Seng)	44,000	0.10



# LIST OF PROPERTY OF THE GROUP

As at 31 May 2025

Address /Location	Date of acquisition	Description	Use	Tenure	Approximate age of building	Total land area / approximate built up area (sq. ft.)	Net Book Value
No 14, Lorong Perusahaan Sungai Lokan 3, Taman Perindustrian Baru Butterworth, Sungai Dua, 13800 Butterworth	27-12-1994	2 storey terrace light industrial building	Store	Freehold	25 years	2,184 / 3,109	161,213

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirtieth (30<sup>th</sup>) Annual General Meeting (“AGM”) of Eurospan Holdings Berhad will be held at Function Rooms 2 & 3, Level 1, Main Lobby Building, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia on Friday, 21 November 2025 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:-

## AGENDA

- |   |                       |
|---|-----------------------|
| 1. To receive the Audited Financial Statements of the Group and the Company for the financial year ended 31 May 2025 together with the Reports of the Directors and Auditors thereon. | Please refer Note 3   |
| 2. To approve the payment of Directors’ fees of up to RM48,000 from 1 December 2025 until the next Annual General Meeting of the Company.   | Ordinary Resolution 1 |
| 3. To re-elect Dato’ Thor Poh Seng, a Director retiring pursuant to Clause 140 of the Company’s Constitution and who, being eligible, offers himself for re-election.                 | Ordinary Resolution 2 |
| 4. To re-elect Mr Guan Shaw Yin, a Director retiring pursuant to Clause 140 of the Company’s Constitution and who, being eligible, offers himself for re-election.                    | Ordinary Resolution 3 |
| 5. To re-elect Mr Ng Heng Hong, a Director retiring pursuant to Clause 145 of the Company’s Constitution and who, being eligible, offers himself for re-election.                     | Ordinary Resolution 4 |
| 6. To re-elect Datuk Seri Tan Choon Hwa, a Director retiring pursuant to Clause 145 of the Company’s Constitution and who, being eligible, offers himself for re-election.            | Ordinary Resolution 5 |
| 7. To re-elect Mr Hiew Yong Nin@ Hew Yong Nin, a Director retiring pursuant to Clause 145 of the Company’s Constitution and who, being eligible, offers himself for re-election.      | Ordinary Resolution 6 |
| 8. To re-elect Ms Tan Yan Ching, a Director retiring pursuant to Clause 145 of the Company’s Constitution and who, being eligible, offers herself for re-election.                    | Ordinary Resolution 7 |
| 9. To re-appoint Messrs Grant Thornton Malaysia PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors’ remuneration.                 | Ordinary Resolution 8 |

By Order of the Board

Tan Shien Yin (MAICSA No. 7018545) (SSM PC No. 202008002719)  
Chong Siew Duan (MAICSA No. 7019353) (SSM PC No. 202008002732)  
Secretaries

Kuala Lumpur  
30 September 2025

# Notice of Annual General Meeting

## NOTES

### 1. Appointment of Proxy

- (a) A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy.
- (b) Subject to Paragraph (c) below, a member entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- (c) Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (d) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- (e) The instrument appointing 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’s Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof:

- (i) In hard copy form

The Proxy Form must be deposited with the Company’s Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

- (ii) By electronic form

The Proxy Form can be electronically lodged with the Company’s Share Registrar via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via The Portal.

### 2. Members entitled to attend the 30<sup>th</sup> AGM

Depositors whose names appear in the Record of Depositors on a date not less than three (3) market days before the 30<sup>th</sup> AGM shall be regarded as member of the Company entitled to attend and vote at the 30<sup>th</sup> AGM or appoint a proxy to attend and vote on his behalf.

### 3. Audited Financial Statements for the financial year ended 31 May 2025

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders’ approval and hence, will not be put for voting.

### 4. Payment of Directors’ fees – Ordinary Resolution 1

The proposed Ordinary Resolution is to facilitate the payment of Directors’ fees after each month of completed service of the Directors for the period commencing from 1 December 2025 until the next Annual General Meeting (“AGM”) of the Company. In the event that the Directors’ fees proposed is insufficient (e.g. due to enlarged board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

## Notice of Annual General Meeting

### 5. (i) Re-election of Directors who retire in accordance with Clause 140 of the Company's Constitution - Ordinary Resolution 2 and Ordinary Resolution 3

Clause 140 of the Company's Constitution stated that one-third (1/3) of the Directors shall retire from office and shall be eligible for re-election at each Annual General Meeting.

Dato' Toh Poh Seng and Mr Guan Shaw Yin ("Retiring Directors") are due to retire and being eligible, have offered themselves for re-election at the 30<sup>th</sup> AGM of the Company.

### (ii) Re-election of Directors who retire in accordance with Clause 145 of the Company's Constitution - Ordinary Resolution 4, Ordinary Resolution 5, Ordinary Resolution 6 and Ordinary Resolution 7

Clause 145 of the Company's Constitution provides that the Board shall have the power to appoint a person as a director, either to fill a casual vacancy or as an addition to the Board. Any director so appointed shall hold office only until the next Annual General Meeting and shall be eligible for re-election at such meeting.

The following persons ("collectively known as Retiring Directors") who were appointed as Directors of the Company on the respective dates as below shall retire at the conclusion of the 30<sup>th</sup> AGM of the Company, but shall be eligible for re-election in accordance with Clause 145 of the Constitution of the Company.

Resolution	Name of Directors	Appointment Date
Ordinary Resolution 4	Mr Ng Heng Hong	23 September 2025
Ordinary Resolution 5	Datuk Seri Tan Choon Hwa	23 September 2025
Ordinary Resolution 6	Mr Hiew Yong Nin@ Hew Yong Nin	23 September 2025
Ordinary Resolution 7	Ms Tan Yan Ching	23 September 2025

The Board's Nominating Committee ("NC") had carried out an assessment on the Retiring Directors and found that the abovenamed Retiring Directors possess the required skills and knowledge and met the fit and proper criteria to form an effective Board. The Board supported the NC's recommendation for re-election of the Retiring Directors, subject to shareholders' approval at the 30<sup>th</sup> AGM of the Company. The profile of the Retiring Directors is set out in pages of 9 to 13 this Annual Report.

### STATEMENT ACCOMPANYING NOTICE OF AGM

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

As at date of this notice, there are no individuals who are standing for election as Directors (excluding Directors who are standing for re-election as stated above) at this forthcoming 30<sup>th</sup> AGM.

### PERSONAL DATA PRIVACY

By registering for the meeting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member's personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company's (or its agents) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively "the Purpose"); (ii) warrants that he/she has obtained such proxy(ies) and/or representative(s) prior consent for the Company's (or its agents) processing of such proxy(ies) and/or representative(s) personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Note: The term "processing" and "personal data" shall have the meaning as defined in the Personal Data Protection Act, 2010

## ADMINISTRATIVE GUIDE FOR THE THIRTIETH ANNUAL GENERAL MEETING ("30<sup>TH</sup> AGM") OF EUROSPAN HOLDINGS BERHAD

The 30<sup>th</sup> AGM of Eurospan Holdings Berhad will be held as a physical meeting at the following date, time and venue :-

Date : **Friday, 21 November 2025**

Time : **11:00 a.m.**

Venue : **Function Rooms 2 & 3, Level 1, Main Lobby Building,  
Kuala Lumpur Golf & Country Club,  
No. 10, Jalan 1/70D, Off Jalan Bukit Kiara,  
60000 Kuala Lumpur, Malaysia**

### REGISTRATION ON THE DAY OF 30<sup>TH</sup> AGM

1. Registration will commence at 10:00 a.m. up to the time of the commencement of the 30<sup>th</sup> AGM at 11.00 a.m.
2. Please present your original National Registration Identity Card (NRIC) or Passport to the registration staff for verification. A photocopy of your NRIC or passport will not be accepted. Please ensure that the original NRIC or passport is returned to you and voting slip(s) will be given to you thereafter.
3. Registration must be done in person. No person is allowed to register on behalf of another even with the original NRIC or passport of that other person.
4. The registration counter will handle the verification of identity, registration and revocation of proxy/proxies.

### APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

If a shareholder is not able to attend the 30<sup>th</sup> AGM on 21 November 2025, he/she can appoint a proxy or the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the Proxy Form.

Shareholders who appoint proxy(ies) to participate at the 30<sup>th</sup> AGM must ensure that the duly executed proxy forms are deposited in a hard copy form or by electronic means to Tricor Investor & Issuing House Services Sdn. Bhd. not later than **Wednesday, 19 November 2025 at 11.00 a.m.**

Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposit the power of attorney in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than **Wednesday, 19 November 2025 at 11:00 a.m.** to participate in the 30<sup>th</sup> AGM. 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.

For a corporate member who has appointed a representative, please deposit the **ORIGINAL** certificate of appointment with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively deposit the certificate of appointment in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on/or before the 30<sup>th</sup> AGM to participate in the 30<sup>th</sup> AGM. The certificate of appointment should be executed in the following manner:

## Administrative Guide For The Thirtieth Annual General Meeting (“30<sup>th</sup> AGM”) Of Eurospan Holdings Berhad

### APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE (CONT'D)

- (i) If the corporate member has a common seal, the certificate of appointment should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment should be affixed with the rubber stamp of the corporate member (if any) and executed by :-
  - (a) at least two (2) authorised officers, of whom one shall be a director: or
  - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

The appointment of a proxy may be made in hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the 30<sup>th</sup> AGM and adjourned 30<sup>th</sup> AGM at which the person named in the appointment proposed to vote:

(i) In hard copy form

In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively deposit the proxy form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not later than **Wednesday, 19 November 2025 at 11:00 a.m.**

(ii) By electronic form

The Proxy Form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal (“The Portal”) at <https://srmy.vistra.com> not later than **Wednesday, 19 November 2025 at 11:00 a.m.** and the procedures to submit your Proxy Form electronically are summarised below:

PROCEDURE	ACTION
STEPS FOR INDIVIDUAL SHAREHOLDERS	
1. Register as a User at The Portal	<ul style="list-style-type: none"> <li>• Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a></li> <li>• Click “Register” and select “Individual Holder” and complete the New User Registration Form.</li> <li>• For guidance, you may refer to the tutorial guide available on the homepage.</li> <li>• Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>• After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved.</li> <li>• Once you receive the confirmation, activate your account by creating your password.</li> <li>• If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.</li> </ul>

## Administrative Guide For The Thirtieth Annual General Meeting (“30<sup>th</sup> AGM”) Of Eurospan Holdings Berhad

### APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE (CONT'D)

PROCEDURE	ACTION
<b>STEPS FOR INDIVIDUAL SHAREHOLDERS</b>	
2. Proceed with submission of Proxy Form	<ul style="list-style-type: none"> <li>• After the release of the Notice of Meeting by the Company, login with your email address and password.</li> <li>• Select the corporate event: EUROSPAN HOLDINGS BERHAD 30<sup>TH</sup> AGM.</li> <li>• Navigate to the 3 dots at the end of the corporate event and choose “SUBMISSION OF PROXY FORM”.</li> <li>• Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>• Indicate the number of shares assigned for your proxy(ies) to vote on your behalf.</li> <li>• Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy.</li> <li>• Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.</li> <li>• Review and confirm your proxy(ies) appointment.</li> <li>• Print the Proxy Form for your record.</li> </ul>

PROCEDURE	ACTION
<b>STEPS FOR CORPORATE OR INSTITUTIONAL SHAREHOLDERS</b>	
1. Register as a User at The Portal	<ul style="list-style-type: none"> <li>• Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a></li> <li>• Click “Register” and select “Representative of Corporate Holder” and complete the New User Registration Form.</li> <li>• Complete the registration form with your personal details.</li> <li>• Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>• After verification, your registration will be reviewed and approved within two (2) working days. A confirmation email will be sent once approved.</li> <li>• Once you receive the confirmation, activate your account by creating your password.</li> </ul> <p><i>Note:</i> The representative of a corporation or institutional shareholder must register as a user first in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</p>
2. Proceed with submission of Proxy Form	<ul style="list-style-type: none"> <li>• Login to <a href="https://srmy.vistra.com">https://srmy.vistra.com</a> with your email address and password.</li> <li>• Select the corporate event: <b>“EUROSPAN HOLDINGS BERHAD 30<sup>TH</sup> AGM”</b></li> <li>• Navigate to the icon “&gt;” at the end of the corporate event.</li> <li>• Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>• Select the corporate holder’s name.</li> <li>• Proceed to download the submission file.</li> <li>• Prepare the file for the appointment of proxy(ies) by inserting the required data.</li> <li>• Proceed to upload the duly completed proxy appointment file.</li> <li>• Select “Confirm” to complete your submission.</li> <li>• Print the confirmation report of your submission for your record.</li> </ul>

Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.



## **Administrative Guide For The Thirtieth Annual General Meeting ("30<sup>th</sup> AGM") Of Eurospan Holdings Berhad**

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### **APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE (*CONT'D*)**

#### **POLL VOTING**

The voting will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. All resolutions set out in the Notice of the 30<sup>th</sup> AGM will be put to a vote by way of poll. A Poll Administrator will be appointed to conduct the polling process and an Independent Scrutineer will be appointed to verify the results of the poll.

#### **NO AUDIO/VIDEO RECORDING OR PHOTOGRAPHY**

Unauthorised recording, photography, storing in any retrieval systems, reproducing, transmitting, or uploading in any form, platform or social media or by any means whether it is mechanical, electronical, photocopying, recording or otherwise of the proceedings of the 30<sup>th</sup> AGM is strictly not allowed. The Company reserves the right to take appropriate legal action against anyone who violates this rule.

#### **ENQUIRY**

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

**Tricor Investor & Issuing House Services Sdn. Bhd.**

General Line : +603-2783 9299

Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)





EUROSPAN HOLDINGS BERHAD

Registration No. 199501022724 (351927-M)

EST. 1972

## PROXY FORM

For the 30<sup>th</sup> Annual General Meeting ("AGM")

CDS Account No.

No. of shares held

I/We .....  
[Full name in block letters and NRIC No. / Registration No.]

of .....  
[Address and Contact No.]

being a member/members of Eurospan Holdings Berhad, hereby appoint :-

Full Name (in block letters)	NRIC/Passport/ Registration No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
and/or (delete as appropriate)				

or failing whom, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us and on my/our behalf, at the Thirtieth Annual General Meeting of the shareholders of the Company to be held at Function Rooms 2&3, Level 1, Main Lobby Building, Kuala Lumpur Golf & Country Club, No. 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia on Friday, 21 November 2025 at 11.00 a.m. or any adjournment thereof :-

Resolutions		For	Against
To approve the payment of Directors' fees of RM48,000 from 1 December 2025 until the next Annual General Meeting of the Company.	Ordinary Resolution 1		
To re-elect Dato' Thor Poh Seng, a Director retiring pursuant to Clause 140 of the Company's Constitution and who, being eligible, offers himself for re-election.	Ordinary Resolution 2		
To re-elect Mr Guan Shaw Yin, a Director retiring pursuant to Clause 140 of the Company's Constitution and who, being eligible, offers himself for re-election.	Ordinary Resolution 3		
To re-elect Mr Ng Heng Hong, a Director retiring pursuant to Clause 145 of the Company's Constitution and who, being eligible, offers himself for re-election.	Ordinary Resolution 4		
To re-elect Datuk Seri Tan Choon Hwa, a Director retiring pursuant to Clause 145 of the Company's Constitution and who, being eligible, offers himself for re-election.	Ordinary Resolution 5		
To re-elect Mr Hiew Yong Nin@ Hew Yong Nin, a Director retiring pursuant to Clause 145 of the Company's Constitution and who, being eligible, offers himself for re-election.	Ordinary Resolution 6		
To re-elect Ms Tan Yan Ching, a Director retiring pursuant to Clause 145 of the Company's Constitution and who, being eligible, offers herself for re-election.	Ordinary Resolution 7		
To re-appoint Messrs Grant Thornton Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix the Auditors' remuneration.	Ordinary Resolution 8		

Please indicate with an 'X' in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy may vote or abstain as he thinks fit.

Signature of Shareholder(s) / Common Seal

Dated this ..... day of ....., 2025.

### Notes:

- A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without restriction as to the qualification of the proxy.
- Subject to Paragraph (c) below, a member entitled to attend and vote is entitled to appoint one (1) or more proxies to attend and vote instead of him. Where a member appoints more than one (1) proxy to attend and vote at the same meeting, the appointment shall be invalid unless the member specifies the proportion of his holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing 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's Share Registrar not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof :-

#### In hard copy form

The Proxy Form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, deposit the Proxy Form in the drop-in boxes located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

#### By electronic form

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- Depositors whose names appear in the Record of Depositors on a date not less than three (3) market days before the 30<sup>th</sup> AGM shall be regarded as member of the Company entitled to attend and vote at the 30<sup>th</sup> AGM or appoint a proxy to attend and vote on his behalf.

Please fold here

Affix  
Stamp  
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**EUROSPAN HOLDINGS BERHAD**

[199501022724 (351927-M)]

c/o. Tricor Investor & Issuing House Services Sdn Bhd  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3, Bangsar South  
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia

Please fold here



## **EUROSPAN HOLDINGS BERHAD**

Registration No. 199501022724 (351927-M)

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Sungai Dua, Kawasan Perusahaan Sungai Lokan,  
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