



YOONG ONN Corporation Berhad

Company No. 200801012850 (814138-K)

Exceptional-Quality

home linen for homes across the world.



Annual Report 2024

Jean Perry®
PARIS

GENOVA®
LETTO

Novelle®
home

AnnTaylor®
home beauté

Diana®
HOME

NIKI CAINS®
LIVING CULTURE

COTONSOFIT

LC
Louis Casa®
ITALY

bedtalk®



Yoong Onn Corporation Berhad is Malaysia's leading integrated manufacturer and distributor of home linen which focuses on the production of exceptional-quality bed and bath linen, bedding accessories and curtains.

Our Group serves as a one-stop supply centre for home linen and bedding accessories. We market our home linen products under our proprietary brand names and undertakes our own in-house design. Our Group is also a supplier of homeware and household items, which complements our own manufactured home linen and bedding accessories products.

We market, distribute, and sell our products in our wholly owned shops, third-party consignment counters, online sale via social commerce and E-commerce companies. We also specialise in institutional supplies to hotels, hospitals, resort etc and export to overseas market.

We are constantly looking beyond customers' expectations to deliver exceptional-quality home linen products for homes across the world.

17th Annual General Meeting



Date

Thursday, 28 November 2024



Time

10.00 a.m.



Meeting Platform

<https://meeting.boardroomlimited.my>

Sarah Miller[®]

RedDanielle[®]
h o m e

OASIS[™]
NATURE'S FINEST FEEL



**FEATURE IN THIS
ANNUAL REPORT**



The digital version of Yoong Onn Corporation Berhad Annual Report 2024 is available on our website.

Go to <https://yoongonn.com/investor-relation/annual-reports/> or scan the QR code with your smartphone.

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Corporate Information

Board of Director

- 1 Tan Sri Datuk Seri Dr Suleiman Bin Mohamed**
 Independent
 Non-Executive Chairman
- 2 Mr. Chew Hon Foong**
 Managing Director and
 Chief Executive Officer
- 3 Mr. Chew Hon Keong**
 Executive Director and
 Chief Operating Officer
- 4 Dato' Tang Swee Guan**
 Independent
 Non-Executive Director
- 5 Puan Hasmaliza Binti Othman**
 Independent
 Non-Executive Director
- 6 Mr. Fung Kam Foo**
 Independent
 Non-Executive Director
- 7 Mr. Yeoh Chong Keng**
 Non-Independent
 Non-Executive Director

Company Secretaries

Lau Yen Hoon (MAICSA 7061368)
 (SSM PC No.: 202008002143)
 Liew Shu Ning (MAICSA 7074561)
 (SSM PC No.: 202408000033)

Audit Committee

Dato' Tang Swee Guan (Chairman)
 Puan Hasmaliza Binti Othman
 Mr. Fung Kam Foo
 Mr. Yeoh Chong Keng

Nomination Committee

Puan Hasmaliza Binti Othman
 (Chairwoman)
 Dato' Tang Swee Guan
 Mr. Fung Kam Foo
 Mr. Yeoh Chong Keng

Remuneration Committee

Mr. Fung Kam Foo (Chairman)
 Dato' Tang Swee Guan
 Puan Hasmaliza Binti Othman
 Mr. Yeoh Chong Keng

Registered Office

Unit 30-01, Level 30, Tower A
 Vertical Business Suite,
 Avenue 3 Bangsar South,
 No. 8, Jalan Kerinchi,
 59200 Kuala Lumpur
 Tel: (603) 2783 9191
 Fax: (603) 2783 9111
 Email : info@my.tricorglobal.com

Investor Relations

Website: www.yoongonn.com
 Info@yoongoon.com
 Tel: (606) 799 6012
 Fax: (606) 799 7015

Corporate Office & Factory

Lot No. PT 16690-16692
 Jalan Permata 2
 Arab-Malaysian Industrial Park
 71800 Nilai
 Negeri Sembilan Darul Khusus
 Tel: (606) 799 6012
 Fax: (606) 799 7015
 Website: www.yoongonn.com
 Email : info@yoongonn.com

Marketing Office

A-13-03, EkoCheras Office Tower
 No. 693, Batu 5, Jalan Cheras
 56000 Cheras
 Kuala Lumpur
 Tel : (603) 9133 3388
 Fax : (603) 9133 3688
 Email : marketing@yoongonn.com

Showroom & Warehouse

Lot No. PT 16750
 Jalan Permata 2
 Arab-Malaysian Industrial Park
 71800 Nilai
 Negeri Sembilan Darul Khusus
 Tel: (606) 799 3688
 Fax: (606) 799 8826
 Email : inventory@homes-harmony.com

Singapore Office & Warehouse

18 Tampines Street 92
 Singapore 528874
 Tel: (65) 62816300
 Fax: (65) 62816400
 Email: tchp@jeanperry.com

Principal Bankers

AmBank (M) Berhad
 Hong Leong Bank Berhad
 United Overseas Bank (Malaysia) Bhd

Auditors

HLB Ler Lum Chew PLT
 (201906002362 & AF 0276)
 A Member of HLB International

Solicitors

Iza Ng Yeoh & Kit

Stock Exchange Listing

Main Market of Bursa Malaysia
 Securities Berhad
 Sector: Consumer Products
 Stock Name: YOOCB
 Stock Code: 5159

Share Registrar

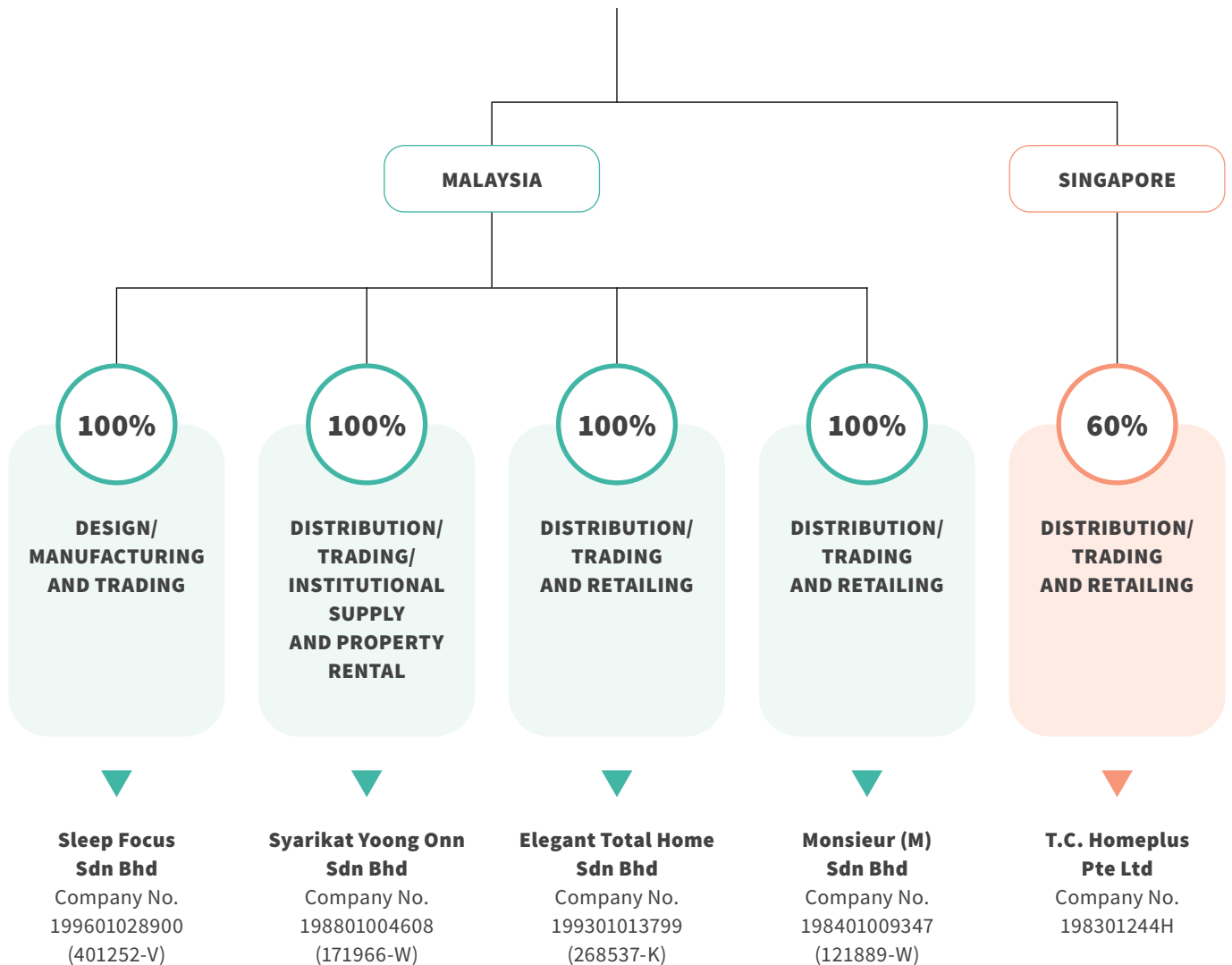
Boardroom Share Registrars Sdn Bhd
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim
 Seksyen 13, 46200 Petaling Jaya
 Selangor Darul Ehsan
 Tel: (603) 7890 4700
 Fax: (603) 7890 4670
 Email: info.my@boardroomlimited.com

Corporate Structure



YOONG ONN Corporation Berhad

Company No. 200801012850 (814138-K)




Profile of Directors

Board Committee

 Chariman
  Nomination Committee
  Audit Committee
  Remuneration Committee

 **Tan Sri Datuk Seri Dr Suleiman Bin Mohamed**
 Independent Non-Executive Chairman



Gender 
Age 77
Nationality 

Appointed to Board: 7 March 2023

He was appointed to the Board of Yoong Onn Corporation Berhad on 7 March 2023. He is currently the Chancellor of Perdana University. He is also a member of the Board of visitors of Prince Court medical centre (PCMC). At the international front he holds honorary chairman of Saraya - The Blue Economy (a new business model that transforms society - invented by Prof Dr Gunter Pauli).

He was a veteran politician having served UMNO and Barisan National for more than thirty years at divisional, state and national level. He was a member of Parliament for four terms starting 1986 and retired in 2004. During that term he served as deputy minister in the Prime Minister Department from 1987 to 1995, deputy minister of Information from 1995 to 1999 and Deputy Minister of Health from 1999 to 2004.

Tan Sri Dr Suleiman is a prolific writer. He has written thirteen books mainly on social and political subjects. In 2017 he was awarded The National Book Award by the government. He holds PhD degree in Malay study from University Kebangsaan Malaysia. In 2017 he was awarded Panglima Setia Mahkota (PSM), which carries the title Tan Sri from DYMM Yang Di Pertuan Agong.

Currently, he is an independent Non-Executive Chairman of Xin Hwa Holdings Berhad and Chairman of UBB Amanah Berhad.

 **Chew Hon Foong**
 Managing Director



Gender 
Age 65
Nationality 

Appointed to Board: 17 April 2008

He is the co-founder was appointed to the Board of Yoong Onn Corporation Berhad on 17 April 2008. He has more than forty (40) years of experience in the home linen industry. He has been instrumental in the development, growth and success of the Yoong Onn Corporation Berhad Group during his tenure with the Group.

He started his career in 1979 when he joined Yoon On, a partnership company, which is involved in trading and retailing of textiles and home linen. With his strong business acumen, he was involved in developing and creating own brands of bed linen which was marketed under the names *Diana* and *Novelle* in 1982.

In 1988, together with his brother, Chew Hon Keong, he established Syarikat Yoong Onn Sdn Bhd and took over the entire business of the partnership company, Yoon On. His main intention is to expand the business to include international trades. Besides overseeing the Group activities, he is actively involved in creating fabric designs for both the mass and niche markets. He has extensive experience in the development and creation of home linen designs and he is currently heading the Group's in-house design team. He is mainly responsible for the overall operations of the Group with emphasis on strategic business planning and promoting brand equity of products.

He does not have any other directorships of public companies.

Profile of Directors

Chew Hon Keong
Executive Director



Gender  Age **64** Nationality 

Appointed to Board: 17 April 2008


He is the co-founder and was appointed to the Board of Yoong Onn Corporation Berhad on 17 April 2008. He has more than forty (40) years of experience in the home linen industry. His career started in 1979 when he joined Yoon On, a partnership, which is involved in trading and retailing of textiles and home linen. He also assisted in establishing Syarikat Yoong Onn Sdn Bhd in 1988.

As the other partner of Yoon On, he was also involved in many aspects of the business in textiles and home linen, which includes technical specification in fabrics. His capability has enabled the Company to develop new range of product to cater for different markets and industries.

With an in-depth knowledge in the production processes, he together with his brother, Chew Hon Foong were involved in the establishment of Sleep Focus Sdn Bhd in 1996 and the construction of Nilai manufacturing plant for the Group's manufacturing operations. He is primarily responsible in overseeing the overall management and strategic business development of the Group with emphasis on product development and product research.

He does not have any other directorships of public companies.

Dato' Tang Swee Guan
Independent Non-Executive Director



Gender  Age **71** Nationality 

Appointed to Board: 26 June 2023

He is a Chartered Accountant by profession and appointed to the board of Yoong Onn Corporation Berhad on 26 June 2023. He serves as the Chairman of the Audit Committee and is a member of Remuneration Committee and Nomination Committee of the Company.

He has more than 40 years of experience in the areas of accounting, auditing, tax, secretarial and risks management both in the United Kingdom and Malaysia. He is an approved tax agent under the Malaysia Income Tax Act 1967, an approved company auditor under the Companies Act 2016 and an approved Company Secretary under the Companies Act 2016.

He was with Price Waterhouse from 1983 to 1989 after which he was the Group Financial Controller of Baxter Healthcare SA in 1990. He has been Managing Partner of Peter Tang & Associates, an audit and accounting firm since January 1992.

He was the co-founder and the Executive Director of Taxand Malaysia Sdn Bhd (later known as Tricor Taxand Sdn Bhd), a boutique tax advisory firm which is a member of the Taxand Global which has presence in nearly 50 countries. As a co-business owner, he was instrumental in building Taxand to what it is today.

In 2015, he was appointed Executive Director of Axcelasia Inc which was a holding company of various entities offering integrated professional services. Axcelasia Inc was listed on 27 November 2015 on the Catalist Board of the Singapore Stock Exchange SGX. He subsequently became the Chief Executive Officer of Axcelasia Inc.

In terms of community service, he was a member of the Audit Committee of the Council of University Tunku Abdul Rahman (UTAR).

He does not have any other directorship of public listed Companies.

Profile of Directors

▶ Hasmaliza Binti Othman AC RC
 Independent Non-Executive Director NC



Gender  **Age** 50 **Nationality** 

Appointed to Board: 1 March 2023

She is a lawyer by profession and was appointed to the Board of Yoong Onn Corporation Berhad on 1 March 2023. She serves as Chairwoman for Nomination Committee and a member of the Audit Committee and Remuneration Committee.

She graduated in 1999 with LLB. Honours from International Islamic University Malaysia (IIUM) and was called to the Malaysian Bar on 1 June 2000. She is currently a Partner in a legal firm.

She specialises in commercial and banking litigation. Apart from that she is well versed in employment law and family law as well as land law. She is also knowledgeable in Syariah law.

Currently, she does not have any other directorships of public listed companies.

▶ Fung Kam Foo AC RC
 Independent Non-Executive Director NC



Gender  **Age** 61 **Nationality** 

Appointed to Board: 25 May 2023

He was appointed to the board of Yoong Onn Corporation Berhad on 25 May 2023. He serves as the Chairman of the Remuneration Committee and a member of Audit Committee and Nomination Committee of the Company.

Mr Fung has more than 35 years of experience in the different sub-sectors of the tech industry in Malaysia.

In his career, Mr Fung has held numerous leadership roles including CEO in various organisations in the Tech sector such as PIKOM, The National Tech Association of Malaysia, tx123 (M) Sdn Bhd (a joint JV between Maybank and a local IT Company) and senior roles in Digital Equipment Corp USA (one time 2nd largest Global IT Company) and government agencies such as Malaysia Digital Economy Corporation (MDEC).

Among his career highlights include:-

- a) As the de-facto PIKOM CEO, turned around a loss-making industry organisation in 1994 to a profitable, thriving & highly respected one within 2 years. Instrumental in creating the highly popular and profitable PC Fair series of cash & carry shows.
- b) Built a strong network of contacts & goodwill in the Malaysian tech industry amongst founder CEOs of tech companies.
- c) As CEO of JV between Maybank and a local tech company 2001-2003, pioneered the successful implementation of Malaysia's first end-to-end e-Procurement system.
- d) Leveraging on his entrepreneurial instinct, established a start-up in 2000 pioneering a new practice in permission marketing.
- e) Founding team member of the MDEC GAIN program in scaling growth of Malaysian tech companies globally.

He currently serves as Independent Non-Executive Directors 3 Bursa-listed companies Innity Corp Bhd (August 2019), IFCA MSC Bhd (October 2021) and Yoong Onn Corp Bhd (May 2023).

Profile of Directors



Yeoh Chong Keng

Non-Independent Non-Executive Director



Gender **Age** **72** **Nationality**

Appointed to Board: 24 August 2023

As a certified coach with the International Coaching Federation (ICF) Organisation, he is actively involved in business, life and executive coaching and mentorship through organisations such as Malaysian Global Innovation & Creativity Centre (MaGIC), MDEC, Cradle, Beyond 4 and the 100 Soonicorn Programs.

For his outstanding achievement and contribution to the local ICT industry’s development during his time at PIKOM, Alan was recognised as one of Malaysia’s ‘Top 50 IT Personalities’ by Computerworld Magazine in year 2000.

Currently, he is an independent Non-Executive Director of Innity Corp Bhd and IFCA MSC Bhd.

He is a lawyer by profession and was appointed to the Board of Yoong Onn Corporation Berhad on 28 September 2009. He resigned as an Independent Non-Executive Director of the Company on 31 May 2023 and was re-appointed as Non-Independent Non-Executive Director of the Company on 24 August 2023. He is a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

He was admitted in 1980 as an Utter Barrister, Lincoln’s Inn, Bar of England and Wales. He was admitted as an Advocate & Solicitor of the High Court of Malaya in 1981. He is a Notary Public, a qualified Mediator and an appointed member of the Disciplinary Committee under the Disciplinary Board, Bar Council of Malaysia. Prior to studying law, he served as a senior officer in the Royal Malaysia Police Force.

Since 1992, he has been the Managing Partner of a legal firm in Kuala Lumpur. As counsel, he has represented several large corporations both within and without Malaysia. Apart from that, he has also acted as counsel for the Government of Hong Kong in several cases.

He retired as an independent director of The Store Corporation Berhad and Tokio Marine Life Insurance Berhad after having served 17 years and 12 years on the board respectively. Currently, he is an Independent Director in Tokio Marine Insurans (Malaysia) Berhad and chairs the Risk Management and Compliance Committee and the Nomination Committee in addition to being a member of the Audit and Remuneration Committee. As well, he is an Independent and Non-Executive Director of Land and General Berhad having been appointed on 21 November 2022. He chairs the Remuneration Committee and is a member of the Audit Committee in Land and General Berhad.

Notes to Profile of Directors:

1. Chew Hon Keong is the brother of Chew Hon Foong. Save as disclosed, none of the directors has any family relationship with any director of the Company.
2. Save for Chew Hon Foong and Chew Hon Keong, who have interests in recurrent related party transactions as disclosed under additional compliance information in this Annual Report, none of the directors has any conflict of interest or potential conflict of interest, and/or interest in any competing business with the Group.
3. None of the directors has been convicted of any offences within the past five (5) years or imposed with any public sanction or penalty by the any regulatory bodies during the financial year ended 30 June 2024 other than traffic offences, if any.
4. Please refer to the analysis of shareholdings in this Annual Report for details of the directors’ shareholdings in the Company.
5. Save for Yeoh Chong Keng, who attended 4 Board meetings, all directors attended all the five (5) Board meetings of the Company held during the financial year ended 30 June 2024.

Profile of Key Senior Management

▶ Tan Peng (Jon) Chief Financial Officer

Gender  **Age** **64** **Nationality** 

He is a member of the Malaysia Institute of Certified Public Accountants (“MICPA”), the Chartered Institute of Management Accountants and the Malaysian Institute of Accountants.

He started his career in 1986 with a professional services company providing management consultancy services including feasibility study, system design, risk management and internal control. In 1988, he joined KPMG Peat Marwick as Auditor until 1992 during which he qualified as a member of MICPA.

From 1993 to 2006, he worked for public listed companies and held various senior positions like Director, Chief Financial Officer, Senior General Manager and Company Secretary, his responsibilities including acquiring a stockbroking company, strategic business development, restructuring of a financially distressed (PN17) public listed company, reverse take-over, merger and acquisition, bonds issuance, project feasibility study, funds raising and other corporate exercises.

In 2006, he joined Syarikat Yoong Onn Sdn Bhd as the Financial Controller and actively involved in the initial public offering exercise of Yoong Onn Corporation Berhad. In 2009, Yoong Onn Corporation Berhad was listed on the Main Market of Bursa Malaysia Securities Berhad and he was appointed as the Chief Financial Officer oversees the Group’s overall financial and corporate advisory functions.

In 2020, he was awarded the Best Chief Financial Officer for Investor Relations (Micro Cap) at the 10th Malaysian Investor Relations Awards 2020 by the Malaysian Investor Relations Association.

▶ Chew Hon Yoong Head of Production

Gender  **Age** **67** **Nationality** 



He graduated with a Bachelor of Engineering Degree from the University of New South Wales, Australia.

His career started in 1982 when he joined Sepakat Setia Perunding Sdn Bhd as Design Consultancy Engineer. He left in 1990 and worked as a Project Manager for Airod Sdn Bhd, a company involved in aircraft engineering and maintenance. He left the company in 1992 and worked in various other companies before joining Sleep Focus Sdn Bhd and being involved in the construction of the Group’s Nilai manufacturing plant as well as managing the manufacturing function of the Group.

He was appointed the Head of production in 2009 and responsible for managing the production of home linen and homeware products and has contributed significantly in providing technical expertise in the Group’s manufacturing operations, including development of processes in manufacturing from cutting, sewing and stitching as well as packing and packaging of our end products.

Profile of Key Senior Management

▶ Jimmy Sun Kien Keong
Head of Sales, Marketing and Operations

Gender  Age **63** Nationality 

He has a Diploma in Management & Retail Management and diploma in Fashion Designing with Allan School of Design.

Jimmy joined Syarikat Yoong Onn Sdn Bhd in 1999 as the Assistant Marketing Manager for the Sales and Marketing Department. He was promoted as Marketing Manager and subsequently appointed as the Head of Sales and Marketing in 2010. He oversees the Company Sales, Marketing, Merchandising, Products Branding and Products development. He responsible for the formulation of Standard Operating Policy and Procedures for the Sales and Marketing Department, yearly business expansion plans and marketing direction and strategies of the Company. He has also initiated a new business foray in Cambodia by the appointment of an Authorised Agent in marketing and distributing the Group products in Cambodia. He has successfully lead the Company business distribution channel into a new direction and model by strategically tied-up with E-Commerce platform companies to do online shopping and Home Fashion Concept Store under the trademark “Niki Cains Homes”.

Jimmy has more than forty (40) years of experience in Retail business. Prior joining Syarikat Yoong Onn Sdn Bhd, he started his career as a Fashion Designer in 1982 and won The Designer of Designers Award for his outstanding design and he worked as the designer for leading companies in apparels. In 1998, he was appointed by The 16th Sukan Komanwel Organizing Committee as Chief Coordinator for the Sukan Komanwel Opening ceremony and also the Director of Ceremony for KL 98 Sukan Komanwel KE XVI.

▶ Dang Chee Wai
General Manager Operations

Gender  Age **56** Nationality 

He is a member of Association of Chartered Certified Accountants and the Malaysian Institute of Accountants.

He joined Elegant Total Home Sdn Bhd in 2004 as the General Manager to oversee the financial and operation functions of the Company. He was promoted to General Manager Operations in year 2010 and oversees the Group entire operations.

Prior joining the Group in 2004, he started his career in audit lines for few years and move on as an accountant in commercial line. He has more than 10 years of experience as an accountant. In year 2001, he joined Sportzone Sdn Bhd as the General Manager responsible for overseeing the Company’s entire operations which principally involves in the business of sole distribution of sport wears product under the brand name “Lotto” till 2004.

Profile of Key Senior Management

Jay Ng Siew Boay
General Manager Retail

Gender  Age **56** Nationality 

She has wide exposure and extensive operational experience in the retail industry with proven records of positive accomplishments in her current and past roles in addition to skills at managing and leading the employees she supervises.

She joined Monsieur (M) Sdn Bhd in 2013 as the General Manager to manage its more than 20 retail stores throughout Malaysia under the trademark of “Home’s Harmony”. She is responsible to provide direction for store management, develop and lead the operation teams, develop and implement the operating budget and operational improvements critical in the business expansion plan and in building a robust sale for the organisation.

She has more than thirty (30) years of relevant experience in the retail industry. She started her career in Jerasia Group of Companies in 1992 as the Brand Executive before being promoted to Brand Manager, managing the local and international fashion brands. She was offered by RSH Group of Companies in 2004, having advanced into a higher and senior position as the General Manager under the Lifestyle & Fashion Division where she was responsible for a portfolio of international fashion & time piece brands.

Karen Tan Lai Ling
General Manager-Sales, Marketing & Merchandising

Gender  Age **52** Nationality 

She has a Diploma in Management and Retail Management, Certificate in Accounting and Professional Certificate in Financial Planning.

She joined Elegant Total Home Sdn Bhd in 2004 as the Assistant Marketing Manager for Sales, Marketing and Merchandising. She was promoted to Senior Marketing Manager in 2010 and General Manager in 2020. She oversees the Sales, Marketing, Merchandising, Products Branding and Products development for the Company. She is responsible for the formulation of costing, business strategies, business direction, marketing strategies and plans involving the aspects of sales and distribution, and responsible for the the implementation and undertaken of sales and marketing activities as planned. She had successfully opened and managed the first Home Fashion Concept Store under the trademark “Niki Cains Home” outlet in Sunway Putra Mall which marked the new milestone for the Company.

She has more than thirty (30) years of experience in Sales and Marketing as well as Retail Management. Prior joining the retails industry, she started her career in Minna Fashion in 1999 as an Executive and later moved on to AIA Co Ltd in 1997 as Qualified Financial Planner Consultant by providing personalised financial services to clients, both corporate and individual, specifically in areas of wealth accumulation and risk management. She had participated in numerous Overseas Training and Convention on Financial Planning and Self Improvement Courses.

Profile of Key Senior Management

▶ Ron Ang Teng Poh

Head of Singapore Operations

Gender  Age  Nationality 

He began his career with T.C. Homeplus Pte Ltd in 1997, after his completion of Singapore's national service, as a sales manager of consignment counters, event and recruitment of sale and marketing personnel. Over the years, he had been promoted to General Manager and his responsibilities include overlooking warehouse and logistic operations, finance, products development and procurement.

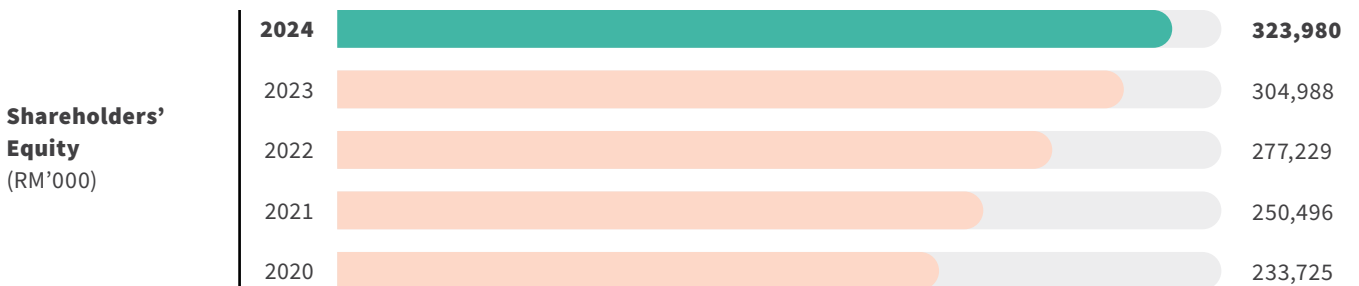
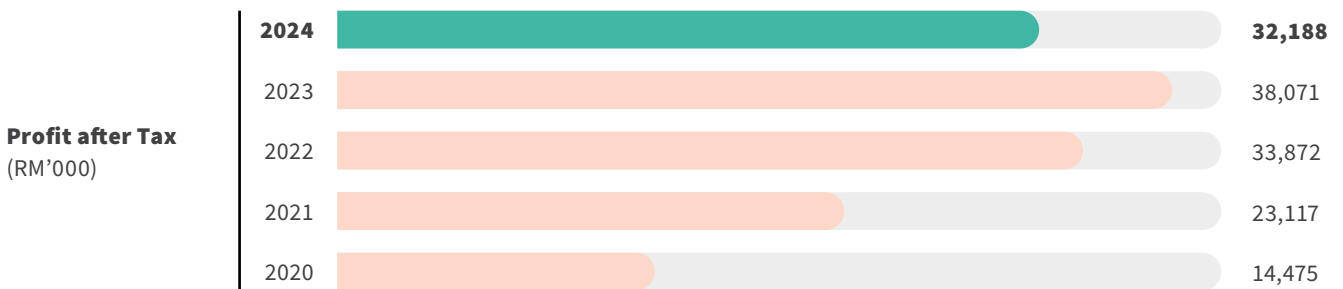
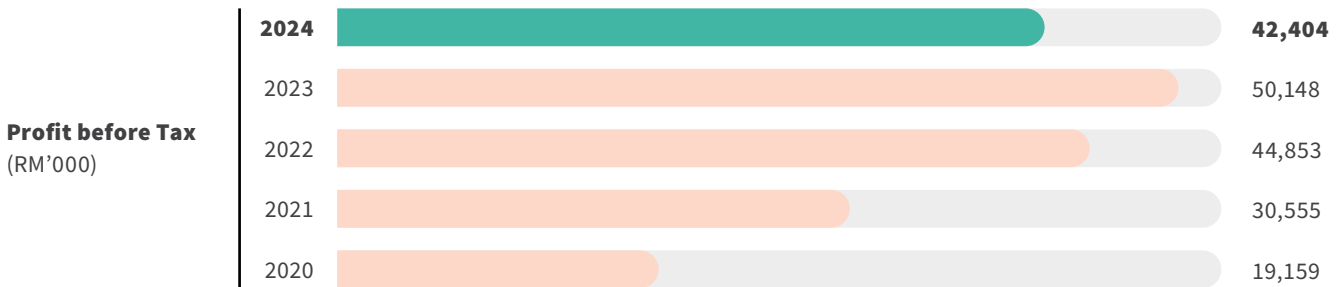
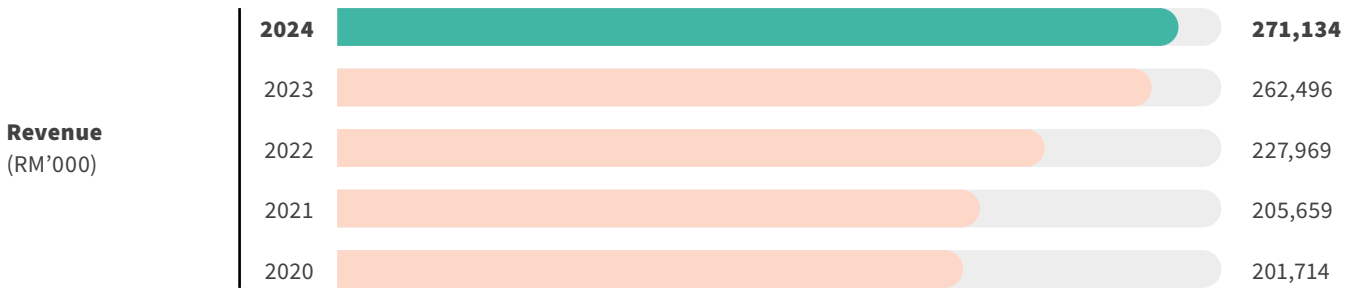
He played a key role in strategic and decision-making in the company's grow and expansion. He is currently the Executive Director of T.C. Homeplus Pte Ltd and continues to strive for improvement in business.

Notes to Profiles of the Senior Management:

1. None of the senior management has any directorship in public companies and listed issuers;
2. Save for Chew Hon Yoong who is a brother to Chew Hon Foong and Chew Hon Keong who are executive directors of the Company, none of the senior management team has any family relationship with any Director and/or major shareholder of the Company;
3. None of the senior management has any conflict of interest or potential conflict of interest, including interest in any competing business of the Group; and
4. None of the senior management has been convicted of any offences within the past five (5) years or imposed with any public sanction or penalty by the any regulatory bodies during the financial year ended 30 June 2024 other than traffic offences, if any.

Group Financial Highlights

	2020	2021	2022	2023	2024
Revenue (RM'000)	201,714	205,659	227,969	262,496	271,134
Profit before Tax (RM'000)	19,159	30,555	44,853	50,148	42,404
Profit after Tax (RM'000)	14,475	23,117	33,872	38,071	32,188
Shareholders' Equity (RM'000)	233,725	250,496	277,229	304,988	323,980



Management Discussion & Analysis

“

The Board of Directors and Management of Yoong Onn Corporation Berhad (“YOCB” or “the Company”) are pleased to present the Management Discussion and Analysis to give an overview of YOCB and its Group of Companies (“The Group”) business, operations and financial position for the financial year ended 30 June 2024 (“FYE 2024”).

”



Chew Hon Foong
Managing Director/Chief Executive Officer

To be a one-

stop supply

centre for

home linen

and bedding

accessories

OVERVIEW OF THE GROUP BUSINESS AND OPERATIONS

Our Group is primarily an integrated manufacturer and distributor of our own brands of home linen. Our manufacturing activities are focused on bed and bath linen, bedding accessories and curtains. Our Group markets all our home linen under our own in-house brand names namely Diana, Novelle, Jean Perry, Louis Casa, Genova, Red Danielle, Cotonsoft, Niki Cains, Oasis, Ann Taylor, Sarah Miller etc. We undertake our own in-house design, which is supplemented by purchases from international independent design houses to provide a variety of designs and help address diverse trends especially in overseas countries.

Our Group is also a supplier of homeware and household items, which complements our own manufactured home linen and bedding accessories. The homeware and household items are externally sourced products which include:

- Bed and bath linen;
- Bed, bath, living room and kitchen accessories;
- Rugs, carpets and floor mats; and
- Lifestyle furniture and other homeware and household items.

Our integrated design and manufacturing facilities enable us to be a one-stop supply centre for home linen and bedding accessories.

Our Group’s target markets are:

- Mass end-consumer market through our fully owned retail outlets under the brand names “Home’s Harmony”, Home’s Outlet and Niki Cains Homes;
- Third party retailers including departmental stores, hypermarkets, supermarkets and specialty stores;
- Our own online platform through www.jeanperry.com.my, social commerce and other E-commerce platform companies on online shopping;
- Institutions including hotels, resorts, hostels, hospitals, royal customs and military accommodations, and cruise ships; and
- Intermediaries including distributors and importers in overseas countries.

During the financial year ended 30 June 2024, our Group had acquired 60% equity interest in T.C. Homeplus Pte Ltd (TC Homeplus), a Singapore based company. The Acquisition will enable the Group to extend its range of products and services and potential synergies can be tapped by leveraging on each other’s existing customer base. We had opened nine (9) new fully owned shops, seven (7) retails

Management Discussion & Analysis

Group Gross profit increase by RM11.95 million or 10.1% from RM118.29 million in FYE 2023 to RM130.24 million in FY2024 was attributed by higher sales.

boutique shops under Home’s Harmony in Klang Valley, Johore and Singapore and two (2) retails store under Niki Cains Homes fashion concept store. We had also launched Jean Perry Online Store to boost our online sales in line with the Group’s business expansion.

As at 30 June 2024, we have a total of fifty-three (53) retail shops, forty-five (45) fully owned Home’s Harmony retail boutique outlets in Malaysia and Singapore, seven (7) Niki Cains Homes home fashion concept store and one (1) Home Outlet.

The Group has more than 280 consignment counters with departmental stores, supermarkets, hypermarkets, specialty stores in Malaysia and Singapore. We also supply to hotels, clubs, resorts, hospitals etc via our authorised agents. For online shopping, we operate our own online platform through www.jeanperry.com.my, social commerce and with several E-Commerce platform companies to sell online. Our Group’s in-house manufactured home linen and bedding accessories are distributed by our overseas distributors to third party retail locations in overseas like Cambodia and Vietnam.

REVIEW OF FINANCIAL PERFORMANCE

	2024	2023	Change	Change
	RM’000	RM’000	RM’000	
Domestic Sales	233,589	241,997	-8,408	-3.5%
Overseas Sales	37,545	20,499	17,046	83.2%
Revenue	271,134	262,496	8,638	3.3%
Gross profit	130,240	118,295	11,945	10.1%
Profit before tax	42,404	50,148	-7,744	-15.4%
Profit after tax	32,188	38,071	-5,883	-15.4%
Cash and Bank balances	144,032	136,958	7,074	5.2%
Shareholders’ Equity	323,980	304,988	18,992	6.2%
Net Tangible Assets per Share (RM)	2.04	1.92	0.12	6.2%

The Group domestic sales drop by RM8.41 million or 3.5% from RM242.00 million in FYE 2023 to RM233.59 million in FYE 2024 was due to lower consignment sales albeit higher online and retails sales.

Overseas sales up by RM17.04 million or 83.2% from RM20.5 million in FYE 2023 to RM37.54 million in FYE 2024 was attributed by the Group’s newly acquired subsidiary company based in Singapore. Accordingly, the Group posted higher revenue of RM271.13 million in FYE 2024, representing RM8.64 million or 3.3% increase compared with previous year revenue of RM262.50 million.



Revenue
RM271.13
million



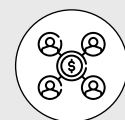
Gross profit
RM130.24
million



Profit before tax
RM42.40
million



Cash and bank balances
RM144.03
million



Shareholders’ equity
RM323.98
million

Management Discussion & Analysis

Group Gross profit increase by RM11.95 million or 10.1% from RM118.29 million in FYE 2023 to RM130.24 million in FY2024 was attributed by higher sales.

Our Group profit before tax decrease by RM7.75 million or 15.4% from RM50.15 million in FYE 2023 to RM42.40 million in FYE 2024 was due to lower consignment sales, forex loss, higher operating expenses and lower write-back of impairment loss on trade receivables and slow-moving stocks. Consequently, it posted lower profit after tax of RM32.19 million, a decrease of RM5.88 million or 15.4% compared with previous year profit after tax of RM38.07 million.

The Group has healthier cash and bank balances of RM144.03 million, when compared to RM136.96 million in previous year was mainly from operating activities with profit generated. Shareholders' funds at 30 June 2024 reported at RM323.98 million, increased by RM18.99 million or 6.2% compared to RM304.99 million in the previous financial year 2023 was attributed by profit after tax in FYE 2024. The net tangible asset per share has increased accordingly from RM1.92 at 30 June 2023 to RM2.04 at 30 June 2024.

BUSINESS CHALLENGES

a) Business Risks

The Group may be affected by a general downturn in the global, regional and national economy, specifically, the Malaysian economy, entry of new players, constraints in skilled labour supply, changes in the law and tax legislation affecting the industry, increased production costs, changes in business and credit conditions, fluctuations in foreign exchange rates and introduction of new technologies.

The Group seeks to limit these risks through, inter-alia, maintaining good business relationships with its customers and suppliers, increasing automation to reduce dependency on labour, efficient cost control, diversification and increasing product range.

b) Competition

The Group faces competition from other manufacturers, domestically, regionally and internationally.

The Group is primarily an integrated manufacturer and distributor of our own brands of home linen and bedding accessories. This contrasts with most of the operators in the home linen industry in Malaysia, which are mainly contract manufacturers or contract jobbers. As a brand owner, the Group is not subjected to the full impact of competition from lower cost producing countries like China. In fact, this lower cost producing country could work to the Group's advantage to maintain competitiveness as our products could be outsourced to overseas contractors if the need arises.

c) Keeping Abreast with the Latest Trend and Design

The Group must keep abreast with the latest trends and fashion in the home linen industry. Global trends and design are incessantly and rapidly changing and hence keeping up with the latest trend and design in the home linen market would not be an easy task. Failure to do so may render our home linen designs to lose their appeal.

The Group recognises the importance of regularly introducing new designs for our home linen to be in line with the current trend and thus, ensuring continuing growth of the Group's business. The Group develops our designs based on market intelligence and management's surveillance gathered from market observation and customers' feedback.

d) Political, Economic and Regulatory Considerations

Adverse developments in political, economic and regulatory conditions in Malaysia could unfavourably affect our financial position and business prospects. These risks include, among others, changes in political leadership, risk of war, changes in economic conditions, changes in interest rates, methods of taxation and unfavourable changes in government policies such as introduction of new regulations, import duties and tariffs.

The Group has taken efforts to diversify the range of products and markets, improve on the marketing and distribution strategies as well as pre-empting certain regulations to mitigate any possible adverse impact on the Group from any adverse development in political, economic and regulatory authorities.

Management Discussion & Analysis

e) Shortage of Skilled Foreign Labour

The Group continued to be plagued by shortages of skilled foreign labour in FYE 2024. The Group has actively participated in the Government's rehiring program and sourcing from other local authorised agency to meet our labour needs.

The Group plans to reduce its dependency on foreign labour by employing more local staff, increasing its automation and procure higher semi-finished products from overseas market.

f) Foreign Exchange Risks

The Group imports raw materials such as textile fabrics, cotton and the Group's products are also sold in overseas markets. Purchases are transacted in RMB and USD, Singapore operations are transacted in SGD and sales to overseas markets are often transacted in USD which are exposed to foreign exchange fluctuations.

We maintain foreign currency bank accounts for business transactions transacted in the respective foreign currencies. Foreign currency earnings are maintained in the respective currency accounts, which are used to make payments in the respective foreign currencies. This approach forms a natural hedge to minimise our foreign currency exchange risk exposure. We also have forward contracts which serve as a hedging instrument for some of our import's purchases.

FUTURE PROSPECTS

The Group's efficient business model and operations, financial stability and wide distribution network are the underlying fundamental strengths of the company. We are optimistic our business will remain strong for the rest of the year and in 2025, despite a less robust global economic outlook which may affect our domestic performance and our export markets in the region. The Group aims to grow from strength to strength over the years and to achieve sustainable growth in sales and profits every year.

The Group expects to be able to sustain its performance in the financial year ending 2025 based on its fundamentals and business strategies that will allow it to withstand any unexpected adverse trading conditions. The Group shall continue to seize all opportunities presented and to reach out to our consumers and create a wider market segment in Malaysia and in the region. With a team of dynamic leaders and capable staff, I am certain the Group will become a home-grown name to be acknowledged both locally and internationally.

DIVIDENDS

The Board of Directors is pleased to recommend a final single tier dividend of 4.0 sen per ordinary share amounting to RM6,346,108.00 in respect of the financial year ended 30 June 2024 for shareholders' approval in the forthcoming Annual General Meeting.

Combined with a single tier interim dividend of 4.0 sen per ordinary share amounting to RM6,346,108.00 on 25 July 2024, this makes a total dividend pay-out 8.0 sen per ordinary share amounting to RM12,692,216.00 or approximately 40.03% of the profit after tax of RM31.70 million for this financial year 2024.

The Group will continue to enhance returns to shareholders whilst seeing that appropriate funds are set aside for business expansion and other purposes such as capital expenditure and for working capital.

ACKNOWLEDGEMENTS

I would like to take this opportunity to thank the shareholders for the trust and confidence in me and my team of fellow Directors and team leaders, and to all our business associates, government agencies, bankers, advisors, customers, suppliers, and trading partners, for your unflinching support to the Group.

CHEW HON FOONG

Managing Director/Chief Executive Officer

Sustainability Statement

INTRODUCTION

Yoong Onn Corporation Berhad (“YOOCB” or “the Company”) and together with its subsidiaries, (the “Group”), is pleased to present this Sustainability Statement (“Statement”) for the financial year ended 30 June 2024 (“FY2024”).

The Group recognises the importance of adopting sustainable practices and we firmly believe that being environmentally and socially responsible is crucial for the growth and success of our company.

This Statement aims to provide transparency into our sustainability journey, engage with our stakeholders on our approach and outline the Group’s commitment to sustainability by detailing our environmental, social, and governance (“ESG”) initiatives, plans, and performance.

Recognising the critical role of sustainability, the Group is committed to making positive contributions to the environment, our employees, and our communities. This includes reducing our environmental footprint, investing in employee well-being, and empowering communities through sustainable practices.

We are dedicated to upholding our sustainability principles and are continuously seeking new opportunities to further integrate sustainability into all aspects of our operations and we look forward to aligning our sustainability efforts throughout the Group to drive continued business growth.

REPORTING FRAMEWORK

This Statement has been prepared in accordance with the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements (“MMLR”), with reference to the latest edition of the issued Sustainability Reporting Guide 3rd Edition.

REPORTING BOUNDARY AND SCOPE

This statement covers the Group’s sustainability performance from 1 July 2023 to 30 June 2024. It provides an overview of the Group’s sustainability initiatives and performance. Where relevant, we include previous years’ data for progress tracking and context.

The sustainability information contained in this Statement covers the performance of the parent company, Yoong Onn Corporation Berhad and the following companies unless otherwise indicated in the Statement:

- (i) Sleep Focus Sdn. Bhd.
- (ii) Syarikat Yoong Onn Sdn. Bhd.
- (iii) Elegant Total Home Sdn. Bhd.
- (iv) Monsieur (M) Sdn. Bhd.
- (v) T.C. Homeplus Pte. Ltd.

Sustainability Statement

ASSURANCE

This Statement has not been subjected to internal review by the Group's internal auditors nor has it been subjected to external, independent assurance. Nonetheless, internal verification processes are in place to validate the data and information disclosed in this Statement.

FEEDBACK

This Statement can be found and downloaded in our official website, under the section of Annual Report. We value your comments and recommendation for improvements over our sustainability performance or reporting framework. As such, we welcome any inquiries and suggestions to be directed to our corporate email, at info@yoongonn.com, via our 'Contact Us' page.

SUSTAINABILITY GOVERNANCE

The Group recognises that a robust sustainability governance structure is crucial for the effective implementation of our sustainability strategy and the improvement of our sustainability performance in our business operations. The sustainability governance forms part of the Group's governance framework to ensure sustainability is embedded across the organisation. The Board of Directors ("Board") is primarily responsible for the Group's sustainability agenda and oversight of the Group's overall sustainability direction and performance. The Board ensures that sustainability considerations and elements are incorporated in the Group's strategic formulation. The Board is also responsible for approving sustainability initiatives and sustainability-related budgets.



The Board, through its ESG Steering Committee ("ESC") spearheads our sustainability agenda and maintains oversight of the Group's overall sustainability direction and performance. The ESC, led by the Executive Director whom is our ESC Chairman, assists the Board in overseeing and managing the Group's sustainability performance and practices, which include developing the Group's sustainability policies, strategies, implementing sustainable policies and practices, advising on the Group's sustainability matters and assessing sustainability-related material risks and opportunities. The ESC meets at least once in a financial year. The ESC is comprised of the ESC Chairman, CFO and key leaders from production, sales and operations.




The ESC is supported by the ESG Working Committee ("EWC"), comprising key representatives from the Management. The ESG Working Committee members, through their positions as heads or leaders of their respective departments, ensure that the sustainability policies and practices are carried out and properly implemented in meeting sustainability targets. Our employees support the EWC by undertaking day-to-day management of sustainability practices and tracking sustainability data for reporting and monitoring purposes.

STAKEHOLDER ENGAGEMENT




At YOCB, we understand the pivotal role of engaging with stakeholders in advancing our sustainability initiatives. Our objective is to cultivate a deeper comprehension of stakeholders' needs, expectations, and concerns through transparent and open communication channels.

Sustainability Statement



We believe in transparency and throughout our business operations, we are always open to engage and communicate with all levels of stakeholders. We constantly engage our stakeholders to build strong relationships, with the Group’s core values embedded within the team to ensure businesses are conducted with utmost integrity and fairness. The Group engages its stakeholders through various means of communication. The table below provides information on how we communicate with different stakeholder groups, our engagement aspects, approaches and the ways we manage their expectations.

Key Stakeholders	Stakeholder Expectations	Type of Engagement	How We Manage Stakeholders’ Expectations	How We Measure the Outcome and Performance
Customer 	<ul style="list-style-type: none"> • Design and Features • Product Quality and Safety • Customer Experience • Environmental Compliance 	<ul style="list-style-type: none"> • Face to face meetings in-store • Customer feedback response • Customer surveys and interviews • Online communications (emails, corporate website, social media) • Sales representatives • Branding campaigns • Roadshows & Tradeshows • Marketing Materials 	<ul style="list-style-type: none"> • Key customer site visit and engagement • Quality Management System • Innovative and variety of products • Enhanced process to achieve operational excellence • Wide distribution and retail network • Diverse range of home linen products • Own brand of home linen products 	<ul style="list-style-type: none"> • Customer Service Satisfaction • Feedback and Complaints Management • Revenue performance of the Group
Suppliers and Vendors 	<ul style="list-style-type: none"> • Timely payment • Business continuity 	<ul style="list-style-type: none"> • Face-to-face interactions • Contract negotiations • Supplier audits and evaluations • Relationship meetings • Vendor registration and framework agreements • Interviews 	<ul style="list-style-type: none"> • Actively engaged with vendors to improve their understanding on procedures, processes, guidelines, expectations of deliverables and quality • Environmentally and responsible handling, store, use and dispose of materials 	<ul style="list-style-type: none"> • Conduct supplier and vendor evaluations • Procurement spend • Pricing and quality of products and services
Employees 	<ul style="list-style-type: none"> • Occupational health and safety • Fair employment and welfare • Career development • Opportunities • Diversity Minimum wage 	<ul style="list-style-type: none"> • Management meetings with employee • Job-level specific training programme • Performance appraisals and reviews • Employee engagement events 	<ul style="list-style-type: none"> • Conduct employee engagement programmes to motivate and maintain close communication • Provide comprehensive benefits and competitive remuneration packages • Enforce strict occupational safety and health policies and procedures • Conduct training programmes to support career growth, personal development and instill a culture of teamwork and excellence 	<ul style="list-style-type: none"> • Employee turnover and engagement • Occupational, Safety and Health performance • Training hours

Sustainability Statement

Key Stakeholders	Stakeholder Expectations	Type of Engagement	How We Manage Stakeholders' Expectations	How We Measure the Outcome and Performance
Landlords 	<ul style="list-style-type: none"> Rental rate and timely payment Maintenance and upkeep of interior fixtures and fittings Compliance to legal requirements such as health and safety Quality products and services offered Customer service and experience Collaboration with tenants on promotional campaigns 	<ul style="list-style-type: none"> Surveys Face-to-face meetings Social media 	<ul style="list-style-type: none"> On-time payment Compliance with landlord terms and conditions Adhere to opening and closing times Support landlord promotional activities 	<ul style="list-style-type: none"> No incidences received from customers and landlord No penalties incurred Timely response to tenant queries/issues
Government and Regulators 	<ul style="list-style-type: none"> Compliance Labour practices 	<ul style="list-style-type: none"> Inspections by local authorities Regular updates, disclosures and reporting to regulators Regulatory forums, briefings, meetings and conferences 	<ul style="list-style-type: none"> Establish policies to ensure compliance with relevant legislation Update systems, internal controls and processes consistently to meet compliance and risk requirements Provide timely and transparent disclosures and reporting to regulatory agencies and statutory bodies 	<ul style="list-style-type: none"> Compliance with laws and regulations Zero incidence of non-compliance with regulatory requirements
Investor and Shareholders 	<ul style="list-style-type: none"> Financial performance Good corporate governance Responsible value creation in business management 	<ul style="list-style-type: none"> Annual general meeting Analyst briefings, investor presentations & meetings Financial results Press releases Corporate website Roadshows and conferences Social media platform 	<ul style="list-style-type: none"> R&D and innovation Rolling out quality and wide range of products Establish strong corporate governance measures Strategies to achieve sustainable returns for investors and shareholders 	<ul style="list-style-type: none"> Share price performance Return on equity Shareholder voting outcomes

Sustainability Statement

Key Stakeholders	Stakeholder Expectations	Type of Engagement	How We Manage Stakeholders' Expectations	How We Measure the Outcome and Performance
Media 	<ul style="list-style-type: none"> Open & transparent communication Environmental practices Corporate strategy Human rights Future business aspirations 	<ul style="list-style-type: none"> Quarterly financial results briefings Interviews Media inquiries 	<ul style="list-style-type: none"> Engagement programmes to boost brand reputation Disclosures in corporate website 	<ul style="list-style-type: none"> Company Performance Consumer brand awareness
NGO's & Community 	<ul style="list-style-type: none"> Environmental and social issues in relation to business operations 	<ul style="list-style-type: none"> Ongoing engagement sessions Press releases Donations and financial aid contributions to environmental and social enhancements Employee volunteerism Philanthropic contributions 	<ul style="list-style-type: none"> Provide donations and other non-financial contributions to various non-governmental organisations Ensure the Group continues to minimise environmental footprint through energy saving initiatives and proper waste management 	<ul style="list-style-type: none"> Environmental performance indicators Quantum of contributions and number of beneficiaries

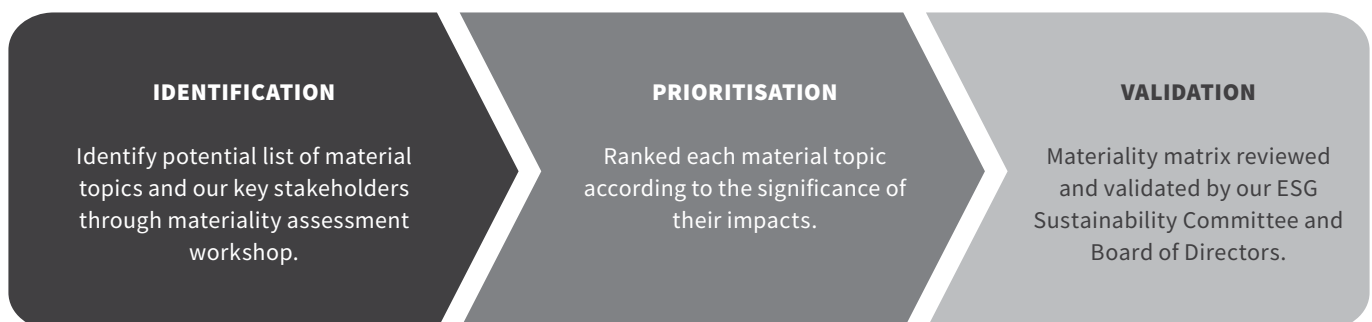
Our materiality assessment process and stakeholder engagement follow recognised framework, such as Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

We reviewed the list of stakeholder groups and sustainability matters to assess their relevance to our business strategy and operations, as well as to current market trends. To obtain a complete view of the significance of our sustainability matters, we conducted an informal stakeholder assessment exercise to gauge stakeholder feedback and considerations in the assessment process. The assessment provided an understanding of the various stakeholder groups' level of influence and dependence on YOOCB.

MATERIALITY ASSESSMENT

As part of our commitment to sustainable practices and corporate responsibility, we conducted a Sustainability Materiality Assessment in FY2024 to identify material sustainability topics that were significant and relevant to our business and stakeholders. This process has helped us identify, rate, prioritise, validate, and address the key material ESG factors that are most pertinent to our Group.

The Group has adopted the following three-step materiality assessment process:



Sustainability Statement

The outcome of the materiality assessment are presented in the Materiality Matrix below, which depicts the significance and importance of each sustainability matter from YOCCB’s business perspective as well as its stakeholders’ perspectives.

There are three sustainability pillars, namely Environmental, Social and Governance. Based on the outcome of materiality assessment, eleven (11) material topics have been identified and disclosures on the sustainability performance on these material topics under these pillars are indicated below. Where applicable, future sustainability targets are also indicated.



Environment

- Energy Efficiency and Climate Resilience
- Environmental Compliance
- Waste Management

Social

- Occupational Health and Safety
- Training and Development
- Diversity and Inclusion
- Employee Safety, Health & Well-being

Governance

- Economic Performance
- Good Governance Practices
- Quality and Assurance
- Supply Chain Management System

Sustainability Statement

Materiality assessment helps us to identify sustainability risks and opportunities, which serves as a foundation for our Group to manage them and create long-term value for stakeholders. By integrating these diverse risk categories, we ensure a risk management approach that supports our sustainability objectives and long-term corporate goals.

Material Topic	Risk	Opportunities
Energy Efficiency and Climate Resilience	Inefficient management of energy may lead to higher operational costs, increased greenhouse gas emissions, and greater reliance on finite resources.	Energy efficiency presents opportunities for cost savings, reduced environmental impact, and improved operational performance.
Environmental Compliance	Non-compliance with environmental regulations can lead to legal and financial penalties and damage the organisation's reputation and lead to loss of trust from stakeholders.	Compliance may lead to positive brand reputation and market positioning, opening doors to new markets and partnerships with other environmentally conscious organisations.
Waste Management	Improper waste management can lead to pollution of air, water, and soil, which can have detrimental effects on ecosystems and human health.	Proper waste management presents opportunities for resource recovery through recycling and energy recovery, reducing the demand for raw materials.
Occupational Health and Safety	Lack of management on these may lead to increased incidents of workplace accidents and injuries, leading to potential legal liabilities, decreased employee morale and productivity.	Management of occupational health and safety may lead to safer work environment, reduced absenteeism and turnover rates, improving employee satisfaction and engagement, and enhancing the organisation's reputation as responsible employer.
Training and Development	Inadequate training may result in reduced productivity and performance.	Continued upskilling are key to attracting and keeping employees, which contributes to earnings of the Group.
Diversity and Inclusion	Lack of diversity offers limited access to diverse perspectives and ideas. Lack of management on diversity may affect organisation's reputation, decreased employee morale and productivity.	Diversity, equity and inclusion in workplace empowers work culture, attracts new talents and improves the quality of decision making.
Employee Safety, Health & Well-being	Inadequate management of employee well-being can lead to an increase in workplace accidents, injuries and decreased productivity.	Proper management of employee well-being can lead to increased employee engagement, satisfaction, and loyalty, ultimately contributing to a positive work culture and improved retention rates.
Economic Performance	Negative economic performance may impact various stakeholders, including sustainability of operations and retaining or recruiting top talent.	Improved economic performance allows opportunity for better research and development with improved product quality, new product lines and positive returns to stakeholders.
Good Governance Practices	Failure to instill good governance may lead to reputational damage, regulatory non-compliance, supply chain disruptions, and increased operational costs.	Good governance enhances organisation's reputation, attract and retain investors and customers who prioritise sustainability, and improve operational efficiency. Implementing energy-efficient practices not only reduces carbon emissions but also lowers energy costs, leading to long-term financial savings.

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Material Topic	Risk	Opportunities
Quality and Assurance	Lack of quality assurance may lead to loss of customer trust, missed opportunities for innovation, cost savings, and competitive advantage.	Quality product and services may lead to increased stakeholder trust, opportunity to access new markets, ensuring long-term business success.
Supply Chain Management System	Failure to manage supply chain may lead to reputational damage and potential disruptions in the supply chain.	Effective management of supply chain may enhance brand reputation and overall business resilience.



ENVIRONMENT

At YOCB, we strive to carry out our business operations in a responsible manner to protect the environment. We believe that the efficient use of natural resources will contribute positively to the Group's sustainable growth in the long-term.

The Management also strongly encourages and reinforces the importance of practising the 3Rs (i.e., reduce, reuse, and recycle) in our daily operations – the responsible usage of electricity, water, and paper by every employee. The Group believes that every small effort counts and goes a long way in contributing to the conservation and protection of the earth's natural resources.

ENERGY EFFICIENCY AND CLIMATE RESILIENCE

Consumption of fossil fuels emit carbon emissions which is a significant driver to climate change and global warming. The continued reliance on fossil fuels for energy production and transportation exacerbates this problem, highlighting the urgent need for transitioning to renewable and sustainable energy sources.

The Group complies with the relevant environmental legislation and advocates environmental awareness as part of its commitment to protect the environment and contribute towards sustainable development. Environmental element is an important aspect in all our business operations and we have adopted environmentally friendly approach including procedures to minimise wastage, maximise energy-conservation, efficient and safe waste management in the proper disposal of waste materials, recycling of used materials and adopting environmentally friendly best-practices whenever possible to lessen water and electricity usage.

The Group is committed to efficient energy management, recognising our crucial role in emissions reduction. We consistently work to lower energy consumption and increase employee awareness, aiming to enhance process efficiencies and productivity through improved operating procedures and energy-efficient equipment. We continually explore and invest in energy efficient applications and initiatives. This has been our practice in recent years, and we have implemented programmes to ensure sustainable energy usage at our Group.

In 2022, we have installed a 671KW solar photovoltaic module systems ("Solar Panel Systems") onto our factory and warehouses in Nilai Seremban. The Solar Panel systems generate electricity from sunlight for our factory and warehouse operations and yield cost-savings of more than 50% of the factory and warehouses' energy costs.

This has led to an overall decrease in our energy consumption beginning from FY2023 and onto FY2024. Our energy source are comprised of natural gas, electricity and diesel.

	FY2022	FY2023	FY2024
Total Energy Consumption (MWh)	2,389.67	1,959.51	1,600.48

Note: Data for energy consumption only covers YOCB's group-owned property and exclude third-party locations due to limitations and complexity in ascertaining energy usage for third-party locations.

Sustainability Statement

We have also undertaken electricity saving initiatives including turning off all lights during lunch breaks, unoccupied rooms and fitting LED lights for our fully owned Home's Harmony retail boutique outlets, our offices in EkoCheras Office Tower and warehouses. We have been promoting e-communication delivery for memos and reports in our efforts to reduce paper usage. We have also implemented waste separation scheme to segregate different types of waste into 3 designated bins like paper, plastic, and general waste and ensure all unwanted packing boxes and plastic are sent to recycling centres.

While we are on the right track on our energy reduction targets, we are mindful that energy reduction initiatives are an ongoing effort. We will continue to monitor our performance and for FY2025 and beyond, we aim to maintain or reduce energy consumption as compared to the previous year's level.

We will continue to seek alternative fuel options to reduce our carbon footprint and dependence on non-renewable resources. Our aim is to strike a balance between meeting our operational needs and promoting sustainable practices.

Water Management

YOCB recognises the global issue of water scarcity and the importance of responsible water management. The Group encourages all employees and customers to develop the habit of conserving water consciously.

We aim to reduce our water usage through efficient practices and promote water conservation behaviour in our offices. The Group has adopted water conservation measures to reduce water consumption. We educate and encourage employees to use water responsibly in daily tasks and we ensure prompt leak detection and repair to prevent unnecessary water waste.

For FY2024, our water consumption totalled 15.21 megalitres. We will continue to enhance our water conservation efforts to reduce our overall water consumption.

	FY2022	FY2023	FY2024
Total Water Consumption (Megalitres)	18.22	15.29	15.21

Note: Data for water consumption comprised only of YOCB's group-owned property and exclude third-party locations due to limitations and complexity in ascertaining energy usage for third-party locations.

In FY2024, water consumption decreased as compared to previous year. We aim to maintain or reduce the Group's total water consumption in FY2025.

ENVIRONMENTAL COMPLIANCE

Environmental compliance is an integral part of the Group's operations. Apart from compliance with environmental laws and regulations, we strive to integrate the best sustainability practices across business operations to reduce adverse environmental impact on the ecosystem. Over the years, the Group's operations have continued to conform to local environmental laws and regulations.

There were zero incidents of environmental-related regulatory fines from authorities in FY2024.

	FY2022	FY2023	FY2024
Incidents of environmental-related regulatory fines	Nil	Nil	Nil

The Group shall continue to ensure that all our activities and operations comply with regulatory requirements. YOCB's primary goal towards environmental compliance is to meet all relevant laws, regulations and permits related to environmental protection. We will explore methods to sustain a clean and green environment within our operations, as well as continue to actively promote responsible usage of resources.

We aim to maintain zero incidents of environmental-related regulatory fines for FY2025 and beyond.

Sustainability Statement

WASTE MANAGEMENT

YOONB aims to continuously improve our waste recycling practices and look for ways to reduce overall waste where possible. We monitor and evaluate our waste generation process to identify areas for improvement and make necessary adjustments for waste. We have implemented a waste segregation system to enhance our recycling efforts and further our commitment towards sustainability.

We divided our waste into plastic, paper, and general waste, ensuring that recyclable materials are properly sorted and processed. This initiative not only reduces the amount of waste sent to landfills but also supports the recycling industry by providing clean, sorted materials.

Minimising the impact towards the environment is our core principle with the Group's waste management approach. We acknowledge the adoption of proper waste management, specifically on scheduled waste, is vital to protect our workplace and health and safety. The Group's operational processes incorporate policies and procedures for proper and safe handling, management, and disposal of waste which are guided by applicable laws and regulations.

As a group committed to a sustainable future, we continuously work to lower our environmental impact by refining our business operations. We are in the midst of developing processes to collect data on waste-related data and we aim to report this in the coming financial year.



SOCIAL

OCCUPATIONAL HEALTH AND SAFETY

The wellbeing of our valued employees is the source of intellectual and human capital of the Group, where we nurture talents, skills, and experience which necessitate the growth and development of the Group. We firmly believe that work progress cannot be achieved at the expense of safety. The Group is committed to continuously provide a safe and healthy working environment for all employees under the requirements of Health, Safety and Environment ("HSE"). We constantly keep ourselves updated with the latest HSE requirements and regulations through various training programmes. Management sets the tone by defining and enforcing clear safety management guidelines, fostering a safe and conducive working environment.

Safety Practices

The Group's safety procedures ensure our operational activities are carried out in a manner that complies with legal requirements and to minimise the occurrence of industrial accidents. We place emphasis on proper operation of machine, fire and emergency safety compliance, maintenance of equipment and materials integrity. Training on workplace health and safety is mandatory for every new joiner, irrespective of their role.

We ensure that all our factories and offices carry out regular service and maintenance of safety equipment, such as emergency lighting and fire extinguishers. Scheduled maintenance is carried out on all machinery, and operators are trained with relevant safety procedures to minimise accidents.

EMPLOYEE SAFETY, HEALTH & WELL-BEING

In our operations, our employees, particularly our production workers, may be exposed to potential hazards such as sharp tools, edges and moving parts. Therefore, prioritising the safety and well-being of our employees is crucial to preventing workplace injuries and incidents and safeguarding our employees' safety. We ensure that our employees are adequately orientated on safety measures and regulations, in addition to being well-trained in safety standards and regulations.

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In FY2024, there were zero cases of fatalities across the Group. We aim to maintain zero work-related fatalities for FY2025 and beyond.

	FY2022	FY2023	FY2024
Number of work-related fatalities	Nil	Nil	Nil

We strive to maintain a safe and healthy working environment at all of our facilities. We aim to minimise work-related injuries by ensuring our employees adopt good practices to maintain a safe working environment by following standard operating procedures in their day-to-day responsibilities.

	FY2022	FY2023	FY2024
Lost Time Incident Rate	Nil	Nil	Nil

During this reporting year and the preceding two years, we did not register any work-related fatalities and Loss Time Incident Rate (“LTIR”). The Group recorded a total 2,369,880 hours worked in FY2024.

At YOCCB, our health and safety approach depicts not only our commitment towards providing a safe and healthy working environment, but also the priority the Group places upon the required training programmes to be provided to the employees. Relevant awareness programmes for safety and health are scheduled and implemented to enhance the competence level amongst employees to uphold the safety and health during the executions of their respective duties and responsibilities.

	FY2022	FY2023	FY2024
Total number of employees trained on health and safety standards	45	47	48

During FY2024, the total number of employees trained on health and safety standards is 48.

Employee Appraisal and Recognition

We strive to take good care of our employees, build a conducive working environment that promotes career satisfaction, fair remuneration and personal development. The Group also acknowledges that dedicated staff is the bedrock to its success. It is the staff’s collective commitment that will continue to drive YOCCB to attain the objective of sustainable growth in our long-term plan.

The Group ensures competitive compensation and employee benefits and that all employees are provided with the right platform to progress their career. We would review the packages of remunerations and benefits on an annual basis considering, amongst others, industry benchmark and market conditions. We carry out annual performance appraisal reviews where head of departments will provide their team members with constructive feedback based on their performance and goals which they have set at previous performance appraisals. All employees are covered by personal accident insurance in addition to the Social Security Organisation (SOCSO) coverage and senior employees are also covered by health and hospitalisation insurance. The Group also provides transport for its factory workers in Nilai and bicycles for its foreign workers who work night shift.

Employee Feedback

We understand that employee feedback and communication are essential for creating a positive work environment, improving performance and fostering innovation. We ensure that our employees are engaged and motivated by organising communication sessions and social events such as seminars, courses and team building. All our employees are also updated regularly and timely for operational changes through internal memo.

Sustainability Statement

TRAINING AND DEVELOPMENT

YOCB believes that for the Group to grow and stay relevant in this competitive business landscape, it is critical that we invest in our employees' learning and development and equip them with knowledge and relevant skills to perform well in their jobs. The Group strives to develop our employees through training, job rotation and internal promotion opportunities. Training needs are identified and implemented at the start of each year. We encourage employees to take up relevant job-related skill courses.

The Group remains focused on talent development and continuously provides a platform for employees to continue building their capabilities and learning experience. Training programmes are identified based on business strategies and operational needs, meeting regulatory requirements and ensuring the development of technical, inter-personal, business and management skills of our people.

The number of total training hours clocked in FY2024 was 1,597 hours.

Total hours of training by employee category	FY2022	FY2023	FY2024
- Management	-	288	145
- Executive	56	421	90
- Non-Executive/Technical Staff	2,277	3,636	1,362
Total	2,333	4,345	1,597

We will continue to focus on enhancing employee skill sets through targeted training and development initiatives and improve average training hours for employees. We aim to maintain or increase the employee training hours for FY2025.

DIVERSITY AND INCLUSION

Employee Diversity

The Group recognises that our most valuable asset is our people. Their skills, well-being, safety, and alignment to the company's purpose and values are vital to driving sustainable business practices and achieving our long-term goals.

Embracing diversity within our organisation is crucial as it brings together a wide range of perspectives, experiences, and skills that can fuel creativity and drive innovation. By fostering a diverse workforce, we are able to tap into a wealth of insights, allowing us to better understand our customers' needs and preferences. This deeper understanding enables us to deliver better customer service and build stronger, more meaningful relationships with those we serve.

Employee engagement is key; we actively listen to our people to cultivate a workplace where they thrive, enabling a successful transformation to be a leading integrated designer, manufacturer, distributor and retailer of home linen and bedding accessories solution provider. Respecting individuals where they feel safe coming to work as their whole self, regardless of background, fosters a productive workplace.

YOCB hire talents based on competency level, skills, expertise and experience, regardless of nationality, ethnicity and religion. For FY2024, there were no instances of discrimination against employees.

Sustainability Statement

Percentage of employees by gender and age group, for each employee category (%)

Age Group (By Employee Category)	FY2022	FY2023	FY2024
Management Under 30	0.19	Nil	Nil
Management Between 30-50	1.32	1.25	1.27
Management Above 50	1.13	1.16	1.19
Executive Under 30	1.41	1.34	0.93
Executive Between 30-50	3.86	3.74	3.99
Executive Above 50	1.41	1.87	1.36
Non-executive/Technical Staff Under 30	30.86	32.00	30.20
Non-executive/Technical Staff Between 30-50	46.75	48.31	47.58
Non-executive/Technical Staff Above 50	13.08	10.34	13.49

Gender Group (By Employee Category)	FY2022	FY2023	FY2024
Management Male	1.60	1.52	1.36
Management Female	1.03	0.89	1.11
Executive Male	3.01	3.39	2.81
Executive Female	3.86	3.57	3.58
Non-executive/Technical Staff Male	46.38	51.78	53.71
Non-executive/Technical Staff Female	44.12	38.86	37.43

For FY2024, the Group's total workforce is 1,173 employees. Our turnover rate for FY2024 is recorded at 22.6%.

Total number of employee turnover by employee category	FY2022	FY2023	FY2024
- Management	1	2	1
- Executive	12	9	6
- Non-Executive/Technical Staff	234	187	247

	FY2022	FY2023	FY2024
Percentage of employees that are contractors or temporary staff (%)	6.96	6.86	4.83

Board Diversity

The Board acknowledges the vital role of a diverse and inclusive board that functions as a cohesive team to pursue the goals and objectives of the Group. Our goal is to achieve an appropriate level of diversity, including gender, age, cultural background, ethnicity, and skills when making appointments to the Board. However, merit and competency will always be the primary criteria for new appointments to the Board, and we will not compromise on these standards.

Percentage of directors by gender and age group (%)	FY2022	FY2023	FY2024
Gender Group			
Male	100.00	83.33	85.71
Female	Nil	16.67	14.29
Age Group			
Below 30	Nil	Nil	Nil
Between 30-50	Nil	16.67	14.29
Above 50	100.00	83.33	85.71

Sustainability Statement

Human Rights

The Group is committed to prioritising human rights and promoting a workplace culture built with mutual respect, and eliminating all forms of discrimination, harassment, threats, intimidation, violence, or misconduct against all employees. We are pleased to report there has been zero substantiated complaints concerning human rights violations for FY2024.

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil

We aim to maintain zero substantiated complaints concerning human rights violations for FY2025 and beyond.

Community and Social Investment

As a socially responsible corporate entity, we strive to improve the wellbeing of the community in which we operate and interact with. We are aware that our responsibilities go beyond our duties as a business owner. We believe that how we lead, engage, and respond as a corporate citizen is central to our own success and to the interest of our stakeholders.

We recognise that the role we play in our communities is critical to our future and the future of our world. We are therefore committed to giving back, helping address the social and environmental challenges that our communities face through lasting and inspiring change. This is primarily done through our provision of aid to less-privileged groups.

	FY2022	FY2023	FY2024
Total amount invested in the community where the target beneficiaries are external to the listed issuer (MYR)	5,000	7,372	5,500
Total number of beneficiaries of the investment in communities	10	12	11



GOVERNANCE

ECONOMIC PERFORMANCE

The Group's strategy is based on profitable and sustainable growth, which is important to our long-term success as a listed company. We are mindful that our economic performance contributes to financial stability which in turn, has an impact on our ability to meet our financial obligations to our stakeholders. In response to the growing emphasis on environmental sustainability, the Group recognises the need to for a robust strategic plan for long-term prosperity. Acknowledging the ever-changing business environment, the Group places emphasis on fostering resilience and adaptability. Committed to responsible financial management with a business that is aligned with environmentally sustainable practices, we aim to deliver sustainable economic benefits in the long run.

Yoong Onn Corporation Berhad is Malaysia's leading integrated manufacturer and distributor of home linen which focuses on the production of exceptional-quality bed and bath linen, bedding accessories and curtains. Our Group serves as a one-stop supply centre for home linen and bedding accessories. We market our home linen products under twelve (12) main proprietary brand names and undertakes our own in-house design. Our Group is also a supplier of homeware and household items, which complements our own manufactured home linen and bedding accessories products.

Sustainability Statement

Our Group's core revenue streams are derived from:

- (i) design, manufacturing and distribution of home linen and bedding accessories;
- (ii) retailing of home linen and homeware; and
- (iii) trading of home linen and homeware.

We are constantly looking beyond customers' expectations to deliver exceptional-quality home linen products for homes across the world. We export to countries including Australia, Brunei, Cambodia, Dubai, Fiji, Indonesia, Japan, Mozambique, Myanmar, New Caledonia, Nigeria, Papua New Guinea, Philippine, Singapore, Taiwan, Thailand, Turkey and Vietnam.

Our Group services the mass end-consumer market through our own retail outlets and departmental stores in Malaysia. A significant proportion of our Group's revenue were derived from sales to retailers and intermediaries as they ultimately serve a larger mass consumer market as well as institutions through their own distribution and retail network. This enables us to address a wider spectrum of the market more efficiently and effectively, without having to invest significantly in retail and sales office infrastructure to reach as many end-consumers and institutions as possible. The diverse target markets provides us with a wide direct and indirect customer base to ensure a continuing demand for our products and the platform to sustain and grow our business. We actively identify and seize emerging business opportunities to maintain our leadership in industry trends and leverage undiscovered possibilities.

GOOD GOVERNANCE PRACTICES

At YOCCB, robust corporate governance is the cornerstone of our commitment to ethical business practices and long-term sustainability. The Group has in place the following governance policies and procedures to ensure ethical business practices across all its activities, including business relationships:

- Anti-Bribery and Corruption Policy;
- Code of Conduct and Ethics;
- Conflict of Interest Policy;
- Fit and Proper Policy; and
- Whistle-Blowing Policy and Procedures

These policies undergo periodic review and approval by the Board of Directors.

For detailed disclosure on the application of our corporate governance practices with reference to the Code, please refer to "Corporate Governance Overview Statement" section on the Group's Annual Report 2024.

Anti-Bribery and Corruption

YOCCB takes a strong stand against corruption and bribery in the Group. The Group maintains an Anti-Bribery and Corruption Policy. All employees are required to adhere strictly to the policy and governance policies as described above. The policies specify requirements in conducting business legally, ethically and with integrity. The Whistleblowing Policy has been put in place for employees and third parties to report their concerns about suspected fraud, corruption, dishonest practices, misconducts, or other similar matters.

Upon employment, all new employees are briefed on the Anti-Bribery and Corruption Policy which are made accessible within YOCCB's employee handbook and website. YOCCB ensures that all employees, regardless of position held within the company, has been communicated with the Anti-Bribery and Corruption Policy.

Sustainability Statement

For FY2024, 48% of our management level employees have received training on anti-corruption. We endeavour to hold bribery and corruption-related training annually and we aim to increase the number of trainings given to employees in the coming years.

Percentage of employees who have received training on anti-corruption by employee category (%)	FY2024
- Management	48.28
- Executive	26.67
- Non-Executive	0.37

During FY2024, 15 of our functional divisions and departments of our subsidiaries underwent corruption risk training. We will look into conducting a corruption risk training across all our operations in the subsequent reporting years, where practicable.

	FY2024
Percentage of operations assessed for corruption-related risks (%)	34.09

	FY2024
Confirmed incidents of corruption and action taken	Nil

We aim to maintain zero incidents of corruption for FY2025 and beyond.

QUALITY AND ASSURANCE

We control every aspect of production, from the sourcing of raw materials to the delivery of finished goods to our customers. By having a fully integrated production chain, the Group can improve its efficiency and supply chain management, as well as to provide high quality products to our customers.

Our Group places a high degree of emphasis on the quality of the products produced. Stringent quality controls are implemented in every aspect of our Group's business operations. The Group essentially adopts the following approaches to ensure that quality standards are internally maintained:

- (i) in-coming materials such as fabrics have to undergo inspection and checking for fabric density in terms of thread counts, colour and prints prior to mass production. This is to ensure that the final end-products meet the desired requirements;
- (ii) each level of the manufacturing process including cutting, sewing and stitching, quilting, finishing and packing has to go through a checking process for quality assurance;
- (iii) quality checks in the form of inspections are also carried out with a sample of final products before despatching to customers; and
- (iv) obtain feedback from our trade and retail customers pertaining to quality of our products.

We have an in-house quality assurance department that enables our Group to undertake in-house quality assurance testing to ensure that the standard of product quality consistently meets the internal and external specifications and requirements.

Sustainability Statement

SUPPLY CHAIN MANAGEMENT

Our management team monitors all aspects of operations, including the supply chain. The Group's supply chain management constitutes a critical component of our operations. We rely on a wide range of products and services to fulfil the Group's operational and production needs.

Acknowledging this importance, we have established a robust procurement SOP to guide our supplier selection process. All new suppliers are required to undergo our supplier selection process and we assess all our key suppliers on multiple parameters, namely product or service quality, price, delivery, and service or support.

YOCB is committed to ensuring the responsible and proper management of our procurement practices. To support local businesses, we prioritise sourcing from local suppliers while ensuring that they meet our requirements in price, quality performance and procurement standards.

	FY2022	FY2023	FY2024
Proportion of spending on local suppliers (%)	63.82	68.14	68.51

Where practical and economically viable, we endeavour to promote and contribute to the local economy through our procurement activities. For FY2024, approximately 69% of the Group's direct material spending is attributable to purchases from local suppliers. While priority is given to the local suppliers, the purchases would largely depend on the availability of materials and other relevant resources that we require. Nevertheless, the Group strives to maintain a balanced participation towards the local economy contributions in various ways, such as local sourcing and procurement of general goods and services.

Our Group has in place the following risk management practices and pre-emptive measures to further mitigate operational risks:

- (i) Carrying out regular service and maintenance of our equipment and safety systems to ensure that they are in good working condition and to minimise the frequency of breakdowns;
- (ii) Our head office and subsidiary office are installed with approved firefighting systems such as hose reel, sprinklers and fire extinguishers;
- (iii) All data in the main computer server are automatically backed-up on a daily basis; and
- (iv) The head office and warehouse facilities are guarded twenty-four (24) hours daily.

Data Privacy

Ensuring the safety and privacy of any data related to our stakeholders are of great importance to the Group. We acknowledge the importance of the personal data entrusted to us by our customers and we believe that it is our responsibility to ensure it is properly managed, protected and processed.

We ensure strict compliance with data usage and protection laws and adhere to rigorous protocols, covering every aspect of the data handling process, from collection and usage to processing and protection, ensuring that personal data is always treated with care and respect.

In FY2024, there were zero substantiated complaints concerning breaches of customer privacy and data loss.

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil	Nil	Nil

We aim to maintain zero cases of material non-compliance with laws relating to privacy matters for FY2025 and beyond.

Sustainability Statement

Performance Data Table

Indicator	Measurement Unit	2022	2023	2024
Anti-Bribery and Corruption Management				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category:				
- Management	Percentage	-	-	48.28
- Executive	Percentage	-	-	26.67
- Non-Executive/Technical Staff	Percentage	-	-	0.37
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	-	34.09
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	-	-	-
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	5,000.00	7,372.00	5,500.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	10	12	11
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	0.19	-	-
Management Between 30-50	Percentage	1.32	1.25	1.27
Management Above 50	Percentage	1.13	1.16	1.19
Executive Under 30	Percentage	1.41	1.34	0.93
Executive Between 30-50	Percentage	3.86	3.74	3.99
Executive Above 50	Percentage	1.41	1.87	1.36
Non-executive/Technical Staff Under 30	Percentage	30.86	32.00	30.20
Non-executive/Technical Staff Between 30-50	Percentage	46.75	48.31	47.58
Non-executive/Technical Staff Above 50	Percentage	13.08	10.34	13.49
Gender Group by Employee Category				
All Levels - Male	Percentage	1.60	1.52	1.36
All Levels - Female	Percentage	1.03	0.89	1.11
Executive and above - Male	Percentage	3.01	3.39	2.81
Executive and above - Female	Percentage	3.86	3.57	3.58
Non-Executive - Male	Percentage	46.38	51.78	53.71
Non-Executive - Female	Percentage	44.12	38.86	37.43
Bursa C3(b) Percentage of directors by gender and age group				
<u>Gender Group</u>				
Male	Percentage	100.00	83.33	85.71
Female	Percentage	-	16.67	14.29
<u>Age Group</u>				
Below 30	Percentage	-	-	-
Between 30 and 50	Percentage	-	16.67	14.29
Above 50	Percentage	100.00	83.33	85.71

Sustainability Statement

Indicator	Measurement Unit	2022	2023	2024
Bursa (Energy management)				
Bursa C4(a) Total energy consumption				
Total Energy Consumption	Megawatt	2,389.67	1,959.51	1,600.48
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities				
	Number	-	-	-
Bursa C5(b) Lost time incident rate ("LTIR")				
	Rate	-	-	-
Bursa C5(c) Number of employees trained on health and safety standards				
	Number	45	47	48
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
- Management	Hours	-	288.00	145.00
- Executive	Hours	56.00	421.00	90.00
- Non-Executive/Technical Staff	Hours	2,277.00	3,636.00	1,362.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff				
	Percentage	6.96	6.86	4.83
Bursa C6(c) Total number of employee turnover by employee category				
- Management	Number	1.00	2.00	1.00
- Executive	Number	12.00	9.00	6.00
- Non-Executive/Technical Staff	Number	234.00	187.00	247.00
Bursa C6(d) Number of substantiated complaints concerning human rights violations				
	Number	-	-	-
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers				
	Percentage	63.82	68.14	68.51
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data				
	Number	-	-	-
Bursa (Water)				
Bursa C9(a) Total volume of water used				
	Megalitres	18.22	15.29	15.21

Corporate Governance Overview Statement

The Board of Directors (“the Board”) of Yoong Onn Corporation Berhad (“the Company”) is fully committed to promote and achieve the highest standard of corporate governance and to ensure that the principles and best practices in corporate governance as detailed in the Malaysian Code on Corporate Governance (“the MCCG”) are practised and adopted in YOOCB and its subsidiaries (“the Group”).

The Board continuously evaluates the Group’s corporate governance practices and procedures with a view to adopt and implement the principles and best practices as recommended by the MCCG wherever applicable, as a fundamental part of discharging its duties and responsibilities to protect and enhance shareholders’ value. The Board believes that good corporate governance results in the creation of long-term value and benefits for all shareholders.

This corporate governance statement provides an overview disclosure on the application of the practices as detailed in the MCCG during the year 2024, which is to be read together with the Corporate Governance Report 2024 which details how the Company has applied each Practice of the MCCG, as published in the Company’s website www.yoongonn.com.

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS

The Board takes full responsibilities for the performance of the Group and guides the Group towards achieving its short- and long-term objectives, setting corporate strategies for growth and new business development while providing advice and direction to the management to enable the Group to achieve its corporate goal and objectives.

1.1 Composition of the Board

The Board currently comprises seven (7) members, of whom two (2) are Executive Directors, four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This is in line with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), which require that at least two (2) directors or one-third (1/3) of the Board of directors, whichever is higher to be independent directors. The Company had also appointed a female director to the Board on 1 March 2023, which is in line with the MMLR which requires at least 1 female director on Board.

The Board members are people of high caliber and integrity, diverse disciplines, tapping their respective qualifications and experiences in business, commercial and financial aspects. Together, they bring a wide range of competencies, experience and expertise which are vital towards the effective discharge of the Board’s responsibilities for the successful direction and growth of the Group.

The Independent Directors are independent of management and majority shareholders and do not involve themselves in business transactions, management and free from any business or other relationships with the Company, in order not to compromise their objectivity. They provide independent views and judgment and at the same time remain in a position to fulfil their responsibility to provide check and balance to the Board and safeguard the interests of the shareholders. No individual or group of individuals dominates the Board’s decision-making process, and the number of directors fairly reflects the investment of the shareholders. The Independent Directors, in addition to compliance with the criteria set out under the MMLR, have also declared that they will continue to bring independent and objective judgement to the Board during the review of Directors’ independence as part of the annual assessment carried out by the Nomination Committee.

The Board does not consider it necessary to nominate a Senior Independent Non-Executive Director to whom concerns may be conveyed. All members of the Board have demonstrated that they are always available to members and stakeholders. All issues can be openly discussed during Board meetings. The Company is not marred with conflicts and controversies and has not received any notice of matters of concern from stakeholders since its listing.

All Directors have given their undertaking to comply with the MCCG and MMLR of Bursa Securities and all applicable laws and regulations and the Independent Directors have confirmed their independence in writing.

A brief profile of each Director is presented on the Profile of the Directors in this Annual Report.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.2 Chairman and Managing Director/Chief Executive Officer

The positions of the Chairman and the Managing Director/Chief Executive Officer are held by two different individuals and their roles are distinguished and separated. The distinct and separate roles of the Chairman and the Managing Director/Chief Executive Officer, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individuals have unfettered powers of decision-making.

The Chairman is responsible to ensure that the Board functions properly with good corporate governance practices and procedures, whilst the Managing Director/Chief Executive Officer is responsible for the vision and strategic directions of the Group, assisted by the Chief Financial Officer for implementing the policies and decisions of the Board and ensure the day-to-day operations and business activities of the Group in accordance with the standard practices set out in the Board Charter.

Both the Chairman and the Managing Director/Chief Executive Officer are not member of the Audit Committee, Nomination Committee or Remuneration Committee to maintain their independence in decision making.

1.3 Board Responsibilities

Having recognised the importance of an effective and dynamic Board, the Board members are guided by the area of responsibilities as outlined in the Board Charter:-

- a. Providing direction to and equipping management to formulate a strategic planning process and to adopt the recommended strategic plan and business plan aligned to ensure obligations to shareholders and stakeholders are met. This includes updating and making changes as required;
- b. Monitoring group policies and oversees the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- c. Identifying the principal risks and key performance indicators of the Group's businesses and ensuring the implementation of appropriate systems and regular evaluation of systems to manage these risks;
- d. Establishing a succession plan, including appointing, training, fixing the compensation of and where appropriate, replacing senior management;
- e. Developing and implementing an investors relations programme or shareholder communication policy; and
- f. Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines.

1.4 Board Charter

The Company has in place a Board Charter which sets out the Board's strategic intent and outlines the Board's roles and responsibilities. The Board Charter is a source reference and primary induction literature, providing insights to prospective Board members and senior management.

The Board Charter also outlines the roles and responsibilities of various Board Committees, the Chairman and the Managing Director/Chief Executive Officer and management of the Company as well as policies and practices in respect of matters such as the convening of Board and Board Committees' meetings. In particular, the Board Charter covers among others the following:

- a. Constitution, Duties and Responsibilities of the Board
- b. Composition and Board Balance
- c. Appointment and Tenure of Directors
- d. Chairman and Executive Director Respective Responsibilities
- e. Board and Board Committees' meeting procedures
- f. Company Secretary
- g. Supply of Timely and Quality information
- h. Access to Advice and Procedure
- i. Board committees including Audit Committee, Nomination Committee and Remuneration Committee's Responsibilities
- j. Financial Reporting, Internal Controls and Risk Management

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.4 Board Charter (Cont'd)

The Board Charter also outlines the roles and responsibilities of various Board Committees, the Chairman and the Managing Director/Chief Executive Officer and management of the Company as well as policies and practices in respect of matters such as the convening of Board and Board Committees' meetings. In particular, the Board Charter covers among others the following: (Cont'd)

- k. Shareholders and Investor Relations
- l. General Meetings
- m. Relationship with Other Stakeholders

The Board Charter provides a basis for good governance, effective functioning and accountability of the Company. It also ensures that the Company and its subsidiaries are effectively led and controlled with the Board of Directors having the ultimate responsibility for maintaining the highest standards of integrity, accountability and corporate governance and acting in the interest of the Company as a whole. In particular, it includes the division of responsibilities and powers between the Board and management, the different committees established by the Board, and between the Chairman and the Executive Directors.

The Board reviewed and updated the Board Charter to ensure it complies with the principles in the MCCG 2021. The Board Charter would be periodically reviewed and updated in accordance with the changes to the Company's policies, procedures, and processes as well as the latest relevant legislations and regulations that may have impact on the discharge of the Board's responsibilities.

The Board Charter has wide coverage of the Company's operations and management and is published on the Company's website www.yoongonn.com.

1.5 Re-Election of Directors

In accordance with the Company's Constitution, one-third (1/3) of the directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3), shall retire from office provided always that all directors shall retire from office once at least in every three (3) years but shall be eligible for re-election.

1.6 Tenure of Independent Director

The Board takes cognisance of the tenure limit of independent directors as announced by Bursa Malaysia Securities Berhad on 19 January 2022. An Independent Directors should not serve the Company beyond a cumulative term of twelve (12) years and upon completion of the twelve (12) years, an Independent Director may continue to serve on the Board subject to the director's re-designation as Non-Independent Director.

A mandatory 12 year tenure limit for independent directors has been implemented in the financial year ending June 2024 to ensure the Board has the right mix of directors to respond to present challenges and anticipate future risks as well as opportunities.

The independence of Directors is measured based on the criteria prescribed under the MMLR in which a director should be independent of management and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.7 Supply of information

The Board has a formal schedule of matters for decision-making to ensure that the direction and control of the Group is firmly in its hands.

Prior to each Board meeting, a full agenda together with relevant reports and comprehensive Board papers are distributed to all Directors in a timely manner to enable the Directors to consider the matters to be deliberated and where necessary, obtain further information. Proceedings of Board meetings are duly recorded and signed by the Chairman of the meeting.

Every Director has full and timely access to all Group information, records, documents, and property to enable them to discharge their duties and responsibilities effectively. The Directors, whether collectively or individually, may seek independent professional advice in furtherance of their duties at the Company's expense, if required.

1.8 Directors' Training

The Group acknowledges the fact that continuous education is vital for the Board members to gain insight into the state of economy, technological advances in the core business, latest regulatory updates, and management strategies. In compliance with the Main Market Listing Requirements and the relevant Practice Note issued by Bursa Securities, all Directors have attended and successfully completed their Mandatory Accreditation Programme within the stipulated time frame as prescribed by Bursa Securities.

During the financial year ended 30 June 2024, the Directors have attended the following trainings:-

Name	Title of Training	Date
Tan Sri Datuk Seri Dr Suleiman Bin Mohamed	Fraud	6 June 2024
Mr. Chew Hon Foong	Fraud	6 June 2024
Mr. Chew Hon Keong	Fraud	6 June 2024
Dato' Tang Swee Guan	National Tax Conference	1 & 2 August 2023
	Practical Auditing	12 September 2023
	Preparing MPERS Compliant Financial Statement	19 September 2023
	Mandatory Accreditation Programme	26 & 27 September 2023
	2024 Budget Seminar	21 November 2023
	ISQM1 Guide and Illustrative Manual	24 November 2023
	Practical Guidance and Implementation Workshop on ISQM 1	14 December 2023
	Audit Quality Enhancement Programme for SMPs	24 & 25 April 2024
Puan Hasmaliza Binti Othman	Fraud	6 June 2024
Mr. Fung Kam Foo	Fraud	6 June 2024
	Mandatory Accreditation Programme Part II	6 & 7 December 2023
Mr. Yeoh Chong Keng	A Director's Approach to Handling Conflicts of Interest	12 March 2024

The Directors are also aware of their duty to undergo appropriate training from time to time to ensure that they are equipped to carry out their duties effectively. The Board have discussions with both the internal and external auditors to keep themselves abreast of changes in relevant developments in accounting and auditing standards, the regulatory and business environments as well as with relevant developments within the industry in which the Group operates. Whenever the need arises, the Company will provide briefings to new recruits to the Board, to ensure they have a comprehensive understanding on the operations of the Group and the Company.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.9 Board Meetings

The Board meets on a quarterly basis with additional meetings to be held whenever necessary. There were five (5) Board meetings held during the financial year ended 30 June 2024 and the details of attendance are as follows:-

Name of Director	Meetings attended by the Directors/ Total Number of Meeting held during the Financial Year Ended 30 June 2024	% of Attendance
Executive Directors		
Mr. Chew Hon Foong	5/5	100%
Mr. Chew Hon Keong	5/5	100%
Non-Executive Directors		
Tan Sri Datuk Seri Dr Suleiman Bin Mohamed	5/5	100%
Dato' Tang Swee Guan	5/5	100%
Puan Hasmaliza Binti Othman	5/5	100%
Mr. Fung Kam Foo	5/5	100%
Mr. Yeoh Chong Keng	4/4	100%

During the financial year ended 30 June 2024, five (5) Board meetings were convened on 24 August 2023, 4 October 2023, 23 November 2023, 27 February 2024, and 23 May 2024.

1.10 Company Secretary

The Company Secretary is accountable to the Board through the Chairman of the Board and Committees on all governance matters. The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to adherence to the Board policies, procedures, Companies Act 2016, Bursa Malaysia Main Market Listing Requirements and other relevant compliances with laws, rules, and regulations affecting the Company.

The Company Secretary should advise Directors of their obligations to adhere to matters relating to disclosure of interest in securities, any conflict of interest in a transaction involving the Company, prohibition on dealing in securities and restrictions on disclosure of price-sensitive information. The Company Secretary maintains the statutory records in accordance with legal requirements, organises and facilitates the convening of Board meetings, Board committee meetings and general meetings, in consultation with the Board members and the Chairman. The Board members have unlimited access to the professional advice and services of the Company Secretary.

1.11 Board Committees

The Board has established the following Committees to assist the Board in discharging its duties and responsibilities effectively:

- a. Audit Committee
- b. Nomination Committee
- c. Remuneration Committee

The terms of reference of each Board Committee have been approved by the Board. These Committees have the authority to examine particular issues and report to the Board with their recommendations. However, the ultimate responsibility for the final decision on all matters lies with the Board.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.12 Audit Committee

The Board had established an Audit Committee with appropriate terms of reference and the members of the Audit Committee, comprising three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, are as follows:-

Name	Designation	Directorship
Dato' Tang Swee Guan	Chairman	Independent Non-Executive Director
Puan Hasmaliza Binti Othman	Member	Independent Non-Executive Director
Mr. Fung Kam Foo	Member	Independent Non-Executive Director
Mr. Yeoh Chong Keng	Member	Non-Independent Non-Executive Director

During the financial year ended 30 June 2024, five (5) Audit Committee meetings were convened on 24 August 2023, 4 October 2023, 23 November 2023, 27 February 2024 and 23 May 2024.

The Audit Committee is to assist the Board of Directors ("Board") in its responsibility for overseeing the quality and integrity of the accounting, auditing, reporting practices, risk management, internal control framework, review of related party transactions, risk management framework and its compliance with the legal and regulatory requirements.

The members of the Audit Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise of at least three (3) members, all of whom must be Non-Executive Directors, with a majority of them being independent directors.

The Audit Committee is chaired by an independent director who is distinct from the Chairman of the Board and all members of the Audit Committee are financially literate. The Audit Committee has yet to adopt a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. Nonetheless, the Audit Committee shall observe the said application in the event that a former key audit partner is appointed to the Board of the Company.

The Audit Committee is responsible for reviewing audits, recurring audit-related and non-audit services provided by the external auditors. These recurring audit-related and non-audit services comprise regulatory reviews and reporting, interim reviews, tax advisory and compliance services. The terms of engagement for services provided by the external auditors are reviewed by the Audit Committee prior to submission to the Board for approval.

The Audit Committee must ensure there are established policies and procedures in place for the purposes of identifying, evaluating, approving, reporting, and monitoring all conflict-of-interest situations. The Audit Committee will review and report to the Board of Directors, any conflict-of-interest situations that arose, persist or may arise within the Group during the financial year together with the measures taken to resolve, eliminate or mitigate such conflict.

The Audit Committee has reviewed the provision of non-audit services by the external auditors during the year 2024 and concluded that the provision of these services did not compromise the external auditors' independence and objectivity as the amount of the fees paid for these services was not significant when compared to the total fees paid to the external auditors. The external auditors had provided a confirmation of their independence to the Audit Committee that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.12 Audit Committee (Cont'd)

The Audit Committee had conducted annual assessment of the suitability and independence of Messrs. HLB Ler Lum Chew PLT having satisfied with their performance, the Audit Committee recommended the re-appointment of Messrs. HLB Ler Lum Chew PLT to the Board, upon which the shareholders' approval will be sought at the AGM. Based on the Audit Committee's assessment of the external auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the external auditors in carrying out the annual audit for the financial year 2024. In view thereof, the Board has recommended the re-appointment of the external auditors for the approval of shareholders at the forthcoming Annual General Meeting.

The composition of the Audit Committee, including its roles and responsibilities and summary of activities carried out in the year 2024 are set out in the Audit Committee Report of this Annual Report.

The terms of reference for the Audit Committee are updated and reviewed periodically and is published in the Company's website at www.yoongonn.com.

1.13 Conflict of Interest Policy

The Board is committed to maintaining the highest ethical standards and recognises that it must always act in accordance with the best corporate governance practices. Accordingly, the Group expects all its Directors and Employees to conduct themselves with integrity, impartiality, and professionalism at all times and to avoid any conflicts of interest situations that may arise in the performance of their duties. Proper identification and management of conflicts of interest ensure business decisions are made in the best interests of the Group, and the Group is protected from any consequent damage to its activities and reputation.

The Board has established a Conflict-of-Interest ("COI") Policy to ensure that actual, potential and/or perceived COI are identified and managed effectively. It is intended to provide guidance on how to identify and declare COI, develop and implement actions to appropriately manage a COI situation and deal with breaches of this Policy, if any.

The COI Policy is available on the Company's website at www.yoongonn.com.

1.14 The Nomination Committee

The Board had established a Nomination Committee with appropriate terms of reference and the members of the Committee, comprising three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, are as follows:-

Name	Designation	Directorship
Puan Hasmaliza Binti Othman	Chairman	Independent Non-Executive Director
Dato' Tang Swee Guan	Member	Independent Non-Executive Director
Mr. Fung Kam Foo	Member	Independent Non-Executive Director
Mr. Yeoh Chong Keng	Member	Non-Independent Non-Executive Director

During the financial year ended 30 June 2024, the Nomination Committee meeting was convened on 24 August 2023.

The primary objectives of the Nomination Committee are to assist the Board of Directors ("Board") in its responsibility in nominating new nominees to the Board of Directors in fulfilling their responsibilities to shareholders in ensuring that the Board comprised qualified individuals with the right criteria, qualifications, skills and experience.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.14 The Nomination Committee (Cont'd)

The Nomination Committee shall also assess the performance of the Directors of the Company on an on-going basis and review the Directors' Fit & Proper Policy regularly and recommend changes as and when there are changes to the Malaysian Code on Corporate Governance, Main Market Listing Requirements and any legal or relevant regulatory changes.

The Board shall elect the Nomination Committee members from amongst the Directors of the Company and shall comprise of at least three (3) members, exclusively of Non-Executive Directors, with a majority of whom must be independent.

No alternate director shall be appointed as a member of the Nomination Committee. The terms of office and performance of the Nomination Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Nomination Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members. In particular, Nomination Committee appointment has been expanded to a more diverse pool of candidates instead of being limited to Board and management recommendations.

The Nomination Committee is chaired by an Independent Non-Executive Director identified by the Board, thereby enhancing the Committee's overall effectiveness. The Nomination Committee is responsible for screening, evaluating, and recommending suitable candidates to the Board for appointment as Directors, as well as filling the vacant seats of the Board Committees. In respect of the appointment of Directors, the Company practised a clear and transparent nomination process which involves the identification of candidates, evaluation of suitability of candidates, meeting up with candidates, final deliberation by the Nomination Committee and recommendation to the Board.

The potential candidates may be proposed by an existing Director, senior management staff, shareholders or third parties' referrals. Upon completion of the assessment and evaluation of the proposed candidates, the Nomination Committee will make its recommendation to the Board. Based on the recommendation, the Board would evaluate and decide on the appointment of the proposed candidates.

The Nomination Committee has a formal assessment mechanism in place to assess on an annual basis the effectiveness of the Board as a whole and the contribution of each individual director, including the Independent Non-Executive Directors. The Committee shall meet at least once a year and additional meetings are held as and when required.

At each meeting, the Nomination Committee considered the compositions of the Board and its committees as well as their performance. As a result of discussion, succession planning has become an area frequently visited to ensure it would not become a material risk to the Company.

The Board annually reviews the required mix of skills, experience and other qualities of the Directors to ensure that the Board is functioning effectively and efficiently.

The terms of reference of the Nomination Committee are updated and reviewed periodically and is published in the Company's website at www.yoongonn.com.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.15 Fit and Proper Policy

The Board has adopted a Fit and Proper Policy that sets out the fit and proper criteria for selection of candidates for the appointment to the Board and for re-election of retiring Directors. This Fit and Proper policy is to ensure that Directors must possess the fit and proper criteria that include Character and Integrity, Experience and Competence, Time and Commitment and Independence.

The Fit and Proper Policy is available on the Company's website at www.yoongonn.com.

1.16 Remuneration Committee

The Board has established the Remuneration Committee with appropriate terms of reference and the members of the Remuneration Committee comprises solely of Non-Executive directors with majority of Independent Directors In compliance with the MCCG as follow:

Name	Designation	Directorship
Mr. Fung Kam Foo	Chairman	Independent Non-Executive Director
Dato' Tang Swee Guan	Member	Independent Non-Executive Director
Puan Hasmaliza Binti Othman	Member	Independent Non-Executive Director
Mr. Yeoh Chong Keng	Member	Non-Independent Non-Executive Director

During the financial year ended 30 June 2024, the Remuneration Committee meeting was convened on 23 August 2023.

The primary objectives of the Remuneration Committee is to assist the Board of Directors ("Board") in its responsibility in assessing and reviewing the remuneration packages of Executive Directors, Non-Executive Directors and Senior Management Staff to reflect and align with their respective job scope, responsibilities and performance on an on-going basis and review the Remuneration Policy regularly and recommend changes as and when there are changes to the Malaysian Code on Corporate Governance, Main Market Listing Requirements and any legal or relevant regulatory changes.

The members of the Remuneration Committee shall be appointed by the Board from amongst the Directors of the Company and shall comprise of at least three (3) members majority must be independent. No alternate director shall be appointed as a member of the Remuneration Committee. The term of office and performance of the Remuneration Committee and each of its members shall be reviewed by the Board annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Remuneration Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

The Remuneration Committee reviews annually the performance of the Executive Directors and submits recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their respective contributions for the year, and which are dependent on the performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year.

The terms of reference of the Remuneration Committee are updated and reviewed periodically and is published in the Company's website at www.yoongonn.com.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.17 Remuneration Policy

The Board has set out a Remuneration Policy that is designed to be used in recommending the remuneration package of the Non-Executive/Independent/Non-Independent Directors, Executives Directors, and Senior Management of the Group.

This Remuneration Policy is designed to establish a formal and transparent remuneration framework, attract experienced talent with the relevant working experience and skills to the Board and Senior Management, nurtures and retain Directors and Senior Management with experience and calibre to create value, oversee the Company's business and drive the Company's long-term objectives.

The Remuneration Policy is available on the Company's website at www.yoongonn.com.

1.18 Code of Conduct and Ethics

The Board has established a Code of Conducts and Ethics ("CCE") that engenders integrity, ethical conduct, transparency, and fairness in promoting good business conduct and maintaining a healthy corporate culture for the Group.

The board, management, employees, and other stakeholders are clear on what is considered acceptable behavior and practice in the company. This Code of Ethics outlines a set of principles that affect decision-making, and the Code of Conducts outlines the following specific behavior that are required or prohibited as a condition of ongoing employment and all employees of the Group are duty-bound to observe and maintain at all times when they are acting for the Company.

The CCE reflects the commitment of the Company to run a business that is ethical, fair, efficient, and effective, aligned to its business standards and is applicable to all Directors, Management and Employees should be reviewed and updated periodically by the Board to incorporate additional obligations and developments.

This CCE provides healthier work climate, direction to employees, protect shareholder's interest, safeguard company's assets in achieving the Group's corporate goals and objectives.

The CCE is published on the Company's website at www.yoongonn.com.

1.19 Anti-Bribery and Corruption Policy

The Board is committed to conduct business in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever it operates, and to implementing and enforcing effective systems to counter bribery.

The Company will constantly uphold all laws relating to anti-bribery and corruption in all the jurisdictions in which it operates and shall adhere to the Guidelines on Adequate Procedures pursuant to Subsection (5) of Section 17A under the Malaysian Anti-Corruption Commission (Amendment) Act 2018, in regard to our conduct both at home and abroad.

The purpose of Anti-Bribery and Corruption Policy ("ABC Policy") is to set out responsibilities of the Group to comply with laws against bribery and corruption and provide guidance on how to recognise and deal with bribery and corruption issues, to ensure that the Group's business is conducted in an ethical manner.

The ABC Policy of the Group is published on the Company's website at www.yoongonn.com.

Corporate Governance Overview Statement

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.20 Whistleblowing Policy and Procedure

The Board is committed to maintaining integrity, high standard of work ethics, good corporate governance practices in line with the code of conducts & ethics for the Group and has formulated Whistleblowing policy and procedures.

The objectives of this Whistleblowing policy and procedures are to provide avenues for employees, stakeholders and public members to report suspected and/or known improper or illegal activities, fraud, theft, corruption, irregularities, bad practices, abuse, criminal breach of trusts and all wrongdoings (“Misconduct”) that will have significant impact on the Group’s operations or resources to the Management or the Risk Management Committee so that the Company can conduct investigations and take appropriate corrective and remedial actions.

The Whistleblowing Policy and Procedure is published on the Company’s website at www.yoongonn.com.

1.21 Sustainability

The Board is mindful of environment, social and governance (“ESG”) impacts of our business operation and continued with its sustainability efforts and practices to ensure there are effective management of sustainability, policies, initiatives, frameworks and reporting structure in managing sustainability risks.

The current sustainability policies, initiatives, sustainability governance, frameworks and reporting structure, the reporting indicators, extent of coverage and performance targets for the Group are detailed in the sustainability statement in the Annual Report.

SECTION 2: REMUNERATION

2.1 Remuneration Procedure

The remuneration of directors is formulated to be competitive and realistic, emphasis being placed on performance and calibre, with aims to attract, motivate, and retain Directors with the relevant experience, expertise and quality needed to assist in managing the Group effectively.

For Executive Directors, the remuneration packages link rewards to corporate and individual performance whilst for the Non-Executive Directors, the level of remuneration is linked to their experience and level of responsibilities undertaken.

The level of remuneration for the Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies. The determination of the remuneration package of Non-Executive Directors, including Non-Executive Chairman should be a matter for the Board as a whole. The individuals concerned should abstain from discussing their own remuneration and independent directors’ remuneration must seek shareholders’ approval via the annual general meeting.

Corporate Governance Overview Statement

SECTION 2: REMUNERATION (CONT'D)

2.2 Directors and Senior Management Remuneration (Cont'd)

a. Directors' Remuneration (Cont'd)

Detailed disclosure of Directors Remuneration of each Director during the financial year 2024 are as follows: (Cont'd)

	Fees (RM)	Salaries (RM)	Bonus (RM)	Other Emoluments ** (RM)	Meeting Allowances (RM)	Total (RM)
Category						
Group:						
Executive Directors*						
Mr. Chew Hon Foong	-	679,440	165,720	116,260	-	961,420
Mr. Chew Hon Keong	-	582,090	141,975	101,728	-	825,793
Non-Executive Directors						
Tan Sri Datuk Seri Dr Suleiman Bin Mohamed	54,000	-	-	-	3,750	57,750
Dato' Tang Swee Guan	42,000	-	-	-	3,750	45,750
Puan Hasmaliza Binti Othman	42,000	-	-	-	3,750	45,750
Mr. Fung Kam Foo	42,000	-	-	-	3,750	45,750
Mr. Yeoh Chong Keng	35,903	-	-	-	3,750	39,653

* The remunerations paid to the Executive Directors were in respect of their employment with the Company/Group.

** Other emoluments include benefits-in-kind, insurance and EPF.

b. Top Five (5) Senior Management

Top five (5) Senior Management's Remuneration consisting of salary, bonus, benefits in-kind and other emoluments for the financial year ended 30 June 2024 within the successive bands of RM50,000 are summarised as follows:

Remuneration Band	Number of senior management
RM300,001 to RM350,000	2
RM400,001 to RM450,000	2
RM700,000 to RM750,000	1

The above disclosure represents a departure from the Principles of MCGG, which prescribe individual disclosure of senior management's remuneration. The Board is of the opinion that individual disclosure would impinge upon the senior management's reasonable right to privacy whilst not significantly enhancing shareholders' information. Moreover, detailed disclosure of remuneration would adversely impact on the Company in a highly competitive human resources market for requisite professional expertise and it would extensively impair the Company's interests.

Corporate Governance Overview Statement

SECTION 3: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH THE STAKEHOLDERS

3.1 Communication with Stakeholders

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and acknowledges the continuous communication between the Company and stakeholders would facilitate mutual understanding of each other's objectives and expectations. The Board maintains an effective communications policy that enables both the Board and the management to communicate effectively with its shareholders, stakeholders and the public. The policy effectively interprets the operations of the Group to the shareholders and accommodates feedback from shareholders, which are factored into the Group's business decision.

The Board communicates information on the operations, activities and performance of the Group to the shareholders, stakeholders and the public through the following:-

- a. the quarterly and annual financial statements and Report, which contains the financial and operational review of the Group's business, corporate information, financial statements and information on Audit Committee and Board of Directors;
- b. various timely disclosures and announcements made to the Bursa Securities, which include announcements on quarterly results;
- c. the Company website at <http://www.yoongonn.com>;
- d. meetings with research analysts and fund managers to give them a better understanding of the business conducted by the Group in particular, and of the industry in which the Group's business operates, in general; and
- e. participation in surveys and research conducted by professional organisations as and when such requests arise.

3.2 The Annual General Meeting

The Annual General Meeting serves as an important means for shareholders communication. Notice of the Annual General Meeting, Annual Reports and Circulars are sent to shareholders at least twenty-eight (28) days prior to the meeting.

The company holds its Annual General Meeting in a venue which is not a remote place and is accessible by public transport and the Company encourages shareholders who are unable to attend are entitled to appoint proxy/proxies to vote on their behalf in their absence.

The Company had leveraged technology to facilitate voting including voting in absentia and remote shareholders' participation at General Meeting and conducted its past three years Annual General Meetings through live streaming from the broadcast venue at Boardroom Share Registrars Sdn Bhd ("Boardroom") and fully virtual via online meeting platform provided by Boardroom.

The Company will conduct its 17th Annual General Meeting fully virtual via its online meeting platform provided by Boardroom so that Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

At each Annual General Meeting, the Board presents the progress and performance of the Group's business and encourages attendance and participation of shareholders during question and answers sessions. The Chairman and the Board will respond to all questions raised by the shareholders during the Annual General Meeting. All questions and answers raised in AGM will be published in the Company's website at www.yoongonn.com.

Corporate Governance Overview Statement

SECTION 4: EFFECTIVE AUDIT AND RISK MANAGEMENT

4.1 Financial Reporting

The Board aims to provide and present a clear, balanced and comprehensive assessment of the Group's financial performance and prospects through the quarterly announcement of results to the Bursa Securities as well as the Chairman's Statement, review of operations and annual financial statements in the Annual Report. The Audit Committee assists the Board in ensuring accuracy and adequacy of information by overseeing and reviewing the financial statements and quarterly announcements prior to the submission to Bursa Securities.

4.2 Statement on Directors' Responsibility in relation to the Audited Financial Statements

The Directors are responsible to ensure that the annual financial statements are drawn up in accordance with the applicable approved accounting standards in Malaysia and Companies Act 2016. A Statement by the Directors of their responsibilities in preparing the financial statements is set out on this Annual Report.

4.3 Risk Management and Internal Control Framework

The Board acknowledges their responsibilities for the internal control system of the Group, covering not only financial controls but also controls relating to operations, compliance, and risk management. Information of the Group's internal control and risk management is presented in the Statement of Internal Control of this Annual Report.

The Board has overall responsibility for maintaining a sound system of risk management and internal control of the Group that provides reasonable assurance of effective and efficient business operations, compliance with laws and regulations as well as internal procedures and guidelines.

The Audit Committee oversees the risk management of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The Audit Committee also reviews the action plans implemented and makes relevant recommendations to the Board to manage residual risks. The Group has established a formal risk management framework to oversee the risks management of the Company and engaged an external consultant to assist the Company in identifying, assessing, and managing the risks in areas that are applicable to the Company's business and ensure that the risk management process in place and functioning effectively.

The Company continues to maintain and review its internal control procedures to ensure the protection of its assets and its shareholders' investment.

The Company has outsourced its internal audit function to a professional services firm, IA PROV Sdn Bhd to assist the Audit Committee in discharging its duties and responsibilities in respect of reviewing the adequacy and effectiveness of the Group's risk management and internal control systems.

The overview of the internal control framework adopted by the Company during the financial year ended 30 June 2024 is set out in The Statement on Risk Management and Internal Control in this Annual Report.

4.4 Relationship with the Auditors

The Board has established a formal and transparent professional relationship with the Group's Auditors, both internal and external. Whenever the need arises, the Auditors would highlight to the Audit Committee and the Board from time to time on matters that require the Board's attention. The role of the Audit Committee in relation to the auditors, both internal and external, is set out in the Audit Committee Report of this Annual Report.

This Corporate Governance Overview Statement is made in accordance with the resolution passed at the Board of Directors' meeting held on 8 October 2024.

Audit Committee Report

The Audit Committee of Yoong Onn Corporation Berhad is pleased to present the Audit Committee Report for the financial year ended 30 June 2024.

COMPOSITION OF THE AUDIT COMMITTEE

The member of the Audit Committee are:

Name	Designation	Directorship
Dato' Tang Swee Guan	Chairman	Independent Non-Executive Director
Puan Hasmaliza Binti Othman	Member	Independent Non-Executive Director
Mr. Fung Kam Foo	Member	Independent Non-Executive Director
Mr. Yeoh Chong Keng	Member	Non-Independent Non-Executive Director

During the financial year ended 30 June 2024, five (5) Audit Committee meetings were convened on 24 August 2024, 4 October 2024, 23 November 2024, 27 February 2024, and 23 May 2024.

TERMS OF REFERENCE OF AUDIT COMMITTEE

(a) Terms of Membership

The Members of the Audit Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall comprise of at least three (3) members. All of whom must be Non-Executive Directors, with a majority of them being Independent Directors.

The Board shall at all the times ensure that at least one (1) member of the Audit Committee:-

1. Must be a member of the Malaysian Institute of Accountants ("MIA"); or
2. Must have at least three (3) years' working experience; and
 - i. Passed the examinations specified in Part 1 of the First Schedule of the Accountants Act 1967; or
 - ii. Must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
3. Must have at least 3 years' post qualification experience in accounting or finance; and
 - i. Must hold a degree/master/doctorate in accounting or finance; or
 - ii. Must be a member of any professional accountancy organisation which has been admitted as a full member of the International Federation of Accountant.
4. Must have at least 7 years' experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation.
5. Fulfills such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

The Audit Committee shall elect a Chairman from among its members and the elected Chairman shall be an Independent Director. The Chairman of the Committee shall not be the Chairman of the Board and must be approved by the Board of Directors. The Chairman is responsible for ensuring the overall effectiveness and independence of the Committee.

Audit Committee Report**TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)****(a) Terms of Membership (Cont'd)**

No alternate director shall be appointed as a member of the Audit Committee. The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Nomination Committee annually to determine whether the members have carried out their duties in accordance with their terms of reference.

If a member of the Audit Committee resigns or for any other reason ceases to be a member with the result that the number of members is reduced to below three (3), the Board shall, within three (3) months from the date of that event, appoint such number of new members as may be required to make up the minimum number of three (3) members. No former key audit partner shall be appointed as a member of the Committee before observing a cooling-off period of at least three (3) years. When a member ceases to be a director of the Board, his membership in the Committee shall also cease accordingly.

(b) Meetings and Quorum of the Audit Committee

The quorum for a meeting of the Audit Committee shall consist of not less than two (2) members, majority of members present must be Independent Non-Executive Directors. The Company Secretary shall act as secretary of the Audit Committee and shall be responsible, in conjunction with the Chairman, for drawing up the agenda and circulating it prior to each meeting. The Company Secretary shall record, prepare, and circulate the minutes of the meetings of the Audit Committee and ensure that the minutes are properly kept and produced for inspection if required.

The Audit Committee met five (5) times during the financial year ended 30 June 2024. The details of the attendance of the meetings are disclosed under the heading "Attendance of the Audit Committee Meetings" of this Annual Report.

The Audit Committee may require the attendance of the executive Directors, Chief Financial Officer and senior management staff deemed necessary together with a representative or representatives from the external auditors and/or internal auditors.

In all five (five) meetings, the Chief Financial Officer was present to report on the results of the Group as well as to answer questions posed by the Audit Committee in relation to the results to be announced. During these Audit Committee meetings, representatives from the internal auditors had also been present to provide updates on the progress of internal audit work that have been conducted to date, and to also provide comments and recommendations, where applicable to improve the risk management framework supporting the activities of the Group.

In the event the elected Chairman is not able to attend a meeting, a member of the Audit Committee shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

Subject to the notice and quorum requirements as provided in the Terms of Reference, meeting of the Audit Committee may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

In any event, should the external auditors request, the Chairman of the Audit Committee shall convene a meeting of the committee to consider any matter the external auditors believe should be brought to the attention of the Directors or shareholders.

(c) Functions of the Audit Committee

The duties and responsibilities of the Audit Committee include the following:-

1. To consider the appointment of the external auditor, the audit fee and any questions of resignation or dismissal.
2. To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved.
3. To discuss with the external auditor the evaluation of the system of internal controls and the assistance given by the employees to the external auditors.

Audit Committee Report

TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)

(c) Functions of the Audit Committee (Cont'd)

4. To review and report to the Board if there is reason (supported by grounds) to believe that the external auditor is not suitable for reappointment.
5. To review and discuss any related party transactions and conflict of interest situation that arose, persist, or may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity, and the measures taken to resolve, eliminate or mitigate such conflicts, if any.
6. To review recurrent related party transactions (RRPT) of a revenue or trading nature are entered into on arm's length basis and on normal commercial terms that are consistent with the Group's usual business practices and policies and the Group has in place adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner and are properly disclosed in the Annual Report and Circular for shareholders' mandate.
7. To review the quarterly and audited annual financial statements of the Company and the Group where necessary, together with the external auditor, focus particularly on the following before recommending to the Board for approval:-
 - i. Any significant changes or implementation of major accounting policies and practices.
 - ii. Significant matters highlighted include financial reporting issues, major judgmental areas made by management, significant and unusual events, or transactions, and how these matters are addressed.
 - iii. Significant adjustments arising from the audit.
 - iv. Compliance with applicable approved accounting standards, Bursa Malaysia Securities Berhad Listing Requirements, and other statutory requirements.
 - v. The Going concern assumption.
8. To discuss problems and reservations arising from the interim and final audit, and any matter the auditors may wish to discuss (in the absence of the management where necessary).
9. To review the external auditor's management letter and management's response.
10. To do the following in relation to the internal audit functions:-
 - i. Review the adequacy of the scope, functions, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work.
 - ii. Review the internal audit programme and the results of the internal audit processes or investigation undertaken and where necessary to ensure the appropriate action is taken on the recommendations of the internal audit function.
 - iii. Review any appraisal or assessment of the performance of the internal audit function.
 - iv. Approve any appointment or termination of the internal auditor.
 - v. Inform itself of resignations of internal auditor and provide the resigning internal auditor an opportunity to submit his reasons for resigning.
11. To consider the major findings of internal investigations and the management's response.
12. To consider any other functions or duties as may be agreed by the Committee and the Board.

Audit Committee Report

TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)**(d) Rights of the Audit Committee**

The Audit Committee has ensured that it shall, wherever necessary and reasonable for the performance of its duties and in accordance with a procedure determined by the Board:-

1. Have authority to investigate any matter within its terms of reference.
2. Have the resources which are required to perform its duties.
3. Have full and unrestricted access to any information pertaining to the Company and Group.
4. Have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any).
5. Be able to obtain independent professional or other advice when needed; and
6. Be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Group, whenever deemed necessary.

(e) Procedure of Audit Committee

The Audit Committee regulates its own procedures by:-

1. The calling of meetings;
2. Notice to be given of such meetings;
3. The voting and proceedings of such meetings;
4. The keeping of minutes; and
5. The custody, protection, and inspection of such minutes.

(f) Review of the Audit Committee

The Board of Directors shall ensure that the term of office and performance of the Audit Committee and each of its members are being reviewed at least once in every three years to determine whether such an Audit Committee and members have carried out their duties in accordance with their terms of reference.

(g) Attendance of the Audit Committee Meetings

The details of attendance of each Audit Committee member in the Audit Committee meetings held during the financial year ended 30 June 2024 are as follows:-

Name	Meeting attended by the Directors/Total Number of Meeting held during the financial year ended 30 June 2024	% of Attendance
Dato' Tang Swee Guan	5/5	100%
Puan Hasmaliza Binti Othman	5/5	100%
Mr. Fung Kam Foo	5/5	100%
Mr. Yeoh Chong Keng	4/4	100%

Audit Committee Report

TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)

(h) Summaries of Activities of the Audit Committee

During the financial year up to the date of this Report, the Audit Committee carried out the following activities in discharging their duties and responsibilities:

1. Financial Reporting

Reviewed quarterly results and audited annual financial statements of the Group and Company before recommending to the Board for release to Bursa Securities. The review should focus primarily on:

- i. Any significant changes to major accounting policies and practices;
- ii. Significant matters highlighted include financial reporting issues, major judgmental areas made by management, significant and unusual events or transactions, and how these matters are addressed;
- iii. Significant adjustments resulting from audit;
- iv. Compliance with applicable approved accounting standards in Malaysia;
- v. Compliance with applicable approved accounting standards in Malaysia;
- vi. Compliance with Bursa Malaysia Listing Requirements, and other statutory requirements; and
- vii. The Going concern assumption.

2. Risk Management and Internal Control

To evaluate the overall effectiveness of the internal control system and risk management framework adopted within the Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring, and communication of risks in a regular and timely manner that will allow the Group to mitigate losses and maximise opportunities.

- i. To assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.
- ii. To ensure that the system of internal control is soundly conceived and in place, effectively administered and regularly monitored.
- iii. Evaluated the overall effectiveness of the system of internal control through the review of the results of work performed by the internal and external auditors and discussions with the key management.
- iv. To cause reviews to be made of the extent of compliance with established internal policies, standards, plans, and procedures.
- v. To recommend to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from the consultations of the Audit Committee itself; and to obtain assurance that proper plans for control have been developed prior to the commencement of major areas of change within the Group.
- vi. To report to the Board of Directors any suspected frauds or irregularities, serious internal control deficiencies or suspected infringement of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board.

Audit Committee Report**TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)****(h) Summaries of Activities of the Audit Committee (Cont'd)****2. Risk Management and Internal Control (Cont'd)**

- vii. Assist the Board in setting appropriate policies and procedures for the internal control system and ensure that the system is functioning adequately.
- viii. To review and recommend the Statement on Risk Management and Internal Control to the Board for approval to be included in the annual report.

3. Internal Audit

- i. To review the effectiveness of internal audit function, including the ability, competency, and qualification of the internal audit team and/or outsourced internal auditors (if any) to perform its duties.
- ii. To review the adequacy of the scope, functions competency and resources of the internal audit function, and that it has the necessary authority to carry out its work.
- iii. To review and approve the internal audit plan and the internal audit report and, where necessary, ensure that appropriate actions are taken on the recommendations made by the internal audit function.
- iv. To ensure the internal audit team and/or outsourced internal auditors has full, free and unrestricted access to all activities, records, property and personnel necessary to perform its duties.
- v. To review any matters concerning the employment or appointment (and re-appointment) of the in-house and/or the outsourced internal auditors (as the case may be) and the reasons for resignation or termination of either party.
- vi. To request and review any special audit which the Committee deems necessary.
- vii. To receive and review on a regular basis the reports, findings, and recommendations of the internal audit team and/or outsourced internal auditors and to ensure that appropriate actions have been taken to implement the audit recommendations.

4. External Audit

- i. To review the external auditors' audit plan, nature and scope of the audit plan, audit report, evaluation of internal controls and co-ordination of the external auditors.
- ii. To review the annual performance assessment, including the suitability and independence of the external auditors and make recommendations to the Board, the appointment or re-appointment of the external auditors.
- iii. To assess or determine the suitability and independence of the external auditors, the Audit Committee shall take into consideration of the following:
 - The adequacy of the experience and resources of the external auditors;
 - The external auditor's ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
 - The nature of the non-audit services provided by the external auditor and fees paid for such services relative to the audit fee; and
 - Whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditor.

Audit Committee Report

TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)

(h) Summaries of Activities of the Audit Committee (Cont'd)

4. External Audit (Cont'd)

- iv. To review their performance and any matters arising concerning the appointment and re-appointment, audit fee and any questions of resignation or dismissal of the external auditors.
- v. To review the external auditor's audit report, and management letter and management's response to the management letter.
- vi. To be advised of significant use of the external auditors in performing non-audit services within the Group, considering both the types of services rendered and the fees, such that their position as auditors are not deemed to be compromised.
- vii. To review the external auditors' findings arising from audits, particularly any comments and responses in audit recommendations as well as the assistance given by the employees of the Group in order to be satisfied that appropriate action is being taken; and
- viii. To review with the external auditors for the Statement on Risk Management and Internal Control of the Group for inclusion in the Annual Report.

5. Related Party Transactions

To review any related party transactions that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

The Audit Committee will review the circulars to shareholders in relation to the renewal of authority for share buy-back ("Share Buy-back") and renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("RRPT") are properly accounted and disclosed, none of the directors, major shareholders and/or persons connected to them has any interest, direct or indirect, in the Share Buy-back and RRPT.

6. Whistleblowing and Fraud

To exercise its powers and carry out its responsibilities as may be required from time to time under the Whistleblowing Policy and Procedures of the Group. The Audit Committee will carry out the followings upon receipt of the Whistleblowing report:-

- i. Acknowledge receipt of the report and notify the whistleblower within three (3) working days.
- ii. Meet to discuss reports and decide on the actions and investigations including setting up an investigating team that may involve other parties like Internal Auditors to conduct investigation on the issue/concern raised.
- iii. To ensure investigations are carried out using appropriate channels, resources, and expertise.
- iv. To report to the Board of Directors about the reports received, actions taken and progress of the investigation.

7. Corporate Governance

To review the annual Corporate Governance Report and ensure that the principles and best practices in corporate governance as detailed in the Malaysian Code on Corporate Governance are practiced and adopted in the Group and review the Statement of Corporate Governance which outlines the corporate governance procedures and compliance, information on board composition, statements on the company's performance, and information about compliance and conformance with best practices for good corporate governance.

The Audit Committee will review the Corporate Governance Overview Statement and recommend to the Board for approval to be included in the Annual Report.

Audit Committee Report**TERMS OF REFERENCE OF AUDIT COMMITTEE (CONT'D)****(h) Summaries of Activities of the Audit Committee (Cont'd)****8. Sustainability**

To review the sustainability statement which outline the current sustainability policies, sustainability initiatives for continued improvement, sustainability governance, frameworks and reporting structure, including steering committee and working committee, the reporting indicators, extent of coverage and performance targets for inclusion in the Annual Report.

9. Conflict of Interest (COI)

To ensure there are established policies and procedures in place for the purposes of identifying, evaluating, approving, reporting, and monitoring all COI situations. This is to ensure that:

- i. There will be standard treatment of COI;
- ii. All COI situations are dealt with and addressed expeditiously;
- iii. The role, responsibilities, and accountability of relevant parties in dealing with and resolving COI are outlined clearly; and
- iv. All interviewees or potential employees be matched against the Directors or employees or their family members, suppliers' shareholders, and directors.

The Audit Committee will review and report to the Board of Directors, any COI situations that arose, persist or may arise within the Group during the financial year together with the measures taken to resolve, eliminate or mitigate such conflict.

In reviewing the COI, the AC should consider the following factors:

- i. The nature of COI situations, and the impact on the Group;
- ii. Identification of the Conflicted Director or Conflicted Employee; and
- iii. Controls in place/corrective actions to be taken to ensure the Conflicted Director or Conflicted Employee does not abuse his or her power to gain an unfair advantage.

10. Audit Committee Reports

To review the annual Audit Committee report which includes the composition of the Audit Committee, its terms of reference, number of meetings held, a summary of its activities and the existence of internal audit services and summary of the activities for the inclusion in the Annual Report.

11. Other matters

- i. To verify the allocation of options pursuant to the Share Issuance Scheme or the allocation of shares pursuant to any incentive plan for employees of the Group, if any at the end of each financial years as in compliance with the criteria which is disclosed to the employees and make a statement in the Annual Report that such allocation has been verified.
- ii. To direct and where appropriate supervise any special project or investigation considered necessary.
- iii. To carry out any other function as may be agreed to from time to time by the Audit Committee and the Board.

Statement on Risk Management and Internal Control

INTRODUCTION

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of risk management and internal control to safeguard the shareholders' investments and the Group's assets. The Board of Yoong Onn Corporation Berhad is committed to maintain a sound system of risk management and internal control in the Group. Set out below is the Board of Directors' "Statement on Risk Management and Internal Control" which has been prepared in accordance with the Guidance for Directors of Public Listed Companies on the Statement on Risk Management and Internal Control which outlines the frameworks and processes the Board is to adopt in maintaining the adequacy and integrity of risk management and the system of internal control of the Group.

RESPONSIBILITY OF THE BOARD

The Board of Directors ("Board") is responsible for the adequacy and effectiveness of the Yoong Onn Corporation Berhad ("the Group") risk management and internal control system. The Board ensures that the system manages the Group's key areas of risk within an acceptable risk profile to increase the likelihood that the Group's policies and business objectives will be achieved. The Board continually reviews the system to ensure it provides a reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Board has established an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. Management assists the Board in the implementation of the Board's policies and procedures on risk management and internal control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of issuance of the financial statements is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators and employees, and the Group's assets.

RISK MANAGEMENT FRAMEWORK

The Board is aware that a sound system of risk management and internal control should be embedded in the operations of the Group and form part of its culture. This system should be capable of responding quickly to evolving risks to the business arising from factors within the Group and changes in the business environment. It should include procedures for reporting immediately to appropriate levels of management any significant control failings or weaknesses that are identified together with details of corrective action being taken. The Board has established a Risk Management Framework which consists of a structured approach covering the identification of risks, assessment of risks and reviewing and implementing strategies to mitigate those risks. The Board has established a Risk Management Committee comprising of the Executive Director and Senior Management to oversee the risk management initiatives of the Group. The Board and the Audit Committee regularly reviews this process to ensure the effectiveness of its risk management.

Statement on Risk Management and Internal Control

INTERNAL CONTROL AND INTERNAL AUDIT FUNCTION

The Board has outsourced the internal audit function of the Group to independent professional firms, IA PROV Sdn Bhd for the year ended 30 June 2024 for fees of RM48,000.00. The audit planning memorandum presented annually by the Internal Auditors is adopted by the Audit Committee to review the effectiveness of the Group's system of internal control.

The Group's system of internal control comprises but not limited to the following activities:-

- The Audit Committee comprises of three (3) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director with full access to both the internal and external auditors. Audit Committee meetings are held separately from Board meetings.
- Periodic internal audits are conducted by the internal auditors to monitor compliance to established procedures and to review internal control measures. The internal audit reports would highlight any significant risks, non-compliances, and areas for improvements.
- Each core business process function is audited on a rotational basis and the Audit Committee reviews the internal audit issues identified, and together with the Management recommends improvements to the Board.
- Follow-up reviews are conducted on previous audit issues highlighted to ensure that the recommendations highlighted have been addressed by Management.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3 issued by the Malaysian Institute of Accountant ("MIA") for inclusion in the annual report for the year ended 30 June 2024 and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system.

CONCLUSION

During the financial year under review, the Board is satisfied that no material losses, deficiencies, fraud or errors were arising from any inadequacy or failure of the Group's internal control system that will require disclosure in the Annual Report. The Chief Executive Officer and Chief Financial Officer have provided assurance to the Board that the Group's risk management and internal control system, in all aspects, is operating adequately and effectively.

The Board will continue to take the necessary measures to strengthen the system of internal control maintained by the Group and ensure shareholders' investment and the Group's assets are consistently safeguarded.

This Statement on Risk Management and Internal Control was approved by the Board on 8 October 2024.

Directors' Responsibility Statement

The Directors are responsible for the preparation of financial statements which give a true and fair view of the state of affairs of Yoong Onn Corporation Berhad ("YOCB") and its subsidiary companies ("the Group") as at the end of the financial year, and of the results and cash flows for the financial year ended.

Therefore, in preparing the financial statements of YOCB for the year ended 30 June 2024, the Directors have:

- adopted appropriate accounting policies and applied them on a consistent basis;
- made judgments and estimates that are prudent and reasonable;
- ensured applicable approved accounting standards have been followed and any material departures have been disclosed and explained in the financial statements; and
- ensured the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting and other records which disclose with reasonable accuracy the financial position of the Group and the Company and ensuring that the financial statements comply with the provisions of the Companies Act 2016. The Directors have overall responsibilities for taking such steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

This above statement is made in accordance with the resolution passed at the Board of Directors' meeting held on 8 October 2024.

Additional Compliance Information

1) Share Buy-Backs

There was no share buy-backs by the Company during the financial year ended 30 June 2024.

All shares purchased by the Company were retained as treasury shares in accordance with Section 127(4) of the Companies Act 2016. As at 30 June 2024, the number of treasury shares was 1,347,300. None of the treasury shares were re-sold or cancelled during the financial year under review.

2) Options, Warrants or Convertible Securities

There were no options, warrants or convertible securities issued during the financial year ended 30 June 2024.

3) Sanctions and/or Penalties

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by the relevant regulatory bodies during the financial year.

4) Audit and Non-Audit Fees

The amount of audit and non-audit fees pay/payable to External Auditors, Messrs HLB Ler Lum Chew PLT and MGI Singapore PAC for the current financial year is as follows:-

	Group	Company
Audit Fees	189,000	50,000
Non-Audit Fees	12,500	6,500

5) Variation in Results

There were no variations of 10% or more between the audited results of the Group for the financial year ended 30 June 2024 and the unaudited results announced on 29 August 2024.

6) Material Contracts with Related Parties

There were no material contracts entered into by the Company and its subsidiaries involving directors' and major shareholders' interest which were still subsisting as at the end of the financial year under review or which were entered into since the end of the previous financial year except as disclosed in the Financial Statements.

7) Profit Forecast/Profit Guarantee

The Company did not provide any profit forecast/guarantee in any public documents during the financial year ended 30 June 2024.

Additional Compliance Information

8) Corporate Social Responsibility

The Group recognises its role as a responsible corporate citizen and no company can exist by maximising shareholders' value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration.

a) Environment

With the growing threat of climate change, we have installed a 671KW solar photovoltaic module systems ('Solar Panel Systems') onto our factory and warehouses in Nilai Seremban. The Solar Panel systems generate electricity from sunlight for its factory and warehouse operations and yield cost-savings of more than 50% of the factory and warehouses' energy costs.

We have also undertaken electricity saving initiatives including turning off all lights during lunch breaks, unoccupied rooms and fitting LED lights for our fully owned Home's Harmony retail boutique outlets, our offices in EkoCheras Office Tower and warehouses.

We have been promoting e-communication delivery for memos and reports in reducing paper usage, waste separation scheme to segregate different types of waste into 3 designated bins like paper, plastic, and general waste and ensure all unwanted packing boxes and plastic are sent to recycling centres.

b) Safety and Health

The Group is committed to provide a safe and healthy working environment for all employees under the requirements of Health, Safety and Environment ("HSE"). We constantly ensure a safe and healthy working environment and keep ourselves updated with the latest HSE requirements and regulations through various training programmes.

c) Charity Works and Donations to Charitable Organisations

The Company has made cash donations to Damai Disabled Person Association Malaysia, Hospis Malaysia, Malaysian Association for The Prevention of Tuberculosis, Malaysian Association For The Blind, Montfort Youth Centre, National Diabetes Institute, Pusat Jagaan Rumah Orang Orang Tua (PKK) SIMEE, Society of The Blind In Malaysia, Shelter Home for Children and Yayasan Jantung Malaysia.

d) Employees

The Group has continually strived to provide conducive working environments for all employees and conducive accommodation to its foreign workers. The Group places strong emphasis on personal development and provides various training courses for its employees to enhance and upgrade their work skills for better opportunities of career advancements. Staffs are also sent to overseas including trade fairs and exhibitions to better equip themselves with relevant products knowledge, designs and skills or specific training course for each relevant individual to assist them to excel in their respective fields.

The Group organises training, courses, team building activities and seminars to provide the necessary trainings, knowledge and create close bond among the employees. The Group also provides transport for its factory workers in Nilai and bicycles for its foreign workers who work night shift.

Additional Compliance Information

9) Recurrent Related Parties Transactions

The breakdown of the aggregate value of transactions conducted during the financial year ended 30 June 2024 is as follows:

Transacting companies within YOCB Group	Transacting Related Party	Nature of Transactions	Amount of Transactions (RM)
Sleep Focus Sdn Bhd (SFSB)	NC 28 Glory	Supply of home linen products	382,607
Monsieur (M) Sdn Bhd (MSB)	NC 28 Glory	Supply of home linen products	1,543
Syarikat Yoong Onn Sdn Bhd (SYOSB)	NC 28 Glory	Supply of home linen products	164,198

- The principal activities of NC Twenty Eight Glory Sdn Bhd (NC 28 Glory) are trading and distribution of home linen and homeware products.
- Chew Hon Yoon (CHYN) and Chew Pui Yin (CPY) are Directors and Shareholders of NC 28 Glory.
- CHYN is the brother of Chew Hon Foong (CHF), Chew Hon Keong (CHK) and Chew Hon Yoong (CHYG) and father of Chew Zhi Kan (CZK) and CPY.
- CZK, a major shareholder of YOCB and the son of CHYN, nephew of CHF, CHK and CHYG and brother of CPY.
- CPY, daughter of CHYN, sister of CZK and niece of CHF, CHK and CHYG
- CHF and CHK are brothers, directors, and major shareholders of YOCB.
- CHYG is a brother of CHF and CHK and is also a major shareholder of YOCB.
- SFSB has been supplying home linen products to NC 28 Glory since 2018.
- MSB has been supplying home linen products to NC28 Glory since 2018.
- SYOSB has been supplying home linen products to NC28 Glory since 2019.

At the forthcoming Annual General Meeting to be held on 28 November 2024, the Company intends to seek its shareholders' approval for the proposed renewal of shareholders' mandate and new shareholders' mandate for recurrent related party transactions of revenue or trading nature, which are necessary for its day-to-day operations and in the ordinary course of business, with related parties as set in the Circular to Shareholders dated 29 October 2024 which is dispatched together with this Annual Report.

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Directors' Report

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

DIRECTORS

The directors who served on the Board of the Company during the financial year and during the period commencing from the end of the financial year and ending on the date of this Report are:

Chew Hon Foong
 Chew Hon Keong
 Tan Sri Datuk Seri Dr. Suleiman Bin Mohamed
 Dato' Tang Swee Guan
 Hasmaliza Binti Othman
 Fung Kam Foo
 Yeoh Chong Keng

DIRECTORS OF SUBSIDIARIES

The following is a list of directors of the subsidiaries (excluding Directors who are also Directors of the Company) in office during the financial year until the date of this Report:-

Chew Hon Yoong

Chew Zhi Kan

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the Financial Statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
Profit for the year	32,188	18,353
Attributable to:		
- Owners of the Parent	31,697	18,353
- Non-controlling interest	491	-
	32,188	18,353

Directors' Report

DIVIDENDS

Since the end of the previous financial year, the Company paid:

- i) an interim single tier dividend of 3.5 sen per ordinary share amounting to RM5,552,846 in respect of the financial year ended 30 June 2023; and
- ii) a final single tier dividend of 4.0 sen per ordinary share amounting to RM6,346,108 in respect of the financial year ended 30 June 2023.

The Company declared an interim single tier dividend of 4.0 sen per ordinary share amounting to RM6,346,108 in respect of the financial year ended 30 June 2024.

At the forthcoming Annual General Meeting, a final single tier dividend of 4.0 sen per ordinary share amounting to RM6,346,108 in respect of the current financial year will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the financial year ending 30 June 2025.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The following Directors of the Company who held office at the end of the financial year had, according to the register required to be kept under Section 59 of the Companies Act 2016, interests in the shares of the Company and related companies as follows:-

	Number Of Ordinary Shares			At 30.6.2024
	At 1.7.2023	Bought	Sold	
<i>Direct Interests</i>				
Chew Hon Foong	250,000	-	-	250,000
Chew Hon Keong	250,000	-	-	250,000
Yeoh Chong Keng	185,000	35,000	(20,000)	200,000
<i>Indirect Interests</i>				
Chew Hon Foong	84,000,231*	-	-	84,000,231*
Chew Hon Keong	84,000,231*	-	-	84,000,231*

- * - *By virtue of their shareholdings in the holding company, Chew Hon Foong and Chew Hon Keong are deemed to have interests in shares in the Company and its related corporations to the extent of the holding company's interests, in accordance with Section 8 of the Companies Act 2016.*

The other directors holding office at the end of the financial year had no interest in shares in the Company or its related corporations during the financial year.

INDEMNITY AND INSURANCE

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

Directors' Report

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except that certain Directors received remuneration from the Company's related corporations.

	THE GROUP RM'000	THE COMPANY RM'000
DIRECTORS' REMUNERATION		
Directors' fee	216	216
Short term employee benefits	1,779	19
Non-monetary benefits-in-kind	27	-
	2,022	235

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

TREASURY SHARES

As at the end of the reporting period, the Company held as treasury shares a total of 1,347,300 of its 160,000,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM822,534. Relevant details on the treasury shares are disclosed in the Note 16 to the Financial Statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

Directors' Report

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables, and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that any current assets, which were unlikely to be realised in the ordinary course of business, including their value 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 the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

Directors' Report

HOLDING COMPANY

The Directors regard Casatex Cosmo Sdn. Bhd., a company incorporated in Malaysia, as the Company's holding company.

AUDITORS' REMUNERATION

Auditors' remuneration are as follows:-

	THE GROUP RM'000	THE COMPANY RM'000
HLB Ler Lum Chew PLT		
- Audit fee	175	50
- Non-audit fee	13	7
	188	57

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

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

Chew Hon Foong

Chew Hon Keong

Dated: 8 October 2024
Kuala Lumpur

Statement by Directors

We, Chew Hon Foong and Chew Hon Keong, being two of the Directors of Yoong Onn Corporation Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2024 and of their financial performance and cash flows for the year then ended.

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

Chew Hon Foong

Chew Hon Keong

Dated: 8 October 2024
Kuala Lumpur

Statutory Declaration

I, Tan Peng, being the Officer primarily responsible for the financial management of Yoong Onn Corporation Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief the accompanying financial statements are 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 Tan Peng,
at Puchong on 8 October 2024

Tan Peng (MIA 6063)

Before me,

Samuel John A/L Ponniah
No. PJS: B437
Commissioner for Oaths

Independent Auditors' Report

to the Members of Yoong Onn Corporation Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Yoong Onn Corporation Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 75 to 130.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report of the financial statements of the Company. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report

to the Members of Yoong Onn Corporation Berhad

Key Audit Matters (Cont'd)

1. Impairment assessment of goodwill
(Refer to Note 5(e) and 9 to the Financial Statements)

As at 30 June 2024, goodwill arising on consolidation amounted to RM26.236 million which represents 7% of the Group's total assets. The goodwill is primarily allocated to the retailing business in Singapore as disclosed in Note 9 to the financial statements.

The recoverable amounts of the cash generating units ("CGU") is determined based on value-in-use ("VIU") calculation. The key assumptions and sensitivities are disclosed in Note 9 to the financial statements.

How our audit addresses this matter

Our audit procedures included, among others, the following:

- Reviewed the cash flow forecast prepared and approved by management;
- Assessed the methodology adopted and the mathematical accuracy of the cash flow forecast calculations;
- Assessed and tested the reasonableness of management's key assumptions used and judgements exercised on its cash flow forecast such as revenue growth, terminal growth rate and discount rates;
- Performed sensitivity analysis on the key assumptions used by management and assessed the impact on the recoverable amount of goodwill; and
- Evaluated the completeness, accuracy and adequacy of disclosures in the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Independent Auditors' Report

to the Members of Yoong Onn Corporation Berhad

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Independent Auditors' Report

to the Members of Yoong Onn Corporation Berhad

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 6 to the financial statements.

Other Matters

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.

HLB LER LUM CHEW PLT

201906002362 & AF 0276

Chartered Accountants

LER JI-YONG

03439/05/2025 J

Chartered Accountant

8 October 2024

Kuala Lumpur

Statements of Financial Position

as at 30 June 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	6	-	-	95,116	57,565
Property, plant and equipment	7	83,426	54,563	6	8
Right-of-use assets	8(a)	25,472	7,578	-	-
Intangible assets	9	26,236	-	-	-
Deferred tax assets	17	1,792	1,664	-	-
		136,926	63,805	95,122	57,573
CURRENT ASSETS					
Inventories	10	87,936	94,997	-	-
Trade receivables	11	23,480	31,958	-	-
Other receivables, deposits and prepayments	12	8,807	7,385	67	173
Amount owing by subsidiaries		-	-	1,740	-
Income tax assets		348	598	-	-
Short-term investment	13	42,751	77,015	23,632	68,268
Deposits with financial institutions	14	81,768	42,685	22,240	10,500
Cash and bank balances		19,513	17,258	502	261
		264,603	271,896	48,181	79,202
TOTAL ASSETS		401,529	335,701	143,303	136,775

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

Statements of Financial Position

as at 30 June 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	15	80,000	80,000	80,000	80,000
Treasury shares	16	(823)	(823)	(823)	(823)
Reserves		(13)	-	-	-
Retained profits		244,816	225,811	57,551	51,890
Owners of the Company		323,980	304,988	136,728	131,067
Non-controlling interests		8,027	-	-	-
TOTAL EQUITY		332,007	304,988	136,728	131,067
NON-CURRENT LIABILITIES					
Deferred tax liabilities	17	4,554	1,910	16	-
Provision	18	1,621	398	-	-
Lease liabilities	8(b)	14,586	3,004	-	-
		20,761	5,312	16	-
CURRENT LIABILITIES					
Trade payables	20	3,014	1,340	-	-
Other payables and accruals		16,244	8,068	130	113
Contract liabilities	21	242	205	-	-
Dividend payable		6,346	5,553	6,346	5,553
Amount owing to a subsidiary		-	-	1	-
Income tax liabilities		3,106	2,950	82	42
Short-term borrowings	19	7,634	2,546	-	-
Lease liabilities	8(b)	12,175	4,739	-	-
		48,761	25,401	6,559	5,708
TOTAL LIABILITIES		69,522	30,713	6,575	5,708
TOTAL EQUITY AND LIABILITIES		401,529	335,701	143,303	136,775

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

Statements of Profit or Loss and Other Comprehensive Income

for the Financial Year Ended 30 June 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
REVENUE	22	271,134	262,496	18,256	34,129
COST OF SALES		(140,894)	(144,201)	-	-
GROSS PROFIT		130,240	118,295	18,256	34,129
OTHER INCOME		6,060	4,863	2,041	1,852
		136,300	123,158	20,297	35,981
SELLING AND DISTRIBUTION EXPENSES		(19,932)	(18,299)	(15)	(16)
ADMINISTRATIVE AND OPERATING EXPENSES		(72,760)	(54,027)	(1,648)	(1,540)
FINANCE COSTS		(1,204)	(684)	-	-
PROFIT BEFORE TAXATION	23	42,404	50,148	18,634	34,425
INCOME TAX EXPENSE	24	(10,216)	(12,077)	(281)	(214)
PROFIT AFTER TAXATION		32,188	38,071	18,353	34,211
OTHER COMPREHENSIVE EXPENSE, NET OF TAX		(38)	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		32,150	38,071	18,353	34,211
PROFIT AFTER TAXATION ATTRIBUTABLE TO:-					
Owners of the Company		31,697	38,071	18,353	34,211
Non-controlling interests		491	-	-	-
		32,188	38,071	18,353	34,211
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:-					
Owners of the Company		31,674	38,071	18,353	34,211
Non-controlling interests		476	-	-	-
		32,150	38,071	18,353	34,211
EARNINGS PER SHARE (SEN)	25				
- Basic/Diluted		20	24		

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

Statements of Changes in Equity

for the Financial Year Ended 30 June 2024

	NOTE	NON-DISTRIBUTABLE		DISTRIBUTABLE		NON-CONTROLLING INTERESTS RM'000	TOTAL EQUITY RM'000
		SHARE CAPITAL RM'000	TREASURY SHARES RM'000	TRANSLATION RESERVES RM'000	RETAINED PROFITS RM'000		
THE GROUP							
Balance at 1.7.2022		80,000	(823)	-	198,052	-	277,229
Profit after taxation/Total comprehensive income for the financial year		-	-	-	38,071	-	38,071
Distributions to owners of the Company:							
- Dividends	26	-	-	-	(10,312)	-	(10,312)
Balance at 30.6.2023		80,000	(823)	-	225,811	-	304,988
Acquisition of a subsidiary		-	-	11	-	7,536	7,547
Profit after taxation/Total comprehensive income for the financial year		-	-	(24)	31,697	491	32,164
Distributions to owners of the Company:							
- Dividends	26	-	-	-	(12,692)	-	(12,692)
Balance at 30.6.2024		80,000	(823)	(13)	244,816	8,027	332,007

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

Statements of Changes in Equity

for the Financial Year Ended 30 June 2024

	<i>NON- DISTRIBUTABLE</i>	<i>DISTRIBUTABLE</i>		TOTAL EQUITY
	SHARE CAPITAL	TREASURY SHARES	RETAINED PROFITS	
NOTE	RM'000	RM'000	RM'000	RM'000
THE COMPANY				
Balance at 1.7.2022	80,000	(823)	27,991	107,168
Profit after taxation/Total comprehensive income for the financial year	-	-	34,211	34,211
Distributions to owners of the Company:				
- Dividends	26	-	(10,312)	(10,312)
Balance at 30.6.2023	80,000	(823)	51,890	131,067
Profit after taxation/Total comprehensive income for the financial year	-	-	18,353	18,353
Distributions to owners of the Company:				
- Dividends	26	-	(12,692)	(12,692)
Balance at 30.6.2024	80,000	(823)	57,551	136,728

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

Statements of Cash Flows

for the Financial Year Ended 30 June 2024

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES				
Profit before taxation	42,404	50,148	18,634	34,425
Adjustments for:-				
Depreciation of property, plant and equipment	4,591	3,573	2	1
Depreciation of right-of-use assets	10,321	5,709	-	-
Dividend income	-	-	(17,000)	(33,000)
Interest expense	324	282	-	-
Lease interest expense	880	402	-	-
Interest income	(4,693)	(3,866)	(1,972)	(1,852)
Gain on disposal of plant and equipment	(54)	(4)	-	-
Plant and equipment written off	3	40	-	-
Allowance/(Reversal) of impairment losses on receivables (net)	(229)	(1,767)	-	-
Allowance/(Reversal) of provision for slow moving inventories (net)	359	(2,097)	-	-
Unrealised loss/(gain) on foreign exchange (net)	483	(532)	(68)	-
Utilisation of provision for restoration	(7)	-	-	-
Operating profit/(loss) before working capital changes	54,382	51,888	(404)	(426)
Inventories	17,434	(24,108)	-	-
Receivables	8,020	6,207	107	(82)
Payables	(1,927)	(3,536)	17	38
CASH FROM/(FOR) OPERATIONS	77,909	30,451	(280)	(470)
Income tax paid	(10,881)	(9,801)	(225)	(177)
Interest paid	(290)	(275)	-	-
NET CASH FROM/(FOR) OPERATING ACTIVITIES CARRIED FORWARD	66,738	20,375	(505)	(647)

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

Statements of Cash Flows

for the Financial Year Ended 30 June 2024

	NOTE	THE GROUP		THE COMPANY	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
NET CASH FROM/(FOR) OPERATING ACTIVITIES BROUGHT FORWARD		66,738	20,375	(505)	(647)
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Interest received		4,693	3,866	1,972	1,852
Dividend received		-	-	17,000	33,000
Net cash outflow on acquisition of a subsidiary		(32,236)	-	(37,551)	-
Purchase of plant and equipment		(4,166)	(3,123)	-	(9)
Proceeds from disposal of plant and equipment		54	4	-	-
NET CASH FROM/(FOR) INVESTING ACTIVITIES		(31,655)	747	(18,579)	34,843
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividends paid		(11,899)	(9,519)	(11,899)	(9,519)
Repayment of bank borrowings		(1,124)	(896)	-	-
Repayment of bankers' acceptances		(4,436)	(1,300)	-	-
Amount owing by subsidiaries		-	-	(1,740)	-
Payment of lease obligations	8(b)	(11,019)	(6,066)	-	-
NET CASH FOR FINANCING ACTIVITIES		(28,478)	(17,781)	(13,639)	(9,519)
NET CHANGES IN CASH AND CASH EQUIVALENTS		6,605	3,341	(32,723)	24,677
EFFECT ON EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		(64)	-	68	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		136,958	133,617	79,029	54,352
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	27	143,499	136,958	46,374	79,029

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

Statements of Cash Flows

for the Financial Year Ended 30 June 2024

Notes to the Statements of Cash Flows:-

Reconciliation of liabilities arising from financing activities:

Group	At 1.7.2023 RM'000	Acquisition of subsidiary RM'000	Principal and interest payments RM'000	Drawdown RM'000	Non-cash changes Interest expense RM'000	Translation Adjustment RM'000	At 30.6.2024 RM'000
Borrowings							
- bankers' acceptances	2,546	6,900	(15,213)	10,525	252	(6)	5,004
- term loan	-	3,221	(1,159)	-	35	-	2,097
- bank overdraft	-	-	(2)	533	2	-	533
	2,546	10,121	(16,374)	11,058	289	(6)	7,634

Group	At 1.7.2022 RM'000	Principal and interest payments RM'000	Drawdown RM'000	Non-cash changes Interest expense RM'000	At 30.6.2023 RM'000
Borrowings					
- bankers' acceptances	3,846	(18,174)	16,615	259	2,546
- term loan	896	(912)	-	16	-
	4,742	(19,086)	16,615	275	2,546

Analysis of acquisition of property, plant and equipment:

	Group	
	2024 RM'000	2023 RM'000
Cash	4,166	3,123
Provision (Note 18)	191	7
	4,357	3,130

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

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

1. GENERAL INFORMATION

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 is located at Unit 30-01, Level 30, Tower A Vertical Business Suite, Avenue 3 Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur.

The principal place of business is located at Lot No. PT 16690 - 16692, Jalan Permata 2, Arab-Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan Darul Khusus.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 8 October 2024.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the Financial Statements. There have been no significant changes in the nature of these activities during the financial year.

3. HOLDING COMPANY

The holding company is Casatex Cosmo Sdn. Bhd., a company incorporated in Malaysia.

4. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

(a) Changes in accounting policies

On 1 July 2023, the Group has adopted the following new and amendments to MFRS and IC interpretation which are mandatory for annual financial periods beginning on or after 1 July 2023:-

Description	Effective for annual periods beginning on or after
Amendments to MFRS16 Leases	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendments to MFRS 101 Presentation of Financial Statements	
Classification of Liabilities as Current or Non-current	1 January 2023
Disclosure of Accounting Policies	1 January 2023

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

4. BASIS OF PREPARATION (CONT'D)

(a) Changes in accounting policies (Cont'd)

On 1 July 2023, the Group has adopted the following new and amendments to MFRS and IC interpretation which are mandatory for annual financial periods beginning on or after 1 July 2023:- (Cont'd)

Description	Effective for annual periods beginning on or after
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112 Income Taxes - International Tax Reform - Pillar Two Model Rules	1 January 2023
Adoption of the above amendments to MFRS did not have any material effect on the financial position and policy of the Group.	

(b) Standards, amendments to MFRS and IC Interpretations Issued But Not Yet Effective

At the date of authorisation of these financial statements, the following new and amendments to MFRS and IC interpretation have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective and have not been adopted by the Group:-

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosure - Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group will adopt the above pronouncements when they become effective in the respective financial periods. The adoption of these amendments to MFRSs and IC Interpretation do not have any significant financial impact to the Group.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION**(a) Critical Accounting Estimates And Judgements**

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Provision for expected credit losses of trade and other receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade and other receivables and contract assets. 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 historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in Note 33(a)(ii).

(ii) Provision for slow moving inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(iii) Leases

The measurement of the "right-of-use" asset and lease liability for leases where the Group is a lessee requires the use of significant judgements and assumptions, such as lease term and incremental borrowing rate.

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is exercised (or not exercised) or the Group become obligated to exercise (not to exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurred, which affect this assessment, and that is within the control of the lessee.

In determining the incremental borrowing rate, the Group first determine the closest borrowing rate before using significant judgement to determine the adjustments required to reflect the term, security, value of economic environmental of the respective leases.

(iv) Estimated assessment of goodwill

The Group tests goodwill for impairment annually, in accordance with its accounting policy. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of significant judgements and estimates as set out in Note 9 to the financial statements.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

(c) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

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

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate. Intragroup transactions, balances, income and expenses are eliminated on consolidation.

Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of the subsidiaries to ensure consistency of the accounting policies within those of the Group.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**(c) Basis of Consolidation (Cont'd)**

The acquisitions resulted in a business combination involving common control entities is outside the scope of MFRS 3. The merger accounting is used by the Group to account for such common control business combinations.

(i) Merger accounting for common control business combinations

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current financial year.

The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combination to the extent of the continuation of the controlling party and parties' interests.

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as a merger deficit or merger reserve as applicable. The results of the subsidiaries being merged are included for the full financial year.

(ii) Acquisition Method of Accounting for Non-Common Control Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(iii) Non-Controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

(e) Intangible assets

Goodwill is initially measured at cost. Following the initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date, to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

The cash-generating unit to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the allocated goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

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

(f) Property, Plant and Equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any and is not depreciated.

Depreciation is charged to profit or loss (unless it is included in the carrying amount of another asset) on the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates of depreciation are as follows:-

	Depreciation Rate
Buildings	3%
Plant and machinery	10%
Motor vehicles	20%
Office equipment and counter display	10% - 25%
Electrical appliances	20%
Furniture and fittings	10%
Renovation	20%
Factory and warehouse equipment	10% -15%

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**(f) Property, Plant and Equipment (Cont'd)**

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of the reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment.

When significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

(g) Impairment**(i) Impairment of Financial Assets**

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

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

For trade receivables and contract assets, the Group applies a simplified approach in calculation ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience adjusted for forward – looking factors specific to the receivables and the economic environment.

The Group consider a financial asset in default when contractual payments are 150 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(g) Impairment (Cont'd)

(ii) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value in use, which is measured by reference to discounted future cash flow using a pre-tax discount rate. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and the to reduce the carrying amount of the other assets in the cash-generating unit on a pro rate basis.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost, and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition. Cost of finished goods and work-in-progress include the cost of materials, labour and an appropriate proportion of production overheads.

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

(i) Operating Segments

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

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**(j) Fair Value Measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
- Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

(k) Revenue RecognitionRevenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers control of the goods or services promised in a contract and the customer obtains control of the goods or services. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of goods and services tax, returns, rebates and discounts. The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

(i) Sale of Goods - Trading

Revenue is recognised at the point in time when control of the asset is transferred to the customer.

(ii) Management fees

Management fees are recognised over time when the services are rendered to customer.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Revenue Recognition (Cont'd)

Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group are as follows:

(i) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(ii) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(iii) Rental Income

Rental income is recognised on an accrual basis.

(l) Leases

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

(a) As a lessee

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

(i) Right-of-use assets

The Group recognise 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.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**(I) Leases (Cont'd)**

(a) As a lessee (Cont'd)

(ii) Lease liabilities

At the commencement date of the lease, the Group recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

(iii) Short-term leases and leases of low-value assets

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

(b) As a lessor

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

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

6. INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost	95,116	57,565

Details of the subsidiaries, which are all incorporated in Malaysia, are as follows:-

NAME OF THE COMPANIES	EFFECTIVE EQUITY INTEREST		PRINCIPAL ACTIVITIES
	2024	2023	
Monsieur (M) Sdn. Bhd.	100%	100%	Retailing of home linen and homeware.
Syarikat Yoong Onn Sdn. Bhd.	100%	100%	Distribution, trading and retailing of home linen and homeware and property rental.
Elegant Total Home Sdn. Bhd.	100%	100%	Distribution, trading and retailing of home linen and homeware.
Sleep Focus Sdn. Bhd.	100%	100%	Design and manufacture of home linen and bedding accessories and trading of home linen.
T.C. Homeplus Pte. Ltd. *	60%	-	Retailing of home linen and homeware.

* *Subsidiary not audited by HLB Ler Lum Chew PLT*

(a) Acquisition of a subsidiary

On 12 January 2024, the Company has acquired equity interest of 60.0% in T.C. Homeplus Pte. Ltd ("TCH") for a purchase consideration of RM37,551,662 by cash.

TCH is principally involved in the business of trading, distributing, and retailing home furnishings like curtains, floor coverings and bed linen products. As a result of the acquisition, the Group is expected to create significant synergies across its portfolio of retail businesses in Singapore.

The fair values of identifiable assets acquired and liabilities assumed have been determined on a provisional basis and will be finalised within one year after the acquisition date.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the consideration transferred and goodwill recognised are as follows:

	RM'000
Cash consideration	37,551
Less: Share of net assets aquired	
Fair value of net assets acquired	18,851
Share to non-controlling interests	(7,536)
	11,315
Provisional goodwill	26,236

The provisionally determined fair values of the assets and liabilities as at the date of acquisition are as follows:

	RM'000
Property, plant and equipment	29,106
Right-of-use assets	13,025
Inventories	10,739
Trade and other receivables	4,671
Cash and bank balances	5,315
Trade and other payables	(19,913)
Lease liabilities	(13,969)
Borrowings	(10,123)
Identifiable net assets acquired	18,851

Details of cash flow arising from the acquisition are as follows:-

	RM'000
Purchase consideration	37,551
Less: cash and cash equivalents in subsidiary acquired	(5,315)
Acquisition of a subsidiary, net of cash acquired	32,236

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (b) Acquisition-related costs The Group incurred acquisition-related costs of RM161,995. These costs are included in “Administrative expenses” in the Income Statements and in operating cash flows in the Statements of Cash Flows.
- (c) The acquired business contributed revenue and profit of RM26.9 million and RM1.2 million, respectively to the Group for the period from 1 January 2024 to 30 June 2024.
- (d) The Group’s subsidiaries that have material non-controlling interest (“NCI”) are as follows:-

	2024 RM'000	2023 RM'000
T.C. Homeplus Pte. Ltd.		
<i>NCI effective equity interest</i>	40%	-
Carrying amount of NCI	8,027	-
Profit allocated to NCI	476	-

Summarised financial information before inter-company elimination

	2024 RM'000	2023 RM'000
<u>As at 30 June</u>		
Non-current assets	43,588	-
Current assets	16,312	-
Non-current liabilities	(14,141)	-
Current liabilities	(25,691)	-
Net assets	20,068	-
<u>Year ended 30 June</u>		
Revenue	26,917	-
Profit for the year	1,228	-
Total comprehensive income	1,190	-
Cash flows from operating activities	3,481	-
Cash flows used in investing activities	(536)	-
Cash flows used in financing activities	(5,185)	-
Net changes in cash and cash equivalents	(2,240)	-

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

7. PROPERTY, PLANT AND EQUIPMENT

	AT 1.7.2023		ACQUISITION OF SUBSIDIARY		WRITTEN OFF	DISPOSAL	DEPRECIATION CHARGE	TRANSLATION ADJUSTMENT	AT 30.6.2024	
	RM'000	RM'000	RM'000	RM'000					RM'000	RM'000
Net Book Value										
Freehold land	14,557	-	-	-	-	-	-	-	-	14,557
Buildings	32,554	27,226	-	-	-	-	(1,829)	(7)	-	57,944
Plant and machinery	1,154	-	657	-	-	-	(190)	-	-	1,621
Factory and warehouse equipment	2,082	164	84	-	-	-	(392)	-	-	1,938
Motor vehicles	260	288	136	(1)	-	-	(246)	-	-	437
Office equipment and counter display	2,023	1,023	1,713	(2)	-	-	(1,087)	1	-	3,671
Electrical appliances	411	-	378	-	-	-	(174)	-	-	615
Renovation	900	351	1,094	-	-	-	(520)	-	-	1,825
Furniture and fittings	622	54	295	-	-	-	(153)	-	-	818
Total	54,563	29,106	4,357	(3)	-	-	(4,591)	(6)	-	83,426

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

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

THE GROUP	AT 1.7.2022 RM'000	ADDITIONS RM'000	WRITTEN OFF RM'000	DISPOSAL RM'000	DEPRECIATION CHARGE RM'000	AT 30.6.2023 RM'000
Net Book Value						
Freehold land	14,557	-	-	-	-	14,557
Buildings	33,869	-	(4)	-	(1,311)	32,554
Plant and machinery	978	327	-	-	(151)	1,154
Factory and warehouse equipment	590	1,781	-	-	(289)	2,082
Motor vehicles	350	141	-	-	(231)	260
Office equipment and counter display	2,181	725	(4)	-	(879)	2,023
Electrical appliances	549	37	-	-	(175)	411
Renovation	1,210	88	(1)	-	(397)	900
Furniture and fittings	762	31	(31)	-	(140)	622
Total	55,046	3,130	(40)	-	(3,573)	54,563

THE GROUP	ACQUISITION OF SUBSIDIARY					
	COST RM'000	COST RM'000	ACCUMULATED DEPRECIATION RM'000	ACCUMULATED DEPRECIATION RM'000	TRANSLATION ADJUSTMENT RM'000	NET BOOK VALUE RM'000
At 30.6.2024						
Freehold land	14,557	-	-	-	-	14,557
Buildings	43,684	31,437	(4,211)	(12,959)	(7)	57,944
Plant and machinery	7,929	-	-	(6,308)	-	1,621
Factory and warehouse equipment	7,223	584	(360)	(5,509)	-	1,938
Motor vehicles	4,724	731	(443)	(4,575)	-	437
Office equipment and counter display	11,586	3,981	(2,486)	(9,411)	1	3,671
Electrical appliances	2,826	-	-	(2,211)	-	615
Renovation	6,872	3,997	(3,498)	(5,546)	-	1,825
Furniture and fittings	4,149	137	(83)	(3,385)	-	818
	103,550	40,867	(11,081)	(49,904)	(6)	83,426

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

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

	COST	ACCUMULATED DEPRECIATION	NET BOOK VALUE
At 30.6.2023			
Freehold land	14,557	-	14,557
Buildings	43,684	(11,130)	32,554
Plant and machinery	7,272	(6,118)	1,154
Factory and warehouse equipment	7,200	(5,118)	2,082
Motor vehicles	4,772	(4,512)	260
Office equipment and counter display	10,364	(8,341)	2,023
Electrical appliances	2,448	(2,037)	411
Renovation	5,941	(5,041)	900
Furniture and fittings	3,855	(3,233)	622
	100,093	(45,530)	54,563

THE COMPANY	AT 1.7.2023 RM'000	DEPRECIATION CHARGE RM'000	AT 30.6.2024 RM'000
Net Book Value			
Office equipment	8	(2)	6

THE COMPANY	AT 1.7.2022 RM'000	ADDITION RM'000	DEPRECIATION CHARGE RM'000	AT 30.6.2023 RM'000
Net Book Value				
Office equipment	-	9	(1)	8

THE COMPANY	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	NET BOOK VALUE RM'000
At 30.6.2024			
Office equipment	12	(6)	6

THE COMPANY	AT COST RM'000	ACCUMULATED DEPRECIATION RM'000	NET BOOK VALUE RM'000
At 30.6.2023			
Office equipment	12	(4)	8

As at 30 June 2024, one unit of leasehold buildings located in Singapore with net book value of RM26,700,722 had been pledged to licensed bank as security for banking facilities granted to the newly acquired subsidiary.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

8. LEASES

a) As a lessee

Right-of-use assets

	Motor Vehicle RM'000	Store RM'000	Hostel RM'000	Boutique RM'000	Total RM'000
THE GROUP					
Cost					
At 1 July 2023	-	132	571	14,462	15,165
Acquisition of subsidiary	595	10,268	-	14,909	25,772
Addition	-	112	339	15,164	15,615
Adjustment	-	(269)	17	(183)	(435)
Expiry	-	(23)	(90)	(10,736)	(10,849)
Translation adjustment	-	(9)	-	(12)	(21)
At 30 June 2024	595	10,211	837	33,604	45,247
Accumulated depreciation					
At 1 July 2023	-	56	145	7,386	7,587
Acquisition of subsidiary	40	2,322	-	10,386	12,748
Charge for the year	60	635	347	9,279	10,321
Adjustment	-	166	-	(167)	(1)
Expiry	-	(23)	(90)	(10,736)	(10,849)
Translation adjustment	(1)	(6)	-	(24)	(31)
At 30 June 2024	99	3,150	402	16,124	19,775
Net carrying amount					
At 30 June 2024	496	7,061	435	17,480	25,472

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

8. LEASES (CONT'D)**a) As a lessee (Cont'd)**

Right-of-use assets (Cont'd)

	Store RM'000	Hostel RM'000	Boutique RM'000	Total RM'000
THE GROUP				
Cost				
At 1 July 2022	39	223	12,493	12,755
Addition	132	543	6,555	7,230
Adjustment	13	6	(27)	(8)
Expiry	(52)	(201)	(4,559)	(4,812)
At 30 June 2023	132	571	14,462	15,165
Accumulated depreciation				
At 1 July 2022	37	128	6,186	6,351
Charge for the year	48	203	5,458	5,709
Adjustment	23	15	301	339
Expiry	(52)	(201)	(4,559)	(4,812)
At 30 June 2023	56	145	7,386	7,587
Net carrying amount				
At 30 June 2023	76	426	7,076	7,578

During the financial year ended 30 June 2024, the lease contract cost amounting to RM10,848,528 (2023: RM4,812,526) has expired and consequently written-off.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

8. LEASES (CONT'D)

b) Lease liabilities

	2024 RM'000	2023 RM'000
THE GROUP		
Minimum lease payments		
Repayable not later than 1 year	12,175	4,739
Repayable later than 1 year and not later than 2 years	14,586	3,004
	26,761	7,743

The movement of lease liabilities during the financial year is as follows:-

	2024 RM'000	2023 RM'000
THE GROUP		
At 1 July	7,743	6,524
Acquisition of subsidiary	13,969	-
Adjustment during the year	(434)	(347)
Lease interest expense (Note 23)	880	402
Addition	15,615	7,230
Payment of		
- Principal	(10,139)	(5,664)
- Interest	(880)	(402)
Translation adjustment	7	-
At 30 June	26,761	7,743

The following are the amounts recognised in profit or loss:-

	2024 RM'000	2023 RM'000
Depreciation of right-of-use assets (Note 23)	10,321	5,709
Lease Interest expense (Note 23)	880	402
	11,201	6,111

The Group had total cash outflow for leases of RM11,018,780 (2023: RM6,065,600) during the financial year.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

9. INTANGIBLE ASSETS

	The Group	
	2024 RM'000	2023 RM'000
GOODWILL		
At cost:-		
At the beginning of the financial year	-	-
Acquisition of subsidiary	26,236	-
At the end of the financial year	26,236	-

Impairment test for goodwill

The Group undertakes an annual test for impairment of its cash-generating units (CGUs). Goodwill is allocated to T.C. Homeplus Pte. Ltd. which is also the CGU identified.

The amount of goodwill initially recognised is dependent on the allocation of the purchase price to the fair value of identifiable net assets acquired and the liabilities assumed. The determination of the fair value of the assets and liabilities is based, to a considerable extent on management judgement.

- (i) Key assumptions used for value-in-use calculation of CGU

	The Group	
	2024 %	2023 %
Pre-tax discount rate	8.46	-
Terminal growth rate	1.50	-
Revenue growth rate	1.50	-

The recoverable amount of the CGU is determined based on value-in-use calculations. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecast approved by management.

The discount rates used are pre-tax and reflect specific risks relating to the CGUs. The selling price and sales volume in preparing the cash flow projections were determined based on past business performance and management's expectation on the current market condition.

The terminal growth rate used is consistent with the average long-term growth rate for the relevant industries.

- (ii) Sensitivity to change in key assumptions

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's results. The Group's review includes the key assumptions related to sensitivity in the cash flow projections for major goodwill in the group.

The circumstances where a change in key assumptions will result in the recoverable amounts of goodwill on the CGUs to equal the corresponding carrying amounts assuming no change in the other variables are as follows:-

	The Group	
	2024 %	2023 %
Pre-tax discount rate	12.19	-
Terminal growth rate	(4.25)	-
Revenue growth rate	(6.78)	-

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

10. INVENTORIES

	THE GROUP	
	2024 RM'000	2023 RM'000
At cost:-		
Raw materials	6,615	9,611
Work in progress	1,623	1,882
Finished goods	76,780	80,491
Stock-in-transit	140	762
	85,158	92,746
At net realisable value:-		
Raw materials	768	887
Finished goods	2,010	1,364
	2,778	2,251
Total inventories	87,936	94,997
Recognised in profit or loss:-		
Inventories recognised as cost of sales	104,691	108,534
Reversal of provision for slow moving inventories	(162)	(2,097)
Allowance of provision for slow moving inventories	521	-

11. TRADE RECEIVABLES

	THE GROUP	
	2024 RM'000	2023 RM'000
Trade receivables	23,507	32,204
Allowance for impairment losses	(27)	(246)
	23,480	31,958
Allowance for impairment losses:		
At 1 July	(246)	(2,170)
Arising from acquisition of a subsidiary	(10)	-
Addition during the financial year	(11)	-
Reversal during the financial year	240	1,924
At 30 June	(27)	(246)

The Group's normal credit terms of trade receivables range from 30 to 120 days (2023: 30 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in other receivables, deposits and prepayments of the Group is an amount of RM2,401,940 (2023: RM3,384,618), being deposits paid to suppliers for future supply of materials and finished goods.

These deposits shall be recovered by way of set-off against the supply of materials and finished goods.

13. SHORT-TERM INVESTMENT

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Financial assets at fair value through profit or loss:</u>				
Fixed income trust fund, at fair value	42,751	77,015	23,632	68,268
At market value	42,751	77,015	23,632	68,268

The investment in fixed income trust fund represents investment in highly liquid money market and fixed income instruments, which are readily convertible to a known amount of cash. The fund aims to provide a higher level of liquidity while providing better return from non-taxable income by predominantly investing its assets in money market and other fixed income instruments.

The effective interest rates ranged approximately from 2.83% to 3.46% (2023: 3.29% to 3.50%) per annum. The short-term investment is designated as fair value through profit or loss and is measured at fair value.

14. DEPOSITS WITH FINANCIAL INSTITUTIONS

The effective interest rates of the deposits with financial institutions at the end of the reporting period ranged from 2.50% to 4.20% (2023: 3.45% to 3.95%) per annum. The deposits have a maturity period of 31 to 96 days (2023: 63 to 96 days).

15. SHARE CAPITAL

	THE GROUP/THE COMPANY			
	2024		2023	
	Number of shares '000	RM'000	Number of shares '000	RM'000
Issued and Fully Paid-Up:				
At 1 July/30 June	160,000	80,000	160,000	80,000

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

16. TREASURY SHARES

Of the total 160,000,000 issued and fully paid-up ordinary shares as at 30 June 2024, 1,347,300 (2023: 1,347,300) ordinary shares are held as treasury shares by the Company. The treasury shares are held at a carrying amount of RM822,534 (2023: RM822,534). None of the treasury shares were resold or cancelled during the financial year.

17. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred Tax Liabilities

	THE GROUP	
	2024 RM'000	2023 RM'000
At beginning of the year	1,910	1,617
Arising from acquisition of a subsidiary	2,771	-
Recognised in profit or loss (Note 24)	(127)	293
At end of the year	4,554	1,910

Deferred Tax Assets

	THE GROUP	
	2024 RM'000	2023 RM'000
At beginning of the year	(1,664)	(2,643)
Recognised in profit or loss (Note 24)	(128)	979
At end of the year	(1,792)	(1,664)

The deferred tax liabilities are attributable to the following:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Surpluses on valuation of properties	3,654	983
Accelerated capital allowances on qualifying costs of property, plant and equipment	1,095	1,149
Provisions and other temporary differences	(195)	(222)
	4,554	1,910

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

17. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D)

The deferred tax assets are attributable to the following:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Accelerated capital allowances on qualifying costs of property, plant and equipment	406	214
Provisions and other temporary differences	(2,198)	(1,878)
	(1,792)	(1,664)

18. PROVISIONProvision for restoration/relocation costs

Provision for restoration/relocation costs is included in the carrying amounts of renovation. This provision recognised in respect of the obligation of the Group to restore leased outlets to its original state upon the expiry of tenancy agreements.

	THE GROUP	
	2024 RM'000	2023 RM'000
At 1 July	398	386
Arising from acquisition of a subsidiary	1,007	-
Recognised in property, plant and equipment	191	7
Recognised in profit or loss (Note 23)	34	7
Utilised during the financial year	(7)	(2)
Translation adjustment	(2)	-
At 30 June	1,621	398

19. BORROWINGS

	THE GROUP	
	2024 RM'000	2023 RM'000
<u>Current</u>		
Bankers' acceptances (unsecured)	5,004	2,546
Term loan (secured)	2,097	-
Bank overdraft (secured)	533	-
	7,634	2,546

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

19. BORROWINGS (CONT'D)

The borrowings at the end of the reporting period bore interest rates ranging from 2.50% to 7.52% (2023: 4.10% to 4.65%) per annum.

The borrowings obtained from licensed banks are secured by:

- i) charges over certain properties of a subsidiary (Note 7);
- ii) personal guarantees given by the directors of a subsidiary; and
- iii) a corporate guarantee of the Company for the subsidiaries

20. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 120 days (2023: 30 to 120 days).

21. CONTRACT LIABILITIES

The balances represent deposit received from customer. For sales of goods, revenue is recognised when the control of the goods is transferred to the customer, being at the point the goods are delivered to the customer. When the customer initially purchases the goods, the transaction price received at that point by the Group is recognised as contract liability until the goods have been delivered to the customer.

22. REVENUE

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Revenue from contracts with customer, at a point in time</u>				
Sale of home bedding and linens	271,134	262,496	-	-
<u>Revenue from contracts with customer, over time</u>				
Management fee	-	-	1,256	1,129
<u>Other revenue</u>				
Dividend income	-	-	17,000	33,000
	271,134	262,496	18,256	34,129

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

23. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation is arrived at after charging:				
Auditors' remuneration:				
(a) Statutory audit fees payable to auditor of the Company				
- current financial year	160	130	47	29
- under provision in prior year	15	-	3	-
(b) Non-audit fee paid to auditor of the Company	13	15	7	5
(c) Statutory audit fees payable to other auditor	14	-	-	-
Depreciation of property, plant and equipment	4,591	3,573	2	1
Depreciation of right-of-use assets	10,321	5,709	-	-
Impairment losses:				
- trade receivables	11	-	-	-
- other receivables	-	199	-	-
Interest expense:				
- bankers' acceptances	253	259	-	-
- term loan	37	16	-	-
- unwinding of discount on provision for restoration	34	7	-	-
- lease	867	402	-	-
- hire purchase interest	13	-	-	-
Loss on foreign exchange:				
- realised	3	21	-	-
- unrealised	550	-	-	-
Plant and equipment written off	3	40	-	-
Provision for slow moving stock	521	-	-	-
Rental of premises	6,699	5,343	-	-
Staff costs:				
- short-term benefits	50,514	42,973	862	755
- defined contribution plans	3,987	3,411	88	89
- estimated non-monetary benefits-in-kind	38	46	-	-

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

23. PROFIT BEFORE TAXATION (CONT'D)

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation is arrived at after crediting:				
Interest income	(4,693)	(3,866)	(1,972)	(1,852)
Gain on foreign exchange:				
- realised	(652)	(413)	-	-
- unrealised	(67)	(532)	-	-
Gain on disposal of plant and equipment	(54)	(4)	-	-
Utilisation of provision for restoration	(7)	-	-	-
Reversal of provision for slow moving inventories	(162)	(2,097)	-	-
Reversal of allowance for impairment losses:				
- trade receivables	(240)	(1,924)	-	-
- other receivables	-	(42)	-	-

24. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax				
- Malaysia income tax	10,164	10,805	265	214
- Foreign income tax	307	-	-	-
Deferred taxation	(255)	1,272	16	-
	10,216	12,077	281	214

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current income tax				
- current financial year	10,410	10,895	264	212
- under/(over) provision in prior years	61	(90)	1	2
Deferred tax:				
- relating to originating and reversal of temporary differences	(255)	1,272	16	-
	10,216	12,077	281	214

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

24. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Profit before taxation	42,404	50,148	18,634	34,425
Tax expense calculated using the Malaysian statutory income tax rate of 24%	10,177	12,036	4,472	8,262
Tax effects of:-				
- different tax rate of a subsidiary operating in another jurisdictions	(104)	-	-	-
- non-taxable gain	(462)	(413)	(4,343)	(8,166)
- non-deductible expenses	544	544	151	116
- under/(over) provision of tax payable in prior financial year:	61	(90)	1	2
Tax for the financial year	10,216	12,077	281	214

Taxation of other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

25. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the Group's profit after taxation attributable to owners of the Company of RM31,696,714 (2023: RM38,071,374) by the weighted average number of ordinary shares in issue excluding treasury shares during the financial year of 158,652,700 (2023: 158,652,700).

The diluted earnings per share is not presented as there were no potential dilutive ordinary shares outstanding at the end of the reporting period.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

26. DIVIDENDS

	THE GROUP/THE COMPANY	
	2024 RM'000	2023 RM'000
Recognised as distribution to owners:-		
- Final single tier dividend of 3.0 sen per ordinary share for the financial year ended 30 June 2022	-	4,759
- Interim single tier dividend of 3.5 sen per ordinary share for the financial year ended 30 June 2023	-	5,553
- Final single tier dividend of 4.0 sen per ordinary share for the financial year ended 30 June 2023	6,346	-
- Interim single tier dividend of 4.0 sen per ordinary share for the financial year ended 30 June 2024	6,346	-
	12,692	10,312
Net dividend per share (sen)	8.0	6.5

27. CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	19,513	17,258	502	261
Deposits with financial institutions (Note 14)	81,768	42,685	22,240	10,500
Short-term investment (Note 13)	42,751	77,015	23,632	68,268
Bank overdraft (Note 19)	(533)	-	-	-
	143,499	136,958	46,374	79,029

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

28. DIRECTORS' REMUNERATION

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Executive:				
- non-fee emoluments	1,572	1,497	-	-
- defined contribution plan	188	179	-	-
- estimated non-monetary benefits-in-kind	27	27	-	-
	1,787	1,703	-	-
Non Executive:				
- non-fee emoluments	19	17	19	17
- fee	216	198	216	198
	235	215	235	215

The aggregate amount of emoluments received and receivable by the directors of the Company during the financial year in bands of RM50,000 are as follows:-

	Number of Directors	Directors' Fee RM'000	Directors' Other Emoluments RM'000	Total RM'000
THE GROUP				
2024				
Non Executive:				
- Below RM50,000	4	162	15	177
- Between RM50,001 and RM100,000	1	54	4	58
	5	216	19	235
Executive:				
- Between RM800,001 and RM850,000	1	-	826	826
- Between RM950,001 and RM1,000,000	1	-	961	961
	2	-	1,787	1,787

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

28. DIRECTORS' REMUNERATION (CONT'D)

	Number of Directors	Directors' Fee RM'000	Directors' Other Emoluments RM'000	Total RM'000
THE GROUP				
2023				
Non Executive:				
- Below RM50,000	7	149	13	162
- Between RM50,001 and RM100,000	1	49	4	53
	8	198	17	215
Executive:				
- Between RM750,001 and RM800,000	1	-	787	787
- Between RM900,001 and RM950,000	1	-	916	916
	2	-	1,703	1,703
THE COMPANY				
2024				
Non Executive				
- Below RM50,000	4	162	15	177
- Between RM50,001 and RM100,000	1	54	4	58
	5	216	19	235
2023				
Non Executive				
- Below RM50,000	7	149	13	162
- Between RM50,001 and RM100,000	1	49	4	53
	8	198	17	215

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

29. SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationship with:

- (i) its subsidiaries;
 - (ii) the directors and officers who are the key management personnel; and
 - (iii) entities controlled by the key management personnel/directors/substantial shareholders.
- (b) In addition to the information disclosed elsewhere in the financial statements, the Group carried out the following transactions with the related parties during the financial year:-

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Subsidiaries:				
- Management fee received/receivable	-	-	1,256	1,129
- Dividend income received/receivable	-	-	17,000	33,000
- Interest income receivable	-	-	2	-

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established on terms and conditions negotiated and agreed by the related parties.

(c) Key management personnel

Compensation to key management personnel relating to those of Directors are disclosed in Note 28 to the Financial Statements.

	THE GROUP	
	2024 RM'000	2023 RM'000
Other key management personnel:-		
- Short-term employee benefits	2,539	2,073
- Defined contribution plans	309	244
- Estimated non-monetary benefits-in-kind	38	46
	2,886	2,363

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

30. OPERATING SEGMENTS

The Group operates mainly in Malaysia and Singapore of a newly acquired subsidiary.

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

The composition of each geographical segment is as follows:

- (i) Malaysia : Design, manufacturing, distribution, trading and retailing of bedding accessories, home linen and homeware.
- (ii) Singapore : Retailing of home linen and homeware.

2024	MANUFACTURING RM'000	DISTRIBUTION AND TRADING RM'000	RETAILING RM'000	ELIMINATION RM'000	THE GROUP RM'000
Inter-segment revenue	23,849	4,019	762	(28,630)	-
External revenue	13,960	139,301	117,873	-	271,134
Total revenue	37,809	143,320	118,635	(28,630)	271,134
Segment results	2,981	19,035	21,214	-	43,230
Unallocated gain					378
Operating profits					43,608
Finance costs	(10)	(222)	(972)	-	(1,204)
Profit before taxation					42,404
Income tax expense					(10,216)
Profit after taxation					32,188
Other information					
Segment assets	55,713	162,117	108,874	-	326,704
Unallocated assets					74,825
					401,529
Segment liabilities	3,212	13,258	38,916	-	55,386
Unallocated liabilities					14,136
					69,522

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

30. OPERATING SEGMENTS (CONT'D)

2023	MANUFACTURING RM'000	DISTRIBUTION AND TRADING RM'000	RETAILING RM'000	ELIMINATION RM'000	THE GROUP RM'000
Inter-segment revenue	21,878	4,703	818	(27,399)	-
External revenue	23,568	143,357	95,571	-	262,496
Total revenue	45,446	148,060	96,389	(27,399)	262,496
Segment results	6,563	23,060	20,912	-	50,535
Unallocated gain					297
Operating profits					50,832
Finance costs	(61)	(194)	(429)	-	(684)
Profit before taxation					50,148
Income tax expense					(12,077)
Profit after taxation					38,071
Other information					
Segment assets	55,436	127,042	71,749	-	254,227
Unallocated assets					81,474
					335,701
Segment liabilities	2,256	7,374	10,557	-	20,187
Unallocated liabilities					10,526
					30,713

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

30. OPERATING SEGMENTS (CONT'D)

2024	MANUFACTURING RM'000	DISTRIBUTION AND TRADING RM'000	RETAILING RM'000	THE GROUP RM'000
Capital expenditure	684	1,090	2,583	4,357
Depreciation of property, plant and equipment	638	1,871	2,080	4,589
- Unallocated depreciation of property, plant and equipment				2
				4,591
Depreciation of right-of-use assets	165	409	9,747	10,321
(Reversal)/Allowance impairment loss for receivables	(228)	11	(12)	(229)
(Reversal)/Allowance of provision for slow moving inventories	(30)	344	45	359
Interest income	(676)	(1,409)	(638)	(2,723)
Unallocated interest income				(1,970)
				(4,693)
Interest expense	10	246	948	1,204
2023				
Capital expenditure	459	2,077	594	3,130
Depreciation of property, plant and equipment	668	1,942	962	3,572
- Unallocated depreciation of property, plant and equipment				1
				3,573
Depreciation of right-of-use assets	72	77	5,560	5,709
(Reversal)/Allowance impairment loss for receivables	(1,830)	110	(47)	(1,767)
Reversal of provision for slow moving inventories	(554)	(1,112)	(431)	(2,097)
Interest income	(381)	(1,060)	(573)	(2,014)
Unallocated interest income				(1,852)
				(3,866)
Interest expense	61	194	429	684

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

30. OPERATING SEGMENTS (CONT'D)**GEOGRAPHICAL INFORMATION**

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

	Revenue		Non-current assets	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	233,589	241,997	91,546	62,141
Singapore	30,150	6,788	43,588	-
Vietnam	6,707	12,035	-	-
Others	688	1,676	-	-
	271,134	262,496	135,134	62,141

Non-current assets information presented above consist of the followings items as presented in the Statements of Financial Position.

	NON-CURRENT ASSETS	
	2024 RM'000	2023 RM'000
Property, plant and equipment	83,426	54,563
Right-of-use assets	25,472	7,578
Intangible assets	26,236	-
	135,134	62,141

Major customers

The Group does not have any major customers with revenue approximate to or more than 10% of the Group's revenue. For the current financial year RM62,739,341 (2023: RM68,574,405) of the Group's revenue is made via a local departmental store.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

31. FINANCIAL GUARANTEE

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unsecured:-				
Corporate guarantee given to licensed banks for credit facilities granted to its subsidiaries	-	-	61,070	61,070
Guarantee issued in favour of third parties	781	615	-	-

The Group and the Company have assessed the financial guarantees and concluded that the financial impact of the financial guarantees is negligible.

32. FOREIGN EXCHANGE RATES

The principal closing foreign exchange rates used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of the foreign currency balances at the end of the reporting period are as follows:-

	2024 RM	2023 RM
United States Dollar	4.72	4.68
Singapore Dollar	3.48	3.45
Renminbi Yuan	0.65	0.65

33. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Financial Risk Management Policies

The Group's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of the entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Renminbi Yuan ("RMB"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purpose.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) that based on carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

THE GROUP	UNITED STATES DOLLAR RM'000	SINGAPORE DOLLAR RM'000	RENMINBI YUAN RM'000	TOTAL RM'000
2024				
Financial assets				
Trade receivables	855	1,604	-	2,459
Other receivables and deposits	-	2,026	-	2,026
Cash and bank balances	11,651	6,913	-	18,564
	12,506	10,543	-	23,049
Financial liabilities				
Trade payables	225	461	1,786	2,472
Other payables and accruals	-	9,488	-	9,488
Bank borrowings	-	6,627	-	6,627
Lease liabilities	-	15,850	-	15,850
	225	32,426	1,786	34,437
Currency exposure				
Net financial assets	12,281	(21,883)	(1,786)	(11,388)
2023				
Financial assets				
Trade receivables	4,716	2,304	-	7,020
Cash and bank balances	5,057	766	-	5,823
	9,773	3,070	-	12,843
Financial liabilities				
Trade payables	336	-	646	982
Other payables	198	-	2	200
	534	-	648	1,182
Currency exposure				
Net financial assets	9,239	3,070	(648)	11,661

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

Foreign Currency Risk (Cont'd)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	THE GROUP	
	2024 RM'000	2023 RM'000
Effects on profit after taxation and equity		
USD/RM:		
- strengthened by 5%	467	351
- weakened by 5%	(467)	(351)
SGD/RM:		
- strengthened by 5%	(832)	117
- weakened by 5%	832	(117)
RMB/RM:		
- strengthened by 5%	(68)	(25)
- weakened by 5%	68	25

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from its cash and cash equivalents and long-term borrowings with fixed and variable rates. The Group's and the Company's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio of mix of fixed and floating rate borrowings.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)**(a) Financial Risk Management Policies (Cont'd)****(i) Market Risk (Cont'd)***Interest Rate Risk (Cont'd)*

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

	THE GROUP	
	2024 RM'000	2023 RM'000
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	81,768	42,685
Variable rate instruments		
<u>Financial assets</u>		
Short term investments	42,751	77,015
<u>Financial liabilities</u>		
Term loan	2,097	-
Bankers' acceptances	5,004	2,546
Bank overdraft	533	-
	7,634	2,546
	THE COMPANY	
	2024 RM'000	2023 RM'000
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	22,240	10,500
Variable rate instruments		
<u>Financial assets</u>		
Short term investments	23,632	68,268

Interest rate risk sensitivity analysis

At the reporting date, if the interest rates had been 100 basis points higher/lower, with all other variables held constant, the Group's and the Company's profit after tax would have immaterial impact.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk

Credit risk is the risk of loss that arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company trades only with recognised and creditworthy third parties. It is the Group's and the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's and the Company's exposure to bad debts is not significant.

The Group and the Company consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group and the Company has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 150 days when they fall due, which are derived based on the Group's and the Company's historical information.

The Group and the Company consider "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the assets as at reporting date with the risk of default as at the date of initial recognition. The Group and the Company considers available reasonable and supportive forwarding-looking information.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 150 days past due in making contractual payment.

The Group and the Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group and the Company categorise a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 150 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group and the Company. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)**(a) Financial Risk Management Policies (Cont'd)****(ii) Credit Risk (Cont'd)**

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

(i) Trade receivables

The Group and the Company provide for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's and the Company's historical observed default rates analysed in accordance to days past due by grouping of customers based on segment. The loss allowance provision is determined as follows, the expected credit losses below also incorporate forward looking information.

Summarised below is the information about the credit risk exposure on the Group's and the Company's trade receivables using provision matrix:

THE GROUP	GROSS AMOUNT RM'000	LOSS ALLOWANCE PROVISION RM'000	CARRYING AMOUNT RM'000
2024			
Not past due	15,390	(9)	15,381
Past due:			
- less than 3 months	7,950	(4)	7,946
- 3 to 6 months	165	(12)	153
- over 6 months	2	(2)	-
	23,507	(27)	23,480
2023			
Not past due	19,410	(49)	19,361
Past due:			
- less than 3 months	12,770	(181)	12,589
- 3 to 6 months	13	(5)	8
- over 6 months	11	(11)	-
	32,204	(246)	31,958

Information regarding loss allowance movement of trade receivables are disclosed in Note 11.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk (Cont'd)

(ii) Other financial assets

Cash and cash equivalents and other receivables are subject to immaterial credit loss.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by two (2) (2023: 3) customers which constituted approximately 63% (2023: 67%) of its trade receivables as at the end of the reporting period.

Exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

At the end of the reporting period, trade receivables that are individually impaired were those in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancement.

(iii) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash and bank balances and the availability of funding through certain committed credit facilities.

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

THE GROUP	CONTRACTUAL	CARRYING	CONTRACTUAL	WITHIN	1 – 5	> 5
	INTEREST		UNDISCOUNTED			
	RATE	AMOUNT	CASH FLOWS	1 YEAR	YEARS	YEARS
	%	RM'000	RM'000	RM'000	RM'000	RM'000
2024						
Trade payables	-	3,014	3,014	3,014	-	-
Other payables and accruals	-	17,865	17,865	16,244	1,621	-
Dividend payable	-	6,346	6,346	6,346	-	-
Lease liabilities	4.35 – 5.33	26,761	32,994	13,434	9,978	9,582
Bank borrowings	2.50 – 7.52	7,634	7,660	7,660	-	-
		61,620	67,879	46,698	11,599	9,582

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(iii) Liquidity Risk (Cont'd)

THE GROUP	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000	1 - 5 YEARS RM'000
2023					
Trade payables	-	1,340	1,340	1,340	-
Other payables and accruals	-	8,466	8,466	8,068	398
Dividend payable	-	5,553	5,553	5,553	-
Lease liabilities	4.35	7,743	7,984	5,145	2,839
Bank borrowings	4.10 – 4.65	2,546	2,546	2,546	-
		25,648	25,889	22,652	3,237

THE COMPANY	CONTRACTUAL INTEREST RATE %	CARRYING AMOUNT RM'000	CONTRACTUAL UNDISCOUNTED CASH FLOWS RM'000	WITHIN 1 YEAR RM'000
2024				
Other payables and accruals	-	130	130	130
Dividend payable	-	6,346	6,346	6,346
Amount due to subsidiary	-	1	1	1
		6,477	6,477	6,477

2023				
Other payables and accruals	-	113	113	113
Dividend payable	-	5,553	5,553	5,553
		5,666	5,666	5,666

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(b) Capital Risk Management

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on the debt-to-equity ratio. The Group's strategies were unchanged from the previous financial year. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. The Group includes within net debts, payables and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the Group. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	THE GROUP	
	2024 RM'000	2023 RM'000
Financial liabilities	61,620	25,648
Less: Cash and cash equivalents	(143,499)	(136,958)
Net cash	(81,879)	(111,310)
Total equity	332,007	304,988
Debt-to-equity ratio	Not Applicable	Not Applicable

Under the requirement of Bursa Malaysia Practice Note No. 17/2005, the Company is required to maintain a consolidated shareholders' equity (total equity attributable to owners of the Company) more than 25% of the issued and paid-up share capital and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement.

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(c) Classification Of Financial Instruments

	THE GROUP		THE COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Financial assets				
<u>Financial assets at fair value through profit or loss</u>				
Short-term investment	42,751	77,015	23,632	68,268
<u>Financial assets at amortised cost</u>				
Trade receivables	23,480	31,958	-	-
Other receivables and deposits	5,474	3,370	67	173
Deposits with financial institutions	81,768	42,685	22,240	10,500
Cash and bank balances	19,513	17,258	502	261
	130,235	95,271	22,809	10,934
Financial liabilities				
<u>Financial liabilities at amortised cost</u>				
Bank borrowings	7,634	2,546	-	-
Trade payables	3,014	1,340	-	-
Other payables and accruals	17,865	8,466	130	113
Dividend payable	6,346	5,553	6,346	5,553
Amount due to subsidiaries	-	-	1	-
Lease liabilities	26,761	7,743	-	-
	61,620	25,648	6,477	5,666

Notes to the Financial Statements

for the Financial Year Ended 30 June 2024

33. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair Value Information

The fair values of the financial assets maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments.

	Fair Value Of Financial Instruments Carried At Fair Value			Total Fair Value RM'000	Carrying Amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2024					
Financial Asset					
Short-term investment	42,751	-	-	42,751	42,751

	Fair Value Of Financial Instruments Carried At Fair Value			Total Fair Value RM'000	Carrying Amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2023					
Financial Asset					
Short-term investment	77,015	-	-	77,015	77,015

The fair value of the short term investment is estimated based on its quoted market price at the end of the reporting period.

In regard to financial instruments carried at fair value, there were no transfer between level 1 and level 2 during the financial year.

Group Properties

Location	Description/ Existing use	Land Area (Sq M)	Built-up Area (Sq M)	Tenure	Approximate Age of Buildings	Years	Land Net Book Value as at 30.6.2024 (RM'000)	Building Net Book Value as at 30.6.2024 (RM'000)	Financial Year of Valuation
a) Syarikat Yoong Onn Sdn Bhd									
No. Pt. 16690 - 16692, Jalan Permata 2, Arab Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan Darul Khusus	Three (3) adjoining industrial lands erected with a factory complex which comprises the following buildings: a. A single storey factory; b. A double storey office; c. A Fibre plant; d. Guard House e. Warehouse A; f. Warehouse B; g. A canteen; h. A workshop i. Warehouse C j. Warehouse D	37,637	21,801	Freehold	a. A single storey factory b. A double storey Office c. A Fibre Plant d. Guard House e. Warehouse A f. Warehouse B g. A Canteen h. A workshop i. Warehouse C j. Warehouse D	22 22 22 22 18 16 18 16 12 3	8,650	13,930	2011
No. Pt. 16750 Jalan Permata 2, Arab Malaysian Industrial Park, 71800 Nilai, Negeri Sembilan Darul Khusus	Industrial lands erected with a warehouse cum office comorises theb following buildings: a. A single storey mezzanine floor high bay racking warehouse, office and showroom b. Guard House c. TNB Sub-station	8,985	6,393	Freehold	a. A single storey mezzanine floor high bay racking warehouse, office and showroom b. Guard House c. TNB Sub-station	9 9 9	5,907	6,965	NA

Group Properties

Location	Description/ Existing use	Land Area (Sq M)	Built-up Area (Sq M)	Tenure	Approximate Age of Buildings	Years	Land Net Book Value as at 30.6.2024 (RM'000)	Building Net Book Value as at 30.6.2024 (RM'000)	Financial Year of Valuation
a) Syarikat Yoong Onn Sdn Bhd									
One floor, 5 units of Office Suites at Level 9, EkoCheras Office Tower, No. 693, Batu 5, Jalan Cheras, Taman Mutiara Barat, 56000 Cheras, Kuala Lumpur Wilayah Persekutuan	5 units of office suites: a. Unit No. A-09-1 b. Unit No. A-09-2 c. Unit No. A-09-3 d. Unit No. A-09-3A e. Unit No. A-09-5	NA	835	Freehold	a. Unit No. A-09-01 b. Unit No. A-09-02 c. Unit No. A-09-03 d. Unit No. A-09-03A e. Unit No. A-09-05	6	NA	5,518	NA
One floor, 5 units of Office Suites at Level 13, EkoCheras Office Tower, No. 693, Batu 5, Jalan Cheras, Taman Mutiara Barat, 56000 Cheras, Kuala Lumpur Wilayah Persekutuan	5 units of office suites: a. Unit No. A-13-1 b. Unit No. A-13-2 c. Unit No. A-13-3 d. Unit No. A-13-3A e. Unit No. A-13-5	NA	835	Freehold	a. Unit No. A-13-01 b. Unit No. A-13-02 c. Unit No. A-13-03 d. Unit No. A-13-03A e. Unit No. A-13-05	6	NA	4,830	NA

Group Properties

Location	Description/ Existing use	Land Area (Sq M)	Built-up Area (Sq M)	Tenure	Approximate Age of Buildings	Years	Land Net Book Value as at 30.6.2024 (RM'000)	Building Net Book Value as at 30.6.2024 (RM'000)	Financial Year of Valuation
b) T.C. Homeplus Pte Ltd									
A part 2/part 3-storey detached factory on 18 Tampines Street 92 Singapore 528874	Industrial land erected with 3 Floors warehouse cum office complex which comprises the following:	3,403	3,370	Leasehold			NA	26,701	2023
	a. 1 st Floor Reception area, warehousing area, loading/unloading area and common toilet.				a. 1 st Floor Reception area, warehousing area, loading/unloading area and common toilet.	34			
	b. 2 nd Floor General office areas, showroom, meeting rooms, partitioned rooms, store room, warehousing area, packing areas and common toilet.				b. 2 nd Floor General office areas, showroom, meeting rooms, partitioned rooms, store room, warehousing area, packing areas and common toilet.	34			
	c. 3 rd Floor Roof terrace and general office area.				c. 3 rd Floor Roof terrace and general office area.	34			

NA – Not Applicable

Analysis of Shareholdings

as at 8 October 2024

Issued and fully paid-up capital	:	RM80,000,000 divided into 160,000,000 ordinary shares
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share
Treasury shares	:	1,347,300 shares
Adjusted share capital (after netting Treasury Shares)	:	RM79,326,350 divided into 158,652,700 ordinary shares

ANALYSIS BY SIZE OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHAREHOLDINGS	% OF ISSUED CAPITAL
Less than 100	89	4.92	2,327	*
100 to 1,000	662	36.61	260,598	0.16
1,001 to 10,000	632	34.96	3,165,668	2.00
10,001 to 100,000	327	18.09	10,363,021	6.53
100,001 to less than 5% of issued shares	97	5.36	60,860,855	38.36
5% and above of issued shares	1	0.06	84,000,231	52.95
TOTAL	1,808	100.00	158,652,700	100.00

Note:

* - negligible

SUBSTANTIAL SHAREHOLDERS

NAME OF SHAREHOLDER	DIRECT INTEREST		INDIRECT INTEREST	
	NO. OF SHARES	%	No. OF SHARES	%
Casatex Cosmo Sdn Bhd	84,000,231	52.95	-	-
Chew Hon Foong	250,000	0.16	84,000,231	52.95 (a)
Chew Hon Keong	250,000	0.16	84,000,231	52.95 (a)
Chew Hon Yoong	230,000	0.14	84,000,231	52.95 (a)
Chew Zhi Kan	-	-	84,000,231	52.95 (b)

Note:

(a) - Deemed interest by virtue of their shareholdings in Casatex Cosmo Sdn Bhd pursuant to Section 8 of Companies Act 2016.

(b) - Deemed interest in the shares held by Casatex Cosmo Sdn Bhd in the Company pursuant to Section 8 of the Companies Act 2016.

Analysis of Shareholdings

as at 8 October 2024

DIRECTORS' SHAREHOLDINGS

NO.	DIRECTORS	DIRECT INTEREST	%	INDIRECT INTEREST	%
1.	Tan Sri Datuk Seri Dr Suleiman Bin Mohamed	-	-	-	-
2.	Chew Hon Foong	250,000	0.16	84,000,231	52.95 ^
3.	Chew Hon Keong	250,000	0.16	84,000,231	52.95 ^
4.	Dato' Tang Swee Guan	-	-	-	-
5.	Hasmaliza Binti Othman	-	-	-	-
6.	Fung Kam Foo	-	-	-	-
7.	Yeoh Chong Keng	200,000	0.13	-	-

Note:

^ - Deemed interest by virtue of their direct shareholdings in Casatex Cosmo Sdn Bhd pursuant to Section 8 of Companies Act 2016.

THIRTY LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS

NO.	NAME	NO. OF SHARES	%
1	CASATEX COSMO SDN BHD	84,000,231	52.95
2	HLB NOMINEES (ASING) SDN BHD WANG SHOUHU (CUST.SIN91144-4)	7,866,666	4.96
3	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR BRAHMAL A/L VASUDEVAN (PB)	5,019,100	3.16
4	CHAN FOOK HONG	4,980,333	3.14
5	JCBNEXT BERHAD	3,018,700	1.90
6	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG KHONG SHOONG (E-IMO/JSI)	1,800,000	1.14
7	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	1,712,300	1.08
8	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE FLEXI INVEST FUND	1,503,700	0.95
9	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI (8095789)	1,310,000	0.83
10	HLB NOMINEES (ASING) SDN BHD CHEN YONG (CUST.SIN 10955)	1,104,833	0.69
11	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS PLUS FUND	1,081,500	0.68
12	TOO CHIN KIONG	1,010,000	0.64
13	WONG YEE HUI	1,010,000	0.64
14	FONG SILING	1,000,000	0.63
15	UOBM NOMINEES (ASING) SDN BHD UOB ASSET MANAGEMENT (MALAYSIA) BERHAD FOR FWD AGGRESSIVE FUND	1,000,000	0.63

Analysis of Shareholdings

as at 8 October 2024

THIRTY LARGEST SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS (CONT'D)

NO.	NAME	NO. OF SHARES	%
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR MANULIFE INVESTMENT - ML FLEXI FUND (250283)	984,900	0.62
17	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG WAI KONG (7003764)	960,067	0.61
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG KHONG SHOONG	850,000	0.54
19	LOO LAI YOKE	800,000	0.50
20	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT PROGRESS FUND (4082)	785,800	0.50
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG LAI MOEY	710,000	0.45
22	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE SWEE KIAT & SONS SDN BHD	703,300	0.44
23	YAM CHEE KONG	635,700	0.40
24	CHAN HOONG MUN	622,700	0.39
25	KHOW CHEAH YONG	600,000	0.38
26	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT REGULAR SAVINGSFUND (4710)	584,700	0.37
27	NG YOONG SANG	581,758	0.36
28	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT AL-FAUZAN (5170)	563,500	0.35
29	CHEN GAOLAN	535,000	0.33
30	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KONG SIM	510,700	0.32
Total		127,845,488	80.58

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting of the Company will be conducted fully virtual and live streamed through the online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Thursday, 28 November 2024 at 10.00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Notes to the Agenda) (Resolution 1)**
2. To approve the payment of Directors' fee of RM252,000 for the period commencing 28 November 2024 until the next Annual General Meeting of the Company.
3. To re-elect the following Directors who are retiring in accordance with Clause 104 of the Company's Constitution:
 - (a) Hasmaliza Binti Othman **(Resolution 2)**
 - (b) Tan Sri Datuk Seri Dr. Suleiman Bin Mohamed **(Resolution 3)**
4. To re-appoint HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 4)**

As Special Business:

To consider and if thought fit, to pass the following Ordinary Resolutions:-

5. To approve the payment of single tier final dividend 4.0 sen per ordinary share in respect of the financial year ended 30 June 2024. **(Resolution 5)**
6. **Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016.** **(Resolution 6)**

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and subject to the approvals of the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed ten percent (10%) of the issued share capital (excluding treasury shares) of the Company for the time being;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company."

Notice of Annual General Meeting

7. Proposed Renewal of Authority for Share Buy-Back

(Resolution 7)

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

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

(“Proposed Share Buy-Back”).

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

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

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

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

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

Notice of Annual General Meeting

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

8. Proposed Renewal of Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

(Resolution 8)

“THAT approval be and is hereby given for the Proposed Renewal of Shareholders’ Mandate for the Company and/or its subsidiaries to enter into the categories of recurrent related party transactions of a revenue or trading nature falling within the nature of transactions set out in Part B of Section 2.6(a) of the Circular to Shareholders dated 29 October 2024 (“the Circular”), with the related parties falling within the classes of persons set out in Part B of Section 2.5(a) under the Circular, such transactions are necessary for the Company and/or its subsidiaries’ day-to-day operations and which are carried out in the ordinary course of business, on terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interest of the minority shareholders.

THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in force until:

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it will lapse, unless by a resolution passed at the next AGM, the authority is renewed;
- (ii) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“Act”) (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting.”

9. Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

(Resolution 9)

“THAT subject to the provisions of the Main Market Listing requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiary companies (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related party as set out in Part B Section 2.5(b) of the Circular to Shareholders dated 29 October 2024 (“the Related Party”) provided that such transactions and/or arrangements are:-

- (a) necessary for the day-to-day operations;
- (b) undertaken in the ordinary course of business at arm’s length basis and on normal commercial terms and transactions prices which are nit more favourable to the Related Party than those generally available to the Public; and
- (c) are not prejudicial to the minority shareholders of the Company,

(“the New Shareholders’ Mandate”).

Notice of Annual General Meeting

THAT such approval shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following this AGM at which the New Shareholders’ Mandate is passed, at which time it will lapse, unless by a resolution passed at such AGM whereby the authority is renewed; or
 - (b) the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”)(but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,
- whichever is the earliest;

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things (including all such documents as may be required) as they may consider expedient or necessary to give effect to the New Shareholders’ Mandate.”

10. To transact any other business for which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS ALSO HEREBY GIVEN that a final single tier dividend of 4.0 sen per share for the financial year ended 30 June 2024, if approved at the Seventeenth Annual General Meeting, will be paid on 17 January 2025 to Depositors whose names appear in the Record of Depositors on 19 December 2024.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- (a) Share transferred to the Depositor’s Securities Account before 4.30p.m. on 19 December 2024 in respect of ordinary transfers; and
- (b) Shares bought on Bursa Malaysia Securities Berhad on the cum entitlement basis according to Rules of the Bursa Malaysia Securities Berhad.

By Order of the Board

Lau Yen Hoon (SSM PC No.: 202008002143) (MAICSA 7061368)
Liew Shu Ning (SSM PC No.: 202408000033) (MAICSA 7074561)
Secretaries

Kuala Lumpur
29 October 2024

Notice of Annual General Meeting

Notes:

- A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 (“SICDA”), it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, otherwise the appointment shall not be valid.
- A proxy may but need not be a member of the Company. A proxy appointed to attend and vote shall have the same rights as the member to move any resolution or amendment thereto and to speak at the meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.
- The instrument of proxy must be deposited at the Share Registrar’s office situated at 11th Floor, Menara Symphony No, 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- In the case of the appointment of a proxy made in electronic form, the proxy form must be deposited through the Share Registrar’s website, Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com>. Please refer to the procedures as set out in the Administrative Guide for the electronic lodgement of proxy form. All proxy form submitted must be received by the Company not less than Forth-Eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
- For the purpose of determining a member who shall be entitled to attend and vote at the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at **20 November 2024** and only a depositor whose name appears on the Record of Depositors shall be entitled to attend the meeting or appoint proxy(ies) to attend and vote on his/her behalf.

Explanatory Note to the Agenda

Item 1 of the Agenda

Audited Financial Statements for the financial year ended 30 June 2024

This item is meant for discussion only. The provision of Section 248(2) and Section 340(1)(1) of the Companies Act 2016 requires that the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting (“AGM”). As such this Agenda item is not a business which requires a motion to be put to vote by shareholders.

Resolution 2,3

Re-Election of Directors

The Board has, through the Nomination Committee (“NC”), assessed the performance and contribution of the retiring Directors, taken into consideration the fit and proper criteria under the Directors’ Fit and Proper Policy of the Company. The NC and the Board were satisfied that the retiring Directors met the criteria as prescribed under Paragraph 2.20A of the Main Market Listing Requirements Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. Accordingly, the Board (save for the retiring Directors who had abstained from deliberations on their own re-election) is supportive of the re-election of the retiring Directors, whose profiles are set out under pages 4 to 7 of the Annual Report 2024.

Notice of Annual General Meeting

Resolution 6

Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 6, if passed, will grant a general mandate and empower the Directors to issue shares up to an aggregate amount not exceeding 10% of the total number of issued share capital of the Company for the time being, for such purposes as the Directors consider would be in the best interest of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM.

This general mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placement of shares for purpose of funding future investment, working capital and/or acquisitions.

This is a renewal of the mandate obtained from shareholders at the last AGM of the Company held in year 2023. As at the date of this notice, the Company has not issued any new shares under the general mandate sought at the previous AGM.

Resolution 7

Proposed Renewal of Authority for Share Buy-Back

The proposed Ordinary Resolution 7, if passed, will empower the Directors to purchase the Company's shares of up to 10% of the total number of issued share capital of the Company at any point in time, by utilising the funds allocated which shall not exceed the total retains profits and share premium of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM.

Please refer to Part A of the Circular to Shareholders dated 29 October 2024 for further information.

Resolution 8

Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution 8 is to seek renewal of Shareholders' Mandate to allow the Company and/or its subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature and to enable the Company to comply with Paragraph 10.09, Part E of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The mandate will take effect from the date of the passing of the Ordinary Resolution until the next AGM of the Company.

Please refer to Part B of the Circular to Shareholders dated 29 October 2024 for further information.

Resolution 9

Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("Proposed New Shareholders' Mandate")

The Proposed Resolution 9 is to seek approval for Shareholders' mandate to allow the Company and/or its subsidiaries to enter into new Recurrent Related Party Transactions of a Revenue or Trading Nature and to enable the Company to comply with Paragraph 10.09, Part E of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The mandate will take effect from the date of the passing of the Ordinary Resolution until the next AGM of the Company.

Please refer to Part B of the Circular to Shareholders dated 29 October 2024 for further information.

Statement Accompanying Notice of Annual General Meeting

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

1. There is no person seeking election as director of the Company at the 17th Annual General Meeting of the Company.
2. General Mandate for Issue of Securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements.

Please refer to the Explanatory Notes on Special Businesses for Resolution No. 6 on Authority to Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 under the Notice of the 17th Annual General Meeting for details of the general mandate.

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YOONG ONN Corporation Berhad

Company No. 200901012850 (814138-K)
(Incorporated in Malaysia)

Form of Proxy

No. of Shares held	
CDS Account No.	

I/We _____

NRIC No./Passport No./Company No. _____

of (Full Address) _____

Tel No. _____/Email Address : _____

Hereby appoint:

Name of Proxy in capital letter		Proportion of Shareholding to be represented by the Proxies:	
		Number of shares	Percentage (%)
Proxy 1	Name:		
	NRIC No./Passport No.:		
	Tel:		
	Email address:		
Proxy 2	Name:		
	NRIC No./Passport No.:		
	Tel:		
	Email address:		
Total			

or failing which *the Chairman of the Meeting as my/our proxy(ies), to vote for me/us on my/our behalf at the Seventeenth (17th) Annual General Meeting of the Company to be conducted fully virtual via online meeting platform at <https://meeting.boardroomlimited.my> (Domain Registration No. with MYNIC-D6A357657) on Thursday, 28 November 2024 at 10.00 a.m. and at any adjournment thereof.

My/our proxy/proxies is/are to vote as indicated below:

No.	Resolutions	For	Against
1.	To approve the payment of Directors' fees		
2.	To re-elect Hasmaliza Binti Othman as Director		
3.	To re-elect Tan Sri Datuk Seri Dr. Suleiman Bin Mohamed as Director		
4.	To re-appoint HLB Ler Lum Chew PLT as Auditors of the Company		
	Special businesses		
	Ordinary Resolutions:-		
5.	To approve the payment of single tier final dividend 4.0 sen per ordinary share in respect of the financial year ended 30 June 2024		
6.	Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016		
7.	To approve the Renewal of Authority for the Purchase by the Company of up to Ten Percent (10%) of its own issued and paid-up capital		
8.	To approve the Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		
9.	To approve the New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

(Please indicate with an "X" in the appropriate boxes on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion.)

Signed this _____ day of _____, 2024

Signature of Shareholder

*Strike out whichever not applicable

Notes:

- A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint not more than two (2) proxies to attend and vote on his/her behalf.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA"), it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- Where a member, an authorised nominee or an exempt authorised nominee appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies, otherwise the appointment shall not be valid.
- A proxy may but need not be a member of the Company. A proxy appointed to attend and vote shall have the same rights as the member to move any resolution or amendment thereto and to speak at the meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under its common seal or the hand of its officer or its duly authorised attorney.
- The instrument of proxy must be deposited at the Share Registrar's office situated at 11th Floor, Menara Symphony No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor at least forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
- In the case of the appointment of a proxy made in electronic form, the proxy form must be deposited through the Share Registrar's website, Boardroom Smart Investor Online Portal at <https://investor.boardroomlimited.com>. Please refer to the procedures as set out in the Administrative Guide for the electronic lodgement of proxy form. All proxy form submitted must be received by the Company not less than Forty-Eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
- For the purpose of determining a member who shall be entitled to attend and vote at the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company a Record of Depositors as at **20 November 2024** and only a depositor whose name appears on the Record of Depositors shall be entitled to attend the meeting or appoint proxy(ies) to attend and vote on his/her behalf.

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AFFIX STAMP

**Share Registrar of
YOONG ONN CORPORATION BERHAD**

Boardroom Share Registrars Sdn Bhd

11th Floor
Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor

please fold here

www.yoongonn.com



Head Office & Factory

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Jalan Permata 2,
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71800 Nilai,
Negeri Sembilan Darul Khusus,
Malaysia

Tel: 606-799 6012

Fax: 606-799 7015

Email: info@yoongonn.com



Showroom & Warehouse

Lot No. PT 16750,
Jalan Permata 2,
Arab-Malaysian Industrial Park,
71800 Nilai,
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Tel: 606-799 3688

Fax: 606-799 8826

Email: inventory@homes-harmony.com



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A-13-03, EkoCheras Office Tower,
No. 693, Batu 5, Jalan Cheras,
56000 Kuala Lumpur,
Malaysia

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Fax: 603-9133 3688

Email: marketing@yoongonn.com



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Fax: 65-62816400

Email: tchp@jeanperry.com