



**BSL**  
**CORPORATION**  
**BHD** 200401012615 (651118-K)

ANNUAL

**REPORT**  
**2023**

# TABLE OF CONTENTS

Page. <b>02</b> Notice of Twentieth Annual General Meeting	Page. <b>71</b> Additional Compliance Information
Page. <b>06</b> Administrative Guide	Page. <b>73</b> Statement on Risk Management and Internal Control
Page. <b>10</b> Corporate Information	Page. <b>75</b> Audit and Risk Management Committee Report
Page. <b>11</b> Corporate Structure	Page. <b>77</b> Statement of Directors' Responsibility
Page. <b>12</b> Profile of Directors	Page. <b>78</b> Financial Statements
Page. <b>17</b> Profile of Key Senior Management	Page. <b>164</b> List of Properties
Page. <b>21</b> Chief Executive Officer's Statement	Page. <b>165</b> Analysis of Shareholdings
Page. <b>23</b> Management Discussion and Analysis	Page. <b>168</b> Analysis of Warrants A Holdings
Page. <b>28</b> Sustainability Statement	Page. <b>170</b> Analysis of Warrants B Holdings
Page. <b>56</b> Financial Highlights	Proxy Form
Page. <b>57</b> Corporate Governance	

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twentieth (“**20th**”) Annual General Meeting (“**AGM**”) of BSL Corporation Berhad (“**Company**”) will be conducted virtually from the broadcast venue at Level 10, Tower 11, Avenue 5, No. 8, Jalan Kerinchi, Bangsar South, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 6 June 2024 at 10.30 a.m. and at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

## AGENDA

### Ordinary Business:

- |                                                                                                                                                                                                                                                        |                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with Reports of the Directors and the Auditors thereon.                                                                                          | <b>Please refer to Explanatory Note 1</b> |
| 2. To re-elect Chong Kwang Fock as Director in accordance with Clause 76(3) of the Constitution of the Company.                                                                                                                                        | <b>Ordinary Resolution 1</b>              |
| 3. To re-elect Koh Wai Chee as Director in accordance with Clause 76(6) of the Constitution of the Company.                                                                                                                                            | <b>Ordinary Resolution 2</b>              |
| 4. To re-elect Doris Wong Sing Ee as Director in accordance with Clause 76(6) of the Constitution of the Company.                                                                                                                                      | <b>Ordinary Resolution 3</b>              |
| 5. To approve the payment of Directors’ fees and benefits payable to the Directors of the Company and its subsidiaries up to an aggregate amount of RM300,000.00 for the period from 6 June 2024 until the next Annual General Meeting of the Company. | <b>Ordinary Resolution 4</b>              |
| 6. To re-appoint Messrs Chengco PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.                                                                                                                               | <b>Ordinary Resolution 5</b>              |

### Special Business:

To consider and, if thought fit, to pass the following resolutions:

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| <p>7. <b>Authority under Section 75 and 76 of the Companies Act 2016 for the Directors to allot shares or grant rights</b></p> <p>“THAT pursuant to Section 75 and 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.</p> <p>THAT pursuant to Section 85 of the Companies Act 2016 approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company’s shares arising from any issuance of new Company’s shares pursuant to Section 75 and 76 of the Companies Act 2016.</p> <p>THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.”</p> | <b>Ordinary Resolution 6</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|

NOTICE OF TWENTIETH  
ANNUAL GENERAL MEETING  
(CONT'D)

8. To transact any other business that may be transacted at an Annual General Meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

**CHIN WAI YI (MAICSA 7069783) (SSM PC No. 202008004409)**

Company Secretary

Kuala Lumpur

Date: 30 April 2024

**NOTES:**

1. The 20th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities. Shareholders of the Company are required to register for the 20th AGM not less than twenty-four (24) hours before the time appointed for holding the meeting or at any adjournment thereof. (**Please follow the procedures as stipulated in the Administrative Guide**).
2. A member of the Company who is entitled to attend, speak and vote at this 20th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
3. Where a member appoints more than one (1) proxy to attend and vote at the same 20th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.  
  
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with the Company's Share Registrar at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or electronically via e-mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than forty-eight (48) hours before the time appointed for holding the 20th AGM or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 24 May 2024 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 20th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 20th AGM will be put to the vote by poll.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

## EXPLANATORY NOTES:

### 1. Item 1 of the Agenda

Agenda item no. 1 is meant for discussion only as the provision of Section 340 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 AGM. As such this Agenda item is not a business which requires a resolution to be put to vote by shareholders.

### 2. Items 2, 3 and 4 of the Agenda

The Nomination Committee (“**NC**”) have considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors seeking for re-election. Based on the results of the Board Evaluation conducted for the financial year ended 31 December 2023, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NC, the Board supports the re-election of the Directors based on the following justifications:

Chong Kwang Fock : Chong Kwang Fock fulfils the requirements of independence set out in Listing Requirements of Bursa Securities. He remains objective and independent in expressing his view and participating in Board’s deliberations and decision-making process.

Chong Kwang Fock has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.

Koh Wai Chee : Koh Wai Chee fulfils the requirements of independence set out in Listing Requirements of Bursa Securities. He remains objective and independent in expressing his view and participating in Board’s deliberations and decision-making process.

Koh Wai Chee has exercised his due care and carried out his professional duties proficiently during his tenure as Independent Non-Executive Director of the Company.

Doris Wong Sing Ee : Doris Wong Sing Ee has more than twenty three (23) years of experience in management level across various industries.

Doris Wong Sing Ee has exercised her due care and carried out her professional duties proficiently during her tenure as Executive Director of the Company.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

## EXPLANATORY NOTES: (CONT'D)

### 3. Item 7 of the Agenda

The Company had, during its Nineteenth Annual General Meeting held on 2 June 2023, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 75 and Section 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 7 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 75 and Section 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) for such purpose as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

## PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 20th AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 20th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 20th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.

# ADMINISTRATIVE GUIDE FOR THE VIRTUAL TWENTIETH ANNUAL GENERAL MEETING



## Date :

Thursday,  
6 June 2024



## Time :

10.30 a.m. or at any  
adjournment thereof



## Broadcast venue :

Level 10, Tower 11, Avenue 5  
No. 8, Jalan Kerinchi  
Bangsar South  
59200 Kuala Lumpur  
W.P. Kuala Lumpur, Malaysia.



## Remote Participation and Voting Facilities ("RPV Facilities") :

InsHub Sdn. Bhd. -  
<https://rebrand.ly/BSL-AGM>

## MODE OF MEETING

The 20th AGM of the Company would be conducted virtually and the Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholder(s) and/or Proxy(ies) will not be allowed to be physically present at the 20th AGM in person at the Broadcast Venue on the day of the meeting.

We strongly encourage you to participate the virtual 20th AGM via the RPV Facilities provided to exercise your right as a member of the Company to participate (including to pose questions to the Board of Directors and/or Management of the Company) and vote at the 20th AGM. Alternatively, you may also appoint proxy to attend and vote on your behalf at the virtual 20th AGM.

Kindly ensure that you are connected to the internet at all times to participate and vote during our virtual 20th AGM. Therefore, it is your responsibility to ensure that connectivity for the duration of the virtual 20th AGM is maintained. Kindly note that the quality of the live webcast is dependent on the bandwidth and stability of the internet connection of the participants.

## RPV FACILITIES

The 20th AGM will be conducted through live streaming and online remote voting facilities. You are encouraged to attend the 20th AGM by using the RPV Facilities. With the RPV Facilities, you may exercise your rights as a Shareholder to participate (including to pose questions to the Board) and vote at the 20th AGM.

**Individual Members** are strongly encouraged to take advantage of RPV Facilities to participate and vote remotely at the 20th AGM. Please refer to the details as set out under RPV Facilities for information.

If an individual member is unable to attend the 20th AGM, he/she is encouraged to appoint proxy(ies) and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

**Corporate Members** (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the 20th AGM using the RPV Facilities. Corporate Members who wish to participate and vote remotely at the 20th AGM must contact InsHub Sdn. Bhd. with the details set out below for assistance and will be required to provide the following documents to the Company no later than **4 June 2024 at 10.30 a.m.**:

- i. Certificate of appointment of its Corporate Representative or Proxy Form under the seal of the corporation;
- ii. Copy of the Corporate Representative's or proxy's MyKad (front and back) / Passport; and
- iii. Corporate Representative's or proxy's email address and mobile phone number.

Upon receipt of such documents, InsHub Sdn. Bhd. or the Company will respond to your remote participation request.

## ADMINISTRATIVE GUIDE FOR THE VIRTUAL TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

### RPV FACILITIES (CONT'D)


If a Corporate Member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the 20th AGM, the Corporate Member is encouraged to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

In respect of **Nominee Company Members**, the beneficiaries of the shares under a Nominee Company's CDS account are also strongly advised to participate and vote remotely at the 20th AGM using RPV Facilities. Nominee Company Members who wish to participate and vote remotely at the 20th AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the 20th AGM. Nominee Company must contact InsHub Sdn. Bhd. with the details set out below for assistance and will be required to provide the following documents to the Company no later than **4 June 2024 at 10.30 a.m.**:

- i. Proxy Form under the seal of the Nominee Company;
- ii. Copy of the proxy's MyKad (front and back) / Passport; and
- iii. Proxy's email address and mobile phone number.

Upon receipt of such documents, InsHub Sdn. Bhd. will respond to your remote participation request.

### ONLINE REGISTRATION PROCEDURE

Procedure	Action
<b>Before the day of the 20th AGM</b>	
<b>1.</b> Register as participant in the virtual 20th AGM  	<ol style="list-style-type: none"> <li>a. Using your computer, access the registration website at <a href="https://rebrand.ly/BSL-AGM">https://rebrand.ly/BSL-AGM</a>.</li> <li>b. Click on the <b>Register</b> link to register for the 20th AGM session.</li> <li>c. If you are using mobile devices, you can also scan the QR provided on the left to access the registration page. Click <b>Register</b> and enter your email followed by <b>Next</b> to fill in your details to register for the 20th AGM session.</li> <li>d. Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification.</li> <li>e. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS).</li> </ol>
<b>2.</b> Submit your online registration	<ol style="list-style-type: none"> <li>a. Member/ Members who wish to participate and vote remotely at the 20th AGM via RPV Facilities are required to register prior to the meeting. The registration for remote access will be opened from 9.00 a.m. on 30 April 2024. Please note that the closing time to submit your online registration is at 10.30 a.m. on 5 June 2024 (24 hours before the commencement of the 20th AGM).</li> <li>b. Clicking on the link mentioned in item 1 will redirect you to the 20th AGM event page. Click on the <b>Register</b> link for the online registration form.</li> <li>c. Complete your particulars in the registration page. Your name <b>MUST</b> match your CDS account name (not applicable for proxy).</li> <li>d. Insert your CDS account number(s) and indicate the number of shares you hold.</li> <li>e. Read and agree to the Terms &amp; Conditions and confirm the Declarations.</li> <li>f. Please ensure all information given is accurate before you click Submit to register your remote participation. Failure to do so will result in your registration being rejected.</li> </ol>

## ADMINISTRATIVE GUIDE FOR THE VIRTUAL TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

### ONLINE REGISTRATION PROCEDURE (CONT'D)

Procedure	Action
<b>Before the day of the 20th AGM</b>	
3. Email notification	<ul style="list-style-type: none"> <li>a. System will send an email to notify that your registration for remote participation is received and will be verified.</li> <li>b. Upon system verification against the General Meeting Record of Depositories as at 24 May 2024, you will receive an email from InsHub Sdn. Bhd. approving your registration for remote participation together with the Meeting ID and your remote access user ID and password. You will also be notified in the event your registration is rejected.</li> <li>c. If your registration is rejected, you can contact the Company's Poll Administrator for clarifications or to appeal.</li> </ul>
<b>On the day of the 20th AGM</b>	
4. Login to Meeting Platform	<ul style="list-style-type: none"> <li>a. The Meeting Platform will be open for login one (1) hour before the commencement of the 20th AGM.</li> <li>b. The Meeting Platform can be accessed via navigating to the website at <a href="https://rebrand.ly/BSL-AGM">https://rebrand.ly/BSL-AGM</a>.</li> <li>c. Insert the Meeting ID and sign in with the user ID and password provided to you via the email notification.</li> </ul>
5. Participate with live video	<ul style="list-style-type: none"> <li>a. You will be given a short brief about the system.</li> <li>b. Your microphone is muted throughout the whole session.</li> <li>c. If you have any questions for the Chairman/ Board, you may use the <b>Q&amp;A panel</b> to send your questions. The Chairman/ Board will try to respond to relevant questions if time permits. All relevant questions will be collected throughout the session and replied later through your registered email.</li> <li>d. The session will be recorded.</li> <li>e. Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.</li> </ul>
6. Online Remote Voting	<ul style="list-style-type: none"> <li>a. The Chairman will announce the commencement of the Voting session and the duration allowed at the 20th AGM.</li> <li>b. The list of resolutions for voting will appear at the right-hand side of your computer screen under the "Slido" panel. You are required to indicate your votes for the resolutions that are tabled for voting within the given time frame.</li> <li>c. Click on the <b>Submit</b> button when you have completed.</li> <li>d. Votes cannot be changed once it is submitted.</li> </ul>
7. End of remote participation	Upon the announcement by the Chairman on the closure of the 20th AGM, the live webcast will end.

### RECORD OF DEPOSITORS FOR THE 20TH AGM

For the purpose of determining whether a member is entitled to attend, participate and vote at the 20th AGM, the Company shall be requesting the Record of Depositors as at 24 May 2024. Only shareholders whose names appear in the Record of Depositors as at 24 May 2024 shall be entitled to attend, participate and vote at the 20th AGM or appoint proxy/proxies on his/her behalf.

## ADMINISTRATIVE GUIDE FOR THE VIRTUAL TWENTIETH ANNUAL GENERAL MEETING (CONT'D)

### PROXY FORM

Please ensure that the hard copy of the original proxy form is deposited with the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or email to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.

Proxy(ies) holder which member/members had submitted proxy form to the Poll Administrator are not required to register via online registration, InsHub Sdn. Bhd. will send an invitation email to you to participate at the 20th AGM.

### REVOCATION OF PROXY

Please note that if a member has submitted his/her Proxy Form prior to the 20th AGM and subsequently decides to personally attend and participate in the 20th AGM via RPV Facilities, the member must contact InsHub Sdn. Bhd. to revoke the appointment of his/her proxy no later than 10.30 a.m. on 4 June 2024.

### NO RECORDING OR PHOTOGRAPHY

Strictly NO recording or photography of the proceedings of the 20th AGM is allowed.

### NO REFRESHMENTS AND NO DOOR GIFTS

There will be no distribution of refreshments and door gifts for the 20th AGM of the Company.

### ENQUIRY

If you have any general enquiry prior to the 20th AGM, please contact the following officers during office hours (Monday to Friday):

#### For Registration, logging in and system related:

InsHub Sdn. Bhd.

Name: Ms Eris / Mr Calvin

Telephone No: +603 7688 1013

Email: [vgm@mlabs.com](mailto:vgm@mlabs.com)

### PERSONAL DATA POLICY

By registering for the RPV Facilities and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### JOHARI SHUKRI BIN JAMIL

Independent Non-Executive  
Deputy Chairman

### HOO WAI KEONG

Executive Director cum  
Chief Executive Officer

### CHONG KWANG FOCK

Independent Non-Executive Director

### LOH MAY ANN

Independent Non-Executive Director

### KOH WAI CHEE

Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

### Chairman

Chong Kwang Fock

### Member

Loh May Ann

Koh Wai Chee

## NOMINATION COMMITTEE

### Chairperson

Loh May Ann

### Member

Chong Kwang Fock

Koh Wai Chee

## REMUNERATION COMMITTEE

### Chairman

Koh Wai Chee

### Member

Chong Kwang Fock

Loh May Ann

## STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia  
Securities Berhad  
Stock name : BSLCORP  
Stock Code : 7721

## PRINCIPAL PLACE OF BUSINESS

Lot 4220, Persimpangan  
Jalan Batu Arang/  
Lebuhraya PLUS  
48000 Rawang  
Selangor Darul Ehsan  
Malaysia

Tel : 03-6091 9148

Email : [info@bsl.com.my](mailto:info@bsl.com.my)

Website : [www.bslcorp.com.my](http://www.bslcorp.com.my)

## REGISTERED OFFICE

E-10-4, Megan Avenue 1  
189, Jalan Tun Razak  
50400 Kuala Lumpur  
W.P. Kuala Lumpur  
Malaysia

Tel : 03-2181 0516

Fax : 03-2181 0516

Email : [office@gapadvisory.my](mailto:office@gapadvisory.my)

## AUDITORS

Chengco PLT  
8-2 & 10-2, Jalan 2/114  
Kuchai Business Centre  
Off Jalan Klang Lama  
58200 Kuala Lumpur  
W.P. Kuala Lumpur  
Malaysia

Tel : 03-7985 9999

Fax : 03-7980 0191

## COMPANY SECRETARY

Chin Wai Yi  
(MAICSA No. 7069783 /  
SSM PC No. 202008004409)

## SHARE REGISTRAR

ShareWorks Sdn. Bhd.  
No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur  
W.P. Kuala Lumpur  
Malaysia

Tel : 03-6201 1120

Fax : 03-6201 3121

Email : [ir@shareworks.com.my](mailto:ir@shareworks.com.my)

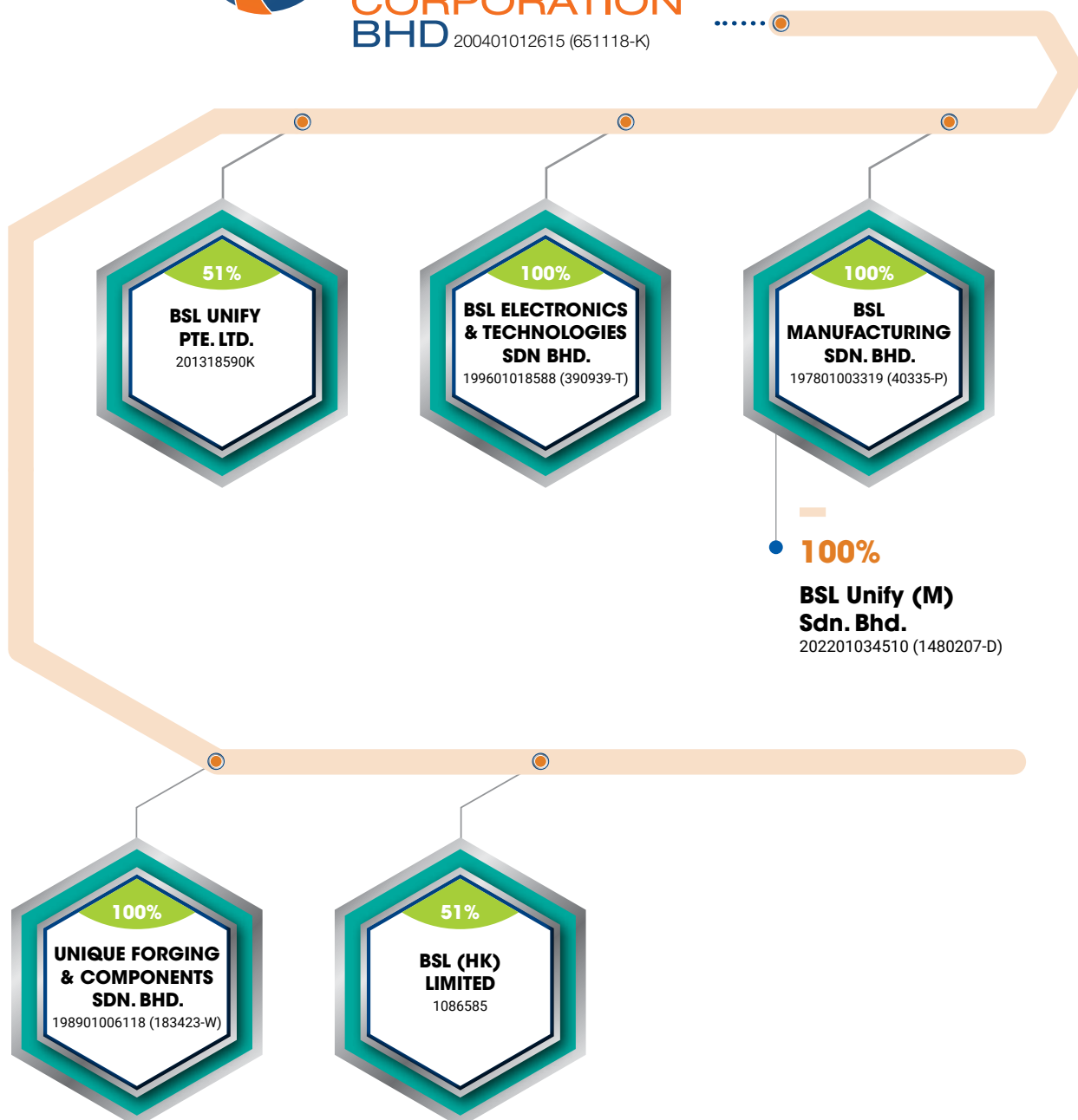
## PRINCIPAL BANKERS

AmBank (M) Berhad  
Maybank Islamic Berhad

# CORPORATE STRUCTURE



**BSL**  
**CORPORATION**  
**BHD** 200401012615 (651118-K)



# PROFILE OF DIRECTORS

## JOHARI SHUKRI BIN JAMIL

Independent Non-Executive  
Deputy Chairman

Age	Nationality	Gender
52	Malaysian	Male

Date of Appointment	1 February 2022
---------------------	-----------------

Board Committee membership	N/A
----------------------------	-----

### Qualification

- a) Bachelor of Science in Chemical Engineering (Polymer), University Technology Malaysia
- b) Advanced Leadership Programme, Judge Business School, Cambridge University

### Directorship of public companies and listed issuers

Hektar Real Estate Investment Trust  
(Executive Director & Chief Executive Officer)

### Relationship with other directors/ shareholders/ listed issuer

Nil

### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

### Any other convictions (aside from traffic offence)

Nil

### Working Experience and Occupation

**Encik Johari Shukri bin Jamil** graduated with a Bachelor of Science in Chemical Engineering (Polymer) from University Technology Malaysia. He also holds a Certificate in Advanced Leadership Programme from University of Cambridge, Judge Business School. He possesses a Capital Market Services Representatives' License ("CMSL") for REIT for the asset management company to carry on regulated activities specified under the Capital markets and Services Act ("CMSA"), Securities Commission Malaysia ("SC").

Encik Johari began his career as a Process/Chemical Engineer in Titan Polyethylene (M) Sdn Bhd in 1995 and was promoted as a Project Engineer in 1997 which he stayed on until 2000. In the same year, he left the firm and joined Foster Wheeler (M) Sdn Bhd until 2002 as a Project Engineer. He then served as a Business Development Manager for several companies from 2002 to 2005. He then joined Inai Kiara Sdn Bhd in 2005 as a Senior General Manager. From 2006 to 2011, he was with Difense Konsult Sdn Bhd, serving as their Chief Executive Officer and Director. In the same year, he joined Johor Corporation ("JCorp"), a Johor state-owned company ("GLC") as a General Manager, Business Development and was later promoted to Chief Executive Officer of Tanjung Langsat Port Sdn Bhd and also served as a member of the board of the subsidiary companies. He later assumed the role as Group Vice President, Business Relationship & Marketing, Industrial Development Division of the JCorp, Executive Director of TPM Technopark Sdn Bhd and Executive Director of Tanjung Langsat Port Sdn Bhd prior to his special assignment to a public listed subsidiary company, EA Technique (M) Berhad where he was the Group Chief Operating Officer. He then joined Iskandar Investment Berhad, a subsidiary of Khazanah Nasional Berhad in January 2019 and where he has stepped into a newly created role, Transformation Office, to bring the company towards innovation and new business frontiers. He later assumed the post as the Executive Vice President, Business Development.

He was also seconded to a subsidiary company, Medini Iskandar Malaysia Sdn Bhd to facilitate the transformation journey and strategic marketing and business development initiatives. He was the Chief Executive Officer of Integrated Marine Works Sdn Bhd. He is currently a board member of a public listed company, HEKTAR REIT.

## PROFILE OF DIRECTORS (CONT'D)

### HOO WAI KEONG

Executive Director cum  
Chief Executive Officer

Age	Nationality	Gender
48	Malaysian	Male

Date of Appointment	5 August 2021
Board Committee membership	N/A

#### Qualification

- a) Higher Diploma in Industries Studies and Industrial and Industrial Automation Control Systems from Singapore Nanyang Polytechnics

#### Directorship of public companies and listed issuers

Metronic Global Berhad  
(Executive Director cum Chief Executive Officer)

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Mr. Hoo Wai Keong** has over twenty six (26) years of working experiences in engineering services and involvement in top management level operation as well as full operation experiences in various industries and different sectors from contract manufacturing to components fabrication, design & build for Industrial 4.0, renewable energy saving engineering in commercial and industrial, construction engineering and building automation smart technology system in commercial and infrastructure which he also specializing in business development, strategic planning and consultancy and corporate advisory in merger & acquisition and joint venture across Malaysia, Singapore, Europe, United State of America and China. He started his career in Singapore as a mechanical engineer in factory automation machinery & system company which he in-charged the design & building automation system and electronics, project management and installation, testing and commissioning.

He then appointed as a mechanical strategic buyer for audio electronics systems for multinational company, which involved in strategic sourcing and negotiating, perform cost analysis and cost saving program under products value analysis, managing Just-in-Time ("JIT") on vendors daily delivery operation. He proceeds his career as a Sales and Project Development Manager for semiconductors electronics equipment, where he handled daily customer service, new project development and ensure all specification meet customers' requirements and manage the whole supply chain in order to fulfil customers delivery schedule.

In year 2005, he setup his own company in Singapore which deals with engineering fabrication ranging from precision machinery spare parts and components to fabrication of higher precision for banking machines, semiconductor equipment and automotive components. He extended his business and factory setup in China in year 2009, where he has full range of facilities in terms of Computerize Numerical Control ("CNC") machineries, sheet metal fabrication, plastics moulding production, sub-assembly services and cosmetics secondary processes.

He was the managing director of the company until 2018. After he left his own company, he joined Metronic Global Berhad where he currently acts as the Executive Director cum Chief Executive Officer.

## PROFILE OF DIRECTORS (CONT'D)

### CHONG KWANG FOCK

Independent Non-Executive Director

Age	Nationality	Gender
45	Malaysian	Male

#### Date of Appointment

5 August 2021

#### Board Committee membership

- a) Chairman of Audit and Risk Management Committee
- b) Member of Remuneration Committee
- c) Member of Nomination Committee

#### Qualification

- a) Member of Association of Chartered Certified Accountants
- b) Member of the Malaysian Institute of Accountants

#### Directorship of public companies and listed issuers

Kanger International Berhad  
(Independent and Non Executive Director)

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Mr. Chong Kwang Fock** is presently practicing as an auditor and he is a Partner of Chartered Accounting firm in Kuala Lumpur.

He has more than sixteen (16) years of working experience in auditing. His experience includes auditing of public listed companies, multinational companies and private limited companies in various industries. He also has experience conducting audit for companies in China.

He has vast experience in corporate exercises where his experiences include being a reporting accountant for initial public offering and funds raising exercises, due diligence and reviewing of financial forecasts and projections.

## PROFILE OF DIRECTORS (CONT'D)

### LOH MAY ANN

Independent Non-Executive Director

Age	Nationality	Gender
50	Malaysian	Female

Date of Appointment	1 September 2022
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Board Committee membership	a) Chairman of Nomination Committee b) Member of Remuneration Committee c) Member of Audit and Risk Management Committee
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#### Qualification

- a) Member of High Court of Malaya
- b) Bachelor in Laws, University of Wales, Glamorgan

#### Directorship of public companies and listed issuers

Nil

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Ms Loh May Ann** has over twenty (20) years of legal experience gained in practice and in top multinational companies. She spent her early years of practice in Messrs Rashid & Lee (now Messrs Shahrizat Rashid & Lee) where she was primarily engaged in corporate advisory work involving acquisitions of shares, advising on corporate restructuring, setting up of companies and joint ventures, carrying out due diligence audits and drafting of commercial contracts.

These intensive years provided a strong foundation of knowledge and experience when she switched paths in 2005 and became in-house counsel for a US BPO company. For the next decade, Ms Loh May Ann continued as legal counsel in several global IT companies, including CSC, IBM and BAT, before resuming practice again and setting up her own boutique practice, Messr Omar & May in 2015, to focus on corporate, commercial and IT government and private sector contracts across diverse industries.

Ms Loh May Ann is now the Chief Legal Officer of Webhelp APAC, a 50,000 people-strong global BPO company, headquartered in Paris, France with a presence in more than 50 countries.

## PROFILE OF DIRECTORS (CONT'D)

### KOH WAI CHEE

Independent Non-Executive Director

Age	Nationality	Gender
47	Malaysian	Male

#### Date of Appointment

3 July 2023

#### Board Committee membership

- a) Chairman of Remuneration Committee
- b) Member of Nomination Committee
- c) Member of Audit Committee

#### Qualification

- a) Bachelor of Business (Banking and Finance) from Monash University - Melbourne, Australia
- b) Certified Credit Professional of Business Credit from Asian Institute of Chartered Bankers
- c) Diploma in Business Studies from Edith Cowan University, Australia

#### Directorship of public companies and listed issuers

Metronic Global Berhad  
(Independent Non-Executive Director)

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Mr. Koh Wai Chee** has over twenty (20) years of experience in financial services, having worked in Labuan, Indonesia and Singapore.

He was the Associate Director for AmlInvestment Bank Berhad from 1999 to 2010, where he managed the offshore and onshore investment businesses. In 2010, he joined OSK Investment Bank Ltd in Malaysia as member of the Board and as its Chief Operating Officer. He was a key senior management team member who helped grow OSK Investment Banks regional business via offshore financing throughout ASEAN.

Following the disposal of OSK Investment Bank by OSK Holdings Berhad to RHB Capital Berhad in 2012, Mr. Koh joined RHB Investment Bank Bhd as Director of Structured Lending, where he managed the specialty finance and investment banking origination since 2013. He last held the position of Director and a Head of Department in Group Corporate Banking with RHB Bank Berhad until 2017.

Mr. Koh has additional experiences in managing the leading large enterprises over the preceding five (5) years. He owned and managed a company listed on the Australian Stock Exchange which is involved in aquaculture.

Mr. Koh is currently involved in property development in Australia and managing an engineering company in S.A.R. Hong Kong.

# PROFILE OF KEY SENIOR MANAGEMENT

## CHAI BOON YIN

Chief Operating Officer

**Date of Appointment as  
Senior Management**

9 May 2022

Age	Nationality	Gender
48	Malaysian	Male

### Qualification

A-Level, Stamford College

### Directorship of public companies and listed issuers

Nil

### Relationship with other directors/ shareholders/listed issuer

Nil

### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

### Any other convictions (aside from traffic offence)

Nil

### Working Experience and Occupation

**Mr. Chai Boon Yin ("Mr. Timothy")** is an experienced manufacturing industry leader with over twenty seven (27) years of experience.

In 1998, Mr. Timothy was promoted as a business manager for a manufacturing company in Malaysia. He was responsible for managing the entire business operations of said company's Malaysia and Singapore branches, which employed over one hundred fifty (150) employees.

In 2005, Mr. Timothy was hired as the Deputy General Manager for a manufacturing company in China that specialized in producing standard components for die and mould, as well as automotive equipment.

Throughout his career, Mr. Timothy has developed extensive knowledge and expertise in various manufacturing processes, including assembly, machining, stamping, and casting.

## PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

### CHEN HUEI PING

Material Director

Date of Appointment as  
Senior Management

5 August 2021

Age	Nationality	Gender
32	Malaysian	Male

#### Qualification

Degree in Economics and Finance, Singapore Institute of Management University – Royal Melbourne Institute of Technology, Singapore

#### Directorship of public companies and listed issuers

MTouche Technology Berhad  
(Executive Director)

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Mr. Chen Huei Ping** started his career as a Business Development Executive and was promoted to the head of Sales and Marketing department in a Public Listed Company which is in the manufacturing industry.

Subsequently, he joined a Multi-International Manufacturing Company as a Regional Business Development Manager for APAC market in a E&E industry.

## PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

### CHEU SOO FERN

Operation Director

Date of Appointment as  
Senior Management

13 December 2021

Age	Nationality	Gender
49	Malaysian	Female

#### Qualification

Member of Association of Chartered Certified Accountants

#### Directorship of public companies and listed issuers

Nil

#### Relationship with other directors/ shareholders/ listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Ms. Cheu Soo Fern** was appointed as the Group Strategic General Manager in BSL Manufacturing Sdn. Bhd. ("BSLM") in 2021 and was subsequently transferred and promoted to Operation Director in BSL Electronics & Technologies Sdn Bhd ("BSLET") in 2022.

Her experience includes manufacturing of automotive metal stamping & tooling, engineering & trading of material handling equipment, trading in latex concentrate, manufacturing of household & storage plastic products, fabricate injection molding industry, and property development industry.

She is currently responsible for managing and monitoring the day-to-day operations of BSLET.

## PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

### CHAN CHOON KEUW

Operation Director

**Date of Appointment as  
Senior Management**

30 August 2016

Age	Nationality	Gender
66	Malaysian	Male

#### Qualification

N/A

#### Directorship of public companies and listed issuers

Nil

#### Relationship with other directors/ shareholders/listed issuer

Nil

#### Conflict of interest or potential conflict of interest with listed issuer or its subsidiaries

Nil

#### Any other convictions (aside from traffic offence)

Nil

#### Working Experience and Occupation

**Mr. Chan Choon Keuw** began his career in a Japanese firm as a dies maintenance staff in 1978. He subsequently joined BSL Manufacturing Sdn. Bhd. ("BSLM") in 1983 as a toolroom technician.

Throughout his career in the BSLM, he was in charge of the quality assurance department in 1987, production department in 1998, engineering department in 2006. He was subsequently promoted to Deputy General Manager of BSLM in 2016 and Operational General Manager in 2022.

# CHIEF EXECUTIVE OFFICER'S STATEMENT

**Dear Shareholders,**

## OVERVIEW

I am pleased to present our review of the financial period ending 31 December 2023, despite the challenges and uncertainties we faced throughout the year. The period was marked by rising inflationary pressures, a tight labor market, increased raw material prices, and cooling demand in the electrical and electronics sector. However, despite these headwinds, we navigated through with resilience and strategic decision-making.

**HOO WAI KEONG**

Executive Director cum Chief Executive Officer

## CHIEF EXECUTIVE OFFICER STATEMENT (CONT'D)

### OVERVIEW (CONT'D)

Throughout the period, we undertook strategic measures to streamline our operations and enhance our focus on core competencies. We divested BSL Eco Energy Sdn Bhd and Matahari Suria Sdn Bhd, aligning our resources with areas where we can maximize our expertise. Additionally, we completed the disposal of our stake in Hongze Yiyang Steel Tube Co. Ltd, further refining our strategic direction.

While these decisions may have impacted our short-term financials, they position us for long-term success and allow us to concentrate on expanding our product line into ATE related components, leveraging our core strengths.

### FINANCIAL PERFORMANCE

Financially, the Group achieved a revenue of RM110.2 million, with a loss after tax of RM29.7 million for FYE2023. While our Metal Division contributed the bulk of the turnover, the PCB Assembly division faced challenges due to softening demand and increased costs. The Renewable Energy division, which we have now divested from, made a marginal contribution.

Looking back over the past five years, we've witnessed fluctuations in performance across our divisions. Despite the challenges, our net tangible assets increased to RM187.1 million, and we maintained a robust financial position with a net cash position of RM125.0 million.

### LOOKING FORWARD

As we step into 2024, the horizon still appears obscured by persistent headwinds. It's foreseeable that this challenging environment will continue. Nonetheless, our Group remains resolute in its commitment to generating value for our shareholders and stakeholders amidst these uncertain times.

### APPRECIATION

I would like to take this opportunity to extend my warmest gratitude to our shareholders, customers, suppliers and business associates for their unrelenting support and confidence in the Group.

On behalf of the Board, I would also like to extend my heartfelt appreciation to our management and staff for their unwavering commitment, diligence and perseverance for the past year.

**Hoo Wai Keong**

Executive Director cum Chief Executive Officer

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL PERIOD REVIEW

The period under review has been filled with uncertainties and this was buffeted by headwinds such as rising inflationary pressures, tight labor market, increase in raw material prices and cooling demand in electrical and electronics sector.

Apart from organic operations, the Group had also taken steps to streamline the structure and revenue streams. The Group had decided to focus on its core competency and has divested BSL Eco Energy Sdn Bhd and Matahari Suria Sdn Bhd ("Matahari") which was involved in installations of solar power solutions. In addition, the Group had also completed the disposal of 25% stake in Hongze Yiyang Steel Tube Co. Ltd during the financial year.

The combined effects will allow the Group to focus on its core expertise and concurrently expand the current product line into ATE related components.

## FINANCIAL REVIEW

The Group achieved a revenue of RM110.2 million and recorded loss after tax of RM29.7 million for the financial year ended 31 December 2023 ("FY 2023"). The Metal Division contributed the bulk of the turnover followed by PCB Assembly. Contribution from Renewable Energy is marginal as the said business segment was disposed during FY 2023.

The loss after tax was mainly attributed to the loss and provision for impairment of investments of RM15.0 million. Core operations was affected by soft market demand for both Metal and PCB Assembly, exacerbated by headwinds due to rising raw material and production cost.

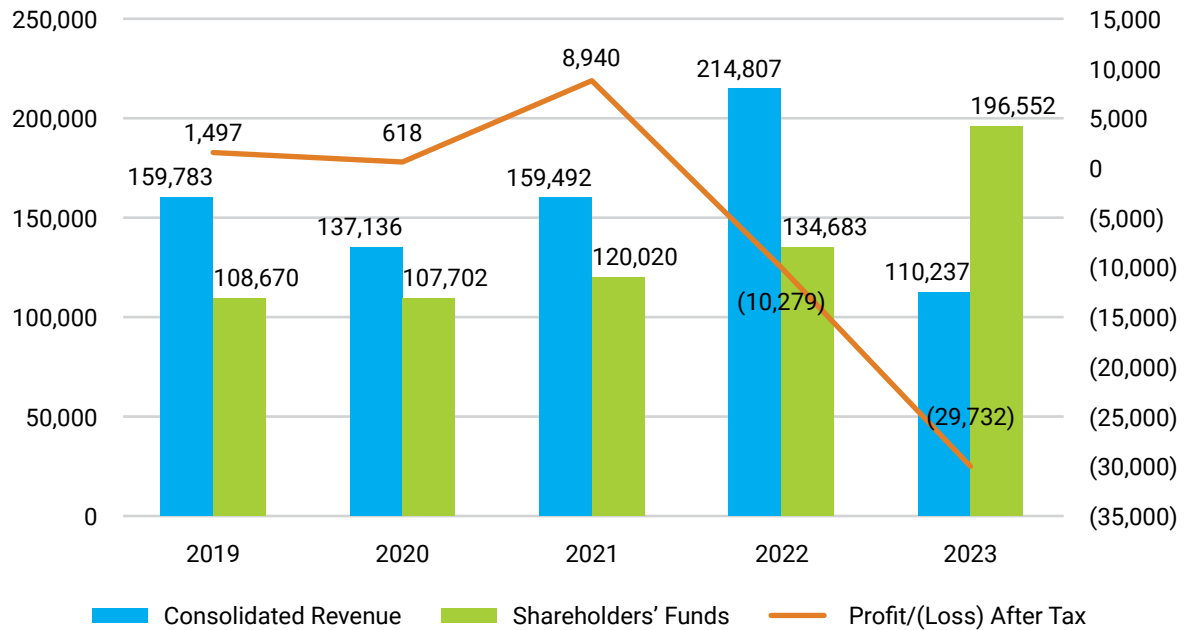
RM Mil	2019	2020	2021	2022 (Sep 21 - Dec 22)	2023
<b>Revenue</b>					
PCB Assembly	138.6	119.5	140.7	196.8	105.8
Renewable Energy Division	13.1	11.9	14.8	19.4	5.3
Others	7.9	5.7	6.1	2.0	0.2
Total Revenue including Inter-segment Sales	13.6	0.0	0.0	0.0	0.0
Eliminations of Inter-segment Sales	173.2	137.1	161.6	218.2	111.4
Total Revenue	(13.6)	0.0	(2.1)	(3.4)	(1.1)
	159.6	137.1	159.5	214.8	110.3
<b>Profit/(Loss) After Tax</b>					
Metal	3.4	1.1	2.2	7.4	(12.2)
PCB Assembly	(1.6)	(0.3)	0.0	(11.2)	(2.5)
Renewable Energy Division	0.1	0.0	(0.9)	(0.2)	0.1
Others	12.8	(0.4)	(6.9)	2.3	(15.1)
Eliminations	(13.2)	0.2	14.5	(8.6)	(0.0)
Profit/(Loss) After Tax	1.5	0.6	8.9	(10.3)	(29.8)

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### FINANCIAL REVIEW (CONT'D)

#### Historical Financial Performance

Below is the historical performance of the Group for the past five (5) years:

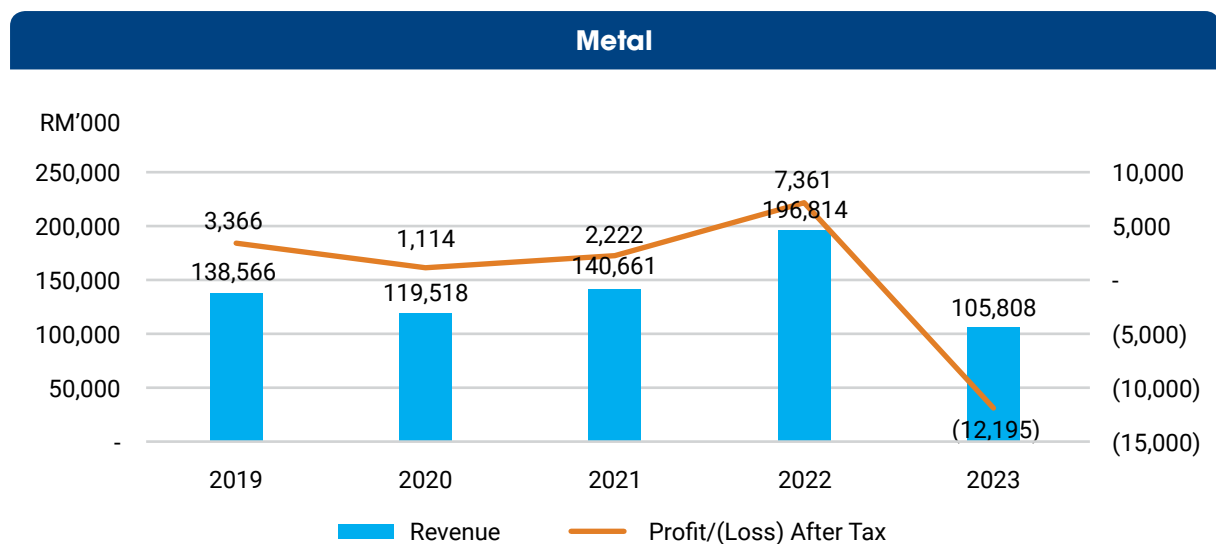


Note: the financial year 2022 was for a period of sixteen (16) months

#### Contribution by Division

##### Metal Division

Metal division recorded a revenue of RM105.8 million and a loss after tax of RM12.2 million for the financial year. The overall performance was affected by the low demand, increase in raw material price and labor cost. In addition, the financial performance was also impacted by the provision of impairment on receivables of RM2.0 million.

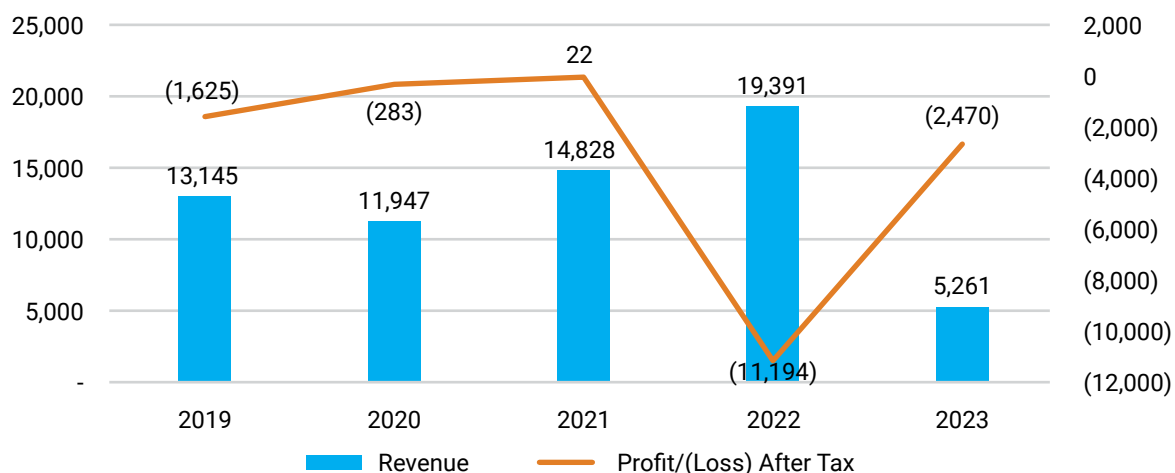


## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### FINANCIAL REVIEW (CONT'D)

#### PCB Assembly

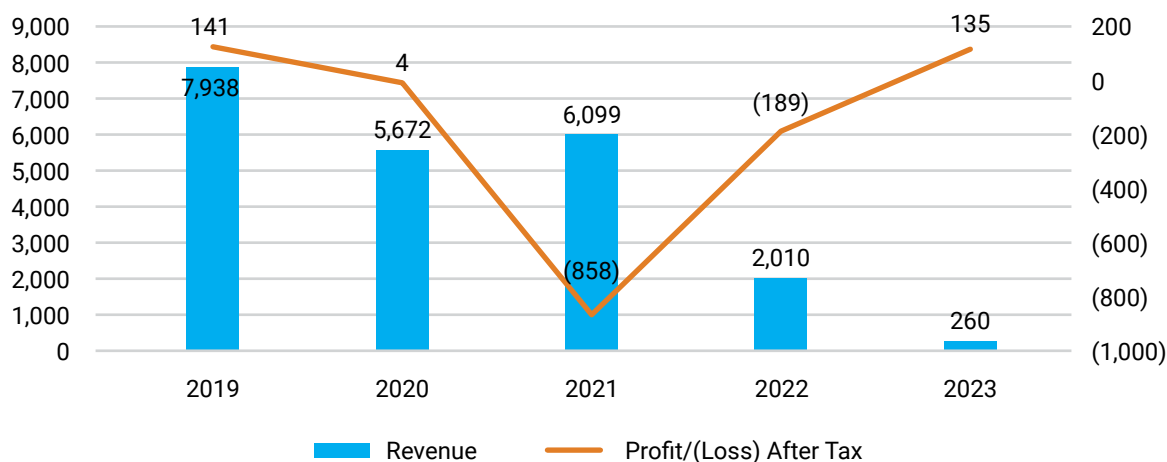
PCB Assembly division recorded a revenue of RM5.2 million and a loss after tax of RM2.5 million. The overall performance was affected by soften demands, increase in raw material price and labor cost.



#### Renewable Energy ("RE") Division

The revenue and profit contribution from RE for FY 2023 recorded at RM260,000 and profit after tax of RM135,000. It is noteworthy that Matahari, which is primarily involved in the RE division has been disposed on 25 July 2023. Subsequent to the disposal, the Group is no longer involved in the RE business segment.

#### Renewable Energy



## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

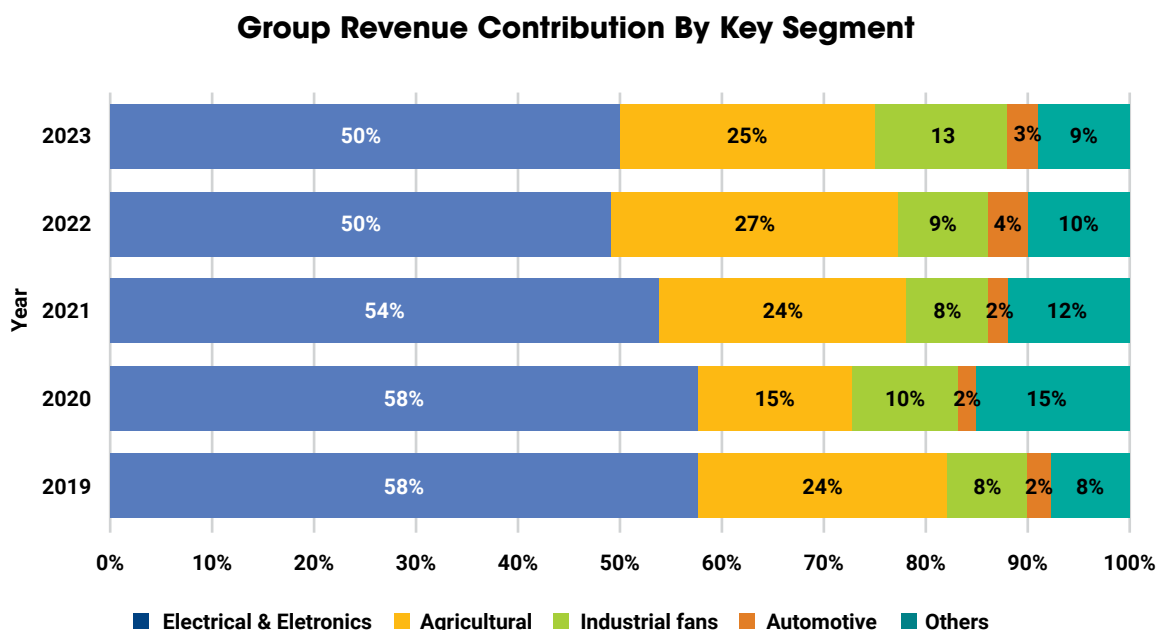
### FINANCIAL REVIEW (CONT'D)

#### Revenue Contribution Profile

The Group's key revenue segments comprise of the following:

- Electrical & Electronics
- Agricultural
- Industrial Fans
- Automotive

The breakdown of the segments are shown below.



Whilst Electrical and Electronics remains the main contributor, contribution from Agricultural has increased and to a lesser extent Industrial Fans.

#### Capital Structure

FY 2023 saw the Group's net tangible asset increased by RM55.3 million to RM187.1 million. This was mainly due to the issuance of new shares pursuant to the rights issue exercise undertaken during financial year.

Total assets as at the end of FY 2023 stood at RM255.3 million and net current assets RM109.8 million which provides a comfortable cushion compared to RM56.3 million in total liabilities. Overall, the financial position of the Group remains robust with a total cash and cash equivalent of RM126.4 million.

#### Operational Risks

##### a) Technology Obsolescence

Technology obsolescence is a risk inherent in our core operations. Technological advancements prompt changes in customers' demand and requirements. As such we work closely with our clients throughout the life cycle of the products and also in the development phase of new products. This allows the Group to be prepared to support our clients for changes and introduction of new products.

## MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

### FINANCIAL REVIEW (CONT'D)

#### Operational Risks (Cont'd)

##### b) Competition

We face keen competition in our industry which is compounded by clients' requirement to be increasingly cost efficient in supporting their operations. The competition we face is both domestic as well as international. Our key advantage is the long track record we have established spanning close to half a century and customer relationships built over the years. However, we cannot solely rely on relationships to stave off competition.

Our sales and marketing team is in constant communications with clients to ensure order execution is seamless and any issues are picked up and resolved as soon as possible. The close constant contact is one of our risk mitigation.

#### Forward Looking Statement

The Group is mindful of the challenges ahead with the headwinds remain and have been compounded by continued rising prices, higher interest rates, fluctuation in customer demand, geopolitical uncertainties and intense competition locally and globally. The Group will be actively monitoring and assessing the economic impact arising from these downside risks so as to mitigate any adverse impact on its business operation.

In light of these challenges, the Group remains cautiously optimistic on the business prospects and has taken the opportunity to strategize and focus its operations to its core competency in Metal, PCB Assembly and Electrical & Electronic segment.

The Group would also focus on producing high mix of products with low volume and introduce value-added services in order to be a one stop solution to the Group's customers.

The Group also continues to increase the depth and breadth of the customer base and focusing towards optimizing the manufacturing cost structure via implementing a Manufacturing and Control Solution System. Various measures have also been undertaken in its transformation program to enhance operational efficiency and effective cost management in order to improve the financial performance of the Group.

#### Acknowledgement

The Group's achievement during the financial year ending 31 December 2023 is thanks to the dedication and commitment shown by everyone, from the leadership to the management and to the employees. The Group extends its appreciation to the stakeholders for their unwavering support. While we recognise that the path ahead remains challenging, our overarching long-term commitment is to continue executing our business strategies aimed to generate profitable growth for the Group, improve earning resiliency and enhance shareholders' value.

# SUSTAINABILITY STATEMENT

As the highest governance body of BSL Group, we recognize the critical importance of sustainable development in shaping our present and future. Sustainable development is not just a moral imperative but also a strategic necessity for ensuring the long-term viability and success of our business.

At the core of our organizational strategy is a firm commitment to contributing positively to sustainable development. We understand that our activities have profound impacts on the economy, environment, and society, and we are dedicated to managing these impacts responsibly.

Sustainable development guides every aspect of our operations, from how we innovate and produce to how we engage with our stakeholders and communities. We strive to integrate sustainability principles into our decision-making processes, ensuring that environmental, social, and economic considerations are thoroughly assessed and prioritized.

Our strategy for contributing to sustainable development is multi-faceted. We are committed to reducing our environmental footprint by minimizing resource consumption, adopting renewable energy sources, and implementing sustainable practices throughout our supply chain. Additionally, we are focused on fostering a diverse, inclusive, and equitable workplace culture that empowers our employees and values their contributions.

Furthermore, we recognize the importance of collaborating with stakeholders, including governments, customers, and local communities, to address shared sustainability challenges and drive collective action. By working together, we can amplify our impact and create lasting positive change.

As the Board of Directors, we are fully committed to leading by example and holding ourselves accountable for our sustainability commitments. We will continue to review and refine our strategies, set ambitious goals, and transparently report on our progress towards achieving sustainable development.

Ultimately, we believe that integrating sustainable development into our business strategy not only benefits society and the environment but also enhances our long-term competitiveness and resilience. Together, we can build a more sustainable future for generations to come.

## SUSTAINABILITY COMMITMENT

We remain committed to ensuring our business activities are performed with high standards of social and environmental conduct to maximise long-term value creation. This includes ensuring our operating assets and businesses are carried out in a manner that generates positive environmental outcomes in creating a sustainable manufacturing environment, impact sourcing, best business practices and supporting our local businesses and communities.

Our commitment extends to the day-to-day operations with high work ethics and values to achieve our goals.

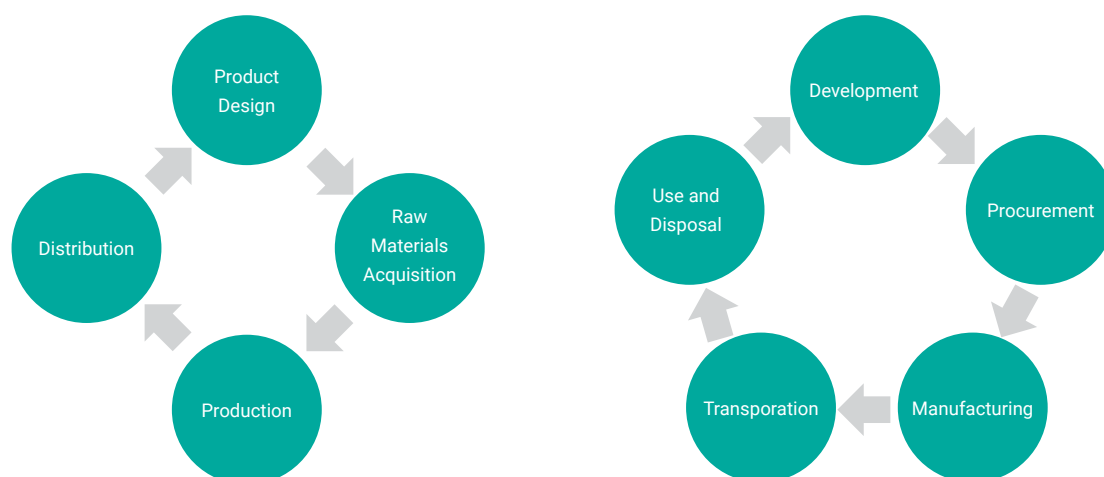
Our focus on Sustained Growth is to partner with our customers and stakeholders to make progress towards a future that is environmentally, socially, and governance ("ESG") sustainable. The Group recognises that its sustained growth is co-dependent on our stakeholders. Our business strategies take into account the risk and opportunities affecting the organisation and industry while taking into account the evolving stakeholders' expectations of sustainable practices. The Sustainability Statement ("Statement") sets out what the Board of Directors ("Board") considers as material sustainability risks and opportunities, collectively known as Material Sustainability Matters, that impact the way the operations of the Group are carried out as well as how such Material Sustainability Matters are managed. The information in this report provides an overview of our sustainability practices for the financial period.

## SUSTAINABILITY STATEMENT (CONT'D)

### ABOUT BSL CORPORATION BERHAD

The Group is a publicly listed company in Malaysia.

Entity	Residence	Activities
BSL Corporation Berhad	Malaysia	Investment Holding
BSL Manufacturing Sdn Bhd	Malaysia	Stamping and manufacturing of precision metal parts and fabrication of tools and dies.
BSL Unify (M) Sdn Bhd	Malaysia	Manufacturing and Repair of Semi-Conductor Equipment
BSL Unify Pte Ltd	Singapore	Manufacturing and repair of semiconductor foundry equipment
BSL (HK) Limited	Hong Kong	Investment Holding
Unique Forging & Components Sdn Bhd	Malaysia	Fabrication and forging of base metal components
BSL Electronics & Technologies Sdn Bhd	Malaysia	Assembly of printed circuit boards and all types of electronic and electrical components, devices and systems.



Minority interest information on the subsidiaries are disclosed in the Group's Consolidated Financial Statements in accordance with Malaysian Financial Reporting Standards (MFRS). The Group applies the acquisition method to account for business combination activities.

The Group is in the business of metal stamping and belongs to the manufacturing industries sector as identifies using the GRI Sector Standard.

The Group's activities include:

- Inbound logistics which consists of functions like receiving, warehousing, and managing inventory.
- Operations include procedures for converting raw materials into a finished product.
- Outbound logistics consists of activities to distribute a final product to a consumer.
- Marketing and sales include strategies to enhance visibility and target appropriate customers—such as advertising, promotion, and pricing.
- Service includes programs to maintain products and enhance the consumer experience—like customer service, maintenance, repair, refund, and exchange.

Aside from its vendors/suppliers, the Group has no other type of business relations, industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.

In FY2023, FY2022 and FY2021, there were no significant changes to the Group's value chain and business relationships.

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY APPROACH

#### REPORTING SCOPE

The Group is committed to integrate sustainable practices and prepared this Statement pursuant to the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") and Sustainability Reporting Guide issued by the Exchange and guidelines issued by the Global Reporting Initiative ("GRI").

The Group's Sustainability Report ("SR") 2023 is for the period from 1 January 2023 to 31 December 2023. The content of this report is based on the material agenda that we have identified. Our scope and boundaries include all of our entities and operations in Malaysia, which is an expansion from our previous reporting to comply with MMLR.

Our reporting approach is based on the framework and guidance provided by GRI. This report has been prepared with reference to the "core" options of the GRI Standards and has not been internally nor independently assured.

The annual sustainability report shall utilise FY2018's data as baseline for reporting. The data in this report applies to the Group as a whole unless otherwise stated in the report.

This sustainability report was published on 30 April 2024.

#### CONTACT INFORMATION

The Group values feedback to assist us in improving our sustainability process, please contact us through email at [info@bsl.com.my](mailto:info@bsl.com.my).

#### SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals ("SDGs") that have been identified by the United Nations are shown in the table below.

##### United Nations SDGs







## SUSTAINABILITY STATEMENT (CONT'D)

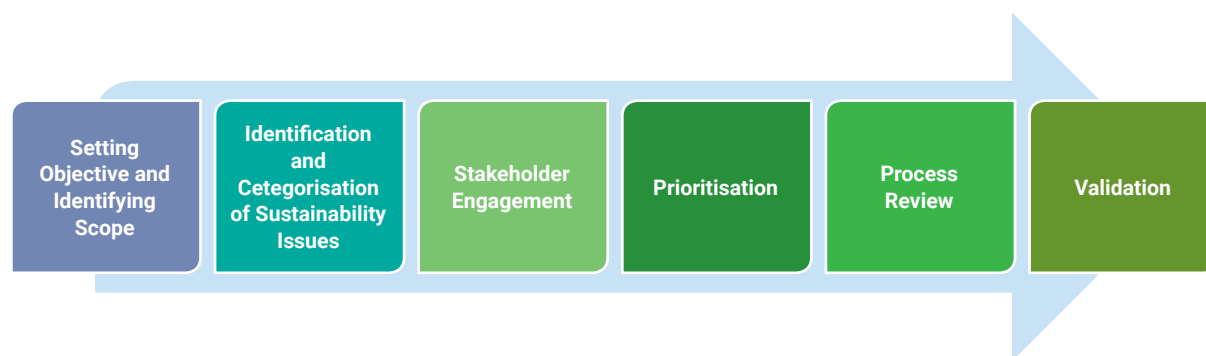
### SUSTAINABILITY APPROACH (CONT'D)

#### SUSTAINABLE DEVELOPMENT GOALS (CONT'D)

The Group has identified our material SDGs as set out below.

SDG	Goals	Management Action
	Ensure healthy lives and promote well-being for all at all ages.	We are committed to create a safe workplace and promoting healthy living amongst our employees.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	We aim to create a workplace that is conducive to productivity and growth by providing job opportunities and equipping our employees with various training and development programmes.
	Ensure sustainable service patterns.	Our aim is to create environment-friendly products and services.
	Promote peaceful and inclusive communities for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	We place ethics and integrity at the centre of our business operations and have policies in place towards embedding such values throughout our organisation.

#### MATERIALITY ASSESSMENT



The Group has developed the above methodology on sustainability matters and has identified the Key Materiality Index as shown below.

Environmental impacts could involve habitat restoration or reduced pollution. Negative impacts might include deforestation or depletion of natural resources. Assessing impacts on people consider factors such as access to resources, health outcomes, and diversity, equity, and inclusion. The Group also gives attention to potential infringements on human rights like the right to a healthy environment or indigenous land rights.

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY APPROACH (CONT'D)

#### MATERIALITY ASSESSMENT (CONT'D)

The Group's environmental policies are primarily concerned with the reduction of emissions, energy usage, and refuse generation. This is achieved through the adoption of greener production technologies and compliance with pertinent environmental regulations. Furthermore, it is possible for organizations to uphold labor standards and ethical sourcing commitments, which serve to guarantee the responsible procurement of raw materials and the equitable treatment of workers across the entire supply chain. Through the articulation of these policies and commitments, stakeholders are able to gain a more comprehensive understanding of the organization's endeavors to tackle the significant subject matter and compel it to respond to its conduct.

In identifying material topics, the Group consider the following matters:

- Financial Impact
- Stakeholder Relevance
- Strategic Alignment
- Risk Exposure
- Legal and Regulatory Requirements
- Industry Standards and Best Practices.
- Impact on Sustainable Development Goals (SDGs)
- Relative Size and Importance

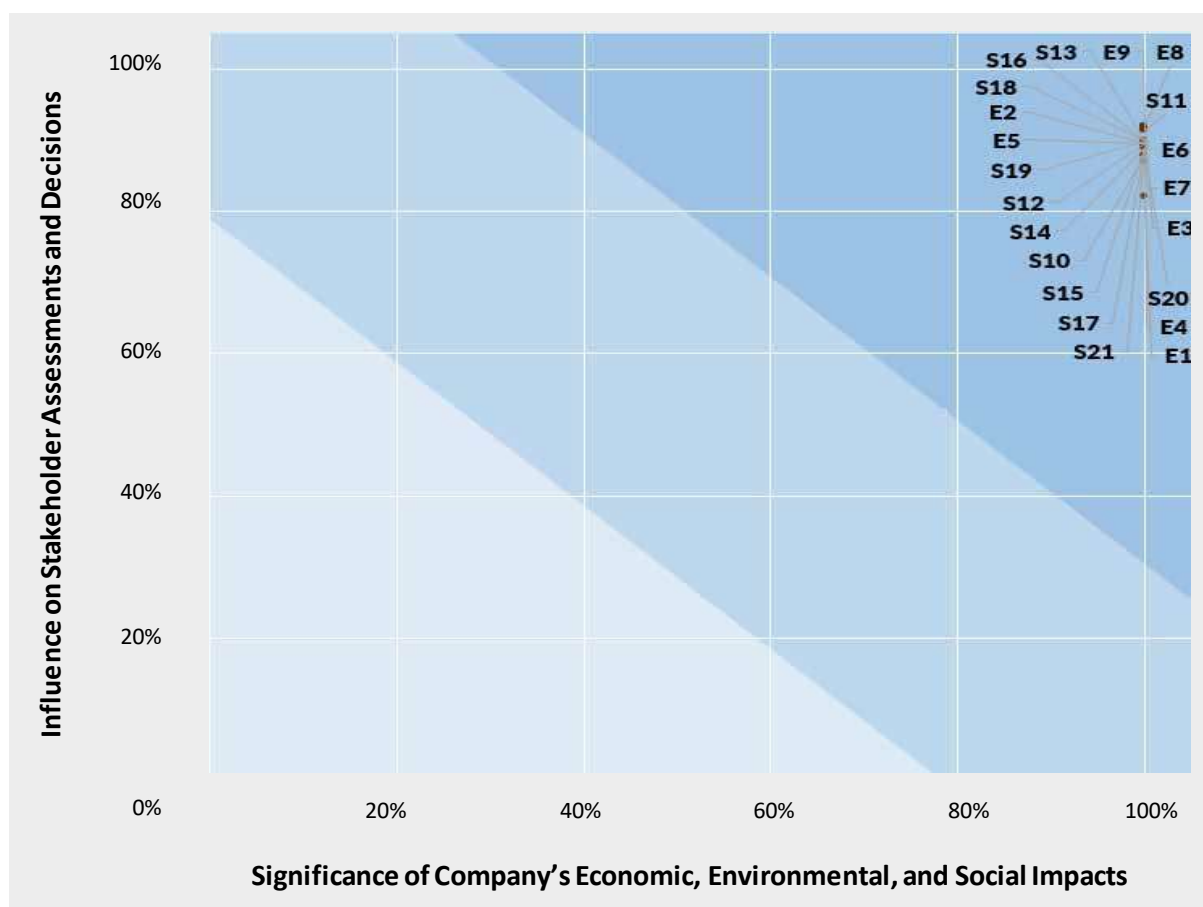
## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY APPROACH (CONT'D)

#### MATERIALITY ASSESSMENT (CONT'D)

In 2023, the Group revisited its identified material topics to enhance sustainability programs and reporting.

#### Materiality Index



LOW

MODERATE

HIGH

#### Legends:

- |                                                    |                                                                               |
|----------------------------------------------------|-------------------------------------------------------------------------------|
| E1. Air and Greenhouse Gas Emissions               | S12. Training & Development                                                   |
| E2. Waste and Effluents                            | S13. Legal compliance on employment practice                                  |
| E3. Water Use                                      | S14. Anti-corruption policies and whistle-blowing procedure                   |
| E4. Energy Use                                     | S15. Product/Service Safety                                                   |
| E5. Environmental design on products and services  | S16. Data Privacy and Protection                                              |
| E6. Legal Compliance on environmental aspect       | S17. Labelling and information relating to products and services              |
| E7. Land remediation, contamination or degradation | S18. Legal compliance on operation and products/services provided             |
| E8. Supplier environmental assessment              | S19. Community Development and Investments                                    |
| E9. Material used in production and packaging      | S20. Supplier Assessment for Impacts on Society                               |
| S10. Employment Practices                          | S21. Capital Investments on Local Economy and other indirect economic impacts |
| S11. Occupational Health & Safety                  |                                                                               |

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY APPROACH (CONT'D)

#### STAKEHOLDERS ENGAGEMENT

Part of the process is engagement with stakeholders. This has enabled us to identify and understand our stakeholders' needs and concerns, which is incorporated into our growth strategies.

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives	Frequency	Initiative
Customers	<ul style="list-style-type: none"> <li>Consistent product quality meeting specifications</li> <li>Competitive pricing.</li> <li>Regular visits to customers and follow-up customer feedback.</li> <li>Prompt service performance and response, after-sales support and clear communications.</li> <li>Encourage customer feedback and engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Providing excellent customer service.</li> <li>On-time delivery.</li> <li>Building strong customer relationships.</li> <li>Offering high-quality products and services.</li> </ul>	Weekly and Ad Hoc Basis	<ul style="list-style-type: none"> <li>Inspection activities for quality products.</li> <li>Close communication with customers to understand customer requirements.</li> <li>Set KPIs for a customer complaint to ensure prompt response and follow-up till close.</li> <li>Continuous development of product and product costing.</li> </ul>
Employees	Compensation	Satisfactory remuneration (salary, bonus, incentive, increment and career advancement).	Annually and Ad Hoc Basis	To motivate the good performance employees and improve productivity.
	Welfare	Providing staff accommodation and medical coverage.	Continuously	Staff activities; annual trip, annual dinner.
	Working environment	Providing safety workplace and conducive working environment.	Continuously	Create a positive, safe and healthy work environment.
	Career	Training opportunities, job satisfaction, motivation and clear work scope.	Continuously	Carry out training and enhancement skills job upgrading functions.
Suppliers / Subcontractors & Business Partners	<ul style="list-style-type: none"> <li>Prompt payment as per payment terms.</li> <li>Giving clear and accurate requirements.</li> <li>Build trust.</li> <li>Be transparent about the company's business and its goals.</li> </ul>	<ul style="list-style-type: none"> <li>Good relationship and business support.</li> <li>Sufficient lead time is given an accurate forecast</li> <li>Building strong business partner relationships.</li> </ul>	Continuously	<ul style="list-style-type: none"> <li>Give business support.</li> <li>Provide accurate forecast and lead time give.</li> <li>Source for a backup subcontractor.</li> </ul>

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY APPROACH (CONT'D)

#### STAKEHOLDERS ENGAGEMENT (CONT'D)

Stakeholder Group	Engagement Approach	Engagement Focus & Objectives	Frequency	Initiative
Regulators	<ul style="list-style-type: none"> <li>Accurate information is given to authority.</li> <li>Zero non-compliance with regulations.</li> <li>Keep abreast with new regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with legal and regulatory requirements.</li> <li>Up-to-date and accurate scheduled waste inventory/ DOE, DOSH, and Custom requirements.</li> <li>Staff competency.</li> </ul>	Per regulatory requirements	<ul style="list-style-type: none"> <li>Monitoring of permit's expiry and prompt renewal.</li> <li>Appoint a competent person to be in charge of applicable regulations.</li> </ul>
Community	<ul style="list-style-type: none"> <li>Be inclusive of local community and local community engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Support local businesses.</li> <li>Provide employment opportunities.</li> </ul>	Continuously	<ul style="list-style-type: none"> <li>Engage local suppliers.</li> <li>Employment opportunities.</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Transparent about the operations, financial performance, and governance practices.</li> <li>Hold regular shareholder meetings to discuss important issues and provide opportunities for shareholders to ask questions and provide input.</li> </ul>	<ul style="list-style-type: none"> <li>Build trust, interest and confidence among shareholders.</li> </ul>	Annually and Ad Hoc Basis	<ul style="list-style-type: none"> <li>Diversity of board members with different backgrounds, experiences, and perspectives.</li> </ul>

As part of the Group's sustainability practice, we regularly review our policy to improve and overcome the negative impacts / from time to time. We have implemented and practiced the use of online feedback forms to identify and address grievances from stakeholders. Any informal complaints are discussed during management meetings and management takes note and discuss to overcome any grievances.

Our stakeholders are involved in the design, review, operation, and improvement of these mechanisms as we conduct surveys, group discussions or individual interviews to understand stakeholders' preferences, needs, and concerns. Feedback from stakeholders is collected and analyzed to identify strengths, weaknesses, and areas for improvement in the operation of grievance mechanisms. This feedback is used to inform adjustments to the mechanisms and enhance their relevance and usability. Further, stakeholders are invited to provide feedback on their experiences with our grievance mechanisms and remediation processes through surveys or online feedback forms. Feedback mechanisms are designed to be accessible, confidential, and culturally appropriate, allowing stakeholders to express their views openly and without fear of reprisal. Key performance indicators (KPIs) are developed to measure the effectiveness of grievance mechanisms and remediation processes against predetermined objectives and benchmarks.

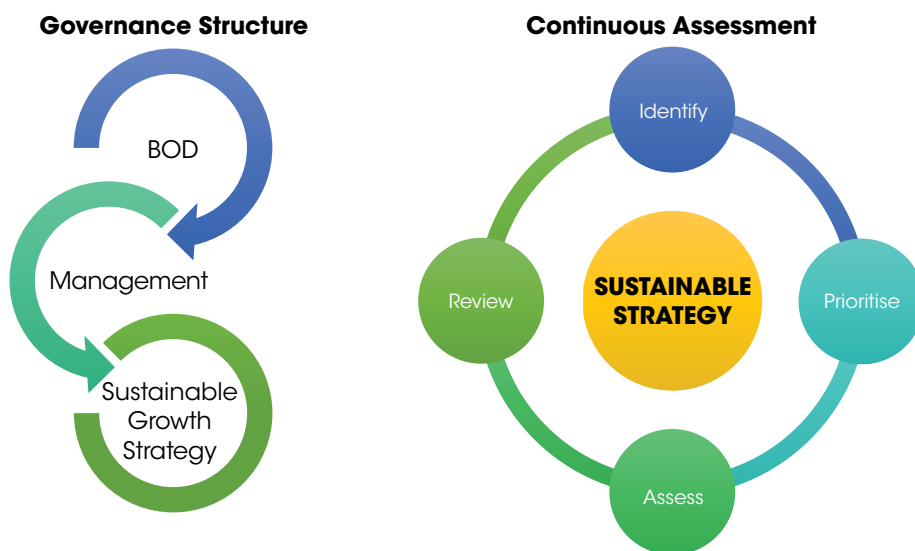
The organization offers training programs, workshops, or seminars to build the capacity of employees and stakeholders to understand and implement responsible business conduct policies and practices effectively. These training sessions may cover topics such as ethical decision-making, anti-corruption measures, human rights due diligence, and environmental stewardship. The organization establishes formal feedback and consultation mechanisms that allow individuals and stakeholders to provide input on responsible business conduct policies and practices.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORE OF SUSTAINABILITY FACTORS

#### GOVERNANCE

The Group upholds rigorous corporate governance ("CG") practices and is closely monitored by the Board of Directors. The Board of Directors set out the overall business strategy and its performance. The management team is tasked with executing the strategy in a sustainable manner. This process is continuously being monitored and refined as we strive towards achieving our environmental, social and governance goals. A strong governance structure enables us to implement our sustainability strategy across the Group, strengthen relations with stakeholders as well as ensure overall accountability.



The Board and Management spearheads the development and enhancement of the Group's purpose, values, mission, strategies, policies and goals. The Board and Management continuously engage and consider the views of its internal and external stakeholders to better understand and manage the company's sustainability risks and opportunities including the Group's impact on the economy, environment, and people. We recognised the sustainability issues as a material issue to the decision-making considerations of a company's stakeholders. We continuously consider the institutional investor's consideration in the integration of ESG factors in their investment decision-making process as part of the fiduciary responsibility and have committed to holding boards and senior management accountable for the management and oversight of sustainability.

The Group's sustainability assessment (including the review of sustainability report and assessment of material topics) is part of the Board's regular meeting agenda. The Group sustainability strategies, priorities as well as targets and performance against these targets are communicated to the internal and external stakeholders of the Group. Employee awareness and understanding of the Group approach to sustainability (what we do and why we do it) on sustainability issues and support actions on sustainability across the company are communicated.

Our commitment to the business is focused on strong corporate governance and prudent management in view of the challenging internal and external environment.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORE OF SUSTAINABILITY FACTORS (CONT'D)

#### GOVERNANCE (CONT'D)

##### Corporate Governance

The Group strives to comply with the best practices of good governance, guided by the Malaysian Code of Corporate Governance, throughout its operations. The Group has established standard operating policies and procedures, discretionary authority levels, and guidelines for recruitment and human capital development amongst others. These policies, procedures and guidelines are subject to regular reviews and have been communicated to all staff levels.

In relation to risk management and controls, the Group has put in place the following policies:

- Board Charter
- Code of Conduct
- Code of Ethics
- External Auditors' Assessment Policy
- Whistleblowing Policy

Details of our corporate governance framework and practices are elaborated in the Corporate Governance Overview Statement in the Annual Report and also available on the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my) ("BSLCORP's Website").

##### *Conflicts of Interest and Critical Concerns*

The BOD develops and adopts clear policies and procedures to identify, prevent and mitigate conflicts of interest. Board members are required to disclose any actual or potential conflicts of interest in a timely manner including financial interests, relationships, affiliations and other relevant connections that could influence their judgement or decision-making on matters. Board members may be required to sign confidentiality and non-disclosure agreements to protect sensitive information shared during board discussions. These agreements help prevent conflicts of interest by ensuring that confidential information is not improperly disclosed or used for personal gain.

Critical concerns grievances that have the potential to affect the organization's reputation, operations, or long-term viability may include significant environmental impacts, social risks, ethical dilemmas, regulatory violations, emerging trends, or stakeholder. As critical concerns are identified, they are documented and reported to senior management and the BOD. The BOD engages in discussions on critical concerns to understand their implications, assess the organization's response strategies and make informed decisions on how best to mitigate risks, seize opportunities, and uphold the organization's values and commitments.

In FY2023, FY2022 and FY2021, there were no identified and communicated conflicts of interest nor critical concerns to the BOD.

##### *Board Nomination and Assessment*

The Nomination Committee develops criteria outlining the qualifications, internal recommendation, skills and experience required for candidates to serve on the highest governance body and its committees. The Nomination Committee assesses the suitability of candidates against the established criteria through interviews, reference checks, and other evaluation methods. Candidates are assessed on their (i) skills, knowledge, expertise and experience; (ii) professionalism; (iii) commitment (including time commitment) to effectively discharge his/her role as a Director; (iv) contribution and performance; (v) background, character, integrity, and competence; in the case of candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-executive Directors; and (vi) Boardroom diversity including gender diversity.

The Nomination Committee may also consider nominations from shareholders. However, the independence of each candidate is still being reviewed. This includes verifying their financial or familial relationships with the company, absence of significant business interests with the company and no conflicts of interest that could compromise impartial judgement. Candidates are assessed based on their past affiliations, connections and relationships with the company, its executives, shareholders, or stakeholders. Candidates are required to disclose any relationships, affiliations or conflicts of interest that may affect their independence or impartiality as a governance body. The nomination committee conducts an evaluation of each candidate's independence, considering both quantitative factors and qualitative factors. This evaluation may involve reviewing candidates' backgrounds, conducting interviews and consulting with external advisors or governance experts.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORE OF SUSTAINABILITY FACTORS (CONT'D)

#### GOVERNANCE (CONT'D)

##### Corporate Governance (Cont'd)

##### *Board Nomination and Assessment (Cont'd)*

Candidates with relevant industry knowledge and experience are sought after, as they can provide valuable insights into the specific challenges, opportunities and trends affecting the organization's operations and impacts. Board members should possess the ability to analyze complex issues, anticipate future trends, and formulate strategic plans that consider the organization's ESG impacts. Candidates are required to possess financial acumen for overseeing the organization's financial performance, risk management, and resource allocation.

Based on their evaluations, the Nomination Committee recommends a shortlist of candidates to the highest governance body for final approval. The Board reviews the recommendations and makes decisions on the appointment of new members or the reappointment of existing ones. Once approved, selected candidates are formally appointed to their respective positions. They undergo an onboarding process to familiarize themselves with the organization's governance structure, policies, and operations.

The Nomination Committee periodically reviews the composition and performance of the Board and its committees to ensure they remain effective and aligned with the organization's evolving needs.

The Board establishes mechanisms for monitoring and evaluating the organization's performance in managing its impacts, including regular reporting and accountability mechanisms. Senior Executives provide updates to the board on key sustainability initiatives, progress towards goals and emerging risks or opportunities. This involves assessing the adequacy of existing processes, identifying areas for improvement, and ensuring alignment with the Group's strategic objectives and stakeholder expectations. Senior Executives submit the reports containing information on the material topics, sustainability performance, and impacts to the Board. These reports may be presented during scheduled board meetings. Based on its review and assessment, the Board makes decisions and provides approvals as necessary. This may include approving the reported information for disclosure to stakeholders, endorsing strategic initiatives or corrective actions, or providing guidance on future priorities and performance targets.

The frequency of this review varies depending on factors such as annually or semi-annually, to ensure ongoing monitoring and improvement. More frequent reviews may be necessary in response to significant events or changes in the operating environment.

The Board receives regular reports on the organization's performance in relation to its economic, environmental, and social impacts. These reports should include quantitative data as well as qualitative insights to provide a comprehensive overview of the organization's activities and their effects. Periodic assessments and audits should be conducted to evaluate the effectiveness of the organization's policies, practices, and initiatives related to economic, environmental, and social impacts. These assessments may include financial audits, environmental impact assessments, and social responsibility evaluations. The evaluation of the Board's performance is done quarterly.

Based on this evaluation, remuneration is set. Remuneration packages can include performance metrics directly tied to the organization's impact on the economy, environment, and people. For example, financial performance indicators could include revenue growth alongside metrics related to environmental sustainability, such as waste generation. The remuneration structure should encourage long-term sustainability rather than short-term gains. Organization's commitment involves rewarding executives and board members for fostering positive relationships with stakeholders. Currently, the Board is entitled to fixed and variable pay.

Remuneration policies cover various aspects such as base salary, bonuses, stock options, performance incentives, benefits, and any other forms of compensation. Once the remuneration policies are in place, the actual determination of remuneration for executives and key personnel takes place. Independent directors ensure transparency and fairness in the remuneration process, taking into account stakeholder interests and concerns.

The Director and Senior Management Remuneration Policy was approved by the Board of Directors in the Board meeting. The policy is published in the IR page of the company website for the reference. The approval on the directors' fee and benefit in kind for the Board of Directors of the next Financial Period will be granted by the shareholders during the Annual General Meeting.

## CORE OF SUSTAINABILITY FACTORS (CONT'D)

## GOVERNANCE (CONT'D)

Corporate Governance (Cont'd)*Leadership*

Currently the highest governance body for the Group is the Deputy Chairman of the BOD. However, as it relates to the execution of corporate governance matters, this is headed by Executive Director cum CEO of the Group.

The Executive Director is fully committed to developing and maintaining high standards of corporate governance by implementing the prescriptions of the principles and best practices stated in the MCCG. The Executive Director and Board's fundamental approach in this regard is to ensure that the right executive leadership, strategy, and internal controls for risk management are well in place. The execution of the corporate governance matters or decisions are approved by the BOD through written resolutions or board meeting agenda.

The Board and the Senior Executives collaborate to define the organization's purpose, values, and mission statements which involves identifying the core principles and beliefs that guide the organization's actions and its commitment to sustainable development. The Senior Executives are typically responsible for developing strategies that support sustainable development and the Board reviews and approves these strategies to ensure they align with the Group's mission and values while meeting stakeholder expectations. Senior executives, in collaboration with relevant departments, formulate policies that guide the organization's activities regarding sustainable development. The Board evaluates and approves these policies to ensure they comply with legal requirements, industry standards, and the Group's objectives.

Both the Board and Senior Executives periodically review and update the organization's purpose, values, mission statements, strategies, policies, and goals related to sustainable development. This involves assessing progress toward established targets, identifying emerging sustainability issues, and adapting strategies and policies accordingly. A quarterly or annual reporting mechanism is established to track performance against sustainability goals, with oversight from the highest governance body to ensure accountability and transparency.

The Board appoints Senior Executives (ED and COO) and defines the roles, responsibilities, and authorities of Senior Executives regarding the management of impacts on the economy, environment, and people. Senior Executives play a key role in aligning operational activities with strategic objectives and embedding sustainability principles throughout the organization. Senior executives delegate responsibility for managing specific aspects of the organization's impacts to middle and lower-level management teams across various departments and business units. Management may invest in training and capacity-building programs to equip employees with the knowledge, skills, and tools necessary to identify, assess and address the organization's impacts on the economy, environment, and people.

*Due Diligence*

The Board oversees the implementation of due diligence processes, ensuring they are comprehensive, transparent, and aligned with relevant standards and regulations. Based on the findings of due diligence processes, the highest governance body works with Senior Executives to develop strategies and initiatives for managing and mitigating the organization's impacts on the economy, environment, and people. The Board recognizes the importance of engaging with stakeholders to understand their perspectives, concerns, and expectations regarding the organization's impacts on sustainability. They leverage stakeholder input to inform strategic decisions, shape policies and practices, and drive continuous improvement in the organization's sustainability performance. The Board holds the organization accountable for its sustainability commitments and actions by establishing clear performance metrics, targets, and reporting mechanisms.

## SUSTAINABILITY STATEMENT (CONT'D)

### CORE OF SUSTAINABILITY FACTORS (CONT'D)

#### GOVERNANCE (CONT'D)

##### Corporate Governance (Cont'd)

###### *Policy Commitments*

The Board or the Senior Executives publicly communicates the Group's commitment to responsible business conduct. This commitment is often reflected in the Group's mission, vision, and values statements. The Group develops comprehensive policies that reflect its commitment to responsible business conduct. Responsibility for implementing these policies is assigned to specific departments or teams within the organization. The Group extends its commitment to responsible business conduct to its suppliers, contractors, and business partners. Supplier codes of conduct are developed, and mechanisms are put in place to assess and monitor supplier compliance.

Identifying key objectives related to responsible business conduct, such as promoting human rights, environmental sustainability, and ethical business practices. The Group develops specific policies and guidelines that reflect its commitment to responsible business conduct. These policies cover areas such as human rights, labor standards, environmental protection, and anti-corruption measures.

Policies are designed to be comprehensive, addressing the Group's entire value chain, including suppliers, partners, and other stakeholders.

Regular audits and assessments are conducted, reporting of performance results to evaluate the effectiveness of operational procedures in meeting the company's commitments and to identify areas for improvement.

###### *Board Training*

The Group invests in training and education programs designed to enhance the collective knowledge of the highest governance body on sustainable development. Organizations engage with stakeholders, including shareholders, employees, customers, suppliers, NGOs, and communities, to gather input, feedback, and perspectives on sustainable development issues.

###### *Anti-Bribery & Anti-Corruption*

The Group is committed to the highest ethical standards in conducting business dealings with integrity and in compliance with all applicable laws, including the MACC Act. 1.2. The Group has adopted a zero-tolerance approach against all forms of Bribery and Corruption and takes a strong stance against such acts.

The Group has set out our Anti-Bribery & Anti-Corruption Policy applicable and communicated to all officers, directors, and employees. All members of the Group are trained in this matter.

In FY2023, FY2022 and FY2021, there were no noted incidents of corruption.

###### *Compliance with Laws and Regulations*

The Group has no significant instances of non-compliance with laws and regulations during the reporting period.

###### *Tax Compliance*

The Group prioritizes tax compliance to uphold its responsibilities to local and national governments. Both the Management and BOD oversee this aspect, ensuring adherence to tax regulations. Regular tax filings are conducted, with a focus on assessing and mitigating any complexities or risks. As part of its commitment to sustainability, the Group diligently follows applicable tax laws. To further enhance its tax management, the Group collaborates with third-party consultants and undergoes external audits to guarantee compliance with financial reporting and disclosure standards.

###### *Privacy and Data Protection*

Ensuring the safety and privacy of stakeholder data is paramount for us. Our internal Data Protection Policy guides all staff on procedures to safeguard the privacy of suppliers, customers, shareholders, and employees. This policy is distributed to all employees during onboarding.

We actively monitor any stakeholder concerns about data privacy and are pleased to report no substantiated complaints or incidents of breaches or cyber-attacks in FY2023, FY2022, and FY2021.

## SUSTAINABILITY STATEMENT (CONT'D)



### ECONOMIC

Economic consideration remains our core tenet in formulating our growth strategy. Management takes into account current and expected market conditions, and global developments to identify potential headwinds facing the Group. Monthly and ad-hoc meetings with the leadership team are conducted to formulate, review and re-assess the Group's strategy.

Our commitment to business excellence is focused on strong corporate governance and prudent financial management given the challenging market environment. We strive to achieve the following financial goals:

- Maintain and grow the turnover and operating cash flow
- Improve operation efficiency
- Broaden income-generating sources
- Enhance and strengthen our core businesses.

Further, the Group contributes the following positive impact to the community:

- **Job Creation:** The Group provides employment opportunities for individuals within the local community, contributing to economic stability and reducing unemployment rates.
- **Economic Growth:** By generating revenue and contributing to the local tax base, the Group supports economic growth in the community.
- **Supply Chain Support:** Our operations support local suppliers and businesses, creating a ripple effect of economic activity throughout the central region.
- **Skill Development:** Through training and skill-building programs, the Group enhances the capabilities of the local workforce, leading to increased employability and higher wages.
- **Innovation and Technology Transfer:** Our manufacturing processes may involve innovation and technology adoption, which can stimulate further technological advancements in the region.
- **Business Diversification:** Increased market share and business revenue

Alternatively, the Group's contribution to noise pollution (operations such as stamping can produce noise, potentially impacting the quality of life for nearby residents) is a point that the Group is continually addressing through improvements in its process and operations.

## SUSTAINABILITY STATEMENT (CONT'D)



### ENVIRONMENT

The Group is committed to reduce our impact on the environment by minimizing our operational carbon footprint where possible. We actively promote the responsible use of resources and the importance of environmental protection among our employees and stakeholders.

We recognize the potential environmental impacts of our operations and are committed to operate in a manner which minimizes the negative impact towards the environment.



### KEYS OF SUSTAINABILITY

This section aims to provide insights on the Group's sustainability commitments and practices across the three key areas of Economic, Environmental and Social undertaken by our key business division.



### Environmental Compliance

The Group is assessed yearly based on the ISO9001 & ISO14001 standards and any non-compliance noted will be addressed immediately. In addition, the Group also complies with the Department of Environment ("DOE"), Department of Safety and Health Malaysia ("DOSH") and Suruhanjaya Perkhidmatan Air Negara ("SPAN") requirements.

We continue to set targets for our energy consumption as well as resources such as water and paper usage, as we continue to review our processes to find more sustainable ways of doing things.

### Energy and Emissions Management

Our efforts in energy management include:

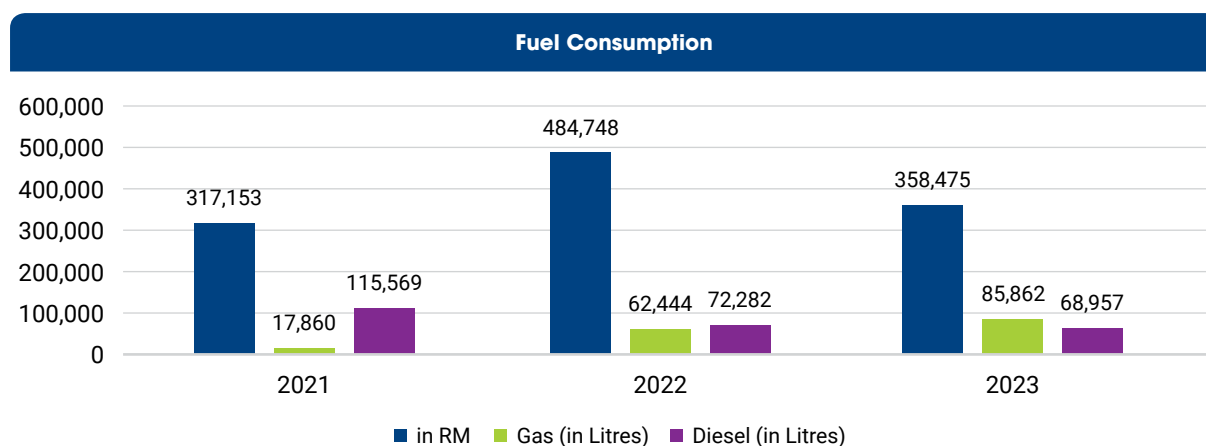
- A lighting schedule across key areas in our head office to switch off lights during certain hours of least use.
- Ensure machines and fans are switched off during non-operating hours.
- Maintenance and replacement of electrical equipment and light fittings to maximise energy efficiency
- Campaign to remind all staff to switch off the lighting, water dispenser, air conditioning, or other electrical appliances in the office and pantry when they are not required.
- Installation of a 1,000 kW Solar PV System on the roof is our initiative to reduce energy consumption and is estimated to provide cost-saving of up to RM63,202 per month.

Our operations do not produce any significant gas emissions. The only emission noted are from our vehicles, forklifts and ovens (heat). We continue to avoid processes that emit harmful gases into the air.

## ENVIRONMENT (CONT'D)

## Energy and Emissions Management (Cont'd)

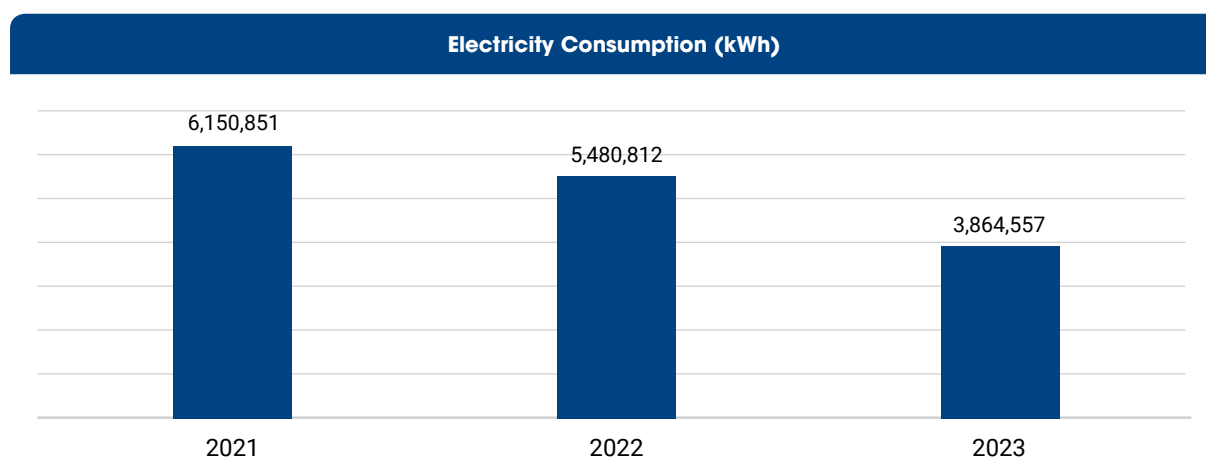
## Scope 1 emissions



Total fuel consumption translates to 353.32 (FY22 – 312.55; FY21 – RM 327.78) metric tons of CO<sub>2</sub>e for FY23. This is approximately 3.21 (FY22 – 1.46; FY21 – 2.06) metric tons of CO<sub>2</sub>e per million RM of revenue.

## Scope 2 emissions

In FY23, the Group's total electricity consumption is 3.9 million (FY22 – 5.5 million; FY21 – 6.2 million) kilowatt-hours (kWh). The Group uses electricity to operate its offices and factories.



Electricity consumption translates into 2,080.29 (FY22 – 2,950.32; FY21 – 3,311) metric tons of CO<sub>2</sub>e, which is equivalent to 18.87 (FY22 – 13.73; FY21 – 20.76) metric tons of CO<sub>2</sub>e per million RM of revenue.

In line with the Group's commitment to sustainable use of energy resources, a sub-subsidiary (disposed in June 2023) generated and sold solar energy. Energy sold amounted to RM 888,719.33, RM 709,965.70, and RM 259,512.85 for the periods ended December 31, 2021, December 31, 2022, and June 30, 2023, respectively. The Group is continuously exploring opportunities to transition to other sources of renewable energy.

## SUSTAINABILITY STATEMENT (CONT'D)

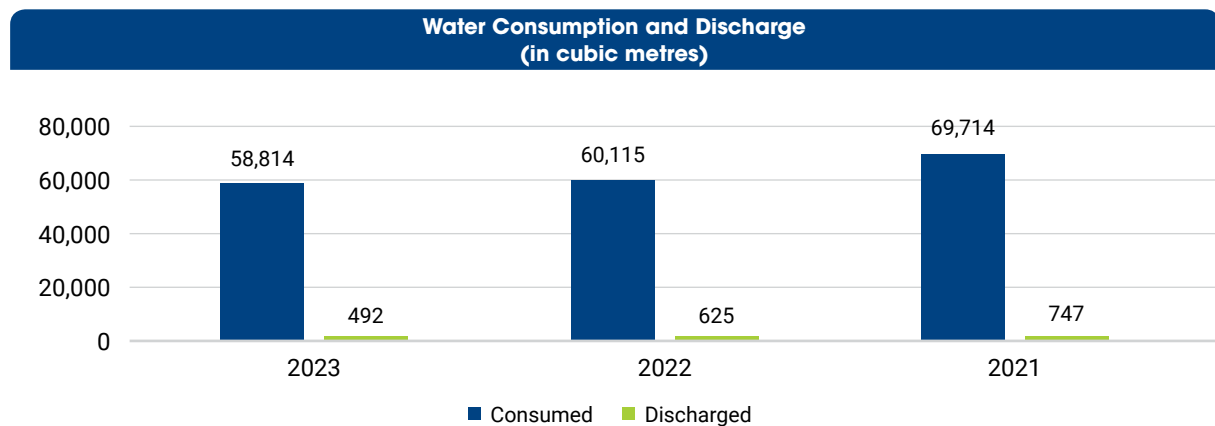
### ENVIRONMENT (CONT'D)

#### Water Management & Consumption

We promote water-saving practices among employees and adopt water-efficient technologies and equipment wherever possible. We have taken steps to control the water used to be in line with the sustainability efforts, which include:

- Seeking out any water leakages
- Conducting checks and fixing leaks immediately
- Installing water savings devices

Total fresh water withdrawn sourced from local water provider and total fresh water discharged through local community's wastewater facilities are as follows:



#### Waste Management

The Group acknowledges that the environmental impact of paper usage is significant. The Group's approach to waste management is to avoid unnecessary paper consumption and waste generation, where possible and appropriate, to reduce the wastage. The Group is always mindful to reduce the usage of paper where possible.

We minimise production waste by:

- Training and retraining of our employees
- Ensuring our manufacturing processes are stable, controlled and closely monitored
- Machines, tools and equipment are well maintained and in optimal condition

Generally, the Group practices the following on the paper management initiatives:

- Reducing paper usage - avoid any printing and photocopying, where possible, and encourage paperless and electronic modes of usage
- Re-using one-sided printed papers by printing on the other side
- Recycling papers by having proper recycling bins

The Group's nature of the business also results in scheduled wastes such as used grease and oil, hydraulic oil, coolant and used gloves and rags. As such, the Group has a full-time competent person to manage the scheduled wastes and to comply with all the necessary regulations.

The Group has installed and commissioned a wastewater treatment system to treat all the by-products of the powder coating line. We have a full-time competent person to manage the waste water treatment to ensure we comply with all the necessary regulatory requirements.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENT (CONT'D)

#### Waste Management

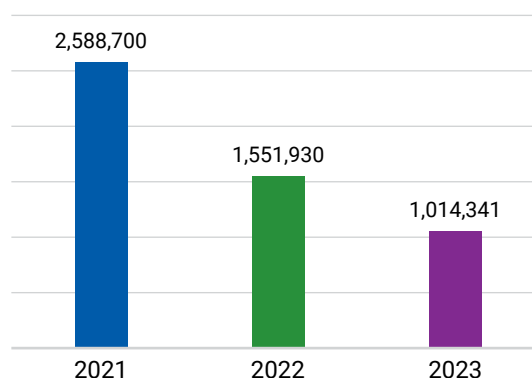
##### Storage and Collection of Production Waste and Recyclables

The Group has carried out some initiatives for the storage and collection of production waste and recyclables. The initiative includes:

- Providing dedicated areas and storage bins for non-hazardous material for recycling
- Designating a dedicated area where “on-site” sorted waste materials can be stored in a safe and contained manner while waiting for a licensed contractor to collect the waste for proper disposal

Waste generated from operations equates to 9,201.46 (FY22 – 7,224.76; FY21 – 16,230.91) KG per million RM of revenue.

**Waste Generated and Directed to Disposal  
(KG)**



Composition	Amount of non-hazardous waste produced and directed to disposal (KG)			Amount of non-hazardous waste recycled (KG)		
	FY2023	FY2022	FY2021	FY2023	FY2022	FY2021
Paper	38,635	33,890	43,380	–	–	–
Plastic	13,190	11,650	14,730	–	–	–
General Waste	962,516	1,506,390	2,530,590	–	–	–
<b>Total</b>	<b>1,014,341</b>	<b>1,551,930</b>	<b>2,588,700</b>	–	–	–

Disposal Operations	Amount of hazardous waste diverted from disposal (KG)			Amount of non-hazardous waste diverted from disposal (KG)		
	FY2023	FY2022	FY2021	FY2023	FY2022	FY2021
Landfilling	–	–	–	–	–	–
Onsite	–	–	–	–	–	–
Offsite	32,442	53,652	40,323	1,014,341	1,551,930	2,588,700
<b>Total</b>	<b>32,442</b>	<b>53,652</b>	<b>40,323</b>	<b>1,014,341</b>	<b>1,551,930</b>	<b>2,588,700</b>

## SUSTAINABILITY STATEMENT (CONT'D)



### SOCIAL

Co-existing and contributing to the local communities is an integral part of ensuring sustainability. To appreciate and to give back to the society, starts from the employees. The following efforts are emphasised under the social aspect.

### Employees

#### Workplace

Our employees play a vital role in the success and sustainability of our Company. We strive to create a work environment that is conducive and supportive, as we continue to improve our organisational structure, processes and employee mindset to help our Group scale.

At the heart of our employment philosophy lies a steadfast commitment to providing equal opportunities for all. We operate on a merit-based system where performance is the ultimate measure of success.

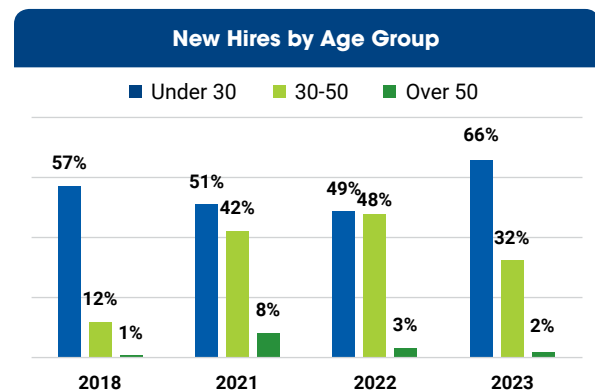
Guided by the directives of our Board of Directors, our internal compliance teams ensure that these principles are consistently applied throughout our organization. Notification of any substantial policy changes will be disseminated within one to two months prior to their implementation.

Should any deviations from these standards occur, they are promptly investigated and resolved, reinforcing our dedication to fairness and accountability.

#### Sustainable Workforce

Under our succession and talent management initiatives, a phase of talent profiling was successfully carried out where key staff were identified and have been briefed on their areas of development and strengths that they should leverage, to achieve their maximum potential.

In FY2023, a total of 137 FTEs were added to the workforce, 73% of which are males. On the other hand, 272 FTEs left the Group in FY2023, 40% of which are males. FY2023 ended with 671 FTEs, 66% of which are males.



#### Succession Management

A succession management programme is also in place to develop the next line of leaders. Higher learning programmes for leadership development have been earmarked for the talent pipeline.

The Group has also stepped up its efforts to mobilise internal talents to fill up positions which became vacant during the period under review. We have taken a decide to move to promote internally and to deploy talent to suitable positions across the organisation. This initiative offers growth opportunities to employees.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

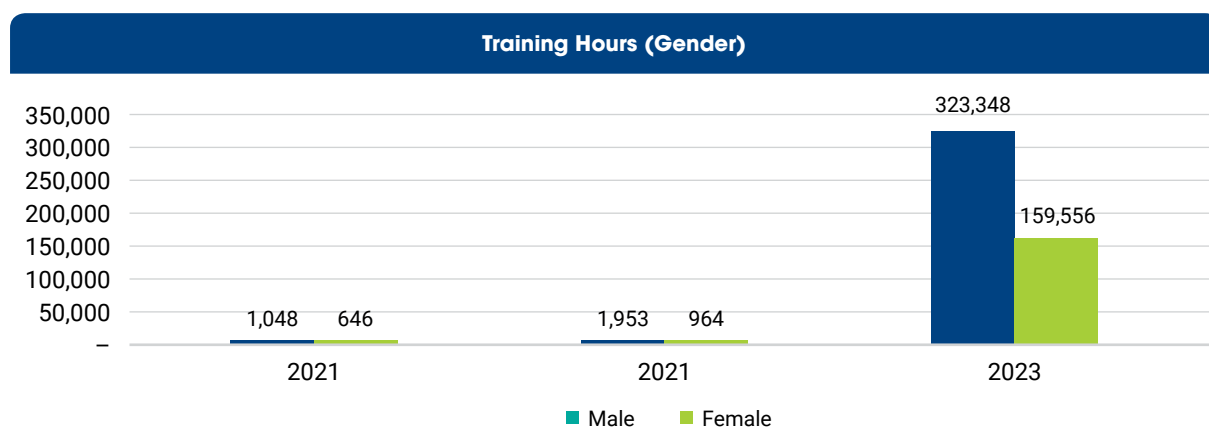
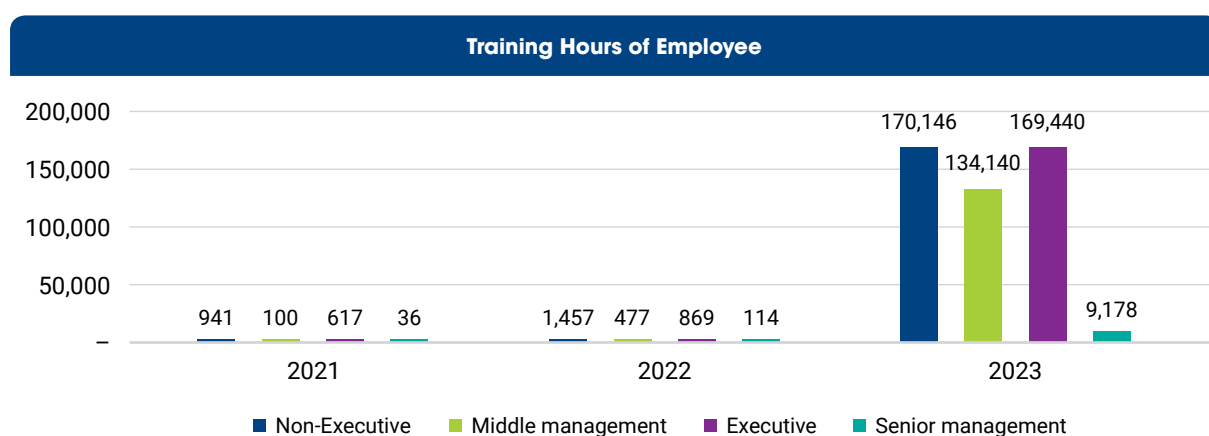
#### Employees (Cont'd)

##### Training and Development

Employees are a vital component and their performance, commitment and loyalty are critical factors in achieving the Group's goals and objectives for growth. In this respect, the Group continues to build and upgrade its employees to ensure that they can realise their full potential with the following efforts:

- Engage in external training workshops for employees on both technical related skills and soft management skills;
- Participate in external training and activities to broaden the knowledge base and exposure of its employees to keep abreast of new developments in their respective fields of expertise;
- New employees will participate in new employees' orientation as well as an on-site visit to get clear insights into the Group's operations and its product range;
- Competency tests are structured in each department to help new staff understand the requirements of their respective roles. Below is a summary of the training hours.

Training programs implemented by the Group includes Quality Management System, Environmental Management System, Safety & Health, Operational and other scope. As of FY23, there are no transition assistance programmes implemented yet. The increase in training hours in FY23 relates to implementation of mandatory training sessions on workforce enhancement programme or talent development programme for all staff.



## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees (Cont'd)

The Group aims to further employee growth and success by aligning management and employee goals. Regular performance and career development reviews are essential to ensure employee satisfaction and organizational performance.

#### Employee Engagement

The Group provides various avenues for our staff to get together and forge a strong bond with each other. Celebrating successes and festivals together is also part of BSL's culture. When permitted, the Group organises a yearly celebration of Chinese New Year, Hari Raya as well as Myanmar New Year for all of its staff.

#### Diversity and Inclusion

Our workforce is composed of diverse group of individuals that contribute their skills to the Group's overall success.

	FY2023				
	Permanent	Temporary	Non-guaranteed hours	Full-time	Part-time
By segment/location					
BSL Manufacturing, Rawang	184	357	–	541	–
BSL Electronic & Technology, Rawang	52	67	–	119	–
BSL Unify, JB	6	5	–	11	–
By gender					
Male	105	336	–	441	–
Female	131	99	–	230	–

The Group has no workers who are not employees in FY2023, FY2022 and FY2021.

	FY2023						
	Age			Gender			Vulnerable Groups
	under 30	30-50	over 50	Male	Female	Others/ Not disclosed	
Total number of employees	223	392	56	441	230	–	–
Percentage	33%	59%	8%	66%	34%	–	–
Senior Management and C Suite	–	4	2	5	1	–	–
Middle Management	–	24	10	24	10	–	–
Executive	34	54	11	63	36	–	–
Non-executive	189	310	33	349	183	–	–

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees (Cont'd)

##### Diversity within Top Management



##### Impact Sourcing

The Group recognises the importance of creating opportunities equally for the people. Hence, we have embarked on an impact sourcing programme where the Group will create opportunities for underserved communities and where high unemployment rate exists and also for individuals with high potential but are disadvantaged economically and/or socially. The impact sourcing also helps reduce reliance on foreign labour and concurrently lowers our average cost per worker. Over time, we expect to increase the headcount via our impact sourcing programme.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees (Cont'd)

##### Human Rights

We are steadfast in our commitment to upholding human rights in all aspects of our operations. We adhere to strict ethical standards and international laws to ensure the dignity, safety, and well-being of every individual involved in our supply chain and workforce. We continually assess and improve our policies and practices to combat human rights abuses, including child labor, forced labor, and discrimination. Our dedication to human rights is integral to our corporate ethos and guides our actions as responsible global citizens.

##### Anti-Discrimination, Anti-Child Labour, and Anti-Forced Labour

The group recognizes that diverse workplaces may face discrimination risks. Actively supporting and encouraging diversity within the workforce, while promoting racial harmony and implementing policies to prevent discrimination is a must. The group's Code of Conduct and Code of Ethics emphasize treating everyone with dignity and it strictly prohibits any form of discrimination.

The Group implements rigorous measures to prevent the occurrence of child labor or forced labor in our operations. In Malaysia, we adhere to local regulations, including the Malaysian Employment Act 1955, which stipulates statutory requirements for the minimum age of workers. In our operations in other locations, we maintain stringent anti-human trafficking, anti-forced labor, and anti-child labor policies to uphold our dedication to human rights.

In FY2023, FY2022, and FY2021, there were no reported instances of child nor forced labor, as well as discrimination within our organization and our value chain.

##### Compensation and Benefits

Formal and informal recognition have been put in place to ensure there are rewards for the motivation and sustenance of a harmonious working environment.

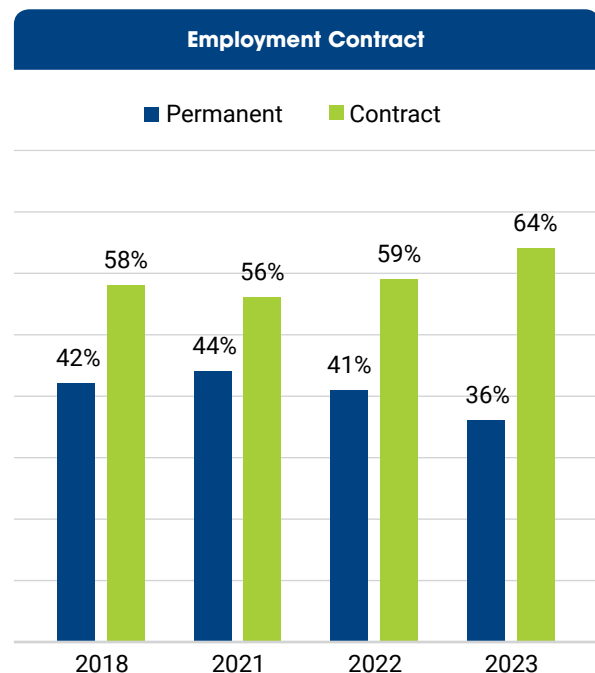
Quarterly rewards including monetary are handed out to recognise improvement and disciplinary work carried out at our workplace.

The Group has instituted initiatives that encourage staff to lead a balanced lifestyle in line with our philosophy.

The Group ensures that the ratio of salaries and wages does not differ with gender (retaining a 1:1 ratio) across all levels/position.

All local staff are covered by Mandatory retirement scheme (EPF) while there are no retirement scheme for foreign workers, currently. Employee and employer contribution to the retirement plan is equal to 11% and 13% of the staff salary, respectively.

The Group provides health care and disability benefits to full-time employees but not to part-time employees.



## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees (Cont'd)

##### *Safe, Healthy and Conducive Work Environment*

The Group places great emphasis on the safety and health of its employees while maintaining a comfortable and conducive work environment through the following initiatives:

- Setting up an Occupational Safety and Health Committee to initiate various health and safety programmes to enhance employees' awareness in the workplace;
- Full-time employment of a Safety Officer;
- Conducting quarterly safety and health audit;
- Ensuring a safe workplace with 24-hour security surveillance;
- Constant updating and promoting the awareness of safety precautions and health issues;
- Yearly talk on fire safety and prevention and fire drill exercise;
- Employees are required to wear safety gear (PPE) at the workplace to minimise injuries;
- Fogging/fumigation of work sites to prevent the spreading of diseases by mosquitoes and rodents; and
- Maintaining a workplace that is free from theft, violence, harassment, intimidation and other unsafe and disruptive influences due to internal and external conditions.

##### Occupational health

Currently, the Groups has implemented and continuously developing its Occupational Health and Safety (OHS) Management System covering all its employees. The Group has established safety and health policy which shows our commitment in providing a safe and healthy working environment. Furthermore, internal safety and health inspection are being done to identify any possible hazards and further improve with corrective actions.

To identify work-related hazards and assess risks on a routine and non-routine basis the Group performs its HIRARC (Hazard Identification, Risk Assessment and Risk Control) process. All the risk control were identified using the hierarchy of safety and health hazard control involving Elimination, Substitution, Engineering control, Administrative Control and PPE. All the risk control has been implemented as far as practicable.

The Group ensures the quality of these process by reviewing the HIRARC annually and also by conducting safety and health inspections. The HIRARC is reviewed by competent safety and health officer (Registered with DOSH). The result of this process is being evaluated based on the reduction on the number of accident frequency, severity rate and the number of compliance based on the inspection checklist.

The Safety and Health Committee has been formed which consists of employer and employee representatives.

The role of the committee members include the following:

- Assist in development of safety and health rules and safe systems of work
- Review the effectiveness of safety and health programmes
- Carry out studies on trend of accident, near-miss accident, dangerous, occurrence, occupational poisoning or diseases.
- Report unsafe conditions and practices, and make recommendations for improvement
- Review and recommend improvements of the safety and health policy.
- Workplace inspection & Accident Investigation.
- Investigation on safety and health related complains.
- Assist the committee with activities related to the promotion of occupational safety and health.

The committee meeting is conducted quarterly or as needed if in case there are emergency matters identified that need to be discussed such as accident/incident. Any hazards involved which have been highlighted or found by employees can be shared through their employee representative and this issues can be discussed during the safety and health committee meeting.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Employees (Cont'd)

##### Occupational health (Cont'd)

BSLM safety and health committee conduct the safety and health inspection on weekly basis, and also the monthly inspection report been done safety and health officer. By having frequent safety inspection we able to prevent and mitigate any significant safety hazards.

Accident/Incident reporting flow procedure has been established which clearly indicate and guide the employees on what is the next step/action to be taken if incident/accident occurred.

In terms of occupational health services, the Group ensures regulatory monitoring such as Audiometric, CHRA, LEV and CEM are done to identify the limit of employees exposure towards the process. Based on the recommendation from the monitoring, actions are taken as far as practicable to provide a safe working environment for the employees.

The Group provides in-house panel clinic. Workers are allowed to get non occupational medical and healthcare services at no cost with this panel clinic.

Safety and Health Campaigns are being organized, such as PERKESO talks.

##### Training/ Course / Seminar Attended

Safety and Health-related training sessions are provided to the employees on a yearly basis. Besides that, safety and health related campaigns are organised to share the relevant information with employees. In addition, established safe working instruction, briefed and display the work instruction at the respective workstation.

The Group's employees have attended the following training sessions:

1. Safety & Health Policy/Awareness (Local)
2. Safety & Health Policy/Awareness (Myanmar)
3. Hazard Identification, Risk Assessment & Risk Control (HIRARC)
4. Safety Motorcycle Programme

The Group placed great emphasis in-terms of the safety of its staff and visitors from COVID-19. We implemented the mandatory temperature check daily on during the pandemic phase. All employees and visitors have their the MySejahtera status checked before entering the premises. The Group distributed face masks to all its employees on a daily basis as well as prepared hand sanitisers in all common areas during the pandemic phase. We also frequently sanitise areas with high human touch and traffic.

We have maintained ZERO cases of major injuries and fatalities during the period. The overall incidences of minor injury cases have more than halved from the prior year.

In FY23, there are total of 53 employees with abnormal hearing issues. However, the Group monitors the affected employees' hearing condition regularly and continuously provide awareness trainings and PPE to all the employees to ensure they have a better understanding on hearing problem and proper way of wearing ear plugs. Noise hazards are determined by Noise Risk Assessment and through the Audiometric test being done on all employees to determine their hearing health. As to prevent our employees from exposing to high level of noise, the Group provide the ear plugs to each employees and conduct hearing awareness training.

## SUSTAINABILITY STATEMENT (CONT'D)

### SOCIAL (CONT'D)

#### Suppliers

In pursuit of our commitment to infuse sustainability across our entire value chain, we are dedicated to fostering responsible business practices among our partners and suppliers. As we embark on this journey towards holistic sustainability integration, our initial focus lies in supplier selection and management.

Our rigorous supplier selection process mandates that all new partners undergo thorough evaluation. We meticulously assess key suppliers across various criteria, including product/service quality, pricing, delivery reliability, and customer service/support. This ensures that sustainability considerations are deeply embedded in our supply chain from the outset.

As of FY23, the Group has not yet assessed any of suppliers on their environmental and social impact but the Group will aim to establishing assessment procedures in the coming years.

#### Customers

We are dedicated to delivering products that earn our customers' trust and loyalty.

Recognizing the vital role of robust customer relationship management, the Group prioritizes actively listening to customers, understanding their needs, and providing tailored solutions. By embracing this approach, our aim is to exceed customer expectations while ensuring their health and safety.

We meticulously assess all our products to ensure they align with our customers' expectations and uphold their well-being. Throughout FY2023, FY2022, and FY2021, the Group has maintained a clean record, with no reported safety incidents related to our products. Additionally, we have remained fully compliant with health and safety regulations during this period.

#### Marketing and Labeling

We recognize the importance of accurate product information and has established procedures to provide customers with necessary details, ensuring compliance with laws and fostering trust. In FY2023, FY2022 and FY2021, there were no incidents of noncompliance on product/services information and labelling, and marketing communications.

#### Local Communities

We are deeply committed to supporting the communities in which we operate, recognizing the importance of nurturing strong relationships and contributing to their well-being. Through a range of community development efforts, we actively engage with and invest in local initiatives, aiming to foster sustainable growth and prosperity.

### MOVING FORWARD

The Group will continue to put effort into managing the ESG risks and opportunities relevant to its businesses, with a specific focus on Material Sustainability Matters. Ongoing assessment and consideration will also be undertaken to identify and evaluate any emerging ESG risks and/or opportunities. This is in addition to the Group's established risk management process which focuses on strategic, operational, and financial risks, which will aid in the value creation of the Group.

# SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
General Workers	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	60.00
Management Above 50	Percentage	40.00
Executive Under 30	Percentage	34.00
Executive Between 30-50	Percentage	55.00
Executive Above 50	Percentage	11.00
Non-executive/Technical Staff Under 30	Percentage	36.00
Non-executive/Technical Staff Between 30-50	Percentage	58.00
Non-executive/Technical Staff Above 50	Percentage	6.00
General Workers Under 30	Percentage	0.00
General Workers Between 30-50	Percentage	0.00
General Workers Above 50	Percentage	0.00
Gender Group by Employee Category		
Management Male	Percentage	73.00
Management Female	Percentage	28.00
Executive Male	Percentage	64.00
Executive Female	Percentage	36.00
Non-executive/Technical Staff Male	Percentage	66.00
Non-executive/Technical Staff Female	Percentage	34.00
General Workers Male	Percentage	0.00
General Workers Female	Percentage	0.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	80.00
Female	Percentage	20.00
Under 30	Percentage	0.00
Between 30-50	Percentage	80.00
Above 50	Percentage	20.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	3,864.56
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	333
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	143,318
Executive	Hours	169,440
Non-executive/Technical Staff	Hours	170,146
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	64.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	40
Executive	Number	99
Non-executive/Technical Staff	Number	532
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	96.00
<b>Bursa (Data privacy and security)</b>		

Internal assurance

External assurance

No assurance

(\*\*)Restated

## SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2023
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	58.810000

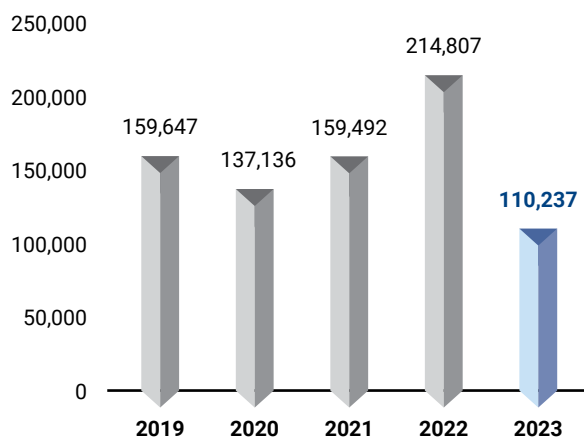
Internal assurance External assurance No assurance

(\*)Restated

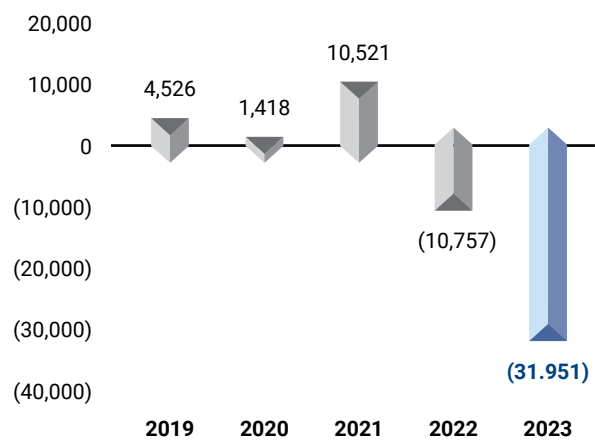
# FINANCIAL HIGHLIGHTS

YEAR ENDED	2019	2020	2021	2022 (Sept 2021- Dec 2022)	2023 (Jan 2023- Dec 2023)
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>INCOME</b>					
Revenue	159,647	137,136	159,492	214,807	<b>110,237</b>
Profit/(loss) before taxation	4,526	1,418	10,521	(10,757)	<b>(31,951)</b>
Profit/(loss) for the financial year/period	1,497	618	8,940	(10,279)	<b>(29,732)</b>
Profit/(loss) for the financial year/period attributable to Owners of the Company	1,354	370	9,299	(10,329)	<b>(29,987)</b>
Shareholders' Funds	108,670	107,702	120,020	134,683	<b>196,522</b>
Gross earnings/(loss) per share (sen) - Basic	4.68	1.47	10.89	(4.37)	<b>(2.00)</b>
Net earnings/(loss) per share (sen) - Basic	1.40	0.38	9.62	(4.20)	<b>(1.87)</b>

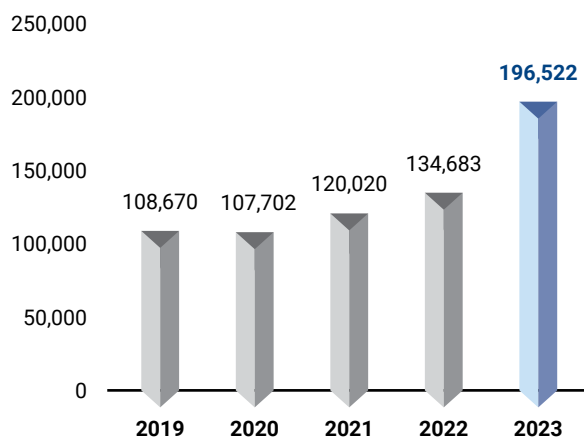
## REVENUE (RM'000)



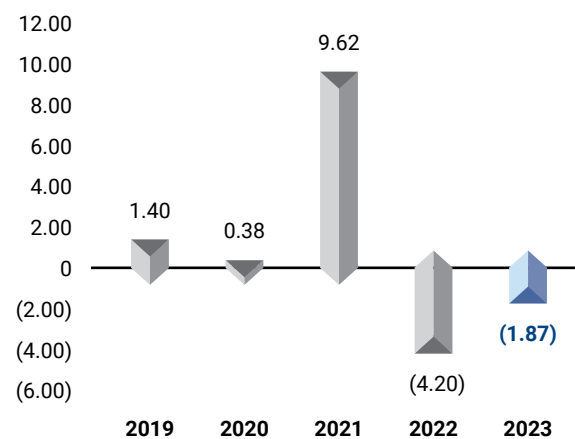
## PROFIT / (LOSS) BEFORE TAXATION (RM'000)



## SHAREHOLDERS' FUNDS (RM'000)



## NET EARNINGS/(LOSS) PER SHARE (SEN)



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (**"the Board"**) recognises the importance of corporate governance and is committed to ensure that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance (**"MCCG"**) and Corporate Governance Guide are observed and practised throughout the Group so that the affairs of the Group are conducted with integrity and professionalism, in compliance with the law, regulatory requirements and rules, and ethically with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value as well as sustainable development.

This statement outlines the following principles and recommendations which the Group has comprehended and applied with the best practices outlined in the MCCG:

- 1) Board Leadership and Effectiveness
- 2) Effective Audit and Risk Management
- 3) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This statement is prepared in compliance with Main Market of Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) and it is meant to be read together with the Corporate Governance Report. The Corporate Governance Report provides details on how the Group has applied each practice as set out in the MCCG, a copy of which is available on the Group's website at [www.bslcorp.com.my](http://www.bslcorp.com.my) as well as via an announcement on Bursa Securities website.

The Board will continue to take measures to improve compliance with the principles and recommended best practices along with our course of business.

## PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

#### 1. Board of Directors

BSL Corporation Berhad (**"the Company"**) and its subsidiaries (collectively referred to as **"the Group"**) acknowledge the pivotal role played by the Board of Directors (**"the Board"**) in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders' value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good governance and ethical manner. The directors individually have a legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board's responsibilities, amongst others include the following:

- a) Develop, review and monitor the Group's strategic plan and director and ensure that resources are available to meet its objectives.
- b) Identify and review principal risks and ensure the implementation of appropriate systems to manage these risks.
- c) Supervise the operation of the Group to evaluate whether established targets are achieved.
- d) Monitor the compliance with legal, regulatory requirements and ethical standards.
- e) Promote better investor relations and shareholder communications
- f) Ensure that the Group's core values, vision and mission; and shareholders' interests are met.
- g) Review the adequacy and the integrity of the Group's internal control systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines.
- h) Establish such committees, policies and procedures to effectively discharge the Board's roles and responsibilities.
- i) Initiate a Board self-evaluation program and follow up action to deal with issues arising and arrange for directors to attend courses seminars and participate in development programs as the Board deems appropriate.
- j) Implement and ensure that the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 1. Board of Directors (Cont'd)

To assist in the discharge of its responsibilities, the Board has established the following Board Committees to perform certain of its functions and to provide recommendations and advice:

- (i) Nomination Committee ("**NC**")
- (ii) Remuneration Committee ("**RC**")
- (iii) Audit and Risk Management Committee ("**ARMC**")
- (iv) Employee Share Option Scheme ("**ESOS**") Committee

Each Board Committee operates within their approved terms of reference set by the Board which are periodically reviewed. The Board appoints the Chairman and members of each Board Committee.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

The Board meeting agenda includes statutory matters, governance and management reports, which include strategic risks, strategic projects and operational items. The Board approves an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

The profile of each Director is presented in the Annual Report of the Company.

#### 2. Separation of position of the Chairman and Chief Executive Officer

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and Chief Executive Officer of the Company are separately held and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy open, exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company.

The Chairman of the Board leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. The Chairman's key responsibility, amongst others, includes the following:

- a) Leadership of the Board;
- b) Overseeing the effective discharge of the Board's supervisory role;
- c) Facilitating the effective contribution of all Directors;
- d) Conducting the Board's function and meetings;
- e) Briefing all Directors in relation to issues arising at meetings;
- f) Scheduling regular and effective evaluations of the Board's performance; and
- g) Promoting constructive and respectful relations between Board members and between the Board and the Management.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 2. Separation of position of the Chairman and Chief Executive Officer (Cont'd)

Presently, the Company has not appointed a Chairman of the Board and will endeavor to identify a suitable candidate to be appointed as Chairman of the Board.

The Board delegates the Chief Executive Officer, Hoo Wai Keong, and the Management, to oversee the day-to-day management of the Group's business operations and implementation of policies and strategies adopted by the Board to achieve the Group's objective of creating long term value for its shareholders

##### 3. Supply of and Access to Information

All Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs in a timely manner to enable them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings are sent to Directors at least seven (7) days before the meetings. Management provides the Board with detailed meeting materials at least seven (7) days in advance of the Board or Board Committees' meetings. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

##### 4. Commitment of the Board

The Board would meet at least four (4) times a year, at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agendas with due notice given and Board papers are prepared by the Management and circulated to all Directors prior to the meetings.

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretaries.

The Board met six (6) times during the financial year ended 31 December 2023 ("FYE2023"). The attendance of each Director at the Board Meeting held during the FYE2023 is as follow:

Directors	Number of meetings attended	%
Johari Shukri bin Jamil	5/6	83%
Hoo Wai Keong	6/6	100%
Chong Kwang Fock	6/6	100%
Loh May Ann	6/6	100%
Chew Khai Liong <sup>[1]</sup>	2/2	100%
Andrew Ho Tho Kong <sup>[2]</sup>	4/4	100%
Koh Wai Chee <sup>[3]</sup>	2/2	100%

Note:

<sup>[1]</sup> Resigned as a Director of the Company with effect from 31 March 2023

<sup>[2]</sup> Resigned as a Director of the Company with effect from 23 June 2023

<sup>[3]</sup> Appointed as a Director of the Company with effect from 3 July 2023

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 4. Commitment of the Board (Cont'd)

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") allow a Director to sit on the board of a maximum of five (5) listed issuers. Such notification is expected to include an indication of time that will be spent on the new appointment. At present, all Directors of the Company have complied with the MMLR where they do not sit on the board of more than five (5) listed issuers.

##### 5. Continuous Development of the Board

The Board, via the NC, continues to identify and attend appropriate briefings, seminars, conferences and courses to keep abreast of changes in legislations and regulations affecting the Group.

All Directors have completed the Mandatory Accreditation Programme. The Directors are mindful that they would continue to enhance their skills and knowledge to maximize their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.

Details of training programmes attended by the Directors during the financial year under review are as follows:

No.	Name of Director	Type of Training
1.	Johari Shukri bin Jamil	<ul style="list-style-type: none"> <li>• A winner's mindset</li> <li>• FTSE4 Good Dialogue with Bursa Malaysia</li> <li>• 12th Annual Shopping Malls Summit</li> <li>• Board Risk Management</li> <li>• Cross Border Seminar on Real Assets Investment Opportunities</li> <li>• A New Strategy &amp; Risk Approach: Out with the old in with the new</li> <li>• A Delicate Balance Board &amp; Management Relationship</li> <li>• Module 2B: Business Challenges and Expectations - What Directors need to know (Fund Management)</li> <li>• Module 3: Risk Oversight and Compliance - Action Plan for Board of Directors</li> </ul>
2.	Hoo Wai Keong	<ul style="list-style-type: none"> <li>• SCOTS - Purchasing Cost Reduction Strategies</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 5. Continuous Development of the Board (Cont'd)

Details of training programmes attended by the Directors during the financial year under review are as follows:  
(Cont'd)

No.	Name of Director	Type of Training
3.	Chong Kwang Fock	<ul style="list-style-type: none"> <li>Briefing on MPERS model financial statements</li> <li>Course 5: Carbon Footprinting and Reporting for Organisations</li> <li>Key Tax Developments in 2023/2024</li> <li>Unclaimed Money Act 1965</li> <li>MFRS13 Fair Value Measurement; and ISA701 Communicating KAM in the independent auditor's report</li> <li>MFRS124 Related Party Disclosures; MFRS138 Intangible Assets; and ISQM 2</li> <li>Non-listed entity audit procedures &amp; AWP's briefing (MPERS)</li> <li>Statement of Risk Management &amp; Internal Control briefing</li> <li>Stocktake briefing</li> <li>Public listed entity audit procedures &amp; AWP's briefing (MFRS)</li> <li>MFRS 2022/2023 updates</li> <li>ISA 600 Audits of group financial statements (including the work of component auditors) &amp; ISA 260 Communication with those charged with governance</li> </ul>
4	Loh May Ann	<ul style="list-style-type: none"> <li>Webinar Series - Secretarial Practice Workshop Series - Raising of Capital &amp; Capital Maintenance</li> </ul>
5	Koh Wai Chee	<ul style="list-style-type: none"> <li>A Delicate Balance - Board &amp; Management Relationship</li> </ul>

The Company Secretaries also highlights the relevant guidelines on statutory and regulatory requirements from time to time to the Board. The external auditors on the other hand, briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

##### 6. Board Committees

###### **ARMC**

The ARMC monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The ARMC maintains direct, unfettered access to the Company's external auditor, internal auditor and management.

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The present members of the ARMC are as follows:

Director	Designation
Chong Kwang Fock	Chairman
Loh May Ann	Member
Koh Wai Chee	Member

A copy of the ARMC's Terms of Reference can be found in the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 6. Board Committees (Cont'd)

###### **NC**

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board upon conducting of assessment based on the Directors' Fit and Proper Policy.

The NC comprises three (3) members, all of whom are Independent Non-Executive Directors. The present members of the NC are as follows:

Director	Designation
Loh May Ann	Chairman
Chong Kwang Fock	Member
Koh Wai Chee	Member

During the FYE2023, the NC held one (1) meeting. Below is a summary of the key activities undertaken by the NC in discharge of its duty:

- (a) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy.
- (b) Determined the Directors who stand for re-election and re-appointment by rotation.
- (c) Assessed the effectiveness and performance of the Board and its committees. This is carried out through a self-assessment document that is completed by each Director. The assessment criteria include the following:
  - Board composition
  - Board process
  - Performance of Board Committees
  - Information provided to the Board
  - Role of the Board in strategy and planning
  - Risk management framework
  - Accountability and standard of conduct of Directors
- (d) Reviewed the term of office and performance of the AC and each of its members to ascertain that the ARMC and its member have carried out their duties in accordance with the ARMC's Terms of Reference
- (e) Assessed and reviewed the independence and continuing independence of the Independent Directors.
- (f) Reviewed and recommend the appointment of Independent Non-Executive Director.

A copy of the NC's Terms of Reference can be found in the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my).

###### **RC**

The RC is responsible for recommending to the Board the remuneration principles and the framework for members of the Board and Senior Management.

The RC comprises three (3) members, all of whom are Independent Non-Executive Directors. The present members of the RC are as follows:

Director	Designation
Koh Wai Chee	Chairman
Chong Kwang Fock	Member
Loh May Ann	Member

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 6. Board Committees (Cont'd)

###### **RC (Cont'd)**

During the FYE2023, the RC held one (1) meeting. Below is a summary of the key activities undertaken by the RC in discharge of its duty:

- (a) Reviewed, assessed and recommended the remuneration packages of the Executive Directors and Senior Management.
- (b) Reviewed the remuneration package of Non-Executive Directors and their Meeting Allowances.

A copy of the RC's Terms of Reference can be found in the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my).

###### **ESOS Committee**

The ESOS Committee was established on 23 November 2021. The ESOS Committee is primarily responsible for administering the Company's ESOS Option in accordance with the approved ESOS By-Laws and regulations. The present members of the ESOS Committee are as follows:

Director	Designation
Hoo Wai Keong	Chairman
Koh Wai Chee	Member
Chen Huei Ping	Member

The ESOS Committee meets as and when required. No meeting was held during the financial year. Approval on matter requiring the sanction of the ESOS Committee was sought by way of written resolution.

##### 7. Board Charter

The Company has established a Board Charter to promote high standards of corporate governance and the Board Charter is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its committees. The Board Charter clearly sets out the key values and principles of the Company and further sets out the duties and responsibilities of the Board, and the Board Committees. The Board Charter also provides structure guidance and ethical standards for the Board in discharging their duties towards the Group as well as its operating practices. The Board Charter further entails the following issues and decisions reserved for the Board:

- a) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- b) Material acquisitions and disposition of assets not in the ordinary course of business including significant capital expenditures;
- c) Strategic investments, mergers and acquisitions and corporate exercises;
- d) Authority levels;
- e) Treasury policies;
- f) Risk management policies; and
- g) Key human resource issues.

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

A copy of the Board Charter can be found in the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 8. Code of Conduct and Code of Ethics

The Company has established a Code of Conduct and Code of Ethics which is also enshrined in the Board Charter to promote a corporate culture which engenders ethical conduct that permeates throughout the Group. The Code of Conduct is based on principles in relation to trust, integrity, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism. Where else the Code of Ethics is based on the principles in relation to integrity, transparency, accountability and corporate social responsibility.

The Board is focused on creating corporate culture which engenders ethical conduct that permeates throughout the Company. The Group practices the relevant principles and values in the Group's dealings with employees, customers, suppliers and business associates. The Directors, officers and employees of the Group are also required to observe, uphold and maintain high standards of integrity in carrying out their roles and responsibilities and to comply with the relevant laws and regulations as well as the Group's policies. Ongoing training is provided to staff on the Code of Conduct, Ethics and general workplace behavior to ensure they continuously uphold high standard of conduct when performing their duties.

The Board is provided guidance through the Code of Conduct and Ethics on disclosure of conflict of interest and other disclosure information/requirements to ensure that the Directors comply with the relevant regulations and practices. In order to address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring such Directors to abstain from participating in deliberations during meetings and abstaining from voting on any matter in which they may also be interested or conflicted. The Directors of the Group are also required to disclose and confirm their directorships and shareholdings in the Group and any other entities where they have interests.

Notices on the closed period for trading in the Company's shares are sent to Directors, principal officers and the relevant employees on a quarterly basis specifying the timeframe during which they are prohibited from dealing in the Company's shares, unless they comply with the procedures for dealings during closed period as stipulated in the MMLR.

Details of the Code of Conduct and Code of Ethics can be found in the Company's website at [www.bslcorp.com.my](http://www.bslcorp.com.my).

##### 9. Whistleblowing Policy and Procedure

The Company has adopted a Whistleblowing Policy as the Board believes that a sound whistleblowing system will strengthen, support good management and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation.

##### 10. Company Secretaries

The Board is assisted by qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Group's Constitution, policies, procedures and compliance with the relevant regulatory requirements, codes, guidance and legislations. All the Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretaries and Administrators for practising company secretaries. The Board is satisfied with the performance and support rendered by the Company Secretary in discharging its functions.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. BOARD RESPONSIBILITIES (CONT'D)

##### 10. Company Secretaries (Cont'd)

In addition, the Company Secretaries are also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities.
- Advising the Board on matters related to corporate governance and the MMLR.
- Ensuring that Board procedures and applicable rules are observed.
- Maintaining records of the Board and ensuring effective management of the Company's statutory records.
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded.
- Assisting communications between the Board and Management.
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.
- Preparing agendas and co-coordinating the preparation of Board papers.

#### II. BOARD COMPOSITION

##### 1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the cope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The NC ensures that the composition of the Board is refreshed periodically while the tenure, performance and contribution of each Director is assessed by the NC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

As at the date of this Statement, the Board consists of four (4) Independent Non-Executive Directors, and one (1) Executive Director. The composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgment on the affairs of the Company.

The Board of Directors' profile can be found in the Annual Report of the Company.

##### 2. Independency of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The Board, via the NC assesses each Director's independence to ensure on-going compliance with this requirement annually. The NC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Company.

The Board has limited the tenure of the Independent Directors to nine (9) years and they may continue to serve on the Board subject to their re-designation as Non-Independent Directors.

As at the date of this statement, none of the Independent Directors has exceeded a cumulative term of nine (9) years.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### II. BOARD COMPOSITION (CONT'D)

##### 3. Appointment of Board and Senior Management

The Board of Directors comprise of a collective of individuals having an extensive complementary knowledge and competencies, as well as expertise to make an active, informed and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The NC will assess the suitability of the candidates before formally considering and recommending them for appointment to the Board or senior management. In proposing its recommendation, the NC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in MMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and Annual General Meeting ("AGM").

##### 4. Gender Diversity

While the Board of Directors acknowledge the need to promote gender diversity within its composition and endeavour to increase female participation in the Board and Senior Management, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions.

The Company has adopted a diversity policy which outlines its approach to achieving and maintaining diversity (including gender diversity) on its Board and in Senior Management positions. This includes requirements for the Board to establish measurable objectives for achieving diversity on the Board and in management positions, and for the appropriate Board Committees to monitor the implementation of the policy, assess the effectiveness of the Board nomination process and the appointment process for management positions at achieving the objectives of the policy.

##### 5. Identifying Suitable Candidates

The Board has scrutinised the Company's requirement in relation to the Board's appointment of Independent Directors in order to identify directors which has the right mix of skills and experience and able to contribute positively to the Board. In order to achieve such outcome, the Board had sourced suitable candidates through various means such as recommendation from the existing Board, Senior Management, directors' registry and the use of independent search firms.

##### 6. Chairman of the NC

The NC is led by Loh May Ann, the Independent Non-Executive Director, who directs the NC for succession planning and appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the NC with relevant information of the Group's needs, allowing them to source for suitable candidates when the need arises.

##### 7. Annual Evaluation

The NC is responsible in evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NC Chairman and supported by the Company Secretary via questionnaires. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

The assessment criteria used in the assessment of Board and individual Directors include mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contribution of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### II. BOARD COMPOSITION (CONT'D)

##### 7. Annual Evaluation (Cont'd)

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Board and Chairman's roles and responsibilities and Board Committees' role and responsibilities.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his/ her contribution to Board processes.

Any appointment of a new Director to the Board or Board Committee is recommended by the Nomination Committee for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all directors shall retire at least once every three (3) years.

During the year, the Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

The NC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement the Directors standing for re-election at forthcoming AGM of the Company.

#### III. REMUNERATION

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and senior management in order for the Company to attract and retain Board and senior management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and senior management lie with the RC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind-and etc.) which is determined by the Group's overall financial performance in each financial year which is designed to support our strategy and provides a balance between motivating and challenging our senior managements to deliver our business priorities, as set out by Executive Directors, and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

During the financial year under review, the RC had reviewed the remuneration for the Executive Directors and Senior Management which reflects their level of responsibilities as well as the performance of the Group, and considered their remuneration packages are comparable within the industry norm. The RC further discussed the annual salary review for the Executive Directors and Senior Management in line with the budget salary increase for the rest of the organisation. When approving payments for annual bonus, the RC considered the overall performance of the business and of the Executive Directors and Senior Management against this, as well as their individual targets. Bonus payments made to Executive Directors and Senior Management reflected the large proportion of collective measures for the year, in support of focusing on teamwork and simplicity within the pay arrangements.

The detailed disclosure on named basis for the remuneration of individual Directors that includes fees, salary, bonus, benefits in-kind and other emoluments from the Company and the Group for the FYE2023 are set out in the Corporate Governance Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. ARMC

Presently, the ARMC consists of three (3) Independent Non-Executive Directors and all of them are financial literate and have sufficient understanding of the Group's business. All the members of the ARMC undertook continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The Chairman of the ARMC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the ARMC's findings and recommendation remains intact.

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

In presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders, the Board is responsible to present a clear, balanced and understandable assessment of the Group's performance and position. The ARMC is entrusted to provide assistance to the Board in reviewing the Group's financial reporting process and accuracy of its financial results, and scrutinising information for disclosure to ensure accuracy, adequacy, completeness and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the external auditors. Through the ARMC, the Board maintains a transparent relationship with the external auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The ARMC is empowered to communicate directly with the external auditors to highlight any issues of concern at any point in time.

The ARMC ensures the External Audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the external auditors in order to make sure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

For the FYE2023, fees paid to the external auditors, Messrs Chengco PLT and its affiliated firms by the Company and the Group are stated in the table below:

Nature of Services	Group	Company
	(RM)	(RM)
<b>Total Audit fees</b>		
Non-Audit:	259,000	103,000
Review of the Statement on Risk Management and Internal Control	5,000	5,000
<b>Total Non-audit fees</b>	<b>264,000</b>	<b>108,000</b>

The External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Further information on the roles and responsibilities of the ARMC may be found in the Annual Report of the Company.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management framework has been adopted by the Group. The Group's risk management systems are designed to manage and eliminate risks (where possible) to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the ARMC. This covers all material controls including financial, operational, compliance and risk management systems. The ARMC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the framework.

The Group has outsourced the internal audit function as being the most cost effective means of implementing an internal audit function. The independent third-party service provider of the internal audit services for the FYE2023, which reported directly to the ARMC as specified in the Terms of Reference of the ARMC. The Internal Auditor carries out its function in accordance with the approved annual Internal Audit Plan approved by the ARMC.

Further information may be found in the Statement on Risk Management and Internal Control and the Management Discussion and Analysis of this Annual Report.

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

#### I. COMMUNICATION WITH STAKEHOLDERS

The Board believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a corporate disclosure policy and procedure not only to comply with the disclosure requirements as stipulated in the MMLR, but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group has set up an investor relations program to facilitate effective two-way communication with investors and analyst to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are constantly conducted to learn about their needs enabling sustainability and growth of the Group.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Company's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relation page.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### II. CONDUCT OF GENERAL MEETINGS

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to go through the Annual Report, it is circulated at least twenty-eight (28) clear days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

During the AGM, a presentation was shown to the shareholders on the Group's performance and major activities which were carried out during the financial year under review. The Board also encourages participation from shareholders by having "question and answer" session during the AGM during which the Directors (inclusive of the Chairman of the ARMC, NC and RC) are available to provide meaningful response to questions raised by the shareholders.

In line with the MMLR, the Company has implemented and will continue to implement poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will also be appointed to validate the votes cast at any general meeting of the Company.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. UTILISATION OF PROCEEDS

### a) Private Placement

The status of the utilisation of proceeds as at 31 December 2023 raised from the private placement amounting to RM12.7 million, which was completed on 28 March 2022 following the listing and quotation of 19,030,800 ordinary shares on the Main Market of Bursa Securities are as follows:

Description	Intended timeframe for utilisation	Proposed Utilisation RM'mil	Actual Utilisation RM' mil	Balance to be Utilised RM' mil
Manufacturing expansion	Within 24 months <sup>[2]</sup>	10.598	6.709	5.357 <sup>[1]</sup>
Expenses for the corporate exercises	Immediate	2.111	0.643	0 <sup>[1]</sup>
		12.709	7.352	5.357

<sup>[1]</sup> The surplus funds following the payment of expenses for the Private Placement amounting to approximately RM1,468,000.00 has been adjusted into the amount allocated for the Group's manufacturing expansion as specified in Section 2.2.6 of the Company's circular to shareholders dated 7 October 2021.

<sup>[2]</sup> The timeframe for the utilisation of proceeds has been granted and extended to forty-eight (48) months from the date of completion of the private placement.

### b) Rights Issue

The status of the utilisation of proceeds as at 31 December 2023 raised from the rights issue of shares with warrants exercise amounting to RM90.98 million, which was completed on 15 March 2023 following the listing and quotation of 1,654,156,234 Rights Shares, 689,231,637 Warrants B and 69,875,106 additional Warrants A on the Main Market of Bursa Securities are as follows:

Description	Intended timeframe for utilisation	Proposed Utilisation RM'mil	Actual Utilisation RM' mil	Balance to be Utilised RM' mil
Manufacturing expansion	Within 24 months	26.0	0.6	25.4
Upgrading of Existing Facilities and Technologies	Within 24 months	17.5	7.8	9.7
Funding for Raw Materials	Within 24 months	14.5	4.9	9.6
Repayment of Borrowings	Within 24 months	3.0	3.0	–
Working Capital	Within 24 months	29.2	11.8	17.3
Expenses for the Rights Issue with Warrants	Immediate	0.85	0.8	0.1
		91.0	28.9	62.0

## 2. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiaries involving Directors' and major shareholders' interests during the financial year.

## 3. CONTRACT RELATED TO LOANS

There were no material contracts relating to loans entered into by the Group during the financial year involving Directors and major shareholders.

## ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

The Company did not enter into any RRPT which exceeded the threshold limits allowed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad during the financial year.

### 5. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The ESOS of the Company is governed by the ESOS By-Laws and was approved by shareholders on 22 October 2021. The ESOS options granted may be exercised any time upon the satisfaction of vesting conditions of each offer. The ESOS is in force for a period of five (5) years effective from 23 November 2021 which would expire on 22 November 2026.

A brief detail on the number of ESOS Options granted, exercised, forfeited and outstanding since commencement to 31 December 2023 are set out in the table below:

Description	Number of Options	
	Grand Total	Directors and Chief Executives
Granted	41,295,910	–
Exercised	622,000	–
Forfeited	40,673,910	–
Outstanding	–	–

The percentages of options applicable to Directors and Senior Management under the ESOS during the financial year and since its commencement up to 31 December 2023 are set out below:

Directors and Senior Management	Percentage	
	During the financial year	Since commencement up to 31 December 2023
Aggregate maximum allocation	40%	40%
Actual options granted	0.24%	0.24%

The details of the options offered to and exercised by the Non-Executive Directors of the Company pursuant to the ESOS in respect of the financial year are as follows:

Name	Number of Options	
	Number of Options Granted	Number of Options Exercised
Chong Kwang Fock	–	–
Johari Shukri bin Jamil	–	–
Loh May Ann	–	–
Koh Wai Chee	–	–

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the Statement on Risk Management and Internal Control ("**Statement**"), which outlines the nature and scope of risk management and internal control of the Company and its subsidiaries ("**the Group**") during the financial year ended 31 December 2023 ("**FYE2023**").

This Statement is made by the Board pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and after taking into consideration of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**Guidelines**") and taking into consideration the recommendations of the Malaysian Code on Corporate Governance.

## BOARD'S RESPONSIBILITIES

The Board acknowledges its overall responsibility towards maintaining a sound system of risk management and internal control, and reviewing its adequacy and effectiveness to ensure shareholders' interest and the Group's assets are safeguarded.

Given the inherent limitations in the risk management and internal control system, such a system put into effect by the Management is designed to identify, evaluate, manage and monitor risks rather than eliminate risks that may impede the Group's achievement of the corporate objectives. Therefore, such a system can only provide reasonable and not absolute assurance against any material misstatement or loss, contingencies, fraud or irregularities

## RISK MANAGEMENT FRAMEWORK

The Board acknowledges that the management of principal risks plays an important and integral part in achieving the Group's corporate objectives. The Group has an ongoing process for identifying, evaluating and managing the significant risks faced by the Group. This is to ensure that all potential risks are adequately addressed at various levels within the Group including but not limited to the effects of natural disasters, rioting by workers, fire, acts of sabotage and other debilitating incidents.

The Board believes that the sound system of risk management and internal control is built on a clear understanding and appreciation of the Group's risk management framework with the following key elements:

- risk management is embedded in the Group's management and operational framework and the employees are exposed and subjected to trainings on the Group's policies and procedures;
- risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimise threats; and
- regular reporting and monitoring activities emphasise accountability and responsibility for managing risks.

The Board appointed an outsourced and independent firm to assist the management in improving the current Risk Management Framework.

## INTERNAL AUDIT FUNCTION

The Group has appointed an outsourced internal audit service provider, to carry out the internal audit function. The appointed internal audit firm discharges its independent assessment of the effectiveness and adequacy of the Group's system of internal control. This provides the Audit and Risk Management Committee ("**ARMC**") and Board with a reasonable assurance of adequacy of the scope, functions and resources of the internal audit function and internal control.

The assessment of the adequacy and effectiveness of the internal controls established by the management in mitigating risks is conducted regularly through interviews and discussions with key management staff, review of the relevant established policies and procedures, and authority limits and observing and testing of the internal controls on a sample basis. The results of the internal audit reviews including action plans to be taken by the management to address the identified weaknesses and recommendation of enhancement opportunities are then reported to the ARMC, which in turn reports these matters to the Board.

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

### INTERNAL AUDIT FUNCTION (CONT'D)

During the FY2023, internal audit works were carried out in accordance with the risk based on internal audit plan which has been reviewed and approved by the ARMC. The results of the audit reviews were discussed with the management and subsequently, the audit findings, including the recommendations for improvement were reported to the ARMC at the quarterly meetings.

Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this report. The total costs incurred for the internal audit function for FY2023 was approximately RM40,631.

### OTHER KEY ELEMENTS OF INTERNAL CONTROLS

The other key elements of the Group's internal control systems are:

- a) Quarterly review of the financial performance of the Group by the ARMC and the Board.
- b) Clearly defined and structured lines of reporting and responsibility.
- c) Operations review meetings are held to monitor the progress of business operations, deliberate significant issues and formulate corrective measures.
- d) Documented internal policies as set out in a series of memorandums to various departments within the Group.
- e) Whistle Blowing Policy which provides an avenue for employees to report suspected malpractices, misconduct or violations of the Company's policies and regulations in a secured and confidential manner.

### REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement for inclusion in the Annual Report of the Group for the FYE2023.

Their review was performed in accordance with Audit and Assurance Practice Guide (AAPG) 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on external auditor review, nothing has come to their attention that cause them to believe that this statement is not prepared, in all respects, in accordance with the disclosures required by Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

### CONCLUSION

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.

The Board has received assurance from the Executive Directors that, to the best of their knowledge, the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

During the financial year under review, the Board is satisfied that no material losses, deficiencies 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 Board will continue to take 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 is made in accordance with the resolution of the Board dated 25 April 2024.

# AUDIT AND RISK MANAGEMENT COMMITTEE'S REPORT

## OBJECTIVE

The purpose of establishing the Audit and Risk Management Committee ("**ARMC**" or "**the Committee**") is to assist the Board of Directors in discharging its responsibilities to safeguard the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal control with the overall objective of ensuring the Management creates and maintain an effective control environment in the Group. The Committee also provides a communication channel between the Board of Directors, Management, External Auditors and Internal Auditors.

## COMPOSITION OF MEETING ATTENDANCE

The present ARMC members comprise of three (3) members, all of whom are Independent Non-Executive Directors.

During the financial year ended 31 December 2023 ("**FYE2023**"), the ARMC held six (6) meetings and the records of the attendance of ARMC members are as follow:

Directors	Designation	Number of meetings attended	%
Chong Kwang Fock <sup>[1]</sup>	Chairman	6/6	100%
Loh May Ann	Member	6/6	100%
Johari Shukri bin Jamil <sup>[2]</sup>	Member	3/4	75%
Koh Wai Chee <sup>[3]</sup>	Member	2/2	100%

Note:

<sup>[1]</sup> Member of the Malaysian Institute of Accountants and Member of Association of Association of Chartered Certified Accountants

<sup>[2]</sup> Resigned as a Member of the ARMC of the Company with effect from 3 July 2023

<sup>[3]</sup> Appointed as a Member of the ARMC of the Company with effect from 3 July 2023

## TERMS OF REFERENCE

The scope of duties and responsibilities of the ARMC stated in the Terms of Reference ("**TOR**") is made available on the Company's website, website at [www.bslcorp.com.my](http://www.bslcorp.com.my). The Board has reviewed and assessed the performance of the ARMC and is satisfied that the ARMC has discharged its functions, duties and responsibilities in accordance with its TOR.

## SUMMARY OF ACTIVITIES OF THE ARMC

A brief summary and an overview of the activities of the ARMC in discharging their duties and responsibilities during the FYE2023 are as follows:

- Reviewed the unaudited quarterly financial results of the Group including the announcements pertaining thereto, before recommending to the Board for approval and release the results to Bursa Malaysia Securities Berhad ("**Bursa Securities**");
- Reviewed with the External Auditors on their Audit Planning Memorandum for the FYE2023;
- Reviewed the Audited Financial Statements of the Company and its subsidiaries ("**the Group**") for the FYE2023 before recommending to the Board for approval and release of the results to Bursa Securities;
- Reviewed and discussed with the External Auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and management's response to these recommendations;
- Evaluated the performance of the External Auditors for the FYE2023 covering areas such as caliber, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the External Auditors;

## AUDIT AND RISK MANAGEMENT COMMITTEE'S REPORT (CONT'D)

### SUMMARY OF ACTIVITIES OF THE ARMC (CONT'D)

- f) Reviewed and approved the non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group and the Company;
- g) Reviewed and assessed the adequacy of the scope and functions of the internal audit plan;
- h) Reviewed the internal audit reports presented and considered the findings of internal audit through the review of the internal audit reports tabled and management responses thereof;
- i) Reviewed and approved on the Internal Audit Planning Memorandum for the FYE2023 to ensure adequate scope and coverage of the activities of the Group and the Company which was prepared based on risk-based approach;
- j) Reviewed the effectiveness of the Group's system of internal control;
- k) Reviewed the proposed fees for the External Auditors and Internal Auditors in respect of their audit of the Company and the Group;
- l) Reviewed related party transactions and conflict of interest situation that may arise within the Group and/or the Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms;
- m) Reviewed the Company's compliance with the Main Market Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements;
- n) Report to the Board on its activities and significant findings and results.
- o) Reviewed and verify the allocation of the Employee Share Option Scheme options in accordance with the Main Market Listing Requirements.
- p) Reviewed the ARMC Report and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report; and
- q) Reviewed the valuation report of the investment property.

### INTERNAL AUDIT FUNCTION

The internal audit function is designed based on a risk-based approach to evaluate and enhance the Group's risk management, controls and governance processes to assist the Senior Management in achieving its corporate goals.

During the FYE2023, the internal audit function of the Group is outsourced to an independent internal audit professional firm, Kloo Point Risk Management Services Sdn. Bhd. ("**Kloo**"), which reports directly to the ARMC and assists the Board in monitoring and managing risks and internal controls. The ARMC is satisfied that Kloo's independence have been maintained as adequate measures are in place. The ARMC is contented that Kloo has sufficient resources and is able to access information to undertake its duties effectively.

The internal audit reviews were carried out in accordance with the approved internal audit plan which covered the adequacy and effectiveness of the operational controls in mitigating risks, compliance with established policies and procedures, authority limits and applicable laws. The results of the reviews were formally reported to the ARMC and in this regard, Senior Management has taken note of the findings and duly acted upon the recommendations made by Kloo. The internal audit reviews did not reveal any significant weaknesses and consequential provides reasonable assurance on the effectiveness of the Group's systems of internal control and the adequacy of these systems to mitigate business risks and to safeguard the Group's assets and resources.

The total cost incurred for the internal audit function for the financial year under review was approximately RM40,631. Further details of the internal audit function are set out in the Risk Management and Internal Control Statement of the Annual Report.

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

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia.

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

In preparing those financial statements, the Directors of the Company have:

- oversee the company's business conduct and that of the group;
- adopted suitable accounting policies and then applied them consistently;
- made judgments and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016 and applicable approved accounting standards. The Directors are also responsible for the assets of the Group and of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 December 2023, appropriate accounting policies were used and applied consistently, and adopted to include new and revised Malaysian Financial Reporting Standards where applicable. The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

# FINANCIAL STATEMENTS

Page <b>79</b>	Directors' Report
Page <b>85</b>	Independent Auditors' Report
Page <b>89</b>	Statements of Financial Position
Page <b>91</b>	Statements of Profit or Loss and Other Comprehensive Income
Page <b>92</b>	Statements of Changes in Equity
Page <b>95</b>	Statements of Cash Flows
Page <b>98</b>	Notes to the Financial Statements
Page <b>163</b>	Statement by Directors
Page <b>163</b>	Statutory Declaration



# DIRECTORS' REPORT

For the financial year ended 31 December 2023

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is an investment holding company. The principal activities of the subsidiary companies are disclosed in Note 8 to the financial statements.

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

## RESULTS

	Group RM	Company RM
Loss for the financial year, net of tax	(29,732,385)	(11,130,054)
Attributable to:		
Owners of the Company	(29,986,524)	(11,130,054)
Non-controlling interest	254,139	–

## DIVIDENDS

There were no dividends paid or declared by the Company since the end of the previous financial period. The directors do not recommend the payment of any dividend in respect of the current financial year.

## RESERVES AND PROVISIONS

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

## ISSUE OF SHARES AND DEBENTURES

The Company increases its share capital from RM75,607,522 to RM156,247,640 by way of issuance of 1,654,156,234 new ordinary shares at issue price at RM0.055 per ordinary share via Right Issue Exercise on 15 March 2023.

The newly issued shares rank pari passu in respect with the previously issued shares. There was no issue of any debentures by the Company during the financial year.

## TREASURY SHARES

As at 31 December 2023, the Company held a total of 2,728,226 treasury shares.

During the financial year, there was no share buy-back, resale and cancellation of treasury shares.

## DIRECTORS' REPORT (CONT'D)

### WARRANT

#### Warrant 2021/2024 ("Warrants A")

On 17 November 2021, the Company listed and quoted 96,635,887 Warrants pursuant to the Bonus Issue of Warrants Exercise on the basis of one (1) Warrant for every two (2) Existing Ordinary Shares ("Warrants A").

The Warrants A are constituted by the Deed Poll dated 27 October 2021 ("Deed Poll A").

The salient features of the Warrants A are as follows:

- (a) Each Warrant A entitles the registered holder thereof ("Warrant holder(s)") to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.50 during the 3-year period expiring on 11 November 2024 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll A;
- (b) At the expiry of the Exercise Period, any Warrants A which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (c) Warrant holders must exercise the Warrants A in accordance with the procedures set out in the Deed Poll A and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

There was an enlargement of Warrant A on 15 March 2023:

- (a) The existing number of 72,583,089 Warrants A will be adjusted to 142,458,195, whereby the additional 69,875,106 Warrants A has been listed and quoted on 15 March 2023 simultaneously with the Rights Shares and Warrants B;
- (b) The exercise price of the Warrants A will be revised from RM0.50 to RM0.25 per share.

The movement of the Warrants A are as follows:

	Entitlement for ordinary shares			At 31.12.2023
	At 1.1.2023	Adjustment	Exercised	
Warrants A	72,583,089	69,875,106	–	142,458,195

#### Warrant 2023/2026 ("Warrants B")

On 15 March 2023, the Company listed and quoted 689,231,637 Warrants pursuant to the Bonus Issue of Warrants Exercise on the basis of five (5) Warrants for every twelve (12) Existing Ordinary Shares ("Warrants B").

The Warrants B are constituted by the Deed Poll dated 17 January 2023 ("Deed Poll B").

The salient features of the Warrants B are as follows:

- (a) Each Warrant B entitles the registered holder thereof ("Warrant holder(s)") to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.055 during the 3-year period expiring on 9 March 2026 ("Exercise Period"), subject to the adjustments as set out in the Deed Poll B;
- (b) At the expiry of the Exercise Period, any Warrants B which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (c) Warrant holders must exercise the Warrants B in accordance with the procedures set out in the Deed Poll B and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

## DIRECTORS' REPORT (CONT'D)

### WARRANT (CONT'D)

#### Warrant 2023/2026 ("Warrants B") (Cont'd)

The movement of the Warrants B are as follows:

	At 1.1.2023	Entitlement for ordinary shares		At 31.12.2023
		Issued	Exercised	
Warrants B	–	689,231,637	–	689,231,637

### OPTIONS GRANTED OVER UNISSUED SHARES

No options have been granted by the Company to any party during the financial year to take up any unissued shares of the Company.

### DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Hoo Wai Keong  
Chong Kwang Fock  
Johari Shukri Bin Jamil  
Loh May Ann  
Koh Wai Chee  
Andrew Ho Tho Kong

(Appointed on 3 July 2023)  
(Resigned on 23 June 2023)

### DIRECTORS OF SUBSIDIARY COMPANIES

The directors of the subsidiary companies (excluding directors who are also directors of the Company) during the period commencing from the beginning of the financial year to the date of this report are:

Chen Huei Ping  
Jerry Tan Gim Moh  
Chai Boon Yin

(Appointed on 24 March 2023)

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	As at 1.1.2023	Number for ordinary shares		As at 31.12.2023
		Bought	Sold	
<b>Direct Interest:</b>				
Hoo Wai Keong	40,000	–	–	40,000

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

## DIRECTORS' REPORT (CONT'D)

### DIRECTORS' BENEFITS

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as disclosed in directors' remuneration in this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during, nor at the end of the financial year, was the Company a party to any arrangement where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

### DIRECTORS' REMUNERATION

	Group RM	Company RM
Executive:		
Fee	54,000	54,000
Other emoluments	1,257,080	–
Total executive directors' remuneration	1,311,080	54,000
Non-executive:		
Fees	131,067	131,067
Total non-executive directors remuneration	131,067	131,067
Total directors' remuneration	1,442,147	185,067

The number of directors of the Group whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of directors RM
Executive directors: RM1- RM600,000	2
Non-executive: RM 1- RM 50,000	7

### OTHER STATUTORY INFORMATION

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

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

## DIRECTORS' REPORT (CONT'D)

### OTHER STATUTORY INFORMATION (CONT'D)

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

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

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person, except as disclosed in Note 40 to the financial statements; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the directors:

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

In the opinion of the directors, no item, transaction, or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### AUDITORS' REMUNERATION

The auditors' remuneration paid to or receivable by the auditors of the Group and the Company during the financial year are:

	Group RM	Company RM
CHENGCO PLT	264,000	108,000
Others Auditors	51,543	33,000
	315,543	141,000

## DIRECTORS' REPORT (CONT'D)

### AUDITORS

The auditors, CHENGCO PLT, have expressed their willingness to continue in office.

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

.....  
**HOO WAI KEONG**  
Director

.....  
**JOHARI SHUKRI BIN JAMIL**  
Director

Kuala Lumpur,  
Date: 25 April 2024

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BSL CORPORATION BERHAD

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### *Opinion*

We have audited the financial statements of BSL Corporation Berhad, which comprise the statements of financial position as at 31 December 2023, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended of the Group and of the Company, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, as set out on pages 89 to 162.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

### *Basis of Opinion*

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

### *Independence and Other Ethical Responsibilities*

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

### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

#### **1. Impairment of trade receivables**

The Group's trade receivables amounting to RM14,713,881 representing approximately 9% of the Group's total current assets as at 31 December 2023.

The assessment of recoverability of receivables involved judgements and estimation uncertainty in analysing historical bad debts, customer concentration, customer creditworthiness and customer payment terms.

In addressing this, we have involved the group auditors in performing, amongst others, the following audit procedures:

- We obtained and evaluated the Group's credit risk policy, and tested the processes used by management to assess credit exposures;
- We assessed the recoverability of trade receivables by checking past payment trend and assessing the receipts during the financial year and subsequent to year end collections;
- We have reviewed the appropriateness of the disclosures made in the financial statements.

## INDEPENDENT AUDITORS' REPORT (CONT'D)

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

#### *Key Audit Matters (Cont'd)*

#### **2. Impairment assessment of property, plant and equipment**

The Group's property, plant and equipment amounting to RM84,622,546, representing approximately 33% of the total assets as at 31 December 2023. There is a risk the future performance of the assets may not lead to their carrying values being recoverable in full.

In addressing this, we have involved the group auditors in performing, amongst others, the following audit procedures:

- We reviewed the measurement method adopted by the Group in accordance to the requirements of MFRS 136 Impairment of Assets;
- We performed test on the accuracy and completeness of the data used by management to assess the impairment;
- We obtained and assessed the discounted cash flow by comparing the cash flow projections to available business plan; and comparing the actual results with previous budget to assess the performance of the business and reliability of forecasting process.

#### *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 include in the directors' and 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 directors' report, 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 Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITORS' REPORT (CONT'D)

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 and 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 and the Company to express an opinion on the financial statements of the Group and of the Company. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

## INDEPENDENT AUDITORS' REPORT (CONT'D)

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

#### *Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)*

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 or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Section 266(2)(c) of Companies Act, 2016 in Malaysia, we also report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 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.

**CHENGCO PLT**  
201806002622  
(LLP0017004-LCA) & AF0886  
Chartered Accountants

**NG KEE SIANG**  
03643/03/2026 J  
Chartered Accountant

Kuala Lumpur,  
Date: 25 April 2024

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

			Group		Company
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	84,622,546	91,506,491	559,533	630,590
Right-of-use assets	6	2,037,648	3,328,361	–	–
Goodwill	7	2,925,074	2,925,074	–	–
Investments in subsidiary companies	8	–	–	56,192,366	57,088,228
Intangible asset	9	6,618,234	–	–	–
Investment in joint venture	10	–	–	–	–
Other investments	11	1,379,200	11,233,916	1,379,200	6,632,600
		97,582,702	108,993,842	58,131,099	64,351,418
<b>Current assets</b>					
Inventories	12	9,158,442	15,608,188	–	–
Trade receivables	13	14,713,881	21,837,347	–	–
Other receivables, deposits and prepayments	14	3,060,947	23,374,894	20,779	13,779,773
Amount owing from subsidiary companies	15	–	–	–	5,679
Current tax asset		4,379,571	2,019,803	–	7,709
Fixed deposits	16	121,838,131	19,104,607	110,538,456	17,250,285
Cash and bank balances	17	4,603,610	11,502,207	31,490	393,388
		157,754,582	93,447,046	110,590,725	31,436,834
<b>TOTAL ASSETS</b>		255,337,284	202,440,888	168,721,824	95,788,252
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	18	156,247,640	75,607,522	156,247,640	75,607,522
Treasury shares	19	(459,316)	(459,316)	(459,316)	(459,316)
Reserves	20	40,764,106	59,534,761	(97,014)	694,565
Equity attributable to owners of the Company		196,552,430	134,682,967	155,691,310	75,842,771
Non-controlling interests		2,458,985	2,713,158	–	–
<b>TOTAL EQUITY</b>		199,011,415	137,396,125	155,691,310	75,842,771

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

**STATEMENTS OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**  
**(CONT'D)**

			Group		Company
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Hire purchase liabilities	21	1,728,306	1,470,330	–	–
Lease liabilities	22	641,279	2,297,849	–	–
Term loans	23	2,623,798	4,714,219	–	–
Deferred tax liabilities	24	3,388,721	5,787,625	–	16,103
		8,382,104	14,270,023	–	16,103
<b>Current liabilities</b>					
Trade payables	25	15,929,710	20,546,565	–	–
Other payables and accruals	26	2,427,376	6,461,522	804,757	3,235,546
Amount owing to subsidiary companies	15	–	–	11,968,432	16,693,832
Current tax liabilities		703,037	324,555	257,325	–
Provision	27	11,331,511	11,331,511	–	–
Hire purchase liabilities	21	1,338,104	1,046,870	–	–
Lease liabilities	22	1,382,017	1,111,330	–	–
Bank borrowings	28	12,905,989	1,720,000	–	–
Term loans	23	1,926,021	8,232,387	–	–
		47,943,765	50,774,740	13,030,514	19,929,378
<b>TOTAL LIABILITIES</b>		56,325,869	65,044,763	13,030,514	19,945,481
<b>TOTAL EQUITY AND LIABILITIES</b>		255,337,284	202,440,888	168,721,824	95,788,252

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 December 2023  
(With comparative figures from 1 September 2021 to 31 December 2022)

		Group		Company	
		1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM
	Note				
Revenue	29	110,237,116	214,806,611	–	–
Cost of sales		(108,629,636)	(202,565,586)	–	–
Gross profit		1,607,480	12,241,025	–	–
Other income	30	6,213,656	8,361,345	3,615,053	2,825,424
General and administrative expenses		(38,607,450)	(30,194,294)	(13,706,695)	(2,128,690)
Loss on disposal of subsidiary		–	(530,659)	–	–
Finance costs	31	(1,164,853)	(634,489)	(753,525)	(639,028)
(Loss)/Profit before tax	32	(31,951,167)	(10,757,072)	(10,845,167)	57,706
Taxation	34	2,218,782	478,014	(284,887)	(35,376)
(Loss)/Profit for the financial year/period		(29,732,385)	(10,279,058)	(11,130,054)	22,330
Other comprehensive Income: <i>Items that will be subsequently reclassified to profit or loss</i>					
Exchange differences on translation of foreign operations		999,237	151,544	–	–
Other comprehensive income, net of tax		999,237	151,544	–	–
<b>Total comprehensive (loss)/profit for the financial year/period</b>		<b>(28,733,148)</b>	<b>(10,127,514)</b>	<b>(11,130,054)</b>	<b>22,330</b>
(Loss)/Profit for the financial year/period attributable to:					
Owners of the Company		(29,986,524)	(10,328,678)	(11,130,054)	22,330
Non-controlling interests		254,139	49,620	–	–
		(29,732,385)	(10,279,058)	(11,130,054)	22,330
Total comprehensive (loss) /income for the financial year/period attributable to:					
Owners of the Company		(29,109,130)	(10,177,134)	(11,130,054)	22,330
Non-controlling interests		375,982	49,620	–	–
		(28,733,148)	(10,127,514)	(11,130,054)	22,330
Loss per share:					
Basic (sen)	35(a)	(1.87)	(4.20)		

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

# STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

(With comparative figures from 1 September 2021 to 31 December 2022)

Group	Non-distributable						Total equity RM
	Share capital RM	Treasury shares RM	Fair value reserve RM	Revaluation reserve RM	Foreign currency translation reserve RM	Distributable reserve - Retained earnings RM	
At 1 September 2021	50,767,230	(459,316)	(3,152,081)	35,166,053	(1,128,556)	38,826,479	119,558,433
Acquisition of subsidiary	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	2,729,600
Realisation of revaluation reserve	-	-	-	(17,316)	-	17,316	395,314
(Loss)/Profit for the financial period	-	-	-	-	-	(10,328,678)	49,620
Other comprehensive income, net of tax	-	-	-	-	151,544	-	151,544
Total comprehensive income/(loss) for the financial period	-	-	-	-	151,544	(10,328,678)	(10,127,514)
Transaction with owners: Issuance of shares in pursuant to:							
- Warrant exercised	12,026,399	-	-	-	-	-	12,026,399
- Private placement	12,709,024	-	-	-	-	-	12,709,024
- ESOS exercised	104,869	-	-	-	-	-	104,869
At 31 December 2022	75,607,522	(459,316)	(3,152,081)	35,148,737	(977,012)	28,515,117	137,396,125

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

# STATEMENTS OF CHANGES IN EQUITY

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### (CONT'D)

Group	Non-distributable						Distributable		Non-controlling interests	Total equity
	Share capital	Treasury shares	Warrant reserve	Fair value reserve	Revaluation reserve	Foreign currency translation reserve	Retained earnings	Total		
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2023	75,607,522	(459,316)	-	(3,152,081)	35,148,737	(977,012)	28,515,117	134,682,967	2,713,158	137,396,125
Write off of subsidiary company	-	-	-	-	-	-	-	-	1,728	1,728
(Loss)/Profit for the financial year	-	-	-	-	-	-	(29,986,524)	(29,986,524)	254,139	(29,732,385)
Other comprehensive income, net of tax	-	-	-	-	-	877,394	-	877,394	121,843	999,237
Total comprehensive income/(loss) for the financial year	-	-	-	-	-	877,394	(29,986,524)	(29,109,130)	375,982	(28,733,148)
Reversal of fair value reserve	-	-	-	3,135,081	-	-	(3,135,081)	-	-	-
Reversal of revaluation reserve	-	-	-	-	(446,481)	-	446,481	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(631,883)	(631,883)
Transaction with owners:										
Issuance of shares in pursuant to:										
- Right issue	80,640,118	-	10,338,475	-	-	-	-	90,978,593	-	90,978,593
At 31 December 2023	156,247,640	(459,316)	10,338,475	(17,000)	34,702,256	(99,618)	(4,160,007)	196,552,430	2,458,985	199,011,415

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

**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**(CONT'D)**

	Distributable				
	Non-distributable - Share capital RM	Treasury shares RM	Warrant reserve RM	Retained earnings RM	Total equity RM
<b>Company</b>					
At 1 September 2021	50,767,230	(459,316)	–	672,235	50,980,149
Income for the financial period	–	–	–	22,330	22,330
Other comprehensive income, net of tax	–	–	–	–	–
Total comprehensive income for the financial period	–	–	–	22,330	22,330
<u>Transaction with owners:</u>					
Issuance of shares in pursuant to:					
– Warrant exercised	12,026,399	–	–	–	12,026,399
– Private placement	12,709,024	–	–	–	12,709,024
– ESOS exercised	104,869	–	–	–	104,869
At 31 December 2022 and 1 January 2023	75,607,522	(459,316)	–	694,565	75,842,771
Loss for the financial year	–	–	–	(11,130,054)	(11,130,054)
Other comprehensive loss, net of tax	–	–	–	–	–
Total comprehensive loss for the financial year	–	–	–	(11,130,054)	(11,133,654)
<u>Transaction with owners:</u>					
Issuance of shares in pursuant to:					
– Right issue	80,640,118	–	10,338,475	–	90,978,593
At 31 December 2023	156,247,640	(459,316)	10,338,475	(10,435,489)	155,691,310

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

# STATEMENTS OF CASH FLOWS

For the financial year ended 31 December 2023  
(With comparative figures from 1 September 2021 to 31 December 2022)

Note	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM
<b>Cash flows from operating activities</b>				
(Loss)/Profit before tax	(31,951,167)	(10,757,072)	(10,845,167)	57,706
Adjustments for:				
Depreciation of property, plant and equipment	3,668,217	4,907,483	71,057	79,983
Depreciation of right-of-use assets	1,348,169	666,421	-	-
Fair value changes on other investment (loss)/(gain))				
- Quoted investment	1,733,617	(1,302,980)	1,733,617	(1,302,980)
- Unquoted investment	-	1,387,388	-	-
Finance costs	1,164,853	634,489	753,525	639,028
Gain on disposal of:				
- Subsidiary company	(26,803)	-	-	-
- Property, plant and equipment	(279,593)	(504,991)	-	-
- Other investment	(165,517)	-	-	-
Loss on disposal of subsidiary	-	530,659	895,861	2,499
Loss on disposal of other investments	5,424,901	-	4,225,525	-
Interest income from fixed deposits	(3,050,671)	(463,148)	(2,953,049)	(423,365)
Interest income from bank	(17,379)	-	-	-
Interest income from subsidiary companies	-	-	(1,400)	(57,385)
Dividend income	-	-	(660,604)	-
Provision for lawsuit	-	11,131,511	-	-
Expected credit loss:				
- Trade receivables	393,223	-	-	-
- Other receivables	194,601	-	-	-
- Fixed deposits	6,236,811	-	5,817,651	-
Net unrealised loss/(gain) on foreign exchange	33,943	(225,278)	-	-
Written off on disposal of subsidiary	1,787,775	-	-	-
Written off:				
- Property, plant and equipment	1	145,139	-	-
- Inventories	21,704	5,204	-	-
- Prepayment	2,641	-	-	-
- Amount due from subsidiary	-	-	54	-
Reversal of loss allowance:				
- Trade receivables	-	(262,262)	-	-
- Subsidiary companies	-	-	-	(1,041,694)
Bad debt written off	1,946,276	-	-	-
Waiver of debt	(300,891)	-	-	-
Operating (loss)/profit before working capital changes	(11,835,289)	5,892,563	(962,930)	(2,046,208)

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

### (CONT'D)

	Note	Group		Company	
		1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM
Operating (loss)/profit before working capital changes (Cont'd)		(11,835,289)	5,892,563	(962,930)	(2,046,208)
Changes in:					
Inventories		6,428,042	8,233,188	–	–
Receivables		24,811,723	(16,737,439)	13,780,182	(13,761,340)
Payables		(8,350,110)	(2,217,047)	(2,430,789)	3,138,716
Cash generated from/(used in) operations		11,054,366	(4,828,735)	10,386,463	(12,668,832)
Tax paid		(2,563,184)	(2,358,419)	(35,956)	(19,009)
Interest received		89,836	–	–	–
Tax refund		267,686	–	–	–
Interest paid		–	(18,977)	–	(18,976)
<b>Net cash generated from/(used in) operating activities</b>		<b>8,848,704</b>	<b>(7,206,131)</b>	<b>9,596,982</b>	<b>(12,706,817)</b>
<b>Cash flows from investing activities</b>					
Dividend received		–	–	660,604	–
Proceeds from disposal of property, plant and equipment		4,101,554	520,338	–	–
Proceeds from disposal of subsidiary		4,684,210	400,000	1	400,000
Proceeds from disposal of other investments		12,919,137	–	9,351,680	–
Acquisition of other investments		(10,057,422)	–	(10,057,422)	–
Purchase of intangible asset		(6,618,234)	–	–	–
Placement in fixed deposits		(106,303,363)	(16,671,598)	(96,173,961)	–
Additions to property, plant and equipment	(a)	(5,031,479)	(3,992,752)	–	(710,573)
Increase in short term placements		–	(5,329,620)	–	(5,329,620)
Cash paid for acquisition of subsidiary company		–	(6,661,897)	–	(6,661,897)
Acquisition of subsidiary, net of cash		–	2,438,239	–	–
Interest received		–	450,660	1,400	480,750
<b>Net cash used in investing activities</b>		<b>(105,409,788)</b>	<b>(28,846,630)</b>	<b>(96,217,698)</b>	<b>(11,821,340)</b>
<b>Cash flows from financing activities</b>					
(Repayment to)/advances from subsidiary companies		–	–	(4,719,775)	17,732,257
Drawdown of bank borrowings		11,185,989	1,720,000	–	–
Interest paid		(1,084,334)	(615,513)	(703,525)	(620,052)
Issuance of share capital		90,978,593	24,840,292	90,978,593	24,840,292
Repayment of hire purchase liabilities		(1,600,217)	(1,692,118)	–	–
Payment of lease liabilities		(1,235,721)	(631,036)	–	–
Dividend paid to non-controlling interest		(631,883)	–	–	–
Drawdown of term loans		3,093,856	12,184,392	–	–
Repayment of term loans		(11,490,643)	(4,067,548)	–	–
<b>Net cash generated from financing activities</b>		<b>89,215,640</b>	<b>31,738,469</b>	<b>85,505,293</b>	<b>41,952,497</b>

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

**STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**(CONT'D)**

	Note	Group		Company	
		1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM
<b>Net changes in cash and cash equivalents</b>		(8,241,253)	(4,314,292)	(361,898)	174,055
Effect of exchange rate changes		1,031,414	151,370	–	–
<b>Cash and cash equivalents at beginning of the financial year/period</b>		13,359,544	17,522,466	393,388	219,333
<b>Cash and cash equivalents at end of the financial year/period</b>	17	6,149,705	13,359,544	31,490	393,388

Note (a):

During the financial year/period, the Group and the Company acquired property, plant and equipment through the following arrangements:

	Group		Company	
	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM	1.1.2023 to 31.12.2023 RM	1.9.2021 to 31.12.2022 RM
Total cost of property, plant and equipment acquired	7,180,906	5,923,671	–	710,573
Less: Purchase consideration satisfied by hire purchase arrangements	(2,149,427)	(1,930,919)	–	–
<b>Cash payments</b>	<b>5,031,479</b>	<b>3,992,752</b>	<b>–</b>	<b>710,573</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]

## 1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of the Bursa Malaysia Securities Berhad. The principal place of business of the Company is located at Lot 4220, Persimpangan Jalan Batu Arang/Lebuhraya Plus, 48000 Rawang, Selangor Darul Ehsan, Malaysia and registered office of the Company is located at E-10-4, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.

The principal activity of the Company is an investment holding company. The principal activities of the subsidiary companies are disclosed in Note 8. There have been no significant changes in these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 25 April 2024.

## 2. BASIS OF PREPARATION

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

The financial statements of the Company have been prepared under the historical cost basis except as otherwise disclosed in the accounting policies below.

### 2.1 Basis of measurement

The financial statements, which are presented in Ringgit Malaysia ("RM"), have been prepared under the historical cost except as disclosed in the accounting policies below.

### 2.2 Adoption of new and amended standards

The Group and the Company have adopted the following MFRS and Interpretations (collectively referred to as "MFRSs"), issued by the Malaysian Accounting Standards Board ("MASB") and effective for the financial periods beginning on or after 1 January 2023;

- MFRS 17, Insurance Contracts
- Amendments to MFRS 17, Insurance Contracts
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates
- Amendments to MFRS 101, Presentation of Financial Statements – Disclosures of Accounting Estimates
- Amendments to MFRS 112, Income Tax – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 112, Income Tax – International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's and the Company's financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 [With comparative figures from 1 September 2021 to 31 December 2022] (CONT'D)

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

#### 2.3 Standards issued but not yet effective

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2024***

- Amendments to MFRS 16 - Leases, Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101 – Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7 – Supplier Finance Agreement

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121 – Lack of Exchangeability

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

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

The Company plans to adopt the above applicable new MFRSs and amendments/ improvements to MFRSs when they become effective.

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial period presented in the financial statements of the Group and of the Company.

#### 2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial period/years presented in the financial statements of the Group and of the Company.

#### 3.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries and associates used in the preparation of the consolidated financial statements are prepared for the same reporting period as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

##### (a) Subsidiaries and business combination

Subsidiaries are entities (including structure entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.1 Basis of consolidation (Cont'd)**

**(a) Subsidiaries and business combination (Cont'd)**

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date

The accounting policy for goodwill is set out in Note 3.20 to the financial statements.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture or a financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.1 Basis of consolidation (Cont'd)**

##### **(b) Non-controlling interests**

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statements of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

##### **(c) Associates**

Associates are entities over which the Group has significant influence, but not control, to the financial and operating policies.

Investment in associates is accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates is initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

##### **(d) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### **3.2 Separate financial statements**

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.5 to the financial statements.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.3 Foreign currency transactions and operations**

**(a) Translation of foreign currency transactions**

Foreign currency transactions are translated to the respective functional currencies of the Group entities using the exchange rates prevailing at the transaction dates.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

**(b) Translation of foreign operations**

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.4 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.5 to the financial statements. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Freehold land and buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation and any accumulated impairment recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold land and buildings do not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current financial year.

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

The Company revalue its properties comprising land and building whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surplus arising from revaluation of properties held for own use are dealt with in other comprehensive income and are accumulated separately in equity in the revaluation reserve account. When a deficit arises on revaluation, it will be charged to profit and loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation. On annual basis, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

When the asset is retired or disposed, the amount include in the revaluation surplus reserves are transferred to retained earnings and not reclassified to profit and loss.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.4 Property, plant and equipment (Cont'd)**

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	100 years
Buildings	50 years
Plant and machinery	3 - 20 years
Office equipment, computer equipment, furniture, fittings, renovation, factory upgrade and factory equipment	1 - 50 years
Motor vehicles	5 - 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted prospectively, if applicable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

**3.5 Impairment of assets**

**(a) Impairment of financial assets and contract assets**

Financial assets measured at amortised cost, lease receivables, contract assets, and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 Financial Instruments which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Company applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.5 Impairment of assets (Cont'd)**

**(a) Impairment of financial assets and contract assets (Cont'd)**

The Group and the Company consider a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Company in full, without taking into account any credit enhancements held by the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.5 Impairment of assets(Cont'd)**

**(b) Impairment of non-financial assets**

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Company make an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

**3.6 Financial instruments**

Financial instruments are recognised in the statements of financial position when, and only when, the Company become a party to the contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under MFRS 15.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.6 Financial instruments (Cont'd)**

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

#### **(a) Subsequent measurement**

The Group and the Company categorise the financial instruments as follows:

##### **(i) Financial assets**

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income with recycling of cumulative gains and losses upon derecognition
- Financial assets designated at fair value through other comprehensive income with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classify their debt instruments:

- **Amortised cost**

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.5 to the financial statements. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.6 Financial instruments (Cont'd)**

**(a) Subsequent measurement (Cont'd)**

**(i) Financial assets (Cont'd)**

• **Fair value through other comprehensive income ("FVOCI")**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, and the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. The policy for the recognition and measurement of impairment is in accordance with Note 3.5 to the financial statements. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss. The Company have not designated any financial asset as financial assets at FVOCI.

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognised in the profit or loss.

Equity instruments

Upon initial recognition, the Group and the Company can make an irrevocable election to classify its equity investments that is not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at FVOCI are not subject to impairment assessment. The Company have not designated any equity instruments designated as FVOCI.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.6 Financial instruments (Cont'd)**

**(a) Subsequent measurement (Cont'd)**

**(ii) Financial liabilities**

The Group and the Company classify their financial liabilities in the following measurement categories:

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 *Financial Instruments* are satisfied. The Group and the Company have not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

**(b) Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.6 Financial instruments (Cont'd)**

**(c) Derecognition**

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive the cash flows from the financial asset expire; or
- (ii) the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Company have transferred substantially all the risks and rewards of the asset, or (b) the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company have retained.

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

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**(d) Offsetting of financial instruments**

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

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

**3.7 Cash and cash equivalents**

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.8 Inventories**

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

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a first-in first-out basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.
- trading goods: costs on a first-in first-out basis.

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

#### **3.9 Provisions**

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

#### **3.10 Leases**

##### **(a) Definition of lease**

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

##### **(b) Lessee accounting**

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.10 Leases (Cont'd)**

**(b) Lessee accounting (Cont'd)**

Right-of-use asset

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.5 to the financial statements.

Long term leasehold land is measured at fair value, based on valuations by external independent valuers, less accumulated depreciation and any accumulated impairment recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the long term leasehold land does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.10 Leases (Cont'd)**

##### **(b) Lessee accounting (Cont'd)**

###### Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **(c) Lessor accounting**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group and the Company are intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3.10(b), then it classifies the sub-lease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 *Revenue from Contracts with Customers* to allocate the consideration under the contract to each component.

#### **3.11 Share capital**

##### **(a) Ordinary shares**

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

##### **(b) Treasury shares**

When share capital recognised as equity is repurchased, the amount of consideration paid is recognised directly in equity. Repurchased shares that have not been cancelled including any attributable transaction costs are classified as treasury shares and presented as a deduction from total equity.

When treasury shares are sold or reissued subsequently, the difference between the sales consideration and the carrying amount is presented as a movement in equity.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.12 Borrowing costs**

Borrowing costs are interests and other costs that the Group and the Company incur in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The Group and the Company begin capitalising borrowing costs when the Group and the Company have incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

**3.13 Earnings per share**

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**3.14 Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The management of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision maker that makes strategic decisions.

**3.15 Fair value measurements**

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

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

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

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

There were no transfers between levels of the fair value hierarchy during the financial period.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.16 Contingencies**

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

#### **3.17 Revenue and other income**

The Group and the Company recognised revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and of the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue from sale of good or service at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as goods and service tax, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Group and the Company use the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Group and the Company expect to better predict the amount of consideration to which it is entitled.

##### **(i) Construction contracts**

Revenue is recognised over time, if a customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Revenue is recognised using an input method to measure progress towards complete satisfaction of the services.

##### **(ii) Sale of goods**

The Group measures revenue from sale of good at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties such as sales and service tax, adjusted for the effects of any variable consideration.

Revenue from sale of goods are recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term range of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

Revenue is recognised based on the price specified in the contract.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.17 Revenue and other income (Cont'd)**

**(iii) Renewable energy income**

Energy fee derived from the conversion electricity of renewable energy resources is recognised as revenue upon actual delivery of such converted energy.

**(iv) Contract balances arising from revenue recognition**

Contract assets are the right to consideration in exchange for goods or services transferred to customers. If goods or services are transferred to customers before the customers pay consideration that is conditional. Trade receivables represent the entity's right to an amount of consideration that is un conditional.

Contract liabilities are the obligation to transfer goods or services to customers for which the entity has received consideration (or an amount of consideration is due) from the customers. If the customers, contract liabilities are recognised when the payment is made or the payment is due (whichever is earlier).

**(v) Other income is recognised as follows:**

Interest income is recognised using the effective interest method.

**3.18 Income tax**

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

**(a) Current tax**

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

**(b) Deferred tax**

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)****3.18 Income tax (Cont'd)****(b) Deferred tax (Cont'd)**

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

**3.19 Employee benefits****(a) Short-term employee benefits**

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial period where the employees have rendered their services to the Company.

**(b) Defined contribution plans**

As required by law, the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the profit or loss in the period in which the employees render their services.

**3.20 Goodwill**

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.5 to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**3. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)**

**3.21 Intangible asset**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment loss.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over their estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful life are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the differences between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

The intangible asset of the Group is web-based system related to manufacturing business process.

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The area involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

**(a) Provision**

As mentioned in Note 27, as a result of the demand made by the relevant authority against BSL Electronics & Technologies Sdn. Bhd. ("BSLET"), a wholly owned subsidiary company, for the payment of unpaid sales tax and import duty, the Group made a provision of RM11,331,511 (2022: RM11,331,511). The provision was made based on directors' best judgement and estimates based on information currently available and the advice of a consultant.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)**

Key sources of estimation uncertainty.

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

**Determining the loss allowance for trade receivables**

Management assesses the ECL of trade receivables at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive.

In determining the ECL, management assesses whether there has been any significant increase in credit risk since initial recognition of a receivable. Where there has not been a significant increase in credit risk since initial recognition, management determines the loss allowance by estimating an amount equal to 12-month ECL of that receivable. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), management measures a loss allowance for credit losses expected over the remaining life of that receivable.

The ECL on trade receivables as at the current reporting date is primarily based upon the historical credit loss experience. The Company also calibrate the matrix with forward-looking information on macroeconomic factors affecting the ability of the customers to settle. The default risk of the Peer to Peer Platform Providers of Malaysia have been taken into consideration of determining the ECLs.

The carrying amount of trade receivables are disclosed in Notes 13.

**Determining the loss allowance for non-trade receivables**

Management assesses the ECL of receivables (other than trade receivables and contract assets) at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive. In determining the ECL, management assesses whether there has been any significant increase in credit risk since initial recognition of a receivable. Where there has not been a significant increase in credit risk since initial recognition, management determines the loss allowance by estimating an amount equal to 12-month ECL of that receivable. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), management measures a loss allowance for credit losses expected over the remaining life of that receivable. Management exercise considerable judgement in these estimations, using historical credit loss experience as well as reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL. The carrying amount of other receivables is disclosed in Note 14.

**Depreciation of property, plant and equipment**

The cost/valuation of property, plant and equipment except for freehold land, is depreciated on a straight-line basis over the assets' useful lives. The Group and the Company review the remaining useful lives of property, plant and equipment at the end of each reporting period and ensure consistency with previous estimates and patterns of consumptions of the economic benefits that embodies the items in these assets. Changes in useful lives of property, plant and equipment may result in revision of future depreciation charges.

The carrying amount of the Group's and the Company's property, plant and equipment at the end of the reporting period is disclosed in Note 5.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)**

Key sources of estimation uncertainty (Cont'd)

**Impairment of assets**

Determining whether assets are impaired requires an estimation of the recoverable amounts of the assets. As of 31 December 2023, the Group and the Company recognised accumulated impairment losses in respect of the following:

	<b>Group</b>		<b>Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Property, plant and equipment	2,874,978	2,874,978	–	–
Investment in subsidiary companies	–	–	21,486,262	21,486,262

Management exercises its judgement in estimating the recoverable amounts of these assets.

When there is an indication that the carrying amount of an asset may be impaired, the asset's recoverable amount, being the higher of its fair value less costs to sell and its value-in-use ("VIU"), will be assessed. The assessment of the recoverable amounts involves a number of methodologies.

In determining the VIU of an asset, being the future economic benefits to be expected from its continued use and ultimate disposal, the Group and the Company make estimates and assumptions that requires significant judgements. While the Group and the Company believe these estimates and assumptions of VIU could be reasonable and appropriate, changes on these estimates and assumptions of VIU could impact the Group's and the Company's financial position and results.

**Fair value of property, plant and equipment**

The Group measures its freehold land, leasehold land and buildings at revaluated amounts with any change in revaluation amount recognised in the revaluation reserve account. Significant judgement is required in the determination of revaluation amount which may be derived based on different valuation methods. The Group engages an independent professional valuer to determine the revaluation amount on an open market value basis using comparison method. Information regarding the valuation techniques and inputs used in determining the revaluation is disclosed in Note 5.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
[With comparative figures from 1 September 2021 to 31 December 2022]  
(CONT'D)**

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D)**

Key sources of estimation uncertainty (Cont'd)

**Impairment loss and write down of inventories**

Inventories are stated at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected selling prices. Inventories are reviewed on a regular basis and the Group will make a provision for excess or obsolete inventories based primarily on historical trends and management estimates of expected and future product demand and related pricing. Demand levels, technological advances and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories and additional impairment losses for slow moving inventories may be required. The carrying amount of the Group's inventories is disclosed in Note 12.

**Lease liabilities**

Management estimates the lease term as the non-cancellable period of a lease together with both periods covered by an option to extend the lease and an option to terminate the lease. In assessing whether it is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, management exercises judgement by considering all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

Management measures the lease liability as the present value of the lease payments that are not paid at commencement date. The lease payments are discounted using the incremental borrowing rate.

The lease terms and discount rate are determined using certain assumptions and they represent management's best estimation. The assumptions on which it is based relate to the future. Actual outcome may be different from the estimation and the variation could be material.

The carrying amount of lease liabilities is disclosed in Note 22.

**Measurement of income taxes**

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company is uncertain. When the final outcome of the taxes payable is determined with the tax authorities, the amount might be different from the initial estimates of the taxes payable. Such differences may impact the current and deferred taxes in the financial period when such determination is made. The Company will adjust for the differences as over- or under-provision of current or deferred taxes in the current financial period in which those differences arise.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT**

Group	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Office equipment, computer equipment, furniture, fittings, renovation, factory upgrade and factory equipment RM	Motor vehicles RM	Capital-Work in progress	Total RM
<b>Cost/Valuation</b>								
At 1 September 2021	44,100,000	3,900,000	25,900,000	79,978,703	7,651,372	4,711,293	-	166,241,368
Addition	-	-	-	2,147,906	2,705,539	1,070,227	-	5,923,672
Disposal	-	-	-	(5,139,246)	(180,590)	(1,379,486)	-	(6,699,322)
Written off	-	-	-	(215,900)	(543,420)	-	-	(759,320)
<b>At 31 December 2022 and 1 January 2023</b>	<b>44,100,000</b>	<b>3,900,000</b>	<b>25,900,000</b>	<b>76,771,463</b>	<b>9,632,901</b>	<b>4,402,034</b>	<b>-</b>	<b>164,706,398</b>
Addition	-	-	-	2,585,759	2,117,147	293,000	2,185,000	7,180,906
Disposal	-	(3,900,000)	-	-	-	(148,220)	-	(4,048,220)
Written off	-	-	-	(11,000)	-	-	-	(11,000)
Disposal of subsidiary	-	-	-	(9,725,000)	-	-	-	(9,725,000)
Foreign translation	-	-	-	426	11,098	34,973	-	46,497
<b>At 31 December 2023</b>	<b>44,100,000</b>	<b>-</b>	<b>25,900,000</b>	<b>69,621,648</b>	<b>11,761,146</b>	<b>4,581,787</b>	<b>2,185,000</b>	<b>158,149,581</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT**

Group	Freehold land RM	Leasehold land RM	Buildings RM	Plant and machinery RM	Office equipment, computer equipment, furniture, fittings, renovation, factory upgrade and factory equipment RM	Motor vehicles RM	Capital-work in progress	Total RM
<b>Accumulated depreciation</b>								
At 1 September 2021	-	12,309	154,640	62,872,638	5,194,314	3,967,248	-	72,201,149
Charges for the financial period	-	58,427	882,046	2,851,195	689,417	426,397	-	4,907,483
Disposals	-	-	-	(5,132,210)	(66,090)	(1,374,148)	-	(6,572,448)
Acquisition of subsidiary	-	-	-	-	178,808	224,117	-	402,925
Written off	-	-	-	(129,167)	(485,013)	-	-	(614,181)
At 31 December 2022 and 1 January 2023	-	70,736	1,036,686	60,462,456	5,511,437	3,243,613	-	70,324,928
Charges for the financial year	-	7,303	661,535	2,072,726	629,694	296,959	-	3,668,217
Disposals	-	(78,039)	-	-	-	(148,220)	-	(226,259)
Written off	-	-	-	(10,999)	-	-	-	(10,999)
Disposal of subsidiary	-	-	-	(3,127,499)	-	-	-	(3,127,499)
Foreign translation	-	-	-	160	8,659	14,850	-	23,669
At 31 December 2023	-	-	1,698,221	59,396,844	6,149,790	3,407,202	-	70,652,057
<b>Accumulated impairment losses</b>								
At 1 September 2021, 31 December 2022, 1 January 2023 and 31 December 2023	-	-	-	2,874,978	-	-	-	2,874,978
<b>Net carrying amount</b>								
At 31 December 2022	44,100,000	3,829,264	24,863,314	13,434,028	4,121,465	1,158,421	-	91,506,491
At 31 December 2023	44,100,000	-	24,201,779	7,349,826	5,611,356	1,174,585	-	84,622,546

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

<b>Company</b>	<b>Office equipment, computer equipment, furniture, fittings, renovation RM</b>	<b>Total RM</b>
<b>Cost</b>		
At 1 September 2021	–	–
Addition	710,573	710,573
At 31 December 2022, 1 January 2023 and 31 December 2023	710,573	710,573
<b>Accumulated depreciation</b>		
At 1 September 2021	–	–
Charges for the financial period	79,983	79,983
At 31 December 2022 and 1 January 2023	79,983	79,983
Charges for the financial year	71,057	71,057
31 December 2023	151,040	151,040
<b>Net carrying amount</b>		
At 31 December 2022	630,590	630,590
At 31 December 2023	559,533	559,533

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

The leasehold land, freehold land and buildings have been revalued as at 31 May 2021 based on valuations performed by accredited independent valuer. The valuations are based on the comparison method whereby the value attributable to the properties is obtained by comparison to values realised for properties similar in nature, with particular reference to location, accessibility, land area, built-up area, category of land use, terrain, land shape, nature of land and building type, building condition and improvements made, which is categorised as Level 2 in the fair value hierarchy. Adjustments are made for the differences between the properties being compared. If the freehold land, leasehold land and buildings were measured using the cost model, the carrying amounts would be:

	2023 RM	Group 2022 RM
Freehold land:		
- Cost/Net carrying amount	8,200,000	8,200,000
Leasehold land:		
- Cost	–	3,633,020
- Accumulated depreciation	–	(375,668)
Net carrying amount	–	3,257,352
Buildings		
- Cost	27,676,866	27,676,866
- Accumulated depreciation	(7,651,951)	(5,882,531)
Net carrying amount	20,024,915	21,794,335

- (a) Included in property, plant and equipment of the Group are the following assets required under hire purchase arrangements:

	2023 RM	Group 2022 RM
Net carrying amount:		
- Plant and machinery	4,003,715	3,375,212
- Motor vehicles	655,695	344,230
	4,659,410	3,719,442

- (b) As at end of financial year/period, the following property, plant and equipment are charged to licensed banks as securities for term loans and other credit facilities, as mentioned in Notes 23 and 28, granted to the Group:

	2023 RM	Group 2022 RM
At net carrying amount:		
- Freehold land	44,100,000	44,100,000
- Leasehold land	–	3,829,264
- Buildings	24,201,779	24,863,314
- Plant and machinery	2,110,425	3,375,212
	70,412,204	76,167,790

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**6. RIGHT-OF-USE ASSETS**

The Group as a Lessee

	Building RM	Forklift RM	Total RM
<b>Group</b>			
<b>Cost, unless otherwise stated:</b>			
At 1 September 2021	1,297,941	–	1,297,941
Additions	3,024,549	–	3,024,549
Written off	(109,512)	–	(109,512)
At 31 December 2022 and 1 January 2023	4,212,978	–	4,212,978
Additions	780,444	83,504	863,948
Disposal of subsidiary	(1,013,010)	–	(1,013,010)
Expired of lease	(547,347)	–	(547,347)
Foreign translation	59,360	–	59,360
At 31 December 2023	3,492,425	83,504	3,575,929
<b>Accumulated depreciation, unless otherwise stated:</b>			
At 1 September 2021	218,196	–	218,196
Depreciation charge for the financial period	666,421	–	666,421
At 31 December 2022 and 1 January 2023	884,617	–	884,617
Depreciation charge for the financial year	1,325,553	22,616	1,348,169
Disposal of subsidiary	(174,657)	–	(174,657)
Expired of lease	(547,347)	–	(547,347)
Foreign translation	27,499	–	27,499
At 31 December 2023	1,515,665	22,616	1,538,281
<b>Net carrying amount</b>			
At 31 December 2022	3,328,361	–	3,328,361
At 31 December 2023	1,976,760	60,888	2,037,648

The leases of buildings are typically made for periods of 2 to 4 (2022: 2 to 22) years. The lessors do not impose any covenants.

The lease payments associated with short-term leases or leases of low-value assets are recognised as an expense on a straight-line basis over the lease term. No right-of-use assets and lease liabilities are recognised for these leases. At the reporting date, the Group committed to RM21,622 (2022: RM215,945) for the short-term leases.

Total cash outflows for the Group for leases during the current financial period including (fixed, short-term and low-value assets lease payments) amounted to RM1,235,721 (2022: RM1,498,292).

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**7. GOODWILL**

	2023 RM	Group 2022 RM
<b>Goodwill arising on acquisition of subsidiary</b>		
At beginning of financial year/period	2,925,074	–
Additional	–	2,925,074
At end of financial year/period	2,925,074	2,925,074

The recoverable amount of CGUs has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecasts approved by management covering a three-to-five-year period.

The key assumptions used for value-in-use calculations are:

	2023	Group 2022
<b>Gross margin</b>		
Manufacturing	5% - 8%	5% - 8%
<b>Gross rate</b>		
Manufacturing	64% - 66%	64% - 66%

**8. INVESTMENT IN SUBSIDIARY COMPANIES**

	Company 2023 RM	2022 RM
Unquoted shares at cost	77,678,628	78,574,490
Less: Accumulated impairment losses	(21,486,262)	(21,486,262)
	56,192,366	57,088,228

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**8. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)**

Name of subsidiary companies	Effective equity interest		Country of incorporation/ Principal place of business	Principal activities
	2023 %	2022 %		
Direct subsidiary companies				
BSL Manufacturing Sdn. Bhd.	100	100	Malaysia	Stamping and manufacturing of precision metal parts, fabrication of tools and dies and fabrication and forging of base metal components
BSL Electronics & Technologies Sdn. Bhd. ("BSLET")	100	100	Malaysia	Printed circuit board assembly and assembly of all types of electronic and electrical components, devices and system
Unique Forging & Components Sdn. Bhd.	100	100	Malaysia	Investment holding
BSL (HK) Limited *	100	100	Hong Kong, People's Republic of China	Investment holding
BSL Development Sdn. Bhd.	–	51	Malaysia	Property development and related trading activities
BSL Unify Pte. Ltd. *	51	51	Singapore	Manufacture and repair of semiconductor foundry equipment
Indirect subsidiary companies				
Matahari Suria Sdn. Bhd. **	–	100	Malaysia	Generation of renewable energy
BSL Unify (M) Sdn. Bhd. ***	100	100	Malaysia	Stamping and manufacturing of precision metal parts, fabrication of tools and ie and fabrication and forging of base metal components

\* Audited by a firm of auditors other than ChengCo Plt.

\*\* Held through Unique Forging & Components Sdn. Bhd.

\*\*\* Held through BSL Manufacturing Sdn. Bhd.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**8. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)**

Details of non-wholly owned subsidiary companies of the Group that have material non-controlling interests:

Name of subsidiary company	Proportion of ownership interest and voting right held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2023 %	2022 %	2023 RM	2022 RM	2023 RM	2022 RM
BSL Unify Pte. Ltd.	49	49	254,139	20,602	2,458,985	2,714,886
Individually immaterial subsidiary companies with non-controlling interests			–	24,915	–	1,728
			254,139	49,620	2,458,985	2,713,158

(a) BSL Development Sdn. Bhd. had been struck off from the Register of Companies on 22 June 2023.

(b) Disposal of subsidiary company

On 25 July 2023, Unique Forging & Components Sdn. Bhd., a wholly owned subsidiary of the Company has disposed 6,027,000 ordinary shares in Matahari Suria Sdn. Bhd. ("MSSB") to a third party, representing 100% of the total issued shares of MSSB for a total consideration of RM5,300,000.

The identified assets and liabilities in relation to the above disposal are as follows:

	<b>25.7.2023</b> <b>At date of disposal</b> <b>RM</b>
<b>Matahari Suria Sdn. Bhd.</b>	
Property, plant and equipment	7,174,031
Trade receivables	42,460
Other receivables, deposits and prepayments	621,665
Tax recoverable	758
Deferred tax asset	162,924
Cash and bank balances	2,401
Trade payables	(3,000)
Other payables and accruals	(14,792)
Lease liability	(888,119)
Term loan	(1,813,405)
Deferred tax liabilities	(11,726)
Net assets disposed of	5,273,197
Gain on disposal of subsidiary company	26,803
Proceeds from disposal	5,300,000
Less: Non-cash consideration	(1,783,592)
Cash consideration	3,516,408
Less: Cash and cash equivalents of subsidiary disposed	(2,401)
Net cash inflow from disposal	3,514,007

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**8. INVESTMENT IN SUBSIDIARY COMPANIES (CONT'D)**

(c) Material partly-owned subsidiary company

Summarised financial information in respect of the Group's subsidiary companies that have material non-controlling interest are set out below. The summarised financial information below represents amount before intra-group eliminations.

	2023 RM	2022 RM
<i>BSL Unify Pte. Ltd.</i>		
Non-current assets	978,917	1,237,379
Current assets	5,669,270	6,173,095
Non-current liabilities	205,789	534,794
Current liabilities	1,426,990	1,335,097
Equity attributable to owners of the Company	5,015,408	5,540,583
Revenue	7,599,041	3,774,458
Profit for the financial year/period	518,652	42,045
Profit attributable to owners of the Company	284,513	21,443
Profit attributable to the non-controlling interests	254,139	20,602
Profit for the financial year/period	538,652	42,045
Total comprehensive income attributable to owners of the Company	264,513	21,443
Total comprehensive income attributable to the non-controlling interests	254,139	20,602
Total comprehensive income for the financial year/period	518,652	42,045
Net cash inflow from operating activities	1,912,945	1,614,282
Net cash inflow from investing activities	(5,556)	(424,943)
Net cash inflow from financing activities	(1,857,848)	(539,592)
Net cash inflow	49,541	649,746

**9. INTANGIBLE ASSET**

	Web-based system RM	Group Total RM
<b>Cost</b>		
At 1 September 2021, 31 December 2022 and 1 January 2023	–	–
Additions	6,618,234	6,618,234
At 31 December 2023	6,618,234	6,618,234
<b>Net carrying amount</b>		
At 31 December 2022	–	–
At 31 December 2023	6,618,234	6,618,234

The intangible asset of the Group represents a web-based system related to manufacturing business process. This intangible asset still under development process, thus no amortisation incurred during the financial year.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**10. INVESTMENT IN JOINT VENTURE**

	2023 RM	Group 2022 RM
Unquoted shares at cost	–	4,502,444
Share of post-acquisition reserve	–	187,142
	–	4,689,586
Impairment loss recognised	–	(4,689,586)
	–	–

The Group's share of the current financial year's losses of joint venture has not been recognised in the Group's statement of profit or loss and other comprehensive income as equity accounting had ceased when the Group's share of losses of the joint venture exceeded the carrying amount of its investment in the joint venture.

The details of the joint venture company, which is incorporated and having its principal place of business in Hong Kong, are as follows:

Name of company	Effective equity interest		Principal activity
	2023 %	2022 %	
Petapak Holdings Ltd. ("PHL")	–	22.5	Investment holding

The above joint venture is accounted for using the equity method in these consolidated financial statements.

The income, expenses, assets and liabilities of the joint venture is not material to the Group.

**11. OTHER INVESTMENTS**

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Equity instruments designated at FVTOCI					
- Quoted shares	(a)	–	–	–	–
Equity instruments designated at FVTPL					
- Quoted shares	(b)	1,379,200	6,632,600	1,379,200	6,632,600
- Unquoted shares	(c)	–	5,797,500	–	–
- Less: fair value changes		–	(1,196,184)	–	–
		–	4,601,316	–	–
		1,379,200	11,233,916	1,379,200	6,632,600

(a) The fair value of the quoted shares is Nil as the Group explored and deemed not possible in selling off the shares in the market as it was in the process of winding up since 2013.

(b) The quoted shares are stated at the market value and are Level 1 in the fair value hierarchy as these quoted shares are valued based on the observable market price as at the financial year ended.

(c) The Group disposed the unquoted equity stake in Hongze during the financial year.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**12. INVENTORIES**

	2023 RM	Group 2022 RM
Raw materials	4,686,311	9,911,186
Work-in-progress	1,625,437	1,724,484
Finished goods	1,558,002	3,972,518
Trading goods	1,288,692	–
	9,158,442	15,608,188

Cost of inventories recognised as expenses of the Group amounting to RM82,546,426 (2022: RM149,538,212).

The cost of inventories recognised as cost of sales in profit or loss includes RM21,704 (2022: RM5,204) in respect of inventories write-downs to its net realisable value.

**13. TRADE RECEIVABLES**

	2023 RM	Group 2022 RM
Trade receivables	15,107,104	21,837,347
Less: Impairment loss for trade receivables	(393,223)	–
	14,713,881	21,837,347

The Group's normal trade credit terms range within 30 to 90 days (2022: 30 to 90 days). Other credit terms are assessed and approved on a case-to-case basis.

The ageing analysis of the Group's trade receivables is as follows:

	2023 RM	Group 2022 RM
Neither past due nor impaired	248,687	12,006,340
1 to 30 days past due not impaired	9,408,245	4,332,328
31 to 60 days past due not impaired	3,735,209	2,487,805
61 to 90 days past due not impaired	1,672,037	1,389,416
More than 91 days past due not impaired	22,475	1,621,458
	14,837,966	9,831,007
Individually impaired	20,451	–
	15,107,104	21,837,347

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**13. TRADE RECEIVABLES (CONT'D)**Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement for the impairment of trade receivables are as follows:

	Lifetime allowance RM	Credit impaired RM	Loss allowance RM
At 1 September 2021	116,217	262,262	378,479
Reversal of impairment losses	–	(262,262)	(262,262)
Disposal of subsidiary company	(116,217)	–	(116,217)
At 31 December 2022 and 1 January 2023	–	–	–
Impairment loss recognised	372,772	20,451	393,223
At 31 December 2023	372,772	20,451	393,223

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The trade receivables are denominated in the following currencies:

	2023 RM	Group 2022 RM
Ringgit Malaysia	9,870,059	17,124,344
Singapore Dollar	–	387,353
United States Dollar	4,843,822	4,325,650
	14,713,881	21,837,347

**14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
Other receivables	2,412,912	6,990,616	–	–
Less: Impairment loss	(194,602)	–	–	–
	2,218,310	6,990,616	–	–
Redundable deposits	557,994	15,971,973	–	13,770,000
Prepayments	284,643	412,304	20,779	9,773
	3,060,947	23,374,894	20,779	13,779,773

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)**

Movement of expected credit loss (specific ECL):

	2023 RM	Group 2022 RM
At beginning of the financial year/period	–	–
Allowance for expected credit loss	194,602	–
At end of the financial year/period	194,602	–

**15. AMOUNT OWING FROM/TO SUBSIDIARY COMPANIES**

Amounts owing from/to subsidiary companies comprises of the following:

	2023 RM	Company 2022 RM
<b>Amount owing from subsidiary companies</b>		
- Non-trade related	–	55,182
Less: Loss allowance	–	(49,503)
	–	5,679
<b>Amount owing to subsidiary companies</b>		
- Non-trade related	11,968,432	16,693,832

The amounts owing from/to subsidiary companies arose mainly from advances granted which par interest range from 5% to 6% (2022: 5% to 6%) per annum and are unsecured and receivable/payable on demand.

**16. FIXED DEPOSITS**

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
Fixed deposits with cooperative	124,736,230	17,247,270	116,353,022	17,247,270
Less: Expected credit loss	(6,236,811)	–	(5,817,651)	–
	118,499,419	17,247,270	110,535,371	17,247,270
Fixed deposits with licensed bank	3,338,712	1,857,337	3,085	3,015
	121,838,131	19,104,607	110,538,456	17,250,285

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**16. FIXED DEPOSITS (CONT'D)**

Movement of expected credit loss (lifetime ECL):

	<b>Group</b>		<b>Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
At beginning of the financial year/period	–	–	–	–
Allowance for expected credit loss	6,236,811	–	5,817,651	–
At end of the financial year/period	6,236,811	–	5,817,651	–

**Fixed deposits with a cooperative**

The fixed deposits with a cooperative represent the fixed deposits placed with Koperasi Maal Nizami Negeri Selangor ("Komani"), a cooperative licensed by Suruhanjaya Koperasi Malaysia.

The fixed deposits earn weighted average effective interest rate at 3% (2022: 3%) per annum and have a maturity of 3 months (2022: 3 months).

**Fixed deposits with licensed bank**

The fixed deposits of the Group bear interest at rates ranging from 2% to 2.40% (2022: 1.80% to 2.50%) per annum and have maturity period of 1-12 months (2022: 3 months).

Included in the short-term deposits with licensed banks are deposits amounting to RM575,672 (2022: RM575,672) pledged to a licensed bank as collateral for term loans granted to a subsidiary company as mentioned in Note 23.

**17. CASH AND BANK BALANCES**

	<b>Group</b>		<b>Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Cash and bank balances	4,603,610	11,502,207	31,490	393,388

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following at the reporting date:

	<b>Group</b>		<b>Company</b>	
	<b>2023 RM</b>	<b>2022 RM</b>	<b>2023 RM</b>	<b>2022 RM</b>
Cash and bank balances	4,603,610	11,502,207	31,490	393,388
Fixed deposits	121,838,131	19,104,607	110,538,456	17,250,285
	126,441,741	30,606,814	110,569,946	17,643,673
Less: Fixed deposits with maturity period more than 3 months	(118,839,689)	(17,247,270)	(110,538,456)	(17,250,285)
Less: Bank overdrafts	(1,452,347)	–	–	–
	6,149,705	13,359,544	31,490	393,388

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**17. CASH AND BANK BALANCES (CONT'D)**

Cash and bank balances are denominated in the following currencies:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	164,621	7,712,178	31,490	393,388
Singapore Dollar	1,166,754	–	–	–
United States Dollar	3,272,235	3,790,029	–	–
	4,603,610	11,502,207	31,490	393,388

**18. SHARE CAPITAL**

	Group and Company			
	Number of ordinary shares		Amount	
	2023 Unit	2022 Unit	2023 RM	2022 RM
Issued and fully and fully paid	1,932,812,532	275,928,072	156,247,640	75,607,522
At the beginning of the financial year/period	275,928,072	96,635,887	75,607,522	50,767,230
Share split		96,635,887	–	–
Shares issued during the financial year/period	1,656,884,460	82,656,298	80,640,118	24,840,292
At the end of the financial year/period	1,932,812,532	275,928,072	156,247,640	75,607,522

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

The Company increases its share capital from RM75,607,522 to RM156,247,640 by way of issuance of 1,654,156,234 new ordinary shares at issue price at RM0.055 per ordinary share via Right Issue Exercise on 15 March 2023.

**19. TREASURY SHARES**

	Group and Company			
	Number of ordinary shares		Amount	
	2023 Unit	2022 Unit	2023 RM	2022 RM
Issued and fully and fully paid	2,728,226	2,728,226	459,316	459,316

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**20. RESERVES**

			Group		Company
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>Non-distributable reserves:</b>					
Foreign currency translation reserve	(i)	(99,618)	(977,012)	–	–
Fair value reserve	(ii)	(17,000)	(3,152,081)	–	–
Revaluation reserve	(iii)	34,702,256	35,148,737	–	–
Warrant reserve	(iv)	10,338,475	–	10,338,475	–
		44,924,113	31,019,644	10,338,475	–
<b>Distributable reserve:</b>					
Retained earnings	(v)	(4,160,007)	28,515,117	(10,435,489)	694,565
		40,764,106	59,534,761	(97,014)	694,565

**(i) Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange the differences arising from monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

**(ii) Fair value reserve**

Fair value reserve arose from fair value changes in equity instruments designated at FVTOCI.

**(iii) Revaluation reserve**

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

**(iv) Warrant reserve**

Warrants reserve arose in respect of the fair value for Warrant B issued pursuant to the right issue.

**(v) Retained earnings**

Any dividend distributed by the Company out of its retained earnings under the single tier tax system is not taxable in Malaysia in the hand of the shareholders.

**21. HIRE PURCHASE LIABILITIES**

	2023 RM	Group 2022 RM
<i>Future minimum lease payment</i>		
Not later than 1 year	1,402,028	1,142,682
Later than 1 year but not later 5 years	2,236,335	1,697,575
Later than 5 years	387,463	–
	3,569,602	2,840,257
Lease: Future finance charges	(503,192)	(323,057)
	3,066,410	2,517,200

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**21. HIRE PURCHASE LIABILITIES (CONT'D)**

	2023 RM	Group 2022 RM
<i>Present values of liabilities</i>		
<b>Current</b>		
Not later than 1 year	1,338,104	1,046,870
<b>Non-current</b>		
Later than 1 year but not later 5 years	1,728,306	1,470,330
	3,066,410	2,517,200

The term of the hire purchase liabilities is between 3 to 5 years and interest rates implicit in the hire purchase arrangements range from 2.33% to 8.23% (2022: 5.83% to 8.21%) per annum. The interest rates are fixed at the inception of the hire purchase arrangement.

The Company's hire purchase liabilities are secured by the financial institution's charge over the assets under hire purchase and corporate guarantee by the Company.

**22. LEASE LIABILITIES**

	2023 RM	Group 2022 RM
<i>Future minimum lease payment</i>		
Not later than 1 year	1,425,697	1,197,423
Later than 1 year but not later 5 years	690,370	1,790,502
Later than 5 years	–	937,200
	2,116,067	3,925,125
Lease: Future finance charges	(92,771)	(515,946)
	2,023,296	3,409,179
<i>Present values of liabilities</i>		
<b>Current</b>		
Not later than 1 year	1,382,017	1,111,330
<b>Non-current</b>		
Later than 1 year but not later 5 years	641,279	1,594,566
Later than 5 years	–	703,284
	641,279	2,297,850
	2,023,296	3,409,180

The lease liabilities bear effective interest at rates ranging from 4.02% to 6.72% (31.8.2021: 5.7% to 6.02%) per annum.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**23. TERM LOANS**

	2023 RM	Group 2022 RM
<i>Present as:</i>		
Current	1,926,021	8,232,387
Non-current	2,623,798	4,714,219
	4,549,819	12,946,606
<b>Term loans</b>		
Not later than one year	1,926,021	8,232,387
Later than 1 year but not later than 5 years	2,236,335	4,714,219
Later than 5 years	387,463	–
	4,549,819	12,946,606

The non-current portion of the term loans are repayable between 2 to 5 (2022: 2 to 4) years.

The term loans of the Group bear interest at rate of 1.50% (2022: 4.00% to 5.07%) per annum above banks' base lending rate and the monthly repayment ranging from RM16,667 to RM138,889 (2022: RM16,667 to RM966,667). The details of securities are as mentioned in Note 28.

**24. DEFERRED TAX LIABILITIES**

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
At 1 January/1 September	5,787,625	6,986,663	16,103	–
Recognised in profit or loss	(2,550,102)	(1,452,770)	(16,103)	16,103
Disposal of subsidiary	151,198	253,732	–	–
At 31 December	3,388,721	5,787,625	–	16,103

The components of deferred tax liabilities during the financial year/period are as follows:

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
Tax effects of:				
- Excess of capital allowances claimed over accumulated depreciation on property, plant and equipment	–	3,952,776	–	16,103
- Unabsorbed capital allowances	–	(1,709,136)	–	–
- Unused tax losses	–	–	–	–
- Revaluation surplus on property, plant and equipment	3,388,721	4,054,611	–	–
- Leases	–	(14,823)	–	–
- Others	–	(495,803)	–	–
	3,388,721	5,787,625	–	16,103

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**25. TRADE PAYABLES**

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. The credit period granted to the Group on purchases of goods ranges from 30 to 90 days (2022: 30 to 90 days).

Trade payables are denominated in the following currencies:

	2023 RM	Group 2022 RM
Ringgit Malaysia	14,606,153	19,223,008
Singapore Dollar	38,502	38,502
United States Dollar	1,285,055	1,285,055
	15,929,710	20,546,565

**26. OTHER PAYABLES AND ACCRUALS**

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
Accrued expenses	1,351,547	1,809,647	230,822	144,269
Other payables	1,069,114	4,628,990	573,935	3,091,277
Sales and services tax payable	6,715	–	22,885	–
	2,427,376	6,461,522	804,757	3,235,546

Other payables and accruals are denominated in the following currencies:

	2023 RM	Group 2022 RM	2023 RM	Company 2022 RM
Ringgit Malaysia	2,265,631	3,276,708	804,757	3,235,546
Singapore Dollar	145,274	3,184,814	–	–
United States Dollar	16,471	–	–	–
	2,427,376	6,461,522	804,757	3,235,546

**27. PROVISION**

	2023 RM	Group 2022 RM
At the beginning of the year/period	11,331,511	200,000
Provision during the year/period	–	11,131,511
At the end of the year/period	11,331,511	11,331,511

The provision represents the demand made by the relevant authority against BSLET for the payment of unpaid sales tax and import duty, BSLET made a provision of RM11,331,511 (2022: RM11,331,511). The provision was made based on directors' best judgement and estimates based on information currently available and the advice of a consultant. During the financial year, BSLET decided not to pursue further to the Federal Court and continue to negotiate with the relevant authority on the amount. Thus, the amount of the claim that may ultimately be payable may differ from the provision made and the difference may be material.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**28. BANK BORROWINGS**

	2023 RM	Group 2022 RM
Bankers' acceptances	11,453,642	1,720,000
Bank overdraft	1,452,347	–
	12,905,989	1,720,000

In addition to the term loan facilities as mentioned in Note 23 as well as the bank overdraft and bankers' acceptance of the Group are secured by way of:

- (i) Fixed and floating charges over certain property, plant and equipment of a subsidiary company as mentioned in Note 5; and
- (ii) Corporate guarantee by the Company.

Interest for bank overdrafts for the Company are charged at between 0.75% to 1.50% (2022: Nil) per annum above banks' lending rate.

Interest for bankers' acceptances for the Company are charged at 1.5% (2022: 3.81%) per annum.

**29. REVENUE**

	1.1.2023 to 31.12.2023 RM	Group 1.9.2021 to 31.12.2022 RM
Revenue from contracts with customers		
(i) Recognised over time:		
- construction contract revenue	–	994,844
(ii) Recognised at a point in time:		
- Sales of goods	109,977,205	212,797,378
- Renewable energy income	259,911	1,014,389
	110,237,116	213,811,767
	110,237,116	214,806,611

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**30. OTHER INCOME**

Included in other income of the Group and of the Company are:

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>
Reversal of loss allowance				
- Trade receivables	–	262,262	–	–
- Former associate	–	–	–	–
- Amount owing from subsidiary companies	–	–	–	1,041,694
Fair value changes on other investment	–	1,302,980	–	1,302,980
Gain on disposal of property, plant and equipment	279,593	504,991	–	–
Gain on disposal of other investments	165,517	–	–	–
Net gain on foreign exchange				
- realised	273,829	758,666	–	–
- unrealised	72,704	225,278	–	–
Interest income from bank	17,379	–	–	–
Interest income from fixed deposits	3,050,671	463,148	2,953,049	423,365
Interest income from subsidiary companies	–	–	1,400	57,385
Insurance claim	38,530	–	–	–
Sales of scrap	1,697,410	3,195,822	–	–
Dividend income	–	–	660,604	–
Other income	146,130	1,371,485	–	–
Government grant	144,199	167,201	–	–
Waiver of debt	300,891	–	–	–
Waiver of lease payment	–	109,512	–	–
	<b>6,186,853</b>	<b>8,361,345</b>	<b>3,615,053</b>	<b>2,825,424</b>

**31. FINANCE COSTS**

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>
Interest expense on:				
Term loans	308,942	231,325	–	–
Hire purchase liabilities	150,210	109,400	–	–
Bankers' acceptance	483,488	175,646	–	–
Other banking facilities	141,694	18,977	–	18,976
Lease liabilities	80,519	99,141	–	–
Advances from subsidiary company	–	–	753,525	620,052
	<b>1,164,853</b>	<b>634,489</b>	<b>753,525</b>	<b>639,028</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**32. (LOSS)/PROFIT BEFORE TAX**

Other than disclosed elsewhere in the financial statements, the following amounts have been included in arriving at (loss)/profit before taxation:

		<b>Group</b>		<b>Company</b>	
		<b>1.1.2023</b>	<b>1.9.2021</b>	<b>1.1.2023</b>	<b>1.9.2021</b>
		<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
	<b>Notes</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
Auditors' remuneration					
- Statutory audit		310,543	288,268	136,000	124,000
- Non-statutory audit		5,000	5,000	5,000	5,000
Depreciation of property					
plant and equipment	5	3,903,842	4,907,483	71,057	79,983
Depreciation of right-of-use					
assets	6	1,348,169	666,421	-	-
Employee benefits expenses	33	36,940,543	21,107,876	185,067	266,400
Fair value changes on					
other investment (loss)					
- Quoted investment		1,733,617	-	1,733,617	-
- Unquoted investment		-	1,387,388	-	-
Lease expenses for short-term					
leases and low-value assets:					
- Equipment and machine		1,232	149,703	-	-
- Premises		-	66,242	-	-
- Motor vehicle		20,390	-	-	-
Expected credit losses:					
- Trade receivables		393,223	-	-	-
- Other receivables		2,041,164	-	-	-
- Fixed deposits with cooperative		6,236,811	-	5,817,651	-
Loss on disposal of subsidiary		-	530,659	895,861	2,499
Loss on disposal of associate		1,199,376	-	-	-
Loss on disposal of other investments		4,225,525	-	4,225,525	-
Provision for lawsuit		-	11,131,511	-	-
Unrealised loss on foreign exchange		106,647	-	-	-
Bad debt written off		1,946,276	-	-	-
Property, plant and equipment					
written off		1	145,139	-	-
Prepayments written off		2,641	-	-	-
Write-down of inventories		21,704	5,204	-	-
Amount owing from subsidiary					
companies written off		1,786,047	-	54	-

**33. EMPLOYEE BENEFITS EXPENSES**

		<b>Group</b>		<b>Company</b>	
		<b>1.1.2023</b>	<b>1.9.2021</b>	<b>1.1.2023</b>	<b>1.9.2021</b>
		<b>to</b>	<b>to</b>	<b>to</b>	<b>to</b>
		<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
		<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Wages and salaries		20,267,840	14,614,602	185,067	266,400
Contributions to defined contribution plan		1,664,741	1,035,236	-	-
Other benefits		852,514	5,458,038	-	-
		22,785,095	21,107,876	185,067	266,400

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,311,080 and RM54,000 (2022: RM1,335,606 and RM96,000) respectively.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**34. TAXATION**

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>
Current tax expense:				
- Current financial year/period	361,398	1,261,553	297,100	18,200
- RPGT	65,005	–	–	–
- Prior financial period/year	(112,191)	(286,797)	3,890	1,073
	314,212	974,756	300,990	19,273
Deferred tax:				
- Current financial year/period	(2,564,456)	284,074	–	16,103
- Prior financial period/year	31,462	(1,736,844)	(16,103)	–
	(2,532,994)	(1,452,770)	(16,103)	16,103
<b>Total tax expense</b>	<b>(2,218,782)</b>	<b>(478,014)</b>	<b>284,887</b>	<b>35,376</b>

A reconciliation of tax applicable to (loss)/profit before tax at the applicable statutory income tax rate to income tax at the effective income tax rates of the Group and of the Company are as follow:

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>	<b>1.1.2023 to 31.12.2023 RM</b>	<b>1.9.2021 to 31.12.2022 RM</b>
(Loss)/Profit before tax	(31,951,167)	(10,757,072)	(10,845,167)	57,706
Taxation at applicable tax rate of 24% (2022: 24%)	(7,668,280)	(2,581,697)	(2,602,840)	13,849
Tax effects arising from:				
- Expenses which are not deductible	4,795,210	4,976,427	3,041,437	10,320
- Income which are not taxable	(319,955)	(1,043,538)	(158,545)	–
- Depreciation for non qualifying assets	85,773	223,628	17,054	10,095
Deferred tax assest not recognised	1,160,972	–	–	–
(Over)/Under provision in prior financial years	(80,729)	(2,023,641)	–	1,073
Crytallisation of deferred tax liability on revaluation surplus	(139,991)	(17,316)	(12,213)	–
Different tax rates in foreign jurisdiction	(46,735)	(25,403)	–	–
Others	(5,047)	13,526	(6)	39
	(2,218,782)	(478,014)	284,887	35,376

Income derived from Singapore is subjected to tax rate of 17% for the year of assessment 2023.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**34. TAXATION (CONT'D)**

As at end of financial year/period, the tax-exempt income of the group is as follow:

	Note	Group 2023 RM	2022 RM
Reinvestment allowances	(i)	17,534,630	17,534,630
Tax exempt income	(ii)	342,192	342,192
		17,876,822	17,876,822

(i) Arising from reinvestment allowances claimed and utilised under Schedule 7A of the Income Tax Act, 1967.

(ii) Arising from chargeable income on which tax was waived in 1999 in accordance with the Income Tax (Amendment) Act, 1999.

The above tax-exempt income, which is subject to approval by the tax authorities, is available for distribution of tax-exempt dividends to the shareholders of the said subsidiary company.

As explained in Note 3.18, the tax effects of deductible temporary differences, unused tax losses and unutilised tax credits which would give rise to net deferred tax assets are generally recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unutilised tax credits can be utilised for set-off.

Details of unused tax losses, unabsorbed capital allowances and other deductible temporary differences of the Group which have not been recognised in the financial statements due to uncertainty of realisation are as follow:

	Group 2023 RM	2022 RM
Unused tax losses	19,358,683	8,983,687
Unabsorbed capital allowances	14,029,214	11,048,107
Other deductible temporary differences	(11,658,363)	27,613
	21,729,534	20,059,407

The unabsorbed capital allowances and unused tax losses, which are subject to the agreement by the tax authorities, are available for offset against future chargeable income.

Pursuant to the relevant tax legislation, the unused tax losses will expire as follows:

	Group 2023 RM	2022 RM
Expiring in 2028	6,601,124	6,400,777
Expiring in 2029	1,114,797	1,797,122
Expiring in 2030	–	717,988
Expiring in 2031	–	67,800
Expiring in 2032	11,642,762	–
	19,358,683	8,983,687

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**35. BASIC LOSS PER ORDINARY SHARE**

(a) Loss per share

	1.1.2023 to 31.12.2023 RM	Group 1.9.2021 to 31.12.2022 RM
Loss attributable to owners of the Company	(29,986,524)	(10,328,678)
Weighted average number of ordinary shares in issue	1,600,525,264	246,108,729
Basic earnings per ordinary share (sen)	(1.87)	(4.20)

The basic loss per ordinary share is calculated by dividing the loss attributable to owners of the Company of RM29,986,524 (2022: RM10,328,678) by weighted average number of ordinary shares in issue during the financial year/period of 1,600,525,264 (2022: 246,108,729) shares.

**36. RELATED PARTIES DISCLOSURES**

(a) Identification of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associates;
- (iii) Joint ventures;
- (iv) Entities in which directors have substantial financial interest; and
- (v) Key management personnel of the Group and of the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

Related parties also included key management personnel defined as those group of persons having authority and responsibility for planning, directing, and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the directors of the Company, and certain members of senior management of the Group.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**36. RELATED PARTIES DISCLOSURES (CONT'D)****(b) Significant related party transactions**

In addition to the related parties information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year/period:

	<b>Group</b>	
	<b>1.1.2023</b>	<b>1.9.2021</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM</b>	<b>RM</b>
Expenses paid to companies in which certain directors of a subsidiary company are also directors		
Disposal of subsidiary		
- Matahari Kencana Sdn Bhd	–	400,000
	<b>Company</b>	
	<b>1.1.2023</b>	<b>1.9.2021</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2023</b>	<b>31.12.2022</b>
	<b>RM</b>	<b>RM</b>
Interest receivables from subsidiary companies		
- BL Eco Energy Sdn. Bhd.	–	6,665
- BSL (HK) Limited	1,400	3,215
- Matahari Suria Sdn. Bhd.	–	47,505
	1,400	57,385
Interest payable to subsidiary companies		
- BSL Manufacturing Sdn. Bhd.	753,525	–

**(c) Compensation of key management personnel**

The Group considers the directors to be the key management personnel. Disclosure of their remuneration is made in Directors' Remuneration section to the directors' report.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**37. SEGMENT REPORTING**

Business Segments

For management purposes, the Group is organised into the following segments:

- i. Investment holding;
- ii. Stamping and manufacturing of precision metal parts, fabrication of tools and dies and fabrication and forging of base metal components;
- iii. Printed circuit board ("PCB") assembly and assembly of all types of electronics and electrical components, devices and systems;
- iv. Renewable energy; and
- v. Others (those subsidiary companies that are currently dormant and semi-active respectively).

Inter-segment sales are charged at cost plus a percentage of profit mark-up. Revenue from one major customer group contributed approximately RM35,782,000 (2022: RM46,807,000) of the Group's total revenue.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs and directors' salaries, investment revenue, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**37. SEGMENT REPORTING (CONT'D)**

Group	Investment holding RM	Precision stamping and tooling RM	PCB and module assembly RM	Others RM	Eliminations RM	Consolidated RM
<b>2023</b>						
Revenue						
External sales	-	105,334,117	4,643,088	259,911	-	110,237,116
Inter-segment sales	-	474,123	618,130	-	(1,092,253)	-
	-	105,808,240	5,261,218	259,911	(1,092,253)	110,237,116
<b>Results:</b>						
Segment results	(13,046,091)	(14,529,725)	(2,461,703)	(3,742,860)	(73,985)	(33,854,364)
Finance costs	(753,525)	(1,067,266)	(38,127)	(199,967)	894,032	(1,164,853)
Finance income	2,954,449	925,729	33,580	11,103	(856,811)	3,068,050
Loss before tax	(10,845,167)	(14,671,262)	(2,466,250)	(3,931,724)	(36,764)	(31,951,167)
Tax expense	(284,887)	2,475,859	(4,075)	31,885	-	2,218,782
Loss for the financial year	(11,130,054)	(12,195,403)	(2,470,325)	(3,899,839)	(36,764)	(29,732,385)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**37. SEGMENT REPORTING (CONT'D)**

Group	Investment holding RM	Precision stamping and tooling RM	PCB and module assembly RM	Others RM	Eliminations RM	Consolidated RM
<b>2023</b>						
Other information						
Capital additions	–	7,135,200	45,706	–	–	7,180,906
Depreciation of property, plant and equipment and right-of-use assets	71,057	3,390,841	199,016	7,303	–	3,668,217
<b>Consolidate statement of financial position</b>						
<b>Assets</b>						
Segment assets	110,590,725	149,191,921	4,494,130	6,125,584	(77,575,746)	192,826,614
Unallocated corporate assets	–	4,337,543	–	42,028	–	4,379,571
Consolidate total assets						197,206,185
<b>Liabilities</b>						
Segment liabilities	12,773,189	50,153,405	16,169,272	25,433	(23,498,467)	55,622,832
Unallocated corporate liabilities	257,325	441,637	4,075	–	–	703,037
Consolidated total liabilities						56,325,869

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**37. SEGMENT REPORTING (CONT'D)**

Group	Investment holding RM	Precision stamping and tooling RM	PCB and module assembly RM	Renewable energy RM	Others RM	Eliminations RM	Consolidated RM
<b>2022</b>							
Revenue	-	196,813,639	15,982,819	2,010,153	-	-	214,806,611
External sales	-	-	3,408,477	-	-	(3,408,477)	-
Inter-segment sales	-	-	-	-	-	-	-
	-	196,813,639	19,391,296	2,010,153	-	(3,408,477)	214,806,611
<b>Results:</b>							
Segment results	215,979	6,735,491	(11,091,541)	191,116	2,397,448	(9,034,225)	(10,585,731)
Finance costs	(639,028)	(419,281)	(102,238)	(440,636)	(239,681)	1,206,376	(634,489)
Finance income	480,749	904,382	-	15,685	182,162	(1,119,830)	463,148
Profit/(Loss) before tax	57,701	7,220,592	(11,193,779)	(233,835)	2,339,929	(8,947,679)	(10,757,072)
Tax expense	(35,376)	140,896	-	45,013	-	327,481	478,014
Profit/(Loss) for the financial period	22,325	7,361,487	(11,193,779)	(188,822)	2,339,929	(8,620,198)	(10,279,058)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**37. SEGMENT REPORTING (CONT'D)**

<b>Group</b>	<b>Investment holding RM</b>	<b>Precision stamping and tooling RM</b>	<b>PCB and module assembly RM</b>	<b>Renewable energy RM</b>	<b>Others RM</b>	<b>Eliminations RM</b>	<b>Consolidated RM</b>
<b>2022</b>							
Other information							
Capital additions	710,573	7,220,837	1,011,564	2,699	2,548	-	8,948,220
Depreciation of property, plant and equipment and right-of-use assets	79,983	4,521,471	837,339	722,051	58,452	(645,563)	5,573,732
<b>Consolidate statement of financial position</b>							
<b>Assets</b>							
Segment assets	95,780,542	161,143,257	6,874,288	8,107,391	14,137,086	(85,621,478)	200,421,085
Unallocated corporate assets	7,709	1,626,160	-	697	60,682	-	1,695,248
Consolidate total assets							202,116,333
<b>Liabilities</b>							
Segment liabilities	19,929,378	40,268,275	16,083,180	3,120,344	4,606,916	(25,075,511)	59,257,138
Unallocated corporate liabilities	-	6,295,848	-	(151,198)	139,991	(495,803)	5,787,625
Consolidated total liabilities							65,044,763

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**38. CAPITAL COMMITMENT**

As at end of financial year/period, the Group has the following capital commitment:

	Group 2023 RM	2022 RM
Approved and contracted for:		
Purchased of plant and machinery and motor vehicles	1,613,427	2,869,080

**39. CONTINGENT LIABILITIES**

As at end of financial year/period, the Company has the following contingent liabilities:

	Company 2023 RM	2022 RM
Unsecured corporate guarantees given to:		
Licensed bank for credit facilities granted to subsidiary companies	19,468,207	16,140,480

**40. FINANCIAL INSTRUMENTS****(a) Categories of financial instruments**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost ("AC")
- (ii) Fair value through profit or loss ("FVTPL")
- (iii) Fair value through other comprehensive income ("FVTOCI")

	Carrying amount RM	AC RM	FVTPL RM	FVTOCI RM
<b>Group</b>				
<b>2023</b>				
<b>Financial assets</b>				
Trade receivables	14,713,881	14,713,881	-	-
Other receivables and deposits	2,776,304	2,776,304	-	-
Other investments	1,379,200	-	1,379,200	-
Fixed deposits	121,838,131	121,838,131	-	-
Cash and cash equivalents	4,603,610	4,603,610	-	-
	145,311,126	143,931,926	1,379,200	-

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)**

**(a) Categories of financial instruments (Cont'd)**

	Carrying amount RM	AC RM	FVTPL RM	FVTOCI RM
<b>Group</b>				
<b>2023 (Cont'd)</b>				
<b>Financial liabilities</b>				
Trade payables	15,929,710	15,929,710	—	—
Other payables and accruals	2,427,376	2,427,376	—	—
Lease liabilities	2,023,296	2,023,296	—	—
Provision	11,331,511	11,331,511	—	—
Hire purchase liabilities	3,066,410	3,066,410	—	—
Bank borrowings	12,905,989	12,905,989	—	—
Term loans	4,549,819	4,549,819	—	—
	52,234,111	52,234,111	—	—
<b>Group</b>				
<b>2022</b>				
<b>Financial assets</b>				
Trade receivables	21,837,347	21,837,347	—	—
Other receivables and deposits	22,962,589	22,962,589	—	—
Other investments	11,233,916	—	11,233,916	—
Fixed deposit	19,104,607	19,104,607	—	—
Cash and cash equivalents	11,502,207	11,502,207	—	—
	86,640,666	75,406,750	11,233,916	—
<b>Financial liabilities</b>				
Trade payables	20,546,565	20,546,565	—	—
Other payables and accruals	6,438,637	6,438,637	—	—
Lease liabilities	3,409,179	3,409,179	—	—
Provision	11,331,511	11,331,511	—	—
Hire purchase liabilities	2,517,200	2,517,200	—	—
Bank borrowings	1,720,000	1,720,000	—	—
Term loans	12,946,606	12,946,606	—	—
	58,909,698	58,909,698	—	—

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
[With comparative figures from 1 September 2021 to 31 December 2022]  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)****(a) Categories of financial instruments (Cont'd)**

	Carrying amount RM	AC RM	FVTPL RM	FVTOCI RM
<b>Company</b>				
<b>2023</b>				
<b>Financial assets</b>				
Fixed deposits	110,538,456	110,538,456	–	–
Cash and cash equivalents	31,490	31,490	–	–
	110,569,946	110,569,946	–	–
<b>Financial liabilities</b>				
Other payables and accruals	804,757	804,757	–	–
Amount owing to subsidiary companies	11,968,432	11,968,432	–	–
	12,773,189	12,773,189	–	–
	Carrying amount RM	AC RM	FVTPL RM	FVTOCI RM
<b>Company</b>				
<b>2022</b>				
<b>Financial assets</b>				
Other receivables and deposits	13,770,000	13,770,000	–	–
Amount owing by subsidiary companies	5,679	5,679	–	–
Fixed deposit	17,250,285	17,250,285	–	–
Cash and cash equivalents	393,388	393,388	–	–
	31,419,352	31,419,352	–	–
<b>Financial liabilities</b>				
Other payables and accruals	3,235,546	3,235,546	–	–
Amount owing to subsidiary companies	16,693,832	16,693,832	–	–
	19,929,378	19,929,378	–	–

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)**

**(b) Fair value measurement**

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

		2023		2022	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM	
<b>Group</b>					
<i>Financial asset</i>					
Other investment	1,379,200	1,379,200	11,233,916	11,233,916	
<i>Financial liabilities</i>					
Hire purchase liabilities	3,066,410	3,569,602	2,517,200	2,631,577	
Term loans	4,549,819	5,540,299	12,946,606	13,513,010	
<b>Total</b>	<b>7,616,229</b>	<b>8,119,421</b>	<b>15,463,806</b>	<b>16,144,587</b>	
<b>Company</b>					
<i>Financial asset</i>					
Other investment	1,379,200	1,379,200	6,632,600	6,632,600	

**(c) Financial risk management objectives and policies**

The Group's and the Company's activities are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Board of Directors reviews and agrees policies and procedures for the management of these risks. The audit committee provides independent oversight to the effectiveness of the risk management process.

It is, and has been throughout the current financial period and previous financial year, the Group's and the Company's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

**(i) Credit risk**

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and financial guarantees given to banks for credit facilities granted to subsidiaries. There are no significant changes as compared to prior years.

Trade receivables

The Group's and the Company's exposure to credit risk is monitored on an ongoing basis. The Group and the Company have credit risk policies in place to manage credit risk exposure. The risk is managed through the application of the Group's and the Company's credit management procedures which include regular monitoring and follow up procedures.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)****(c) Financial risk management objectives and policies (Cont'd)****(i) Credit risk (Cont'd)**Trade receivables (Cont'd)

An impairment analysis is performed at each reporting date to measure the expected credit losses. The calculation reflects information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

As at the reporting date, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

The Group and the Company have major concentration of credit risk for amounts due from Eleven (2022: Nine) trade receivables which constitute approximately RM10,825,355 (2022: RM15,192,000) or 72% (2022: 70%) of gross trade receivables at the end of the reporting period.

The Group and the Company carefully select the customers in which they intend to trade. The selection is based on criteria that are reviewed periodically to take into account developments in the market. The Group and the Company also manage their credit risk exposure by maintaining good business relationship with their customers and debtors. This approach has enabled the Group and the Company to manage their credit risk more effectively in addition to the above credit risk management procedures.

For other activities, the Group and the Company minimize and monitor their credit risk by dealing with credit worthy counterparties, setting credit limits on exposures, applying credit approval controls and obtaining collateral or security deposits where appropriate. Trade and financial receivables are monitored on an ongoing basis via group-wide management reporting procedures.

The ageing analysis of receivables as at the reporting date which is trade in nature is as follows:

	Gross carrying amount RM	Loss allowance RM	Carrying amount RM
<b>2023</b>			
Not past due	248,687	(6,037)	242,650
Less than 30 days past due	9,408,245	(218,990)	9,189,255
31 to 60 days past due	3,735,209	(85,106)	3,650,103
61 to 90 days past due	1,672,037	(62,325)	1,609,712
91 to 120 days past due	22,475	(314)	22,161
	15,086,653	(372,772)	14,713,881
<b>Credit impaired</b>			
Individually impaired	20,451	(20,451)	–
	15,107,104	(393,223)	14,713,881
Trade receivables	15,107,104	(393,223)	14,713,881
	15,107,104	(393,223)	14,713,881

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)**

**(c) Financial risk management objectives and policies (Cont'd)**

**(i) Credit risk (Cont'd)**

The ageing analysis of receivables as at the reporting date which is trade in nature is as follows:  
 (Cont'd)

	<b>Gross carrying amount RM</b>	<b>Loss allowance RM</b>	<b>Carrying amount RM</b>
<b>2022</b>			
Not past due	12,006,340	–	12,006,340
Less than 30 days past due	4,332,328	–	4,332,328
31 to 60 days past due	2,487,805	–	2,487,805
61 to 90 days past due	1,389,416	–	1,389,416
91 to 120 days past due	1,621,458	–	1,621,458
More than 121 days past due	1,027,929	–	1,027,929
	<b>21,837,347</b>	<b>–</b>	<b>21,837,347</b>
Trade receivables	21,837,347	–	21,837,347

**(ii) Liquidity risk**

Liquidity and cash flow risks are the risk that the Group and the Company will not be able to meet their financial obligations when they fall due. The Group's and the Company's exposure to liquidity and cash flow risks arises principally from their various payables.

The Group and the Company practise prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and maintain sufficient credit facilities as represented by the carrying amounts in the statements of financial position for contingent funding requirement of working capital.

The intra group financial guarantees have not been recognised since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards significant credit enhancement of the subsidiary companies' borrowings and other credit facilities. Furthermore, the requirements to reimburse is remote.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)****(c) Financial risk management objectives and policies (Cont'd)****(ii) Liquidity risk (Cont'd)**Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM	Constructual cash flow			Total RM
		On demand or within 1 year RM	Between 1 to 5 years RM	More than 5 years RM	
<b>Group 2023</b>					
<b><u>Non-derivative financial liabilities</u></b>					
Trade payables	15,929,710	15,929,710	–	–	15,929,710
Other payables and accruals	2,427,376	2,427,376	–	–	2,427,376
Bank borrowings	12,905,989	12,905,989	–	–	12,905,989
Hire purchase liabilities	3,066,410	1,402,029	2,167,574	–	3,569,603
Provision	11,331,511	11,331,511	–	–	11,331,511
Term loans	4,549,819	2,300,016	2,771,990	468,294	5,540,300
	50,210,815	46,296,631	4,939,564	468,294	51,704,489
Lease liabilities	2,491,313	1,893,713	647,557	–	2,541,270
	52,702,128	48,190,344	5,587,121	468,294	54,245,759

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)**

(c) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk(Cont'd)

Maturity analysis (Cont'd)

	Carrying amount RM	Constructual cash flow			Total RM
		On demand or within 1 year RM	Between 1 to 5 years RM	More than 5 years RM	
<b>Group</b>					
<b>2022</b>					
<b><u>Non-derivative</u></b>					
<b><u>financial</u></b>					
<b><u>liabilities</u></b>					
Trade payables	20,546,565	20,546,565	–	–	20,546,565
Other payables and accruals	6,461,522	6,461,522	–	–	6,461,522
Bank borrowings	1,720,000	1,720,000	–	–	1,720,000
Hire purchase liabilities	2,517,200	1,142,682	1,697,575	–	2,840,257
Provisions	11,331,511	11,331,511	–	–	11,331,511
Term loans	12,946,606	8,712,013	5,353,157	–	14,065,170
	55,523,404	49,914,293	7,050,732	–	56,965,025
Lease liabilities	3,409,179	1,197,423	1,790,502	937,200	3,925,125
	58,932,583	51,111,716	8,841,234	937,200	60,890,150

	Carrying amount RM	Constructual cash flow			Total RM
		On demand or within 1 year RM	Between 1 to 5 years RM	More than 5 years RM	
<b>Company</b>					
<b>2023</b>					
<b><u>Non-derivative</u></b>					
<b><u>financial</u></b>					
<b><u>liabilities</u></b>					
Other payables and accruals	804,757	804,757	–	–	804,757
	804,757	804,757	–	–	804,757

<b>2022</b>					
<b><u>Non-derivative</u></b>					
<b><u>financial liabilities</u></b>					
Other payables and accruals	3,235,546	3,235,546	–	–	3,235,546
	3,235,546	3,235,546	–	–	3,235,546

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**40. FINANCIAL INSTRUMENTS (CONT'D)****(c) Financial risk management objectives and policies (Cont'd)****(iii) Interest rate risk**

The Group and the Company are exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. Interest rate risk arises only from the Group's and the Company's term loans.

*Interest rate risk*

The financial impact arising from changes in interest rate is not expected to be significant. Accordingly, the sensitivity analysis has not been presented.

**(iv) Foreign currency exchange risk**

The Group undertakes trade transactions which are denominated in foreign currency.

The carrying amount of material foreign currencies denominated monetary assets and monetary liabilities at the reporting date:

	Group 2023 RM	2022 RM
<u>United States Dollar:</u>		
Trade receivables	4,843,822	4,325,650
Other receivables	–	137,569
Cash and cash equivalents	3,272,235	3,790,029
Trade payables	(1,285,055)	–
Other payables	(16,471)	–
	6,814,531	8,253,248
<u>Singapore Dollar:</u>		
Cash and cash equivalents	1,166,754	–
Other receivables	154,988	–
Trade payables	(38,502)	(387,353)
Other payables	(145,274)	(3,184,814)
	1,137,966	(3,572,167)

The financial impact arising from changes in foreign exchange rates is not expected to be significant. Accordingly, the sensitivity analysis has not been presented.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**  
**[With comparative figures from 1 September 2021 to 31 December 2022]**  
**(CONT'D)**

**41. CAPITAL MANAGEMENT**

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratios in order to support their business and maximise shareholder value.

The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 December 2023 and 31 December 2022.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by capital. Net debt includes loans and borrowings, less cash and bank balances. Capital includes equity attributable to the owners of the Company.

	2023 RM	2022 RM
<b>Group</b>		
Debt:		
Term loans	4,549,819	12,946,606
Hire purchase liabilities	3,066,410	2,517,200
Bank borrowings	12,905,989	1,720,000
Lease liabilities	2,023,296	3,409,179
	22,545,514	20,592,985
Equity attributable to owners of the Company	196,782,473	134,682,967
Gearing ratio	11%	15%

**42. COMPARATIVE FIGURES**

The comparative figures relate to the 16 months for the period 1 September 2021 to 31 December 2022 and hence are not comparable to those of the current 12 months year ended 31 December 2023.

**STATEMENT BY  
DIRECTORS**

**PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016**

We, **Hoo Wai Keong** and **Johari Shukri Bin Jamil**, being two of the directors of BSL CORPORATION BERHAD, do hereby state that in the opinion of directors, the financial statements as set out on pages 89 to 162, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of the results of their financial performance and cash flows of the Group and of the Company for the financial year ended on that date.

Signed on behalf of the board in accordance with a resolution of the directors,

**HOO WAI KEONG**  
Director

**JOHARI SHUKRI BIN JAMIL**  
Director

Kuala Lumpur,  
Date: 25 April 2024

**STATUTORY  
DECLARATION**

**PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT, 2016**

I, **Hoo Wai Keong** being the director primarily responsible for the financial management of BSL CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements of the Group and of the Company as set out on pages 89 to 162, are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at )  
Kuala Lumpur in the Federal Territory )  
on this 25 April 2024 )

Before me,

.....  
**HOO WAI KEONG**  
Director

**SAMUEL JOHN A/L PONNIAH**  
No. PJS: B437  
Commissioner for Oaths

# LIST OF PROPERTIES

	Name of registered owner / beneficial owner	Location / Geran No.	Description / Existing use	Land/ built-up area (sqm)	Approximate age of building (years)	Date of acquisition / revaluation	Audited NBV as at 31 December 2023 (RM)
1	BSL Manufacturing (M) Sdn Bhd	<p>a) Lot 4220, Persimpangan Jalan Batu Arang/ Lebuhraya PLUS, 48000 Rawang, Selangor Darul Ehsan.</p> <p>Geran No. 50480, Lot No. 4220, Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan.</p>	Freehold land built upon with 2-storey office building annexed to singlestorey detached factory and ancillary building.	19,551/ 11,941	26	26 August 2009/ 31 May 2021	67,241,246
		<p>b) Lot 4212, Persimpangan Jalan Batu Arang/ Lebuhraya PLUS, 48000 Rawang, Selangor Darul Ehsan.</p> <p>Geran No. 27631, Lot 4212, Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan</p>	Freehold land built upon with 2-storey factory building annexed to singlestorey warehouse and ancillary building	24,995/ 11,148	11	20 September 2010/ 31 May 2021	

# ANALYSIS OF SHAREHOLDINGS

AS AT 15 APRIL 2024

## ORDINARY SHARES

Total Number of Issued Shares	:	1,932,812,532 (inclusive of 2,728,226 treasury shares)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share

## DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	% <sup>(3)</sup>
Less than 100	16	0.29	444	0.01
100 to 1,000	604	10.79	246,710	0.01
1,001 to 10,000	1,427	25.48	8,560,045	0.44
10,001 to 100,000	2,368	42.28	104,684,566	5.42
100,001 to 96,504,214 <sup>(1)</sup>	1,182	21.11	1,325,957,866	68.70
96,504,215 and above <sup>(2)</sup>	3	0.05	490,634,675	25.42
<b>TOTAL</b>	<b>5,600</b>	<b>100.00</b>	<b>1,930,084,306</b>	<b>100.00</b>

### Notes:

<sup>(1)</sup> Less than 5% of issued shares.

<sup>(2)</sup> 5% and above of issued shares.

<sup>(3)</sup> Excluding a total of 2,728,226 shares bought back by the Company and retained as treasury shares.

## SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	% <sup>(1)</sup>	No. of Shares Held	% <sup>(1)</sup>
Dato' Sri Dr Pang Chow Huat	235,601,039	12.21	—	—
Ho Kee Wee	258,000,000	13.37	—	—
BC Medicare Sdn. Bhd.	150,818,181	7.82	—	—
BCM Alliance Berhad	—	—	150,818,181 <sup>(2)</sup>	7.82

### Notes:

<sup>(1)</sup> Excluding a total of 2,728,226 shares bought back by the Company and retained as treasury shares.

<sup>(2)</sup> Deemed interest by virtue of its shareholding in BC Medicare Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

## DIRECTORS' SHAREHOLDINGS

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	% <sup>(1)</sup>	No. of Shares Held	% <sup>(1)</sup>
Hoo Wai Keong	40,000	0.01	—	—
Koh Wai Chee	—	—	—	—
Chong Kwang Fock	—	—	—	—
Johari Shukri Bin Jamil	—	—	—	—
Loh May Ann	—	—	—	—

### Notes:

<sup>(1)</sup> Excluding a total of 2,728,226 shares bought back by the Company and retained as treasury shares.

## ANALYSIS OF SHAREHOLDINGS (CONT'D)

### LIST OF TOP 30 SHAREHOLDERS AS AT 15 APRIL 2024

	Name of Shareholders	Holdings	
		No. of Shares	%
1.	RHB NOMINEES (TEMPATAN) SDN. BHD. OSK CAPITAL SDN BHD FOR HO KEE WEE	224,000,000	11.61
2.	BC MEDICARE SDN. BHD.	147,018,181	7.62
3.	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT (MARGIN)	119,616,494	6.20
4.	METRONIC GLOBAL BERHAD	73,000,000	3.78
5.	RHB NOMINEES (TEMPATAN) SDN. BHD. OSK CAPITAL SDN. BHD. FOR PANG CHOW HUAT	69,454,545	3.60
6.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CITA REALITI SDN BHD	58,530,800	3.03
7.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ARENA EVOLUSI SDN BHD	53,863,200	2.79
8.	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR FLORENCE WONG WEI WEI (MARGIN)	46,920,000	2.43
9.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR BU YAW SENG (MY3086)	46,564,200	2.41
10.	APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR DORIS WONG SING EE	40,120,000	2.08
11.	APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR CHEN HUEI PING	40,000,000	2.07
12.	TA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR M N C WIRELESS BERHAD	35,545,454	1.84
13.	TA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT	34,530,000	1.79
14.	APEX NOMINEES (TEMPATAN) SDN. BHD. APEX EQUITY CAPITAL SDN BHD FOR HO KEE WEE	34,000,000	1.76
15.	CFM PRINTING & STATIONERY SDN. BHD.	30,090,909	1.56
16.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KOK HUI	26,150,000	1.35
17.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HO JIEN SHIUNG	26,000,000	1.35
18.	APEX NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN KOK HUI	25,150,000	1.30
19.	WONG YU @ WONG WING YU	13,200,000	0.68
20.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT	12,000,000	0.62
21.	LOW PUI LING	11,703,600	0.61
22.	LAU YAW GUAN	10,500,000	0.54
23.	LIM KOK SIONG	10,500,000	0.54
24.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN CHOON HWA	9,818,000	0.51
25.	RHB NOMINEES (TEMPATAN) SDN. BHD. OSK CAPITAL SDN BHD FOR HO JIEN SHIUNG	8,300,000	0.43

## ANALYSIS OF SHAREHOLDINGS (CONT'D)

### LIST OF TOP 30 SHAREHOLDERS AS AT 15 APRIL 2024 (CONT'D)

	Name of Shareholders	Holdings	
		No. of Shares	%
26.	HUANG XIANG	7,500,000	0.39
27.	LOW KOI LEN	6,954,545	0.36
28.	TAY SWEE IMM	6,240,000	0.32
29.	RHB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR KHOR MOOI SOONG	6,020,600	0.31
30.	ASSOCIATED ABRASIVES SDN. BHD.	6,000,000	0.31

# ANALYSIS OF WARRANT A HOLDINGS

## AS AT 15 APRIL 2024

Number of Warrants	:	142,458,195
Exercise price of the warrants	:	RM0.25
Expiry date of warrants	:	11 November 2024
Rights of Warrants Holder	:	The Warrants holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in our Company until and unless such Warrants holders exercise their Warrants into new ordinary shares of the Company.

### DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant holdings	No. of Warrant holders	%	No. of Warrant	%
Less than 100	327	15.25	19,012	0.01
100 to 1,000	409	19.08	116,630	0.08
1,001 to 10,000	466	21.73	2,382,572	1.67
10,001 to 100,000	685	31.95	28,836,380	20.24
100,001 to 7,122,908 <sup>(1)</sup>	256	11.94	96,681,320	67.87
7,122,909 and above <sup>(2)</sup>	1	0.05	14,422,281	10.13
TOTAL	2,144	100.00	142,458,195	100.00

#### Notes:

<sup>(1)</sup> Less than 5% of issued Warrants A.

<sup>(2)</sup> 5% and above of issued Warrants A.

### DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct	No. of Warrants Held %	Indirect	%
Hoo Wai Keong	—	—	—	—
Koh Wai Chee	—	—	—	—
Chong Kwang Fock	—	—	—	—
Johari Shukri Bin Jamil	—	—	—	—
Loh May Ann	—	—	—	—

## ANALYSIS OF WARRANT A HOLDINGS (CONT'D)

### LIST OF TOP 30 WARRANT HOLDERS AS AT 15 APRIL 2024

	Name of Warrant Holders	Holdings	
		No. of Warrants	%
1.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MUHAMMAD 'IZZAT AFIQ BIN ZAINUDDIN	14,422,281	10.12
2.	LEE BOK LEONG	3,900,000	2.74
3.	MUHAMMAD 'IZZAT AFIQ BIN ZAINUDDIN	3,480,357	2.44
4.	TEE BOCK HENG	2,590,764	1.82
5.	MOHD ZUBIR BIN AMIR	2,508,881	1.76
6.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR AHMAD BASRAN BIN MOHD ARIFFIN	2,263,527	1.59
7.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM CHOON HAU (E-TAI)	2,152,493	1.51
8.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. LIZA BINTI KAMIS	2,040,231	1.43
9.	YEAP TEIK CHUAN	1,816,874	1.28
10.	RAZALI BIN ABU	1,572,920	1.10
11.	SJ SEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR GOH CHOON KWANG (SMT)	1,570,160	1.10
12.	POON MEE CHENG	1,542,167	1.08
13.	RUSWADI BIN MAT NON	1,422,600	1.00
14.	KONG CHOOI YEE	1,285,080	0.90
15.	ZULKARNAIN BIN KAMARUDDIN	1,177,620	0.83
16.	WOO YAM SANG	1,072,419	0.75
17.	SJ SEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YOONG BEE LING (SMT)	985,568	0.69
18.	KIM POH HOLDINGS SDN. BHD.	981,350	0.69
19.	WAN ZULKIFLI BIN WAN ABDULLAH	943,028	0.66
20.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. RADIN ZULKAR NAIN BIN RADIN ABDUL RAHMAN	885,080	0.62
21.	LIEW WIN YEE	883,215	0.62
22.	NOR AZLAN BIN KAMAL BASHA	863,045	0.61
23.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR FATHI AIZUDDEEN BIN LOOK KEMAN	843,960	0.59
24.	MOHD FAISAL BIN AB. AZIZ	812,000	0.57
25.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN KOK MENG	781,350	0.55
26.	KWOO KAH SENG	713,637	0.50
27.	THAM SOON WANG	686,159	0.48
28.	AZALIZA @ MOHAMAD AZALIZA BIN MANSOR	675,266	0.47
29.	MOHD IZUWAN BIN MOKTAR	672,813	0.47
30.	SAYUTHI RAZMAN BIN HASAN BASRI	644,405	0.45

# ANALYSIS OF WARRANT B HOLDINGS

## AS AT 15 APRIL 2024

Number of Warrants	:	689,231,637
Exercise price of the warrants	:	RM0.055
Expiry date of warrants	:	9 March 2026
Rights of Warrants Holder	:	The Warrants holders are not entitled to any voting rights or to participate in any distribution and/or offer of further securities in our Company until and unless such Warrants holders exercise their Warrants into new ordinary shares of the Company.

### DISTRIBUTION OF WARRANT HOLDINGS

Size of Warrant holdings	No. of Warrant holders	%	No. of Warrant	%
Less than 100	57	3.41	2,579	0.01
100 to 1,000	37	2.22	20,721	0.01
1,001 to 10,000	174	10.43	1,132,699	0.15
10,001 to 100,000	685	41.04	34,332,891	4.98
100,001 to 34,461,581 <sup>(1)</sup>	716	42.90	653,742,747	94.85
34,461,582 and above <sup>(2)</sup>	0	0	0	0
<b>TOTAL</b>	<b>1,669</b>	<b>100.00</b>	<b>689,231,637</b>	<b>100.00</b>

Notes:

<sup>(1)</sup> Less than 5% of issued Warrants B.

<sup>(2)</sup> 5% and above of issued Warrants B.

### DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct	No. of Warrants Held		%
			Indirect	
Hoo Wai Keong	—	—	—	—
Koh Wai Chee	—	—	—	—
Chong Kwang Fock	—	—	—	—
Johari Shukri Bin Jamil	—	—	—	—
Loh May Ann	—	—	—	—

## ANALYSIS OF WARRANT B HOLDINGS (CONT'D)

### LIST OF TOP 30 WARRANT HOLDERS AS AT 15 APRIL 2024

		Holdings	
		No. of Warrants	%
	Name of Warrant Holders		
1.	BU YAW SENG	32,026,500	4.65
2.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR BU YAW SENG (MY3086)	28,001,866	4.06
3.	CHIA CHENG GUANG	12,078,600	1.75
4.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN BHD FOR RAMLEY BIN ISMAIL	11,500,000	1.67
5.	LIEW SHER VY	10,814,700	1.57
6.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAN KAI CHEONG (E-BPJ)	10,220,300	1.48
7.	HIEW CHEE LEONG	10,000,000	1.45
8.	NG KHENG LEONG	9,928,000	1.44
9.	CHAI KIM SWEE	8,500,000	1.23
10.	WONG YU @ WONG WING YU	8,000,000	1.16
11.	NG KIM HOCK	6,500,000	0.94
12.	NG CHEE KONG	6,300,200	0.91
13.	HSBC NOMINEES (ASING) SDN. BHD. MORGAN STANLEY & CO. INTERNATIONAL PLC (FIRM A/C)	6,250,000	0.91
14.	CHAP KAR KAR	6,000,000	0.87
15.	KHOR MOOI SOONG	6,000,000	0.87
16.	CHAI KIM LAI	5,484,200	0.80
17.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HEE YUEN SANG (MY2105)	5,050,000	0.73
18.	MOHD TARMIZI BIN ABD.WAHAB	5,020,000	0.73
19.	OON TZE HOW	5,000,000	0.73
20.	LOW PUI LING	4,876,500	0.71
21.	KONG CHOOI YEE	4,500,000	0.65
22.	LEOW CHEE KEONG	4,500,000	0.65
23.	LIM KOK SIONG	4,375,000	0.63
24.	SETO HENG FONG	4,000,050	0.58
25.	ASSOCIATED ABRASIVES SDN. BHD.	4,000,000	0.58
26.	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN HAI YIEW (CCTS)	4,000,000	0.58
27.	LIM KEK SIANG	4,000,000	0.58
28.	LIM KOK LEANG	3,999,600	0.58
29.	LIM GUAN CHAI	3,960,000	0.57
30.	LAU YAW GUAN	3,750,000	0.54

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PROXY FORM



BSL CORPORATION BERHAD  
[Registration No. 200401012615 (651118-K)]

CDS ACCOUNT NO. OF AUTHORISED NOMINEE
NUMBER OF SHARES HELD

I/We \_\_\_\_\_  
(FULL NAME IN BLOCK LETTERS)

NRIC/Passport/CompanyNo. \_\_\_\_\_

of \_\_\_\_\_  
(FULL ADDRESS)

contact no. \_\_\_\_\_ email address \_\_\_\_\_ being a member/ members of **BSL Corporation Berhad ("the Company")** hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Twentieth Annual General Meeting of the Company ("**20th AGM**") which will be conducted virtually from the broadcast venue at Level 10, Tower 11, Avenue 5, No. 8, Jalan Kerinchi, Bangsar South, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Thursday, 6 June 2024 at 10.30 a.m. and at any adjournment thereof.

**IMPORTANT NOTE:**  
Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the meeting as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option Please accordingly ✓	Name of proxy(ies)	NRIC/ Registration No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	Appoint ONE proxy only (Please complete details of proxy below)			
				100%
(b)	Appoint MORE THAN ONE proxy (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	The Chairman of the meeting as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf			

My/our proxy/proxies is/are to vote as indicated below:

Please indicate with an "X" in the appropriate box provided to indicate how you wish your vote to be cast. If you do not indicate how you wish your proxy to vote on the Resolutions, the proxy shall vote at his/her discretion, or abstain from voting as the proxy thinks fit.

No	Resolutions	For		Against	
		Proxy 1	Proxy 2	Proxy 1	Proxy 2
	Ordinary Business				
Ordinary Resolution 1	To re-elect Chong Kwang Fock as Director				
Ordinary Resolution 2	To re-elect Koh Wai Chee as Director				
Ordinary Resolution 3	To re-elect Doris Wong Sing Ee as Director				
Ordinary Resolution 4	To approve the payment of Directors' fees and benefits payable to the Directors of the Company up to an aggregate amount of RM300,000.00 for the period from 6 June 2024 until the conclusion of the next Annual General Meeting of the Company.				
Ordinary Resolution 5	To re-appoint Messrs Chengco PLT as Auditors of the Company and to authorise the Directors to fix their remuneration				
	Special Business				
Ordinary Resolution 6	To authorise the Directors to allot and issue shares or grant rights pursuant to Section 75 and 76 of the Companies Act 2016				

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature / Common Seal of Shareholder \_\_\_\_\_

Contact No: \_\_\_\_\_

- Notes:
- The 20th AGM of the Company will be conducted as a virtual meeting through live streaming and online remote voting via Remote Participation and Voting ("**RPV**") facilities. Shareholders of the Company are required to register for the 20th AGM not less than twenty-four (24) hours before the time appointed for holding the meeting or at any adjournment thereof. (Please follow the procedures as stipulated in the Administrative Guide).
  - A member of the Company who is entitled to attend, speak and vote at this 20th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.



3. Where a member appoints more than one (1) proxy to attend and vote at the same 20th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
5. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.  
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
6. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
7. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited at the with the Company's Share Registrar at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or electronically via e-mail to [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than forty-eight (48) hours before the time appointed for holding the 20th AGM or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
8. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
9. In respect of deposited securities, only members whose names appear in the Record of Depositors on 24 May 2024 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 20th AGM.
10. Any alteration in the Proxy Form must be initialed.
11. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of 20th AGM will be put to the vote by poll.

**Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to Personal Data Protection Act, 2010.

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AFFIX  
STAMP

Share Registrar  
**BSL CORPORATION BERHAD**  
[Registration No. 200401012615 (651118-K)]  
No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur  
Wilayah Persekutuan (KL)

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Fold This Flap For Sealing



**BSL CORPORATION BERHAD**  
200401012615 (651118-K)

Lot 4220, Persimpangan Jalan Batu  
Arang/Lebuhraya PLUS,  
48000 Rawang, Selangor Darul Ehsan,  
Malaysia.

Tel : 03-6091 9148  
Email : [info@bsli.com.my](mailto:info@bsli.com.my)

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