



**DPI HOLDINGS BERHAD**

Registration No. 201701035607 (1249778-M)



# **FORGING THE FUTURE OF EXCELLENCE**

ANNUAL REPORT 2025

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**Online Version**

This Annual Report can also be downloaded as a PDF file or viewed in an interactive format at [www.dpiaerosol.com](http://www.dpiaerosol.com) or by scanning the QR code given with your smart device.



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**" FORGING  
THE FUTURE  
OF EXCELLENCE "**

## 8<sup>th</sup> Annual General Meeting

### Date

Wednesday  
19<sup>th</sup> November 2025  
10.30 a.m.

### Venue

Function Room 1, Setia City  
Convention Centre, No. 1,  
Jalan Setia Dagang AG U13/  
AG Setia Alam, Seksyen U13,  
40170 Shah Alam, Selangor,  
Malaysia.





## About Us

### Our Legacy and Commitment

Since 1982, DPI Holdings (DPI) has earned a lasting reputation for integrity and trust. Founded by the visionary Mr. Peter Chai, we began as a manufacturer of paints for decorative and household use. Guided by foresight and innovation, we ventured into the niche market of aerosol paints and related products — a bold move that distinguished us within the paints and coatings industry and marked the start of our journey to deliver high-quality solutions.

#### Our mission

“To create trusted products whose value speaks for itself and will be esteemed for generations” — reflects our unwavering dedication to excellence. Integrity, Trust, and Progression will continue to be the foundation of our growth, ensuring quality that lasts and a legacy that endures.



TRUSTED SINCE 1982

#### Dynamic

We stay proactive, agile, and responsive to market changes, ensuring we navigate competitive landscapes effectively.

#### Progressive

We focus on continuous improvement, exploring new markets and technologies to lead industry trends and set new standards.

#### Integrity

We uphold honesty, transparency, and ethics to build lasting trust in our brand, people, and partnership.



#### Financial Review

**TOTAL REVENUE** has increased from RM55.79 million for FYE 2024 to RM93.27 million for FYE 2025.

FYE 2025  
**RM93.27M**

**PROFIT BEFORE TAX (“PBT”)** achieved by the Group was RM4.07 million for FYE 2025 as compared to RM7.38 million for FYE 2024.

FYE 2025  
**RM4.07M**

**NET TANGIBLE ASSETS** has increased from RM88.40 million for FYE 2024 to RM91.87 million for FYE 2025.

FYE 2025  
**RM91.87M**



# Corporate Information

## Board of Directors



**CHOY MUI SENG @ CHAI MUI SENG**

Executive Chairman/  
Managing Director



**CHAI CHUN VUI**

Deputy  
Managing Director



**DATUK SERI NURMALA BINTI ABD. RAHIM**

Senior Independent  
Non-Executive Director



**FONG YOO KAW @ FONG YEE KOW**

Independent  
Non-Executive Director



**LUA KOK HIYONG**

Independent  
Non-Executive Director



### Audit and Risk Committee

**Chairman**

Fong Yoo Kaw @ Fong Yee Kow

**Member**

Datuk Seri Nurmala Binti Abd. Rahim  
Lua Kok Hiyong

### Remuneration Committee

**Chairman**

Lua Kok Hiyong

**Member**

Datuk Seri Nurmala Binti Abd. Rahim  
Fong Yoo Kaw @ Fong Yee Kow

### Nomination Committee

**Chairman**

Datuk Seri Nurmala Binti Abd. Rahim

**Member**

Fong Yoo Kaw @ Fong Yee Kow  
Lua Kok Hiyong

### Company Secretaries

Wong Youn Kim (f)  
(MAICSA 7018778)  
SSM PC No.: 201908000410

Lee Chin Wen (f)  
(MAICSA 7061168)  
SSM PC No.: 202008001901

Niche & Milestones  
International Sdn. Bhd.  
B-25-2, Block B, Jaya One,  
No. 72A, Jalan Prof Diraja Ungku Aziz,  
46200 Petaling Jaya,  
Selangor Darul Ehsan,  
Malaysia.  
Tel No. : +603-7955 0955  
Fax No. : +603-7955 0959  
Email : info@niche.com.my

### Auditors

Crowe Malaysia PLT  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants  
Level 16, Tower C, Megan Avenue II,  
12, Jalan Yap Kwan Seng,  
50450 Kuala Lumpur,  
Malaysia.  
Tel No. : +603-2788 9999

### Registered Office

B-25-2, Block B, Jaya One,  
No. 72A, Jalan Prof Diraja Ungku Aziz,  
46200 Petaling Jaya,  
Selangor Darul Ehsan,  
Malaysia.  
Tel No. : +603-7955 0955  
Fax No. : +603-7955 0959  
Email : info@niche.com.my

### Registrar

Boardroom Share Registrars Sdn. Bhd.  
11<sup>th</sup> Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13,  
46200 Petaling Jaya,  
Selangor Darul Ehsan,  
Malaysia.  
Tel No. : +603-7890 4700  
Fax No. : +603-7890 4670  
Email : bsr.helpdesk@  
boardroomlimited.com

### Head Office

K69, Jalan Perindustrian 6,  
Kawasan Perindustrian Tanjung Agas,  
84000 Kesang, Tangkak,  
Johor Darul Takzim,  
Malaysia.  
Tel No. : +606-952 2854  
Fax No. : +606-951 3543  
Email : general@dpiaerosol.com  
Website : www.dpiaerosol.com

### Principal Bankers

Affin Bank Berhad  
Ambank Berhad  
Malayan Banking Berhad  
OCBC Bank (Malaysia) Berhad  
Public Bank Berhad  
Oversea-Chinese Banking  
Corporation Limited (OCBC)  
CIMB Bank Berhad  
Hong Leong Bank Berhad

### Date of Listing

7 January 2019

### Stock Exchange Listing

ACE Market of Bursa Malaysia  
Securities Berhad  
Stock Name: DPIH  
Stock Code : 0205





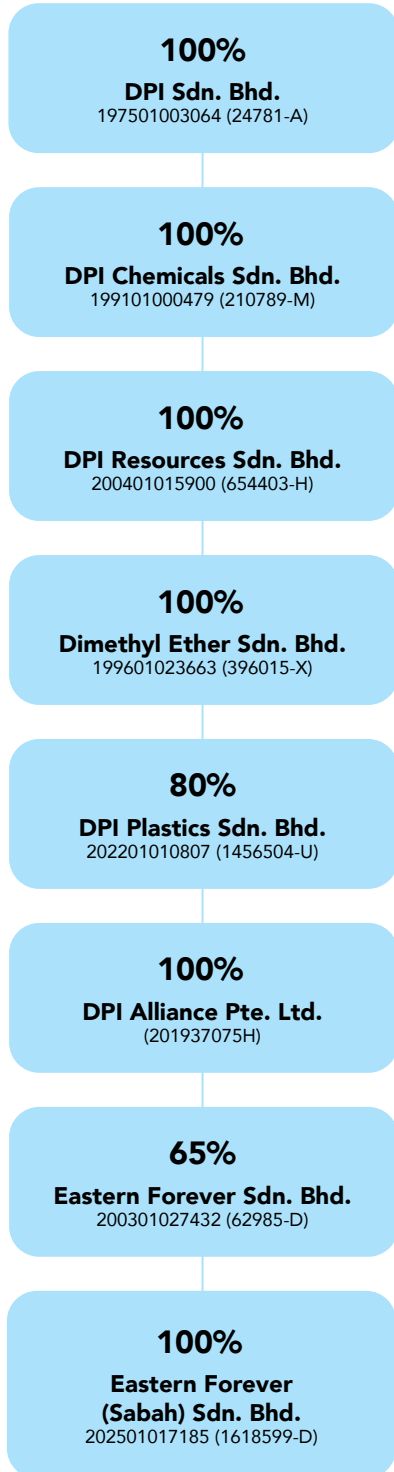
# Corporate Structure

As at 26<sup>th</sup> September 2025



## DPI HOLDINGS BERHAD

Registration No. 2017010035607 (1249778-M)



### 7 January 2019



DPI Holdings makes its debut on the ACE Market of Bursa Malaysia Securities Berhad.

### 4 November 2019



Subscription of 100% equity interest in DPI Alliance Pte. Ltd., incorporated in Singapore.

### 30 July 2021



A wholly owned subsidiary, DPI Alliance Pte. Ltd. had acquired a new 90% owned subsidiary in Japan, namely DPI Japan Co., Ltd., through subscription of new shares.

### 11 August 2021



Bonus issue of 243,365,498 new ordinary shares in DPI Holdings on the basis of 1 bonus share for every 2 existing DPI Holdings' shares was completed.

### 26 May 2022

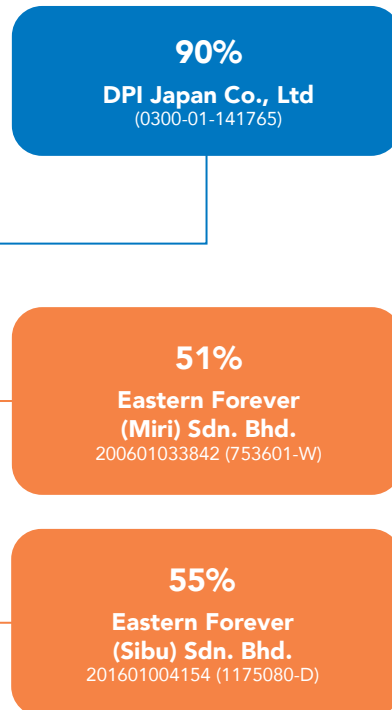


Subscription of 80% equity interest in DPI Plastics Sdn. Bhd., incorporated in Malaysia.

### 27 December 2024



Subscription of 65% equity interest in Eastern Forever Sdn. Bhd., incorporated in Malaysia, marking the Group's diversification into agency and distribution of consumer goods.









## Profile of Directors



### CHOY MUI SENG @ CHAI MUI SENG (Peter Chai)

-  **Executive Chairman and Managing Director**
-  **Nationality**  
Malaysian
-  **Gender**  
Male
-  **Age**  
80 years old

**Peter Chai** was appointed Executive Chairman and Managing Director of DPI Holdings on 1 March 2018, when the holding company was established. Prior to this, he served as Director of DPI Chemicals Sdn. Bhd. (“DPIC”) from January 1991, Director of DPI Alliance Pte. Ltd. (“DPIA”) from November 2019, Director of DPI Japan Co., Ltd. from August 2021, and Director of DPI Plastics Sdn. Bhd. (“DPIP”) from March 2022.

Peter began his career in various roles before joining a leading paint manufacturer in 1968 as a salesman. He quickly advanced, leading sales and marketing efforts across several regions, including Sabah, Brunei, Sumatra and Jakarta. He has also managed sales and marketing for both the paints and coatings, as well as the packaging divisions.

In 1980, Peter took on the role of Director at DPI, where he was instrumental in launching the company’s venture into aerosol paint manufacturing. His entrepreneurial vision led him to assume full management control of DPI in 1985. Following this, he realigned the company’s strategy, driving its focus towards the production of aerosol products and packaging services, which positioned DPI as a leading player in the Malaysian market.

Today, as Managing Director of DPI Holdings, Peter is actively involved in shaping the Group’s long-term strategic direction. His focus remains on macro business planning and driving growth through mergers and acquisitions, ensuring DPI Holdings remains at the forefront of the industry and continues to expand its market presence. Under his leadership, the company is positioned for future growth and new opportunities.

Since 2016, he has served as a Non-Executive Director on the board of Eneco Refresh Ltd, a publicly listed company in Australia, further strengthening his international business presence. He also sits on the board of Hartanah Kenyalang Berhad as a Non-Independent Non-Executive Director on 28 August 2024.

Peter Chai is the father of Adam Chai, the Deputy Managing Director and major shareholder of our Company. He does not have any conflict of interests with our Company. He has not been convicted of any offences, other than traffic offences (if any) within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies to him during the financial year.



## Profile of Directors

### CHAI CHUN VUI (Adam Chai)



**Deputy  
Managing Director**



**Nationality**  
Malaysian



**Gender**  
Male



**Age**  
48 years old

**Adam Chai** was appointed to the Board of DPI Holdings on 1 March 2018. Having been with DPI since July 2004 as a Director, and later redesignated as an Executive Director in 2015, Adam has been instrumental in supporting the company's growth and strategic direction. He has also held key roles in the group's subsidiaries, including DPIC (since May 2016), DPIA (since November 2019), and DPI Japan Co., Ltd. (since August 2021). Most recently, he was appointed Director of DPIP in March 2022.

Adam holds a Bachelor of Science in Economics from the National University of Singapore and a Master of Commerce from the University of Sydney, specialising in management of Information Technology.

With over 20 years of experience in business development, particularly in Aerospace Maintenance, Repair, and Overhaul (MRO) and road safety products, Adam has gained extensive expertise in managing operations and building strategic networks. From 2003 to 2017, he managed a China-based aerospace equipment manufacturing business, traveling extensively across China and Southeast Asia to establish strong business relationships. He was also an FAA-approved special process trainer during this period.

In 2017, Adam returned to DPI to support the company's listing and has since taken on the role of Deputy Managing Director in 2019. In this capacity, Adam plays a critical role in executing the company and the executive chairman's strategic initiatives. He oversees the implementation of business plans and ensures the smooth day-to-day operations of key departments, including IT, marketing, sales, and finance.

In addition to his operational oversight, Adam is actively involved in business development, where he identifies new opportunities, oversees strategic partnerships, and leads the company's expansion into new markets.

Other than his directorship in DPI Holdings, he does not hold any other directorship in other public companies or listed issuers in Malaysia.





Adam Chai is the son of Peter Chai, the Executive Chairman, Managing Director and major shareholder of our Company. He does not have any conflict of interests with our Company. He has not been convicted of any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies to him during the financial year.



## Profile of Directors

# DATUK SERI NURMALA BINTI ABD. RAHIM



-  **Senior Independent Non-Executive Director**
-  **Nationality**  
Malaysian
-  **Gender**  
Female
-  **Age**  
71 years old

**Datuk Seri Nurmala binti Abd. Rahim** was appointed to our Board on 1 March 2018. She is the Chairwoman of our Nomination Committee. She is also a member of Audit and Risk Committee, and Remuneration Committee.

She obtained a Bachelor of Social Science (Urban Studies) (Hons) from Universiti Sains Malaysia in July 1977. She completed her Diploma (Public Administration) from the National Institute of Public Administration (“INTAN”) in October 1978 and received a Master in Public Administration (“MPA”) from Pennsylvania State University, United States of America in May 1988. She also attended the Women Directors On-Boarding Training Program at the NAM Institute for the Empowerment of Women in April 2013 and is certified with the Mandatory Accreditation Program for Directors of Public Listed Companies since May 2014.

She began her career in the Ministry of Agriculture, Malaysia and has served as Assistant Secretary of the International Division, Assistant Secretary of the Planning and Development Division and Principal Private Secretary to the Honourable Minister of Agriculture during her tenure in the aforesaid ministry from 1978 to 1984. She subsequently served as the Senior Project Officer at INTAN from 1984 to 1986. In 1987, she went on to pursue her MPA and upon completion in 1988, she was assigned to the Malaysian Administrative Modernisation and Management Planning Unit under the Prime Minister’s Department as a Principal Assistant Director until 2002. She then joined Ministry of International Trade

and Industry (“MITI”) and has held positions as Director of the ASEAN Division, Minister Counsellor at the Embassy of Malaysia in Tokyo, Senior Director of the Strategic Planning Division and Senior Director of Management Services up until 2007. In the same year, she was appointed as the Deputy Secretary General of the Ministry of Plantation Industries and Commodities (“MPIC”), and then went on to serve in the capacity of Secretary General until 2014.

At the international level, she was the Head of the National Tripartite Rubber Cooperation between Malaysia, Indonesia and Thailand from February 2011 to August 2014. She was also the Governor for Malaysia under the Common Fund for Commodities from November 2007 to August 2014, which was established within the framework of the United Nations.

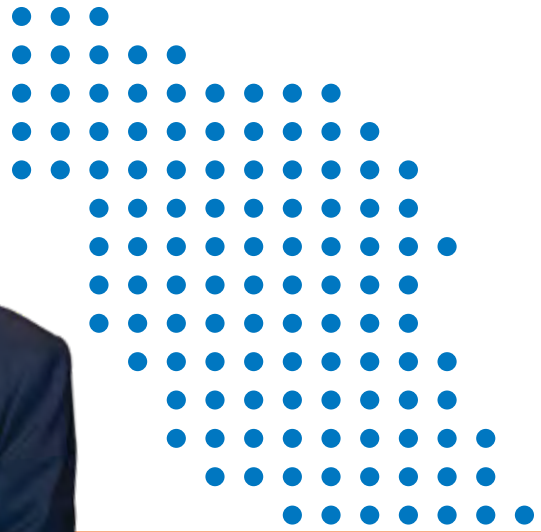
She currently sits on the board of Pan Merchant Berhad as a Senior Independent Non-Executive Director. She was appointed on the board on 23 August 2024.

Datuk Seri Nurmala has no family relationship with any director and/or major shareholder of our Company nor does she have any conflict of interests with our Company. She has not been convicted of any offences, other than traffic offences (if any) within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies to her during the financial year.



## Profile of Directors

# FONG YOO KAW @ FONG YEE KOW



**Independent  
Non-Executive Director**



**Nationality**  
Malaysian



**Gender**  
Male



**Age**  
73 years old



**Fong Yoo Kaw @ Fong Yee Kow** was appointed to our Board on 1 March 2018. He is the Chairman of our Audit and Risk Committee. He is also a member of Nomination Committee and Remuneration Committee.

He graduated with a Bachelor Degree in Commerce and Administration from Victoria University of Wellington, New Zealand in August 1975. He became a member of the Malaysian Institute of Accountants ("MIA") in September 1984 and he became a certified Chartered Accountant of MIA in June 2001. In addition, he is also a member of Chartered Accountants Australia and New Zealand since August 1977 and the Institute of Chartered Secretaries and Administrators since April 1978.



He started his career as an accountant in Wellington, New Zealand in November 1974. In 1979, he returned to Malaysia and worked as the Accountant and Group Secretary and subsequently Group Financial Controller at Sarawak Pulp Industries Sdn. Bhd. until 1990. In January 1991, he joined Ernst & Young, Malaysia as a Senior Manager at the consultancy department. In early 1996, he became a Partner in Ernst & Young, Malaysia where he was in charge of the consultancy department which covered review of internal controls, advisory on business strategy and business performance improvement, corporate restructuring and financial reporting for corporate exercises. In 2007, Ernst & Young, Malaysia was grouped into Ernst & Young, Asia Pacific. As a result, he was also a Partner in Ernst & Young, Asia-Pacific. He retired in December 2010.

He currently sits on the boards of Sarawak Oil Palms Berhad and Hartanah Kenyalang Berhad as an Independent Non-Executive Director. He was appointed on 28 April 2014 and 28 August 2024 respectively.





Mr. Fong has no family relationship with any director and/or major shareholder of our Company nor does he have any conflict of interests with our Company. He has not been convicted of any offences, other than traffic offences (if any) within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies to him during the financial year.



## Profile of Directors

# LUA KOK HIYONG



-  **Independent Non-Executive Director**
-  **Nationality**  
Malaysian
-  **Gender**  
Male
-  **Age**  
65 years old

**Lua Kok Hiyong** was appointed to our Board on 1 March 2018. He is the Chairman of our Remuneration Committee. He is also a member of Audit and Risk Committee, and Nomination Committee.

He graduated from University of Malaya with a Bachelor of Law (Hons) in April 1985 and subsequently, a Master of Laws from University of Malaya in March 2013. He started practising law and was admitted to the Malaysian Bar in March 1986. From 1986 to mid-1988, he worked as a Legal Assistant at Messrs K. P. Woon & Co, then at Messrs Nik Saghir Yaacob & Ismail, and later at Messrs Adhan Hussin & Zaidan. In July 1988, he left to set up his own legal firm, namely Messrs Lua & Mansor, which has offices in Kota Bharu, Kelantan (since July 1988) and Petaling Jaya, Selangor (since March 2000). He has been managing the branch at Petaling Jaya, Selangor as a Senior Partner until now. His main area of practice is civil litigation. He had in the past been involved in civil and banking litigation involving companies, land, intellectual property, trusts, societies, industrial related matters and debt collection as well as family law.

Other than his directorship in DPI Holdings, he does not hold any directorship in other public companies or listed issuers in Malaysia.

He served as a member of the Investigation Tribunal of the Advocates & Solicitors Disciplinary Board of Malaysia from March 1996 to March 2008. He was subsequently appointed as a member of the Disciplinary Committee of the Advocates & Solicitors Disciplinary Board of Malaysia in February 2012 until February 2018.

Mr. Lua has no family relationship with any director and/or major shareholder of our Company nor does he have any conflict of interests with our Company. He has not been convicted of any offences, other than traffic offences (if any) within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies to him during the financial year.





## Profile of Key Senior Management

### ESTHER QUAH LI YEE



**Chief Financial Officer**



**Nationality**  
Malaysian



**Gender**  
Female



**Age**  
32 years old

**Esther Quah Li Yee** is the Chief Financial Officer (“CFO”) of our Group. She graduated from Sunway University with a Bachelor of Science (Hons) in Accounting and Finance. She is a fellow member of CPA Australia and the Malaysian Institute of Accountants (MIA).

She started her career as an Auditor in year 2015 with Crowe Horwath (now known as Crowe Malaysia PLT), a Top 10 accounting firm in Malaysia. Throughout her career, she has built a strong foundation in audit and financial management, working with both public listed and private companies across various industries. Her extensive experience includes involvement in Initial Public Offerings (IPOs) and corporate exercises for Main Market listed companies. She advanced to the position of Senior Manager at Crowe Malaysia, where she developed her expertise in financial reporting, audit, and regulatory compliance. In 2023, she left the public accounting firm and joined DPI Holdings Berhad.

As the CFO, she is responsible for our Group’s overall financial, tax and accounting matters as well as corporate finance related matters. She is also a member of the risk management working group, who is responsible for our Group’s corporate governance compliance, risk management and internal control.

She has no family relationship with any Directors and/or major shareholders of our Company.

### JANELLE LEE



**Country Head,  
Singapore &  
Regional Business  
Development**



**Nationality**  
Singaporean



**Gender**  
Female



**Age**  
48 years old

**Janelle Lee** is the Country Head, Singapore & Regional Business Development for our Group. In this capacity, she is responsible for executing the Group’s strategic objectives at a regional level, integrating the businesses under the Group to leverage their strengths, and creating opportunities to expand revenue streams. Her focus spans enhancing marketing efforts to build brand equity, broadening product and market reach, and developing OEM opportunities. At the same time, she drives initiatives to improve operational efficiency through automation, reorganisation, and workforce optimisation, ensuring the Group is well-positioned for sustainable growth.

Janelle joined DPI in January 2020 as Head of Corporate Affairs and Executive Assistant to the Managing Director’s Office, where she contributed significantly to corporate strategy and operations. She was responsible for branding, corporate communications, sales, and marketing, while supporting senior management in strategic planning and business management. Her efforts were instrumental in aligning the Group’s messaging and market approach with its long-term goals.



In recognition of her leadership and impact, Janelle was later redesignated as Country Head, Singapore & Regional Business Development, a role in which she continues to spearhead regional strategies and contribute to the Group’s growth.

Janelle holds a Bachelor of Science in Mathematics from the National University of Singapore, a Graduate Diploma in Marketing Communication and a Specialist Diploma in Social Media Marketing and Online Content Creation. Prior to joining DPI, She has over two decades of experience in corporate roles across various multinational and local corporations, including Infocredit Dun & Bradstreet, United Overseas Bank, GE Commercial Finance, ABN AMRO Bank, and Standard Chartered Bank.

Janelle is the spouse of our Deputy Managing Director and the daughter-in-law of our Executive Chairman and Managing Director.



## Profile of Key Senior Management

### NEO LI JING



**Transformation Senior Manager (Finance & HR)**



**Nationality**  
Malaysian



**Gender**  
Female



**Age**  
38 years old

**Neo Li Jing** is the Transformation Senior Manager (Finance & HR) of DPI Group, bringing over 15 years of extensive experience in audit, financial advisory, and corporate finance. She holds a Bachelor of Accounting (Hons) from Multimedia University and is a Fellow Member of CPA Australia and the Malaysian Institute of Accountants (MIA).

She began her career as an Auditor at Crowe Horwath (now Crowe Malaysia PLT) before joining Ernst & Young, where she led statutory audits for medium to large-sized companies across diverse industries, including manufacturing, FMCG, property development, oil & gas, and hospitality. Her expertise in financial compliance and risk management was further honed during her tenure at Cheng & Co as Manager of the Consultancy Division, where she provided outsourced accounting services, internal controls enhancement, and financial advisory to clients.

Transitioning to the commercial sector, she served as Finance Manager and Group Finance Manager at several companies, overseeing financial reporting, operational finance management, and the development of standard operating procedures (SOPs) to strengthen organisational efficiency. Her strategic insights and hands-on leadership ensured robust financial health and process optimization.

Since joining DPI Group in December 2024 as Transformation Senior Manager (Finance & HR), she has been instrumental in driving transformative improvements across finance and human resources functions. She combines strategic vision with operational execution, streamlining processes and implementing innovative solutions to support sustainable growth.

With her strong technical expertise, leadership, and commitment to excellence, she plays a pivotal role in advancing the Group's financial and organizational transformation.

She has no family relationship with any Directors and/or major shareholders of the Company.

### CHLOE CHEN SOOK SHIN



**Head of Operations and Local Sales**



**Nationality**  
Malaysian



**Gender**  
Female



**Age**  
43 years old

**Chloe Chen** is the Head of Local Sales of our Group. She has played a crucial role since 2009, initially through her position at Rotowell Enterprise Sdn. Bhd., which shares common controlling shareholders with DPIC. She officially joined DPI Holdings in 2017, following the establishment of the holding entity. Chloe has been a driving force behind the reorganization and restructuring of the sales team, leading efforts to streamline operations and improve efficiency.

Her strategic involvement extends beyond sales, as she plays a key role in the company's broader strategic planning and reorganization efforts. Chloe's contributions have been instrumental in the company's growth, enhancing its operational structure and market position. In addition to her leadership in sales, she is an active member of the Risk Management Working Group.

Before joining DPI, Chloe built a strong foundation in accounts, administration, and public relations through her roles at Asia Tech Material Sdn. Bhd., Miva Footwear (M) Sdn. Bhd. and Rotowell Enterprise Sdn. Bhd.. She holds a foundation course in Business Administration from Erican Language Centre, Ipoh, Perak.

### Additional Information on the Key Senior Management

*Directorship in public companies and listed corporation*  
None of the Key Senior Management hold any directorships in public companies and listed corporation.

#### *Conflict of Interests*

The Key Senior Management do not have any conflict of interests with the Company.

*List of convictions for offences within the past five (5) years and particulars of any public sanctions or penalty imposed by the relevant regulatory bodies during the financial year, if any*

- None of the Key Senior Management have any convictions for offences other than traffic offences (if applicable) within the past five (5) years.
- None of the Key Senior Management were penalised or sanctioned by any regulatory bodies during the financial year.

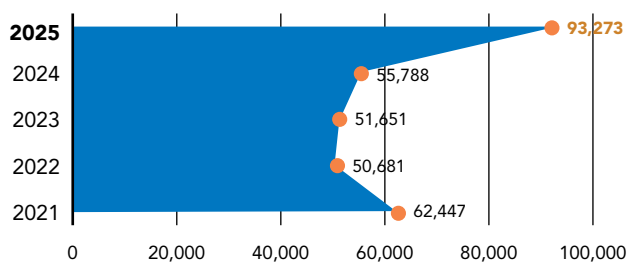


## Financial Highlights

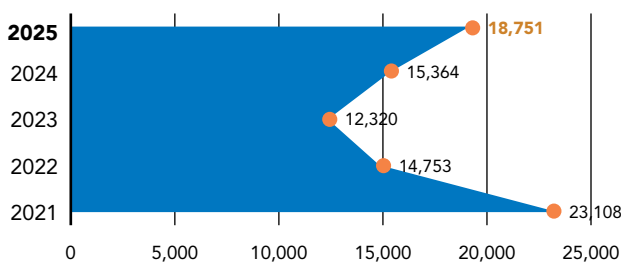
Financial Year Ended 31 May ("FYE")	2021	2022	2023	2024	2025
<b>STATEMENT OF PROFIT OR LOSS</b>					
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	62,447	50,681	51,651	55,788	<b>93,273</b>
Gross Profit	23,108	14,753	12,320	15,364	<b>18,751</b>
Exceptional items*	1,754	1,819	1,352	1,455	<b>72</b>
Profit before tax ("PBT")	16,183	7,114	4,140	7,380	<b>4,074</b>
Net profit after tax for the year	11,860	5,150	2,876	4,704	<b>2,899</b>
Net profit attributable to owners of the Company ("PAT")	11,860	5,160	2,925	4,701	<b>2,606</b>
<b>STATEMENT OF FINANCIAL POSITION</b>					
Total equity attributable to owners of the Company	80,832	82,702	84,958	88,575	<b>90,431</b>
Total assets	90,325	92,121	92,887	97,560	<b>129,819</b>
Cash and bank balances, fixed deposits, short-term investments and overdraft	56,312	46,947	45,930	47,238	<b>23,198</b>
<b>FINANCIAL RATIOS</b>					
Basic earnings per share ("EPS")(sen)	2.44	0.76	0.40	0.64	<b>0.36</b>
Gross dividends per share (sen)	1.00	0.40	0.15	0.10	-
Net assets per share (RM)	0.17	0.11	0.12	0.12	<b>0.12</b>
Current ratio (times)	8.49	8.20	9.36	8.50	<b>2.52</b>
Gross profit margin (%)	37.00	29.11	23.85	27.54	<b>20.10</b>
PBT margin (%)	25.91	14.04	8.02	13.23	<b>4.37</b>
PAT margin (%)	18.99	10.16	5.57	8.43	<b>3.11</b>
Adjusted Net Profit Attributable to Owners of the Company ("excluding exceptional items")	10,106	3,341	1,573	3,246	<b>2,534</b>

\* Includes interest income, gain/loss on foreign exchange, gain on disposal of property, plant and equipment, gain on modification of leases, COVID-19 related subsidies and one-off insurance claim.

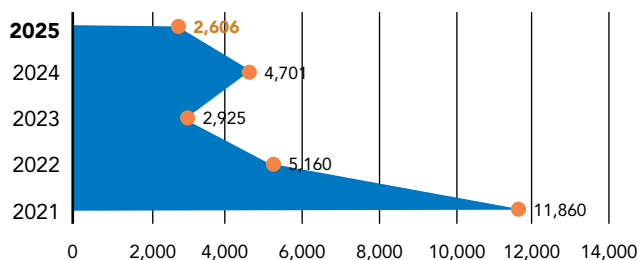
Revenue (RM'000)



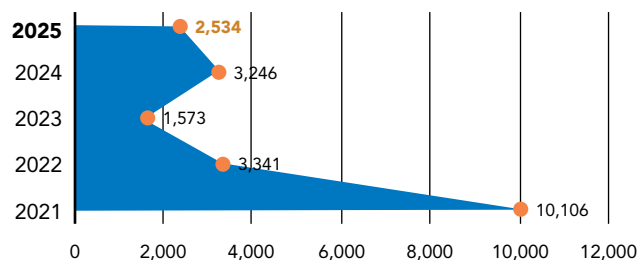
Gross Profit (RM'000)



Net Profit Attributable to Owners of the Company ("PAT") (RM'000)



Adjusted Net Profit Attributable to Owners of the Company ("excluding exceptional items") (RM'000)





## Chairman’s Statement



### Dear Valued Shareholders, Customers and Employees,

On behalf of the Board of Directors (“Board”) of DPI Holdings Berhad (“our Group”), it is my honor and a great pleasure to present you the Annual Report of our Group for the financial year ended 31 May 2025 (“FYE 2025”).

#### BUSINESS OVERVIEW

For decades, our Company has been a trusted leader in the manufacturing and distribution of aerosol sprays, solvents, and thinners for both industrial and consumer markets. Our commitment to quality and innovation, supported by advanced manufacturing capabilities and a robust distribution network, ensures our products remain accessible and reliable for both professionals and DIY users.

Despite global economic headwinds and currency fluctuations, the Group navigated the past year with resilience, strengthening operational efficiency and expanding market opportunities. Our enhanced internal structure supports domestic growth while positioning us to capture international demand. At the same time, we expanded our retail and direct-to-consumer presence through intensified marketing, e-commerce, and community engagement initiatives, further reinforcing customer loyalty.

Momentum in our export strategy continues to grow. With new aerosol products tailored for international markets, we continue to expand our presence in Asia and beyond. Meanwhile, global trade realignments and tariff challenges have prompted multinational companies to diversify supply chains beyond China. Malaysia, and DPI in particular, is well-placed to benefit from this shift, with our proven reputation for quality, flexibility, and compliance making us a natural partner in Southeast Asia.

For FYE 2025, following the acquisition of Eastern Forever Group (“EF Group” or “EF”), the Group recorded revenue of RM93.27 million, reflecting an increase of RM37.48 million, or 67.18%, compared to RM55.79 million in FYE 2024. Further details on our financial performance are set out in the Management Discussion and Analysis section of this report. Looking ahead, our focus on quality, innovation, and operational excellence will continue to drive sustainable growth.

### Revenue

# RM93.27 million





# Chairman’s Statement

## STRATEGIC GROWTH AND DIVERSIFICATION INTO FAST-MOVING CONSUMER GOODS (“FMCG”)

DPI Holdings stands at the threshold of a new growth phase. While we remain rooted in our core aerosol business, the Board and management have embarked on a strategy to diversify into the dynamic FMCG sector. The most significant step this year was the acquisition of a 65% equity interest in EF Group, a distribution company with strong operations in East Malaysia.

This acquisition marks a milestone in our growth journey. By combining DPI’s manufacturing scale and technical expertise with EF’s distribution strength and market access, we are creating a platform for deeper market penetration, cross-selling opportunities, and greater supply chain efficiency. Importantly, this approach ensures sustainable growth without overextending resources.

### FMCG MARKET OUTLOOK

Malaysia’s FMCG sector continued to grow in 2024, supported by resilient consumer spending, stable employment, and easing inflationary pressures. The market recorded approximately 5% value growth, with trends showing stronger demand for trusted local brands. In 2025, consumer spending is projected to rise by about 4%, underpinned by retail recovery, tourism growth, and supportive government measures to ease cost-of-living pressures.

East Malaysia, in particular, presents significant long-term opportunities, driven by infrastructure investments, urbanisation, and rising household demand. With EF as part of the Group, DPI is well-positioned to build a stronger presence in this evolving market and deliver products more efficiently to local consumers.



### LOOKING AHEAD

By uniting resources and expertise, we have strengthened our competitiveness, broadened our reach, and enhanced our ability to respond to evolving consumer needs. This diversified business model makes us more resilient to market fluctuations while positioning us to capture emerging opportunities.

Our strategy is one of balanced growth focusing on operational integration, efficiency, and long-term scalability before pursuing further expansion. We remain committed to investing in our people, infrastructure, and brands to drive sustainable growth across both traditional and new market segments.

## APPRECIATION

On behalf of the Board of Directors, I would like to express my sincere and heartfelt thanks to our shareholders, customers, business associates, suppliers, government agencies and regulatory authorities for their continued and unwavering support and confidence in our long-term growth strategy.

I would also like to extend my sincere gratitude and appreciation to our employees for their dedication, commitment and hard work and to my fellow colleagues on the Board for their counsel and support throughout this pivotal year. Their efforts are the foundation of our success.

I believe that with the guidance of our Board and the dedication and commitment of our staff, DPI Holdings will be well placed to leverage on new opportunities and tackle any challenges that may come our way. I am confident that we will continue to achieve success in the coming years.

**Peter Chai**  
Executive Chairman/  
Managing Director





# Management Discussion and Analysis

## FROM STRENGTH TO SYNERGY: BUILDING SUSTAINABLE GROWTH

DPI Holdings continues to strengthen its foundations and advance its growth trajectory through operational improvements, enhanced efficiency, and strategic diversification. Our aerosol division remains an enduring pillar of the Group, underpinned by the manufacturing capabilities and process enhancements implemented in recent years. Investments in automation, laboratory development, and operational upgrades have strengthened our foundation, enabling consistent quality and efficiency while supporting new opportunities for product development and growth.

During the year, the Group completed the acquisition of Eastern Forever Group, expanding its operations into the agency and distribution of consumer goods. This addition not only diversifies our business model but also enhances the sustainability of our income streams by complementing the resilience of our core aerosol division with recurring contributions from essential FMCG products.

## OBJECTIVES AND STRATEGIES

Our Group’s objectives, strategies and plans moving forward are as follows:

- a) To expand our local market share, we continue to enhance the efficiency and robustness of our distribution network. With an improved sales and operational structure and an empowered workforce, we strive to achieve growth in both local and international markets.
- b) To venture into new markets and seize opportunities for crafting a broader range of consumer-centric aerosol and related products, with a strong focus on bolstering brand awareness in the local market through intensified marketing and advertising initiatives.
- c) To position ourselves as the preferred choice for private label customers seeking alternative suppliers, we are committed to elevating the quality standards of our products and production capabilities. This entails a continuous investment in product development and innovation to meet various needs and demands.



## OVERVIEW OF BUSINESS AND OPERATIONS

Our Group has structured its business units based on their products as follows:

### Aerosol products

Development, manufacturing and distribution of aerosol products.

### Solvents and thinners

Trading of solvents and thinners, and thinner blending activities.

### Plastic products

Involved in the business of manufacturing and trading of plastic products.

### FMCG products

Agency and distribution of consumer goods.

These segments are operated by seven subsidiaries of the Group, namely:

- DPI Sdn. Bhd. (“DPI”) which is located at Kawasan Perindustrian Tanjung Agas in Tangkak, Johor;
- DPI Chemicals Sdn. Bhd. (“DPIC”) which is located in Shah Alam, Selangor;
- DPI Plastics Sdn. Bhd. (“DPIP”) which is located at Kawasan Perindustrian Tanjung Agas in Tangkak, Johor;
- DPI Alliance Pte. Ltd. which was incorporated in the Republic of Singapore;
- Eastern Forever Sdn. Bhd. which is located in Kuching, Sarawak;
- Eastern Forever (Miri) Sdn. Bhd. which is located in Miri, Sarawak; and
- Eastern Forever (Sibu) Sdn. Bhd. which is located in Sibu, Sarawak.



# Management Discussion and Analysis

## OVERVIEW OF BUSINESS AND OPERATIONS

Our Group’s key revenue contributors are:

### Own Brand Manufacturing (“OBM”)

Developing, manufacturing, filling and packaging of aerosol products under our own brand names, “Anchor”, “DPI 614”, “Kromoto”, “Bacti-X”. We currently sell to customers in Malaysia, Singapore and Indonesia, which comprise a majority of our OBM customers.

### Private label manufacturing services (“OEM”)

Providing solutions for paint, lubricant and other formulation, raw and packaging materials sourcing, aerosol paint and industrial aerosol manufacturing as well as aerosol packaging. The finished aerosol products are sold under our customers’ brand names in accordance with their specifications. We currently serve customers operating in Malaysia, Indonesia, Japan, Australia, Singapore and New Zealand.

### Distribution of consumer goods

Distributing consumer goods such as food and beverages, household and personal care products. Eastern Forever Group (“EF Group”) has a network of approximately 2,300 touchpoints throughout various districts in Sarawak, consisting mostly supermarkets, minimarkets, convenience stores, sundry shops and petrol stations.

## GROUP FINANCIAL PERFORMANCE

In the financial year ended 31 May 2025 (“FYE 2025”), the Group and its subsidiaries successfully navigated significant challenges and strategic adjustments, and are pleased to present the financial results for FYE 2025.

### Statement of Profit or Loss and Comprehensive Income

#### Revenue

For FYE 2025, our Group generated revenue of RM93.27 million, an increase of 67.18% from RM55.79 million generated in the previous financial year ended 31 May 2024 (“FYE 2024”). The revenue growth was primarily contributed by FMCG segment.

The revenue of our Group’s key business segments are as follows:

	FYE 2024 RM’000	FYE 2025 RM’000
OBM	30,267	29,701
OEM	12,620	11,502
<b>Total aerosol products</b>	42,887	41,203
<b>Solvents and thinners</b>	12,015	11,653
<b>Plastic products</b>	595	712
<b>FMCG</b>	-	39,481
<b>Others</b>	291	224
<b>Total</b>	55,788	93,273



# Management Discussion and Analysis

## GROUP FINANCIAL PERFORMANCE (CONT'D)

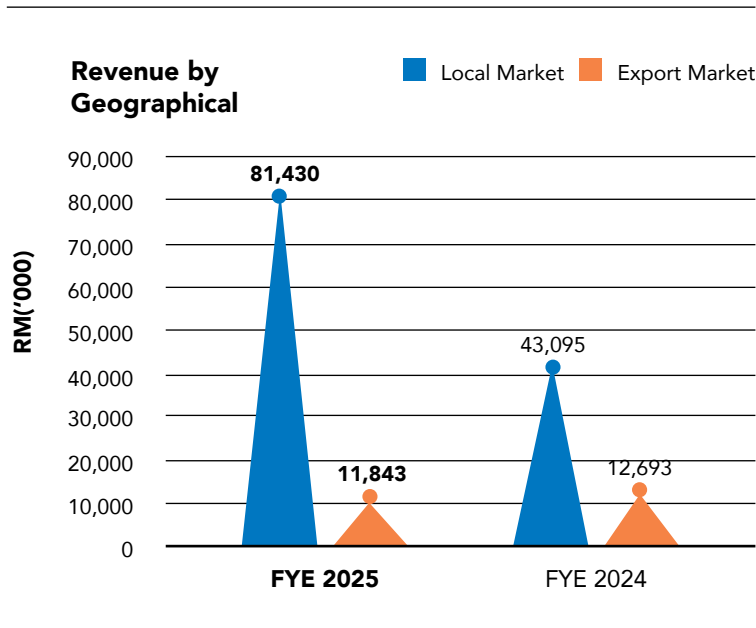
### Statement of Profit or Loss and Comprehensive Income (Cont'd)

#### Revenue (Cont'd)

Revenue from aerosol products segment amounted to RM41.20 million in FYE 2025 versus RM42.89 million in FYE 2024, influenced by a temporary slowdown in customer orders and foreign exchange movements. The Group remains focused on strengthening demand and mitigating currency fluctuations moving forward.

For FYE 2025, the aerosol products segment accounted for 44.17% of the Group's revenue (FYE 2024 – 76.87%), while solvents and thinners contributed 12.49% (FYE 2024 – 21.54%). The change in proportion primarily reflects the expansion of the Group's revenue base, following our diversification into the agency and distribution of consumer goods segment. This newly added business contributed 42.33% of the Group's revenue in FYE 2025, underscoring the Group's broader and more balanced revenue mix.

The revenue by geographical region is illustrated in the chart below:



During FYE 2025, the sales to the local market increased by RM38.33 million from RM43.10 million recorded in FYE 2024 to RM81.43 million in FYE 2025. The increase was mainly driven by the contribution from the FMCG segment, which expanded the Group's revenue base in the local market. The sales to the export market decreased by RM0.85 million from RM12.69 million recorded in FYE 2024 to RM11.84 million in FYE 2025.

Local market sales contributed 87.30% (FYE 2024 - 77.25%) of our Group's revenue for the FYE 2025, whereas the export market sales contributed 12.70% (FYE 2024 - 22.75%) of our Group's revenue for the FYE 2025.

#### Profit Before Taxation ("PBT")

The Group recorded a PBT of RM4.07 million in FYE 2025 compared to RM7.38 million in FYE 2024, a decrease of RM3.31 million. The variance was mainly due to gross profit movements, foreign currency fluctuations, and higher administrative expenses related to corporate exercises during the year. These additional expenses are part of strategic investments to support the Group's growth initiatives, particularly the expansion into the FMCG segment, which is expected to enhance our market presence and diversify income streams over the long term.

The Group recorded a gross profit ("GP") of RM18.75 million in FYE 2025, compared to RM15.36 million in FYE 2024, with GP margin at 20.10% compared to 27.54% in previous year. The GP margin movement reflects the higher average raw material costs as well as the broader business mix following the acquisition of the FMCG segment, which operates at a different margin profile.

#### Statement of Financial Position

In FYE 2025, our Group's total assets rose to RM129.82 million, representing an increase from RM97.56 million in FYE 2024. The increase was primarily attributable to the acquisition of EF Group and the property in Shah Alam.

The Group's net current assets stood at RM50.34 million as at FYE 2025 compared to RM66.47 million in FYE 2024, with the current ratio adjusting from 8.50 times to 2.52 times. This change was mainly attributable to the consolidation of EF Group as well as the utilisation of cash resources for the acquisition of EF Group and the property in Shah Alam.

The cash and bank balances of our Group comprising cash, fixed deposits, short-term investments and overdraft amounted to RM23.20 million as at FYE 2025, a decrease of RM24.04 million from RM47.24 million in FYE 2024. The decrease was mainly due to the utilisation of cash for the acquisition of EF Group and the property in Shah Alam.



# Management Discussion and Analysis

## GROUP FINANCIAL PERFORMANCE (CONT'D)

### Statement of Profit or Loss and Comprehensive Income (Cont'd)

#### Group Cash Flow

In FYE 2025, The Group recorded a net cash outflow from operating activities amounting to RM5.01 million, primarily attributable to changes in trade receivables and payables, as well as the payment of income tax liabilities.

The Group's net cash outflow from investing activities amounted to RM23.09 million in during the FYE 2025 mainly due to the acquisition of EF Group and the purchase of property in Shah Alam.

## KEY RISKS AND MITIGATION

### Risk Management

Our Group is exposed to various risks in the ordinary course of business. To enhance our risk management practices, we've identified and analysed potential challenges and risks that could affect our market position, operations and financial performance. We've developed strategies to mitigate these risks and turn potential threats into opportunities for growth and innovation such as diversifying suppliers, adopting hedging strategies, maintaining prudent levels of borrowings, and conducting regular reviews of its credit and liquidity positions.

We aim to ensure business continuity, improve our resilience, and maintain our leadership in the industry.

## 1 Political, Economic and Regulatory Risks

Our operations in Malaysia are exposed to political, economic, and regulatory risks such as policy changes, inflationary pressures, and shifts in consumer purchasing power, all of which may impact supply chains and financial performance. To address these uncertainties, the Group monitors market developments closely, diversifies sourcing and distribution channels, and maintains prudent financial management practices.

In addition, our diversified customer base across local and international markets, together with strong customer relationships, enhances resilience against market fluctuations. This balanced approach, combining stable growth in established markets with strategic expansion into new areas, positions the Group to capture emerging opportunities while safeguarding business continuity.

## 2 Currency Risk

Our Group faces currency risk associated with transactions denominated in foreign currencies, primarily the Singapore Dollar, US Dollar, New Zealand Dollar and Japanese Yen. Our Group manages its currency exposure through the following methods:

- Transactions conducted in the same foreign currency denomination provide a natural hedge against any exchange rate fluctuations of such foreign currency; and
- Maintain part of its cash and bank balances in foreign currency accounts to meet its future foreign currencies denominated obligations.

To stay competitive and preserve our market share, we will quickly adapt to market conditions and trends by leveraging data and technology, while offering our customers competitive pricing. Additionally, we will enhance our efforts through targeted marketing and promotional activities.

## 3 Cost of Fluctuation of Raw Materials

Fluctuations in raw material costs continue to be a key factor influencing the Group's performance, particularly in relation to cost of sales and gross profit margins. Price volatility, driven by global supply and demand dynamics and currency movements, has placed pressure on our operating costs and pricing strategy.

To manage this exposure, the Group leverages strong supplier relationships and actively monitors market trends to anticipate price movements. In addition, we maintain buffer inventories of critical raw materials to ensure production continuity and minimise the risk of supply disruptions.

## 4 Interest Rate Risk

The Group is exposed to interest rate risk arising primarily from borrowings with variable interest rates. Fluctuations in market interest rates may affect the Group's finance costs and consequently, its profitability and cash flows. The Group manages this risk by monitoring interest rate movements on an ongoing basis and assessing the need to enter into hedging arrangements where appropriate.



# Management Discussion and Analysis

## OUTLOOK AND FUTURE PROSPECTS

The Malaysian economy remains on a strong footing, with GDP growth projected between 4.0% and 4.8% in 2025, as reported by Bank Negara Malaysia. This outlook is supported by stable domestic demand, a robust labour market, and sustained investment in key sectors, including manufacturing, consumer goods, and services.

Growth in consumer spending, particularly in household products and food & beverage segments, is expected to create opportunities to expand market reach and enhance revenue streams. Meanwhile, ongoing infrastructure and development initiatives in regions such as Sarawak and Sabah are likely to stimulate economic activity, supporting long-term prospects for distribution operations.

In alignment with the nation’s growth momentum, our Group is well-positioned to capitalise on emerging opportunities and strengthen its long-term competitiveness. Key strategic priorities include:

<p><b>Nurturing relationships with stakeholders</b> to ensure a solid and sustainable foundation for future growth.</p>	<p><b>Broadening market awareness and capturing untapped opportunities</b>, both locally and abroad.</p>	
<p><b>Leveraging the synergies with EF Group</b> to expand capabilities, diversify offerings, and drive value creation.</p>	<p><b>Accelerating digitalisation and innovation</b>, investing in automation and data-driven solutions to increase efficiency and elevate customer experience.</p>	<p><b>Moving towards embedding sustainability and ESG practices</b> into our operations in line with global standards and stakeholders’ expectations.</p>
<p><b>Investing in talent development</b>, focusing on upskilling and attracting high-calibre talent to support progression and long-term success.</p>		<p><b>Pursuing strategic collaborations and partnerships</b> to strengthen market access and unlock new business opportunities.</p>

With these strategic initiatives, the Group aims to enhance resilience, capture growth opportunities, and deliver long-term value to stakeholders.



# Sustainability Statement

*"Sustainability is a continuous journey. Our Group seeks to integrate responsible practices into our operations, with the aim of creating value for stakeholders while making a positive contribution to the community and environment."*

## About the Company

DPI Holdings Berhad and its subsidiaries (the "Group" or "DPI Group") are recognised for their leading role in the aerosol industry, consistently delivering high-quality products that cater to the evolving needs of both domestic and international markets. Building on this strong foundation, the Group has recently expanded into the fast-moving consumer goods (FMCG) sector through a strategic acquisition, broadening our market reach. Guided by a strong commitment to sustainability, we integrate eco-friendly practices across all facets of our operations. Our products are CFC-free and manufactured in strict accordance with ISO standards, ensuring quality and safety. Through close collaboration and innovation, our team strives to meet customer expectations while providing sustainable solutions that reflect our unwavering dedication to environmental responsibility.

### ABOUT THIS STATEMENT

We are pleased to present our Group's Sustainability Statement, outlining our performance for the period from 1 June 2024 to 31 May 2025. This report highlights the initiatives we have undertaken to address key economic, environmental, and social sustainability matters. In driving these efforts, we have carefully considered the issues most relevant to both our direct and indirect stakeholders.

### Scope and Basis of Scope

Our Sustainability Statement covers the sustainability activities and performances of the following subsidiaries of the Group, which represent most of our operations and serve as the primary revenue drivers for our Group. The detailed corporate structure can be found in the Corporate Structure section of the annual report.

Name of Subsidiaries	Country of Incorporation/ Operation
DPI Sdn Bhd	Malaysia
DPI Chemicals Sdn Bhd	Malaysia
DPI Alliance Pte Ltd	Singapore
Eastern Forever Sdn Bhd	Malaysia
Eastern Forever (Miri) Sdn Bhd	Malaysia
Eastern Forever (Sibu) Sdn Bhd	Malaysia



Other entities are excluded from this scope as their operations have a minimal impact on our overall performance. We are dedicated to improving our sustainability management and reporting processes to ensure that all significant business operations are included.

### Reporting Frameworks and Standards

This Statement is prepared in accordance with the relevant provisions of the Ace Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa") and with reference to the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits, GRI Standards and has incorporated other better practices on sustainability reporting where applicable.

### Feedback

We welcome and appreciate all stakeholders to provide valuable feedback to us for continuous enhancement on the Sustainability Statement. Please send the feedback at [ir@dpi aerosol.com](mailto:ir@dpi aerosol.com).

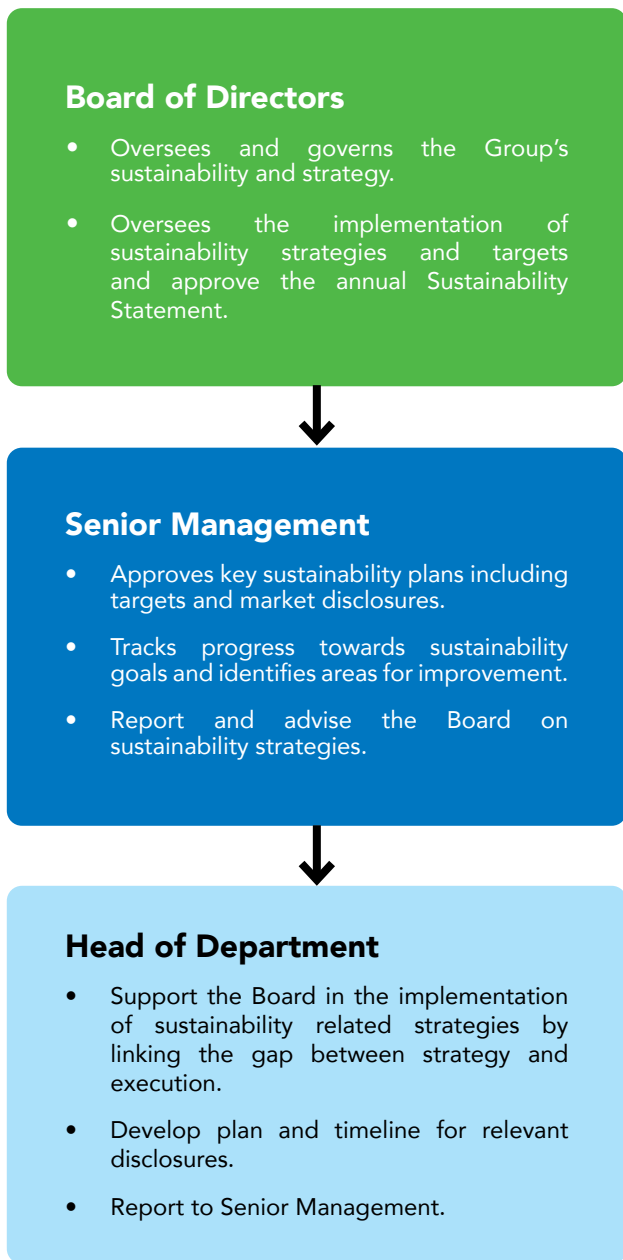


# Sustainability Statement

## SUSTAINABILITY STRATEGY

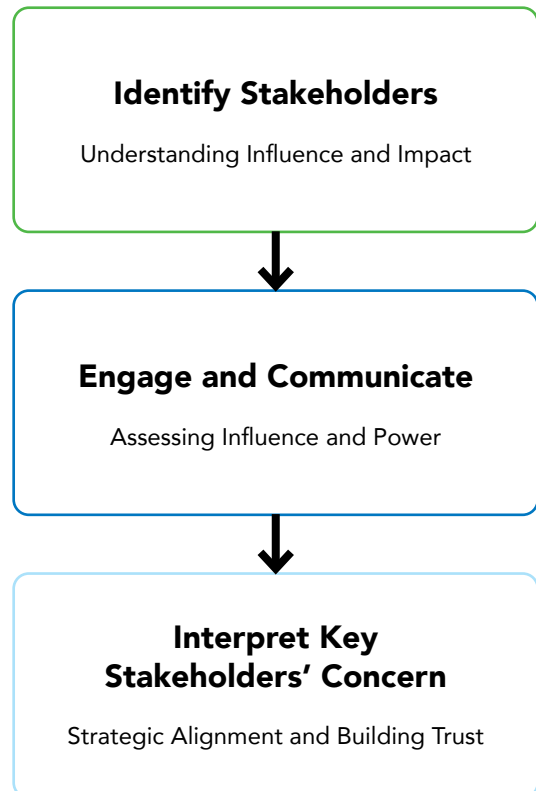
### Sustainability Governance

The Board of Directors provides oversight on our Group’s sustainability efforts, with support from the Management of our Group who oversees the implementation of our Group’s sustainability measures. Representatives from each department convene regularly to discuss material issues, including sustainability-related matters to ensure sustainability is considered and integrated throughout our Group’s operation.



### Stakeholder Engagement

Stakeholder engagement enables the Group to gain a deeper understanding of how our operations affect the economy, environment, and society. These engagements play a critical role in identifying material sustainability risks and opportunities in line with our evolving business landscape. Our sustainability initiatives and disclosures are prioritised towards stakeholders with substantial influence or interest. To ensure consistency and effectiveness, the Group adopts a structured three-step process for stakeholder engagement.





# Sustainability Statement

## SUSTAINABILITY STRATEGY (CONT'D)

### Stakeholder Engagement (Cont'd)

The few main key stakeholder groups include Customers, Shareholders/Investors, Suppliers, Employees, Government and Regulatory Authorities and Local Communities. These stakeholders are identified based on their varying levels of influence on and dependence on the Group's businesses.

Stakeholder	Stakeholder's Concern	Forms of Engagement	Frequency of Engagement
Customers	<ul style="list-style-type: none"> <li>Product quality and product range</li> <li>Competitive pricing</li> <li>Customer satisfaction and relationship management</li> <li>Anti-corruption and anti-bribery</li> </ul>	<ul style="list-style-type: none"> <li>Regular communications and meetings</li> <li>Ad hoc participation in industry networking events</li> <li>Customers visits</li> <li>Promotion to customer value</li> <li>Social media</li> <li>Anti-corruption and anti-bribery policy</li> <li>Personal Data Protection Act</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> </ul>
Shareholders/Investors	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Investment risk and return</li> <li>Business expansion and diversification</li> <li>Business ethics and governance</li> <li>Regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports</li> <li>Financial results announcements</li> <li>Annual general meetings/ Extraordinary General Meeting</li> <li>Announcements on Bursa Securities website</li> <li>Company website</li> <li>Code of conduct and ethics</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Quarterly</li> <li>Annually</li> <li>As required</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Enhancing ethical and fair procurement system</li> <li>Business collaboration</li> <li>On-time payment</li> </ul>	<ul style="list-style-type: none"> <li>Regular communications and meetings</li> <li>Negotiations with suppliers/ business partners</li> <li>Code of conduct and ethics</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Career development</li> <li>Employee welfare</li> <li>Health and Safety</li> <li>Competitive compensation and benefits</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Memos &amp; Letters</li> <li>Training sessions</li> <li>Meetings/discussions</li> <li>Company events</li> <li>Whistleblowing channel</li> <li>Performance appraisals</li> <li>Team Building</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As required</li> <li>On-going</li> </ul>
Government and Regulatory Authorities	<ul style="list-style-type: none"> <li>Compliance with laws and regulations requirements and standards</li> <li>Permits and licenses</li> <li>Labour rights</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with regulatory bodies and government agencies</li> <li>Submission of statutory reports</li> <li>Inspection by authorities</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As required</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>Community living</li> <li>Personal well being</li> <li>Positive environment impact from business operations</li> </ul>	<ul style="list-style-type: none"> <li>Community events and contributions</li> <li>Corporate social responsibility ("CSR")</li> </ul>	<ul style="list-style-type: none"> <li>As required</li> </ul>



# Sustainability Statement

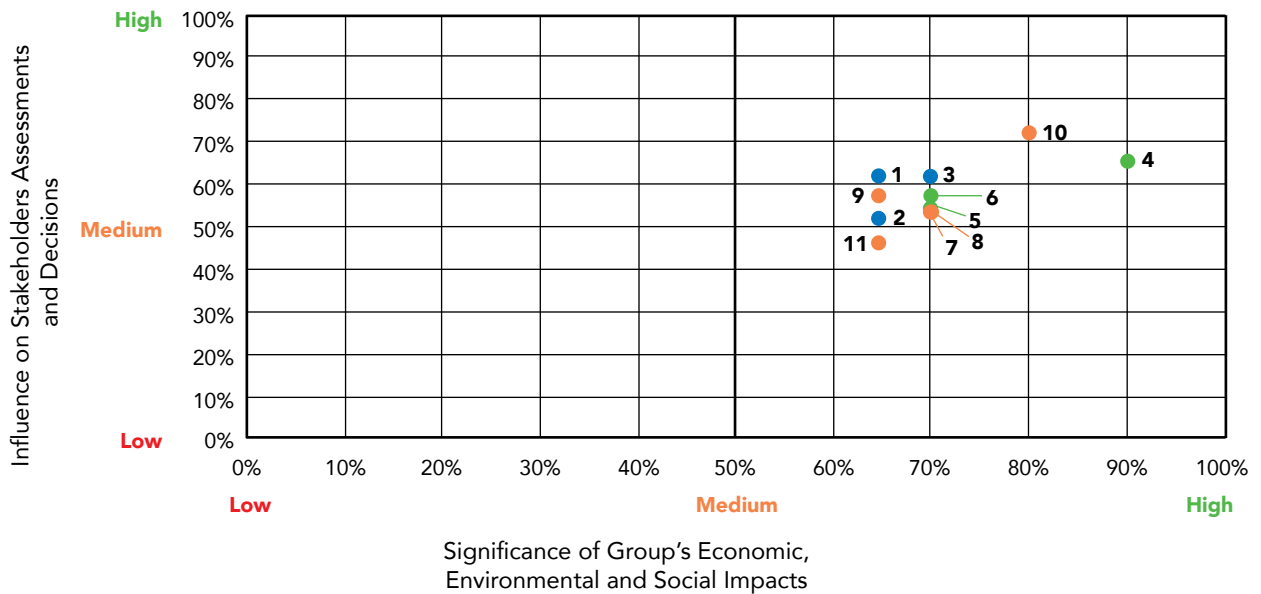
## SUSTAINABILITY STRATEGY (CONT'D)

### Materiality Matrix



The objective of the materiality assessment process is to identify and prioritise key sustainability issues that are most significant to both the Group and its stakeholders. This process helps ensure that the Group addresses the most relevant sustainability matters effectively and aligns its strategies with stakeholder concerns. Ongoing reviews are conducted to ensure that the action plans effectively address these issues. The internal assessment is shown in the matrix below:

Materiality Matrix



- |   |   |                                    |   |
|---|---|------------------------------------|---|
| 1. Local hiring                         | ● | 7. Diversity and equal opportunity | ● |
| 2. Supply chain management              | ● | 8. Talent engagement and retention | ● |
| 3. Ethical and integrity                | ● | 9. Training and development        | ● |
| 4. Compliance with laws and regulations | ● | 10. Occupational health and safety | ● |
| 5. Waste and resource productivity      | ● | 11. Engaging the communities       | ● |
| 6. Energy efficiency                    | ● |                                    |   |



# Sustainability Statement

## SUSTAINABILITY STRATEGY (CONT'D)

### Materiality Matrix (Cont'd)

Pillar	Material Sustainability Matters
Economic	<ul style="list-style-type: none"> <li>Local hiring</li> <li>Supply chain management</li> <li>Ethical and integrity</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Waste and resource productivity</li> <li>Energy efficiency</li> </ul>
Social	<ul style="list-style-type: none"> <li>Diversity and equal opportunity</li> <li>Talent engagement and retention</li> <li>Training and development</li> <li>Occupational health and safety</li> <li>Engaging the communities</li> </ul>

## SUSTAINABILITY ACTIVITIES

### Economic

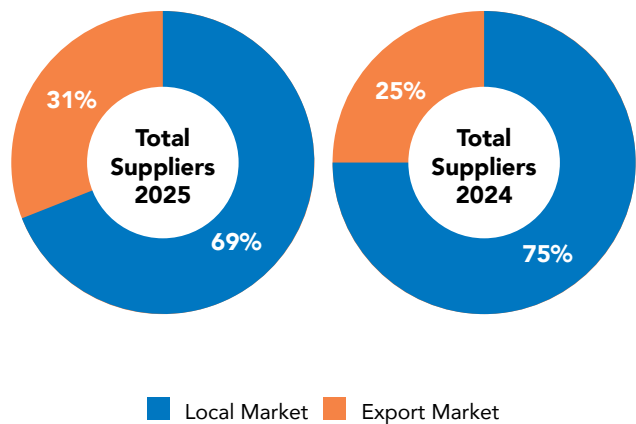
The principles of sustainability are integral in our pursuit of economic growth. Through local hiring and the implementation of our ethical policies and practices, we endeavour to build long-term commitment with our stakeholders by maintaining strong financial results and providing benefits to the local communities.

#### a. Local Hiring

We consider the employment of local individuals a priority, recognising the significant economic benefits it brings to the community, including job creation, strengthened community relations, and compliance with local employment regulations. This approach also enables us to better understand local culture, market needs, and regulatory requirements, allowing us to serve our stakeholders more effectively. Consequently, we focus on recruiting, training, and developing local talent to foster long-term economic well-being in the surrounding community. As of 31 May 2025, all employees in our Malaysian operations including production workers, clerks, officers, assistant supervisors, technicians, operators and higher level roles are Malaysian citizens. In addition, we have one executive, a Singaporean, based in our Singapore office.

#### b. Supply Chain Management

As part of our sustainability initiatives, the Group is committed to sourcing from local suppliers wherever possible. This practice supports regional economic development by creating employment opportunities, fostering the growth of small and medium enterprises, and circulating income within the community. It also strengthens the resilience of our supply chain, reduces transportation-related costs and emissions, and enhances delivery efficiency. Through building enduring partnerships with local vendors, we aim to advance our sustainability objectives while contributing to the long-term economic vitality and social well-being of the areas in which we operate.





# Sustainability Statement

## SUSTAINABILITY ACTIVITIES (CONT'D)

### Economic (Cont'd)

#### c. Ethical and Integrity

A key principle in ensuring the long-term sustainability of our Group is the commitment to uphold high ethical and integrity standards across our operations with our stakeholders. This is demonstrated by the inclusion of the Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, Whistleblowing Policy and Conflict of Interest Policy ("COI Policy") in our Group.

##### i. Business Code of Conduct and Ethics ("Code")

The Code requires all employees to observe high ethical business standards, and to apply these values when conducting our Group's businesses and accountability to its shareholders. A summary of the Code is as follows:

- Employees should avoid external business, financial, or employment interests that conflict with our Group's business interests or with the employee's ability to perform his/her duties;
- Employees should not solicit anything of value from any person or organisation with whom our Group has a current or potential business relationship with;
- Employees should not accept any item of value from any party in exchange for or in connection with a business transaction between our Group and that third party; and
- Employees may not accept items of incidental value from customers, suppliers, or any other third parties.

This Code serves as guidance on conduct in the workplace and employees are expected to comply with it as a part of our Group's commitment to its stakeholders in preserving economic sustainability.



##### ii. Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

The Group has implemented an ABAC Policy that outlines its zero-tolerance stance on bribery across all areas of its business. This policy applies not only to Directors and employees but also to the Group's suppliers and business associates, ensuring that all business activities, including those conducted by third parties, are carried out fairly.

##### iii. Whistleblowing Policy

The ABAC Policy is reinforced by the Whistleblowing Policy, which offers a secure channel for employees and stakeholders to report, in good faith, any illegal, unethical, or questionable practices, wrongdoings, or improper conduct within the Group. This policy ensures that individuals can report concerns without fear of facing detrimental actions, including reprisals or retaliation.

##### iv. Conflict of Interest Policy ("COI Policy")

During the year, the Group has implemented the COI Policy that is designed to address actual, potential and perceived conflict of interest, including interests in competing business. This policy acts as a framework to ensure transparency and integrity in the Group's business dealings.

Adhering to these principles ensures that the Group conducts its operations with transparency, fairness, and accountability, thereby fostering trust and credibility. All the aforementioned policies are available on the Group's website at <https://dpi aerosol.com/investor-relations/>.



# Sustainability Statement

## SUSTAINABILITY ACTIVITIES (CONT'D)

### Environmental

We recognise the potential impact our business activities can have on the environment. As such, we are committed to enhancing our environmental practices to minimise adverse environmental impact resulting from our business activities. Our Group manages this through compliance with the relevant laws and regulations.

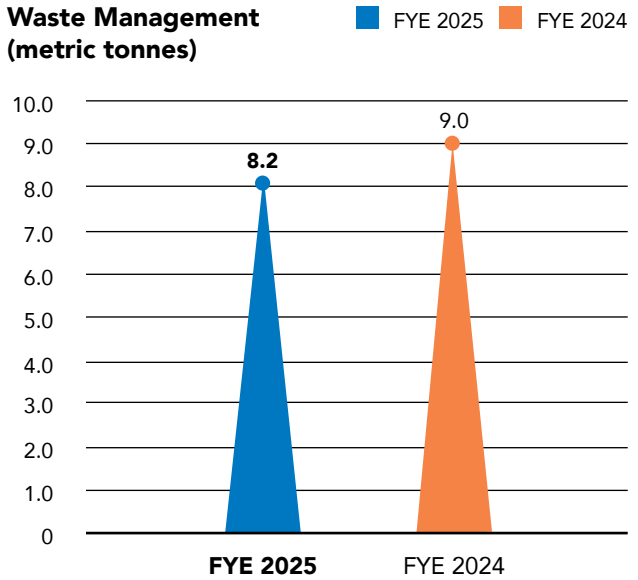
#### i. Compliance with Laws and Regulations

It is our priority to ensure compliance and strict adherence to environmental requirements and regulations at all times in the conduct of our operations. Such compliance not only meets legal obligations but also plays a vital role in preventing pollution, promoting the responsible use of natural resources, and minimising our environmental footprint. This is achieved through our internal system of continuous self-regulation and daily monitoring. We are proud to report that there were no incidents of non-compliance with environmental laws and regulations during FYE 2025, and therefore, no costs were incurred for fines or non-monetary sanctions.

#### ii. Waste Management

DPI, as a manufacturing company, recognises the importance of proper waste management, as waste is an unavoidable part of our operations. We implement structured waste management procedures to minimise environmental impact, enhance resource efficiency, and contribute to a circular economy. As our manufacturing processes produce a small amount of hazardous waste, we have engaged Pentas Flora Sdn. Bhd. and Kualiti Alam Sdn. Bhd. to remove and transfer such waste from our facilities to designated waste management centres every six months. These specialised centres handle waste safely and efficiently, reducing pollution, cutting down landfill use, and promoting recycling. This approach lowers our carbon footprint, ensures compliance with environmental regulations, and supports our sustainability objectives while benefiting the community. In FYE 2025, we transferred 8.2 metric tonnes of waste to these designated centres, a reduction from 9.0 metric tonnes in FYE 2024, reflecting continued progress in our waste management practices.

#### Waste Management (metric tonnes)



#### iii. Energy Efficiency

Improving energy efficiency is a key part of our environmental sustainability strategy, as it not only reduces greenhouse gas emissions but also delivers long-term cost savings. During FYE 2025, we completed major office renovations and relocations where we invested in inverter technology and energy-saving equipment to optimise electricity consumption without compromising productivity. We have also undertaken a comprehensive lighting upgrade program, replacing all office lighting with LED lamps and progressively converting production floor lighting from fluorescent to LED. We have also embedded energy conservation practices into daily operations. These include optimising air conditioner usage through controlled temperature settings and limiting operating units, implementing strict protocols for switching off lights and equipment when not in use, and maintaining prompt repair of water leaks. These collective efforts demonstrate our holistic approach to environmental stewardship, balancing operational needs with sustainable practices.

By continuously improving our energy efficiency, adopting renewable energy solutions and maintaining regulatory compliance, we are building a more sustainable business model that aligns with Malaysia's climate goals and creates long-term value for all stakeholders. Our environmental initiatives not only reduce our carbon footprint but also strengthen our resilience against rising energy costs, ensuring sustainable operations for years to come.

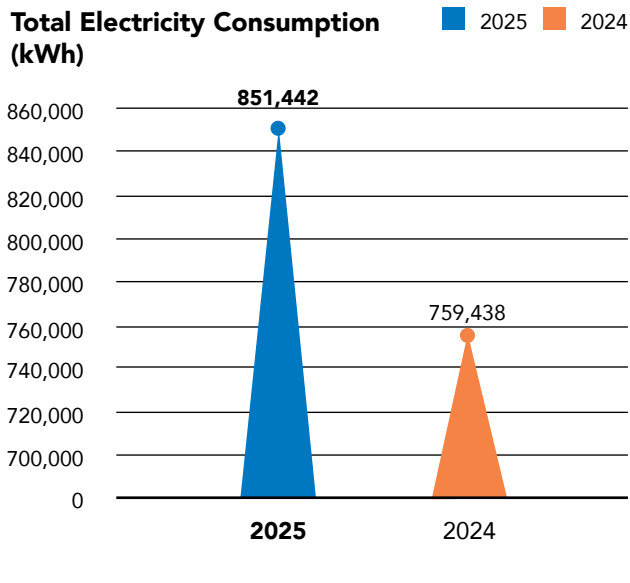


# Sustainability Statement

## SUSTAINABILITY ACTIVITIES (CONT'D)

### Environmental (Cont'd)

#### iii. Energy Efficiency (Cont'd)



Note: FYE 2025 data consist of EF Group for 5 months of approximately 126,000 kWh.

In 2025, the Group's total energy consumption amounted to 851,442, representing a 12.1% increase compared to 2024, primarily due to the inclusion of EF Group's data.





# Sustainability Statement

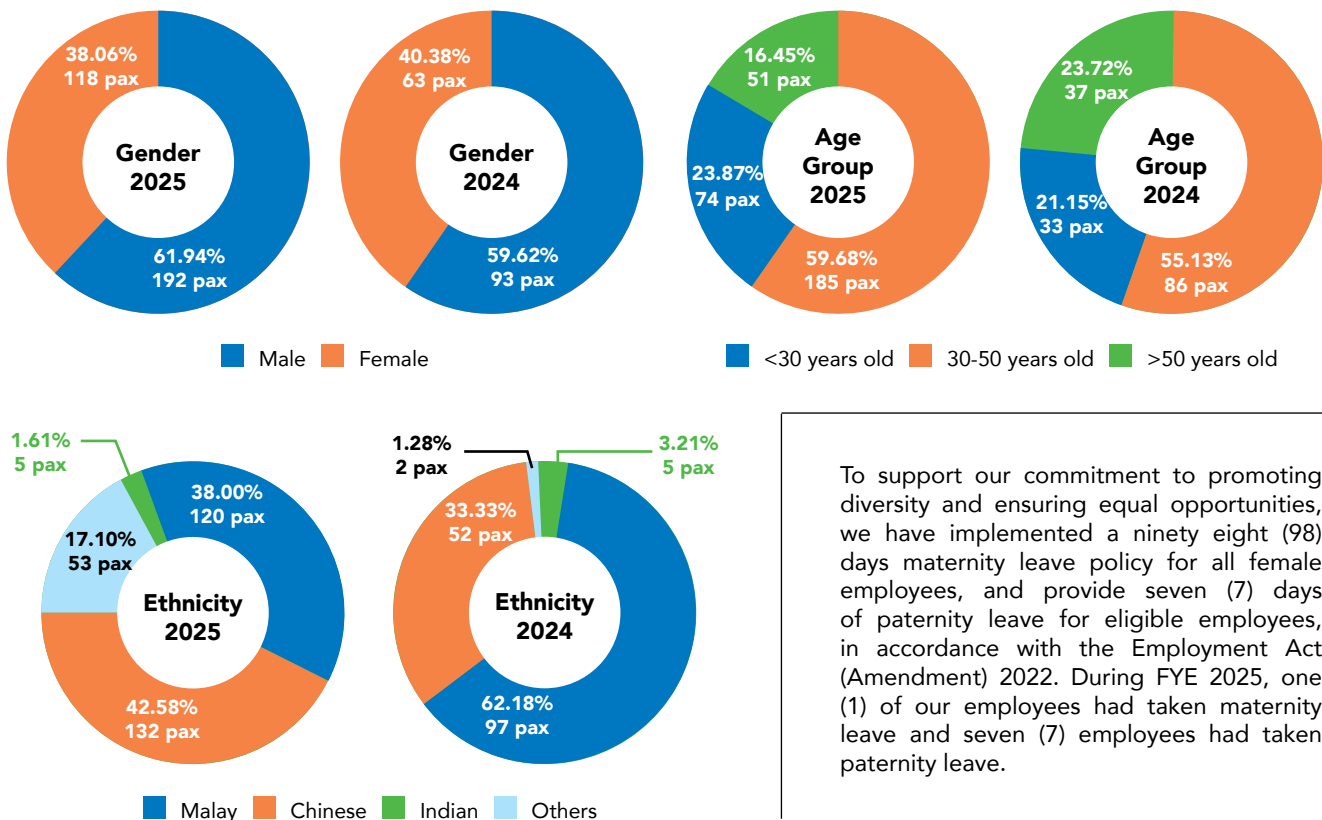
## SUSTAINABILITY ACTIVITIES (CONT'D)

### Social

Our Group recognises the importance of engaging and connecting with people by cultivating strong relationships with our employees and the surrounding communities. We invest in developing our human capital, promoting a safe, inclusive, and dynamic workplace, and actively contributing to society through community engagement initiatives. These efforts enhance employee satisfaction and retention, foster trust and goodwill within the community and strengthen our organisational resilience. By creating shared value for our stakeholders, we support both our long-term business growth and the social well-being of the areas in which we operate.

#### i. Diversity and Equal Opportunity

Significant benefits can be generated for both the organisation and its people when diversity and equality are actively promoted at work. These benefits also extend to society, as greater equality fosters social stability and supports economic development. Our employees are among our most valuable assets, and we are committed to providing safe, fair, and supportive working conditions for all. We believe that a workforce enriched by different perspectives drives innovation, enhances decision-making, and strengthens our competitive edge, which is vital to the long-term sustainability of our business. We embrace diversity as a core element of our human capital strategy and do not discriminate based on nationality, race, or gender. As of FYE 2025, the Group's total employment headcount increased, primarily attributable to the acquisition of EF Group. The following charts provide an overview of our workforce distribution by gender, age, and ethnicity.



To support our commitment to promoting diversity and ensuring equal opportunities, we have implemented a ninety eight (98) days maternity leave policy for all female employees, and provide seven (7) days of paternity leave for eligible employees, in accordance with the Employment Act (Amendment) 2022. During FYE 2025, one (1) of our employees had taken maternity leave and seven (7) employees had taken paternity leave.



# Sustainability Statement

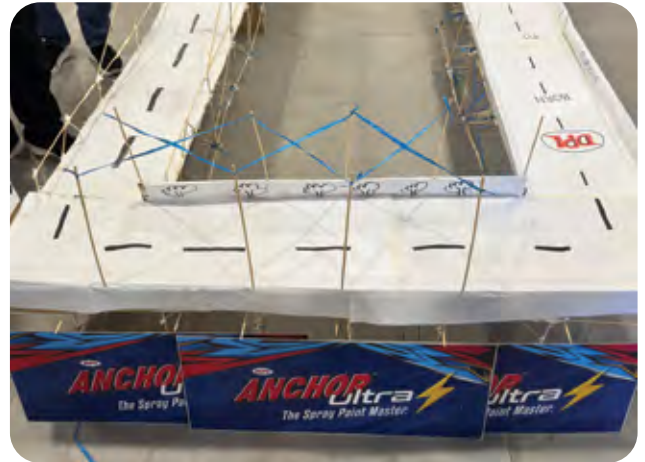
## SUSTAINABILITY ACTIVITIES (CONT'D)

### Social (Cont'd)

#### ii. Talent Engagement and Retention

As part of our commitment to fostering strong relationships with our employees, we regularly organise engagement activities that promote well-being, teamwork, and a sense of belonging. These include weekly fitness sessions such as Zumba and badminton, as well as offsite team-building events and excursions like hiking. Such initiatives encourage physical fitness, strengthen camaraderie, and create a more dynamic and connected workplace, which in turn supports higher employee engagement and retention.

During the year, our Group experienced the resignation of twenty-one (21) employees, including fourteen (14) production workers, and subsequently recruited 18 new employees. Of these, 11.1% (2 individuals) were engineering and administrative personnel strategically hired to support the execution of our growth plans. These essential hires reflect our focus on maintaining a capable and motivated workforce aligned with our long-term objectives.



Looking ahead, our Management remains committed to enhancing efficiency through automation, thereby reducing manual tasks and enabling employees to focus on more value-added roles. This approach fosters innovation, increases productivity, and supports professional growth, all of which strengthen our organisational resilience.

In alignment with the Employment Act 1955, which introduced flexible working arrangements ("FWA") in Malaysia, we have implemented a comprehensive FWA policy that allows employees to request adjustments to their work hours, days, or location—on either a temporary or permanent basis. Options include hybrid work, remote work, flexible hours, compressed work weeks, and part-time arrangements. These measures not only improve work-life balance and employee well-being but also contribute to environmental sustainability by reducing commuting time and lowering our carbon footprint. Approval of such requests is subject to operational feasibility and individual circumstances.

We believe that cultivating a balanced work-life culture is key to attracting and retaining top talent. Our flexible work policies, combined with regular engagement activities, create a supportive and positive environment that enhances morale, promotes loyalty, and drives long-term organisational sustainability.



# Sustainability Statement

## SUSTAINABILITY ACTIVITIES (CONT'D)

### Social (Cont'd)

#### iii. Training and Development

Competent employees are crucial to the continued growth and success of the business. Our Group seeks to develop employees by providing training and development opportunities to enhance their knowledge, sharpen their skills and broaden their work experience and exposure. During FYE 2025, we have attended the following training courses to ensure our employees are well-informed of and equipped with the latest knowledge, information, techniques and skills of the industry to enable them to carry out their work more efficiently and productively.

Attracting and nurturing competent employees is essential to our Group's sustained growth and success. We are committed to developing our workforce by offering targeted training and development programs that enhance their knowledge, sharpen their skills, and broaden their professional experience. In FYE 2025, our employees participated in the following training courses, equipping them with the latest industry knowledge, techniques, and skills to perform their roles more efficiently and productively:

- Customs Procedures And Documentation For Manufacturers
- Safe Handling Forklift Program - Competency
- Iso 9001:2015 Interpretation
- Iso 9001:2015 Internal Auditor
- Team Building: Effective Teamwork for Success
- New Norm Leadership
- Understanding Implementation and Monitoring of OSHWA
- AI for Manufacturing Transformation
- Understanding Measurement Uncertainty For Weighing Balance
- E-Invoice Awareness & Implementation
- Safe Chemical Handling
- Strategy and Control for CFOs and Finance Professionals
- Payroll Administration Professional Certificate by Malaysia Madani

#### iv. Occupational Health and Safety

We place great emphasis on the health and safety aspects of our employees in the workplace and strive to maintain a comfortable and conducive work environment. Hence, we have established the Health and Safety Committee that comprises 10 members responsible to monitor and manage health and safety matters within our Group. This Committee meets every quarter to deliberate on issues relating to health and safety. We are pleased to report that there was no incidence of health or safety compliance breach and no fatalities or major injury during FYE 2025. The Committee pro-actively met up and made recommendations including revising its standard operating procedure as the preventive measures to ensure safety & health compliance.

Throughout the financial year, we continue to implement the following preventive measures to ensure that our employees are working in a safe environment:

#### Regular

**Safety Training:** Conduct safety training sessions for all employees to ensure they are well-versed in workplace safety practices and emergency procedures.

#### Safety

**Audits:** Perform regular safety audits to identify potential hazards and ensure compliance with safety regulations.

**Signage and Communication:** Place clear and visible safety signage across the workplace and regularly communicate safety guidelines and updates to all employees.

#### Encourage

**Reporting:** Foster an environment where employees feel comfortable reporting safety concerns, near misses, and unsafe conditions without fear of reprisal.



# Sustainability Statement

## SUSTAINABILITY ACTIVITIES (CONT'D)

### Social (Cont'd)

#### iv. Occupational Health and Safety (Cont'd)

Throughout the financial year, we continue to implement the following preventive measures to ensure that our employees are working in a safe environment: (Cont'd)

**Recognition**

Programs: Introduce recognition programs to reward employees and teams that consistently demonstrate strong safety practices and contribute to a safe work environment.

**Employee**

Engagement: Involve employees in safety discussions and decision-making processes to ensure they are actively participating in maintaining and improving workplace safety.

**Welfare**

Upgrading of facilities: canteen improvements for better dining experiences, upgraded motorbike parking areas for convenience and safety, enhanced prayers spaces to accommodate religious needs, increase drinking water dispensers for employees to promote hydration and well-being.

By focusing on these initiatives, we aim to create a strong safe, healthy and conducive work place that ensures the well-being of all employees, aligns with our commitment to health and safety compliance.

#### v. Engaging the Communities

At DPI, we are committed to building meaningful connections with the communities around us by fostering creativity and collaboration.

We conducted spray paint and paint art workshops at schools, vocational institutions, hobby groups, NGOs, and community premises. By bringing these activities directly to the community, we make art more accessible while encouraging skill development and creative expression.

Our workshops also create opportunities for families, friends, and local groups to connect through shared creative experiences. At the same time, we continue to collaborate with artists, supporting them with tailored products and platforms to showcase their talent in public spaces.

Moving forward, we will remain focused on nurturing creativity and strengthening community ties across all ages and backgrounds.





## Corporate Governance Overview Statement

The Board of Directors (“Board”) of DPI Holdings Berhad (“DPI Holdings” or “Company”) is pleased to present an overview of the Company’s corporate governance practices during the financial year ended FYE 2025 guided by the three (3) key principles of good corporate governance set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”). The Board has taken steps to align its governance framework with both the intended practices and Step-Up recommendations of the MCCG, including measures to reinforce Board independence, strengthen oversight, and enhance transparency. Full details of our application of each MCCG practice are disclosed in our Corporate Governance Report (“CG Report”), which is available on our Company’s website at [www.dpiaerosol.com](http://www.dpiaerosol.com) and via the announcement made to Bursa Malaysia Securities Berhad (“Bursa Securities”).

This statement is prepared in compliance with Bursa Securities’ ACE Market Listing Requirements (“ACE LR”) and it is to be read together with the CG Report.

The Board recognises the importance of good corporate governance and is committed to ensuring that good corporate governance is practised throughout our Group to safeguard stakeholders’ interests as well as enhance shareholders’ value.

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

#### I. Board Responsibilities

Our Board assumes full responsibility for the oversight and overall management of the Group, with the ultimate aim of delivering sustainable value to all stakeholders. To facilitate the effective discharge of its functions and responsibilities, the Board has established an internal governance framework that delegates specific powers to the relevant Board Committees, the Managing Director, Executive Directors, and the Senior Management of the Company and its subsidiaries.

The Board plays an active role in shaping the Group’s strategic direction. It reviews, deliberates, and approves the annual business plan as recommended by Senior Management. In fulfilling its fiduciary duties, the Board has direct and unrestricted access to Senior Management, as well as immediate access to all relevant information concerning the Group’s business and operations. Senior Management is also invited to attend Board meetings to present updates and reports on matters within their respective areas of responsibility.

The Board ensures that strategic and business plans are aligned with the Group’s obligations to stakeholders. It oversees financial and operational performance, legal and ethical compliance, and risk management, while also reviewing the adequacy and integrity of the Group’s internal control and management information systems. In addition, the Board ensures the effective implementation of investor relations initiatives and succession planning programmes.

To enhance the efficiency and objectivity of its oversight, the Board has established three principal committees: the Audit and Risk Committee, the Nomination Committee, and the Remuneration Committee. These Committees are entrusted with specific mandates as set out in their respective Terms of Reference (“ToR”), enabling them to act on the Board’s behalf in designated areas. At each Board meeting, minutes of the Committee meetings are circulated to all Directors, and the respective Committee Chairmen report to the Board on key deliberations, significant matters, and recommendations arising from their meetings.

#### ***Roles of Executive Chairman and Managing Director***

Our Executive Chairman and Managing Director positions are held by Peter Chai. This is a deviation from paragraph 1.3 of Principle A of the MCCG which states that the positions of the Chairman and Chief Executive Officer (or in the case of DPI Holdings Berhad, the Managing Director) are held by different individuals. Our Board is of the view that Peter Chai’s position as both Executive Chairman and Managing Director of our Group will not diminish our Board’s role in providing leadership and responsibility to meet our Group’s objectives and goals in view of the following measures and practices that have been put in place to ensure consistency with the objectives of the MCCG:

- (i) Independent Directors make up the majority of our Board, fulfilling the requirement under paragraph 5.2 of Principle A of the MCCG for at least half of the Board to comprise Independent Directors. This lends greater objectivity to the oversight function of our Board and to curtail undue influence of executive power within our Board;
- (ii) We have appointed Datuk Seri Nurmala Binti Abd. Rahim as the Senior Independent Non-Executive Director of our Board. She serves as a sounding board to our Executive Chairman and will lead the performance evaluation of our Executive Chairman in exercising objectivity in boardroom matters. Her appointment is meant to diminish any concentration of powers vested in our Executive Chairman and Managing Director; and



# Corporate Governance Overview Statement

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

### I. Board Responsibilities (Cont'd)

#### ***Roles of Executive Chairman and Managing Director (Cont'd)***

- (iii) The TOR of the Executive Chairman, Managing Director and Senior Independent Non-Executive Director have been established to clearly set out the respective functions and to demarcate the roles and boundaries of these positions in our board charter. The demarcation of the roles will ensure effective discharge of duties by Peter Chai in his capacity as Executive Chairman or Managing Director of our Board.

#### ***Company Secretaries***

Both Company Secretaries of the Company have legal credentials, and are qualified to act as company secretary under Section 235(2) of the Companies Act, 2016.

#### ***Access to Information and Advice***

Our Board have full and unrestricted access to information on our Group's business and affairs to enable them to discharge their duties and responsibilities effectively. All Directors have direct access to the Senior Management and may interact directly with the Management, or request further explanation, information or updates on any areas of our Group's operations or business.

All Directors also have full and unrestricted access to the advice and dedicated support services of our Company Secretaries and may obtain independent professional advice to discharge their duties effectively and to ensure the effective functioning of our Board.

To facilitate productive and meaningful deliberations during Board and/or Board Committee Meetings, the agenda together with comprehensive management reports and proposal papers are furnished to the Directors at least 5 days prior to the Meetings.

#### ***Board Charter***

The Board Charter sets out the roles and responsibilities of our Board and Board Committees and the processes and procedures for convening Board Meetings. It serves as a reference and is the primary induction literature providing prospective and existing Board members and Management with insights into the fiduciary and leadership function of the Directors.

Our Board reviews this charter periodically, at least once a year to ensure it is updated with the latest changes in regulations and best practices and to ensure its effectiveness and relevance to our Boards' objectives.

#### ***Code of Ethics and Conduct***

Our Company's Code of Conduct and Ethics is based on principles of sincerity, integrity, responsibility and corporate social responsibility. The Code of Ethics and Conduct is formulated to enhance the standards of corporate governance and corporate behaviour with the intention of achieving the following aims:

- To establish a standard of ethical behaviour for Directors based on trustworthiness and values that can be accepted, held or upheld by any one person.
- To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations and guidelines for administering our Group.

#### ***Whistleblowing Policy***

DPI Holdings has in place a Whistleblowing Policy to foster an environment in which integrity and ethical behaviour are upheld to the highest standards. Our Board acknowledges that misconduct and any illegal or improper actions within our Group are usually known first by people who work in or with our Group. As such, our Board views the whistleblowing policy and procedure as a good early warning system to help our Group detect any wrongdoings and to take corrective actions before the problem escalates.



## Corporate Governance Overview Statement

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

#### I. Board Responsibilities (Cont'd)

##### **Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")**

The Board had adopted the ABAC Policy to incorporate the policies and procedures on anti-corruption as guided by the "Guidelines on Adequate Procedures" issued by the Prime Minister's Department to promote better governance culture and ethical behaviour within our Group and to prevent the occurrence of corrupt practices in accordance with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2018 on corporate liability for corruption which came into force on 1 June 2020 and to include the corruption risks in the annual risk assessment of our Group.

Further details pertaining to the respective ToR of our Board Committees, Board Charter, Code of Conduct and Ethics, Whistleblowing Policy and ABAC Policy are available at DPI Holdings' website at <http://www.dpiaerosol.com>.

#### II. Board Composition

Our Board currently comprises 5 members, of which we have 1 Senior Independent Non-Executive Director, 2 Executive Directors and 2 Independent Non-Executive Directors. This composition complies with Rule 15.02 of the ACE LR whereby at least 2 Directors or 1/3 of the Board, whichever is higher, shall be Independent Directors. In the event that any vacancy on our Board results in a non-compliance with the above, our Company must fill that vacancy within 3 months.

Currently, 60% of our directors are independent while the female representation is 20% with one (1) woman director out of 5 directors while all four (4) Key Senior Management in the Group are females. This shows that the Group practices non-discrimination in any form especially in terms of gender and provides equal opportunity to everyone throughout the Group. Although it is a departure from Practice 5.9 of the Code which recommends the Board to have at least 30% woman directors. Our Board review that its members have the necessary knowledge, experience, requisite range of skills and competency to enable them to discharge their duties and responsibilities effectively.

Gender Diversity Policy will be implemented in the Board expansion plan in the future. The right female candidate may be considered according to the nomination process. Our Board recognises the benefits of having a diverse Board with a mix of suitably qualified and experienced professionals with a wide spectrum of expertise, as well as profiles of the Board members in terms of age, ethnicity and gender which provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management.

The presence of the 3 Independent Non-Executive Directors is essential in providing guidance through unbiased, fully balanced and independent views, advice and judgement to many aspects of our Group's strategy to safeguard the interests of minority shareholders and to ensure that high standards of conduct and integrity are maintained by our Group.

Our Board has nominated a Senior Independent Non-Executive Director to serve as a sounding board to our Executive Chairman and will lead the performance evaluation of our Executive Chairman to exercise objectivity in boardroom matters. Her appointment and Board position are meant to diminish any concentration of powers vested in our Executive Chairman and Managing Director.

Our Board is of the opinion that the interests of shareholders of our Company are fairly represented by the current Board composition and its size constitutes an effective Board of our Company.

##### **Nomination Committee ("NC")**

The membership of the NC is as follows:

###### **Chairman:**

Datuk Seri Nurmala Binti Abd. Rahim (*Senior Independent Non-Executive Director*)

###### **Members:**

Fong Yoo Kaw @ Fong Yee Kow (*Independent Non-Executive Director*)

Lua Kok Hiyong (*Independent Non-Executive Director*)



# Corporate Governance Overview Statement

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

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

#### ***Nomination Committee ("NC") (Cont'd)***

The NC of DPI Holdings assumes the following core responsibilities:

- recommend to the Board, candidates for all directorships to be filled by the shareholders or our Board. In making its recommendations, the NC considers the candidates' skills, knowledge, expertise and experience, professionalism, integrity, and in the case of candidates for the position of Independent Non-Executive Directors, the NC also evaluates the candidates' ability to discharge such responsibilities/functions expected from Independent Non-Executive Directors;
- consider in making its recommendations, candidates for directorship proposed by the Executive Chairman/ Managing Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder;
- recommend to the Board, Directors to fill seats on Board Committees;
- assess the effectiveness of the Board as a whole;
- assess the effectiveness of the committees of the Board;
- assess the contribution of each individual Director;
- review and recommend to the Board the required mix of skills and experience and other qualities our Board may require in order to function completely and efficiently;
- assess the performance and contribution of Directors who stand for re-election as to whether they meet the established performance evaluation criteria based on fit and proper policy;
- develop criteria to assess the independence of Directors;
- review Board's succession plan;
- facilitate Board induction and training for newly appointed Directors;
- review training programs for our Board;
- facilitate achievement of Board gender diversity policies and targets; and
- review the tenure of each independent director does not exceed a term limit of nine (9) years without further extension. Upon completion of the nine (9) years, if the extension of tenure of an independent director is required, the board should provide justification and seek annual shareholders' approval through a two-tier voting process.

The recommendations of the Nomination Committee are subject to the approval of our Board.

Details of the ToR for NC of DPI Holdings are available at our corporate website at <http://www.dpiaerosol.com>.

In line with the ToR of the NC, 1 meeting was held by NC during the FYE 2025. The activities carried out by the NC during the FYE 2025 in discharging its functions are, amongst others, as follows:

- Reviewed the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) of our Board;
- Undertaken an independence assessment of its Independent Directors;
- Recommended to the Board, Directors who retire pursuant to Article 95 of the Constitution that are eligible to seek re-election during the Company's forthcoming Annual General Meeting ("AGM"); and
- Reviewed the training needs of our Directors.



## Corporate Governance Overview Statement

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

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

##### ***Appointment of New Directors to the Board***

Our Company has in place procedures and criteria for the appointment of new Directors. The NC is to carry out an interview with the candidate prior to his/her appointment as a Director of our Company. All candidates for the appointment are first considered by the NC, who will take into the account the mix of skills, knowledge, expertise, competencies, experience, professionalism, integrity and other relevant qualities required to well manage the business, with the aim of meeting the current and future needs of our Board. The NC also evaluates the candidates' character and ability to commit sufficient time to our Group. Other factors considered for the appointment of Independent Directors include the level of independence of the candidate and the candidates' ability to discharge such responsibilities required of them.

The NC leads the process of identifying candidates and making recommendations on their suitability to be appointed for directorship on our Board and as members to our Board Committees for our Board's approval. Our Board will then, based on the recommendations of the NC, evaluate and decide on the appointment of the proposed candidate(s). Our Company Secretaries will ensure that all appointments are properly conducted and that legal and regulatory obligations are met.

The NC will assess the potential candidate's suitability and the candidates are required to declare and confirm in writing their independence based on the criteria on independence as set out in the ACE LR.

The NC will also review the composition of the respective Board Committees of our Company to ensure they are functioning effectively.

##### ***Board Evaluation***

The NC has also established a set of quantitative and qualitative performance criteria to evaluate the performance of each member of our Board, each Board Committee and review the performance of our Board as a whole. The criteria for assessment of Directors shall include attendance record, intensity of participation at meetings, quality of interventions and special contributions.

The NC has reviewed the required mix of skills, experience and other qualities of our Board and Board Committees, and agreed that it has the necessary mix of skill, experience and other qualities to serve effectively.

Notwithstanding the recommendation of the MCCG, our Company does not practise any form of gender, ethnicity and age group biasness and all candidates shall be given fair and equal treatment. Our Board believes that there is no detriment to our Company in not adopting a formal gender, ethnicity and age group diversity policy as our Company is committed to providing fair and equal opportunities to nurture diversity within our Company. Our Board is of the view that the appointment of any Board member or management should be determined based on objective criteria, merit and with due regard for diversity in skills, experience and other qualities regardless of gender but will nevertheless consider appointing more female directors, where suitable, to be in line with MCCG's recommendation.

##### ***Annual Assessment of Independence***

The NC plays an important role in assisting our Board to assess the independence of the Non-Executive Directors of our Company on an annual basis. Based on the assessment conducted by the NC, our Board is generally satisfied with the level of independence demonstrated by all the Independent Directors of our Company and their ability to act in the best interest of our Group.

The NC develops the criteria used to assess independence of the Independent Directors, which includes, but are not limited to, the directors' background, family relationships, shareholdings in our Company and related party transactions with our Group (if any).



# Corporate Governance Overview Statement

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

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

#### **Time Commitment**

The Board meets on a quarterly basis with additional meetings held whenever necessary. The Board met seven (7) times during the financial year under review. The attendance record of the Directors at Board meetings is as follows:

	Attendance
Choy Mui Seng @ Chai Mui Seng	7/7
Chai Chun Vui	7/7
Datuk Seri Nurmala Binti Abd. Rahim	7/7
Fong Yoo Kaw @ Fong Yee Kow	7/7
Lua Kok Hiyong	7/7

Even though our Company does not set a policy for Directors to notify the Chairman and/or Management prior to accepting new appointments, in line with the ACE LR, a Director of DPI Holdings must not hold directorships in more than 5 Public Listed Companies and must be able to commit sufficient time to DPI Holdings. This is to ensure that the Directors are able to commit sufficient time and focus to discharging their roles and responsibilities within our Company adequately.

Our Directors are required to submit an update on their other directorships from time to time for our Company to monitor the number of directorships held by the Directors of DPI Holdings and to notify the Companies Commission of Malaysia accordingly.

To facilitate the Directors' planning, an annual meeting calendar is prepared and circulated to all Directors before the beginning of every calendar year.

#### **Continuing Training Programme**

Our Directors are mindful that they should continue to attend relevant training programs to enhance their skills and knowledge, as well as to keep abreast with the changing regulatory and corporate governance developments to assist them in discharging their duties as Directors.

The details of trainings attended by our Directors during the financial year are as follows:

Directors	Date	Description
Choy Mui Seng @ Chai Mui Seng	26 May 2025	CLTC AI for Manufacturing Transformation
Chai Chun Vui	15-16 April 2025	MAP Part II: Leading for Impact Programme
	26 May 2025	CLTC AI for Manufacturing Transformation
Datuk Seri Nurmala Binti Abd. Rahim	12 November 2024	Cyber Security Awareness: 2024 Malaysian Cyber Security Act by LGMS Berhad
	19 November 2024	Recent Developments in Sustainability Reporting & Sustainability Assurance" - Annual Dialogue Session (AOB Conversation with Audit Committees) by Securities Commission
	26 May 2025	CLTC AI for Manufacturing Transformation



## Corporate Governance Overview Statement

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

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

##### Continuing Training Programme (Cont'd)

The details of trainings attended by our Directors during the financial year are as follows: (Cont'd)

Directors	Date	Description
Fong Yoo Kaw @ Fong Yee Kow	16 August 2024	Forum Hak Warga Emas Kepada Hak Ekonomi, Sosial dan Kebudayaan Suhakam
	17 February 2025	Corporate Restructuring and Compulsory Liquidation
	13 March 2025	EST Advisory Management Shn Bhd (MAICSA) Strengthening Tax Governance for Compliance and Risk Management (MIA)
	26 May 2025	CLTC AI for Manufacturing Transformation
Lua Kok Hiyong	14 November 2024	CPD Prime – Opression of Shareholders – Framing Your Claim and Just and Equitable Winding Up
	26 May 2025	CLTC AI for Manufacturing Transformation

#### III. Remuneration Committee ("RC")

The membership of the RC is as follows:

##### Chairman:

Lua Kok Hiyong (*Independent Non-Executive Director*)

##### Members:

Datuk Seri Nurmalia Binti Abd. Rahim (*Senior Independent Non-Executive Director*)

Fong Yoo Kaw @ Fong Yee Kow (*Independent Non-Executive Director*)

The Company's remuneration policy for Directors is formulated to attract and retain individuals of the necessary calibre needed to run the business of our Group successfully. The remuneration is structured to link experience, expertise and level of responsibility undertaken by our Directors. The Directors play no part in deciding their own remuneration and shall abstain from discussing or voting on their own remuneration.

The details of the Company's Directors' remuneration comprising remuneration received/receivable from our Company and its subsidiaries during the FYE 2025 are as follows:

##### (a) Company

Name of Directors	Fees (RM)	Salary (RM)	Bonus (RM)	Other Emoluments # (RM)	Total (RM)
<b>Non-Executive</b>					
Datuk Seri Nurmalia Binti Abd. Rahim	60,000	-	-	6,000	66,000
Fong Yoo Kaw @ Fong Yee Kow	60,000	-	-	7,000	67,000
Lua Kok Hiyong	60,000	-	-	6,000	66,000
<b>Executive</b>					
Choy Mui Seng @ Chai Mui Seng	60,000	-	-	-	60,000
Chai Chun Vui	60,000	-	-	-	60,000
<b>Received/receivable from the Company</b>	<b>300,000</b>	<b>-</b>	<b>-</b>	<b>19,000</b>	<b>319,000</b>



## Corporate Governance Overview Statement

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

#### III. Remuneration Committee ("RC") (Cont'd)

The details of the Company's Directors' remuneration comprising remuneration received/receivable from our Company and its subsidiaries during the FYE 2025 are as follows: (Cont'd)

##### (b) Subsidiaries

Name of Directors	Fees (RM)	Salary (RM)	Bonus (RM)	Other Emoluments # (RM)	Total (RM)
<b>Executive</b>					
Choy Mui Seng @ Chai Mui Seng	60,000	1,058,400	120,000	842	1,239,242
Chai Chun Vui	-	393,750	60,000	55,765	509,515
<b>Received/receivable from the subsidiaries</b>	<b>60,000</b>	<b>1,452,150</b>	<b>180,000</b>	<b>56,607</b>	<b>1,748,757</b>
<b>Total Group Remuneration</b>	<b>360,000</b>	<b>1,452,150</b>	<b>180,000</b>	<b>75,607</b>	<b>2,067,757</b>

Note:-

# Other emoluments include the Allowances, Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS)

The remuneration of the top four (4) Key Senior Management of our Group is as follows:-

Range of Remuneration	No. of Senior Management
RM50,000 to RM100,000	-
RM100,001 to RM150,000	1
RM150,001 to RM200,000	-
RM200,001 to RM250,000	2
RM250,001 to RM300,000	-
RM300,001 to RM350,000	-
RM350,001 to RM400,000	1

The MCCG recommends that our Company should disclose on a named basis, the detailed remuneration of the top 4 Key Senior Management. Our Board opts not to disclose the top 4 Key Senior Management's remuneration components on a named basis and instead, in bands of RM50,000 as it is imperative for our Company to maintain the privacy and confidentiality of its employees' remuneration. It is also commercially disadvantageous to reveal the remuneration of the Key Senior Management in this competitive environment.



## Corporate Governance Overview Statement

### **PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**

#### **I. Audit and Risk Committee ("ARC")**

The ARC wholly comprises 3 Independent Directors. The ARC is chaired by an Independent Director, Mr. Fong Yoo Kaw @ Fong Yee Kow, a Chartered Accountant of the Malaysian Institute of Accountants, which is in compliance with Rule 15.09(1)(c) of the ACE LR of Bursa Securities.

The composition of ARC is reviewed by the NC and recommended to our Board for its approval annually. With the view to maintain an independent and effective ARC, the NC ensures that only an Independent Non-Executive Director who is financially literate, possess the appropriate level of expertise and experience, and has strong understanding of our Group's business would be considered for membership in ARC.

The roles and responsibilities of the ARC are spelt out in the Terms of Reference of the ARC, a copy of which is available on our Company's website at <http://www.dpiaerosol.com>.

#### **II. Risk Management and Internal Control Framework**

Our Board fulfils its responsibilities in the risk governance and oversight functions through its Risk Management Working Group ("RMWG") in order to manage the overall risk exposure of our Group. The RMWG assessed and monitored the efficacy of the risk management controls and measures taken, whilst the adequacy and effectiveness of the internal controls were reviewed by the ARC in relation to the internal audit function for our Group. The RMWG comprises the Managing Director, Executive Directors and Senior Management who are familiar with the businesses of our Group. Our Board is satisfied with the performance of the RMWG and ARC, and their respective Chairmen in discharging their responsibilities, based on the results of the Board Committees Effectiveness Evaluation 2025.

Our Board is of the view that the internal control and risk management system in place during the FYE 2025, is sound and sufficient to safeguard our Group's assets, shareholders' investments, and the interests of customers, regulators, employees and other stakeholders. The details of the Risk Management and Internal Control Framework are set out in the Statement of Risk Management and Internal Control of this Annual Report.

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

#### **I. Communication with Stakeholders**

Our Board recognises the importance and need for shareholders to be informed of all material development and performance of our Group. The information relating to the performance of our Group is disseminated through annual reports, circulars to shareholders, press releases, quarterly reports and announcements made from time to time to Bursa Securities.

In addition, our Company's website at <http://www.dpiaerosol.com> provides information on our Group's business, corporate development and announcements to Bursa Securities. Other information relevant to shareholders and investors such as share price, volume history, technical charting, annual reports, circulars and quarterly reports are available for download at our Company's website.



## Corporate Governance Overview Statement

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

#### **II. Conduct of General Meetings**

The Annual General Meeting serves as an important means for shareholders communication. Notice of the Annual General Meeting together with the Annual Reports are sent to shareholders 28 days prior to the meeting in line with the best practices as recommended by the MCCG and in accordance with the Company's Constitution and the provision in the Companies Act 2016.

At each Annual General Meeting, the Board presents the progress and performance of the Group's business and encourages participation of shareholders during questions and answers sessions. The Chairman and the Board will respond to all questions raised by the shareholders during the Annual General Meeting.

Shareholders who are unable to attend the AGM are advised that they can appoint proxies to attend and vote on their behalf.

Explanation for each proposed resolution set out in the Notice of AGM will be provided, if needed during AGM to assist shareholders in making their decisions and exercising their voting rights. In line with Paragraph 8.31A(1) of the ACE LR and Clause 72 of the Company's Constitution, all resolutions set out in the Notice of AGM will be put to vote by poll. The Company will also appoint an independent scrutineer to validate the vote cast in the AGM. The outcome of the AGM will be announced to Bursa Securities on the same meeting day while the summary of key matters discussed during the AGM will be posted on the Company website.

The statement is made in accordance with a resolution of the Board dated 22 September 2025.



## Additional Disclosure Requirements

Pursuant to The Ace Market Listing Requirements of Bursa Malaysia Securities Berhad

### 1. Utilisation of Proceeds Raised from Corporate Proposals

The entire enlarged issued share capital of our Company comprising 486,731,000 ordinary shares was listed on the ACE Market of Bursa Securities on 7 January 2019 ("IPO").

The gross proceeds from the IPO amounting to RM31.64 million have been fully utilised during the FYE 2025 as follows:

No.	Purpose	Proposed utilisation RM'000	%	Actual utilisation RM'000	Balance unutilised RM'000	Revised utilisation of balance unutilised <sup>(1)</sup> RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Deviation Explanation (if deviation is 5% or more)	Initial timeframe for utilisation (from the Listing Date)	Revised timeframe for the utilisation (from the Listing Date)
i	Capital expenditure and expansion ("CEE")	23,540	74.4	13,039	10,501	3,606	3,606	-	914 <sup>(3)</sup>	Within 18-24 months	Within 72 months
ii	Sales, marketing and advertising expenses ("SMAE")	3,000	9.5	1,088	1,912	-	-	-	N/A	Within 24 months	No change
iii	Product development ("PD")	1,300	4.1	284	1,016	250	250	-	N/A	Within 24 months	Within 72 months
iv	Estimated listing expenses	3,800	12.0	3,428	-	-	-	-	372 <sup>(2)</sup>	Within 1 month	No change
v	Acquisition of a new factory	-	-	-	-	9,573	9,573	-	N/A	N/A	Within 72 months
	<b>Total</b>	<b>31,640</b>	<b>100.0</b>	<b>17,839</b>	<b>13,429</b>	<b>13,429</b>	<b>13,429</b>	<b>-</b>	<b>1,286</b>		

Note:

(1) The balance of unutilised proceeds from CEE, SMAE and PD amounted to RM6.90 million, RM1.91 million and RM0.76 million respectively has been reallocated for the acquisition of a new factory.

(2) The surplus has been re-allocated for working capital purposes.

(3) Based on the Prospectus of the Company dated 1 November 2023, the amount unutilised by 7 January 2025 is to be reallocated for working capital purposes. The surplus has been reallocated and fully utilised.

The utilisation of proceeds disclosed above should be read in conjunction with the Prospectus of the Company dated 27 November 2018 and the announcements dated 6 July 2020, 6 January 2021 and 1 November 2023.

### 2. Audit and Non-Audit Fees

The audit fees payable to the External Auditors for the services rendered to our Group and our Company for the FYE 2025 amounted to RM273,050 and RM88,000, respectively.

The non-audit fees paid/payable to the External Auditors, or a firm or corporation affiliated to the External Auditors for the services rendered to our Group and our Company for the FYE 2025 amounted to RM150,200 and RM121,000, respectively. The non-audit fees paid were in relation to the provision of tax services and financial due diligence services.

### 3. Material Contracts

Save as disclosed below, the Group has not entered into any material contracts (other than contracts entered into in the ordinary course of business) involving the interests of Directors and/or major shareholders, either subsisting as at the end of the financial year or entered into since the end of the previous financial year:

- (a) On 26 September 2024, the Company has entered into a conditional share sale agreement ("EF SSA") with Choy Mui Seng @ Chai Mui Seng ("Peter Chai"), Ng Wee Ling and Dato Chai Voon Tok ("EF Vendors") for the proposed acquisition of 325,000 ordinary shares in Eastern Forever Sdn Bhd ("EF"), representing 65% equity interest in EF, for a purchase consideration of RM7.54 million to be satisfied entirely in cash ("Proposed EF Acquisition");



## Additional Disclosure Requirements

Pursuant to The Ace Market Listing Requirements of Bursa Malaysia Securities Berhad

### 3. Material Contracts (Cont'd)

- (b) On 26 September 2024, the Company has entered into a conditional sale and purchase agreement with PCA Venture Sdn Bhd ("PCA") for the proposed acquisition of an industrial property from PCA for a purchase consideration of RM18 million to be satisfied entirely in cash ("Proposed Warehouse Acquisition");
- (c) On 29 October 2024, the Company had entered into a supplemental share sale agreement with EF Vendors ("EF Supplemental SSA") to amend certain conditions in the EF SSA dated 26 September 2024 for the Proposed EF Acquisition; and
- (d) On 12 September 2025, the Company has executed a letter of confirmation of extension of time for the Proposed Warehouse Acquisition to extend the date for the fulfilment of payment for the purchase consideration of the industrial property.

The Proposed EF Acquisition and Proposed Warehouse Acquisition are deemed related party transactions pursuant to Rule 10.08(2) of the Ace Market Listing Requirements due to the following:

- (a) Peter Chai, who is our Executive Chairman and Managing Director and major shareholder, is one of the EF Vendors of the Proposed EF Acquisition, and the Director and major shareholder of PCA, being the vendor for the Proposed Warehouse Acquisition;
- (b) Adam Chai, who is our Deputy Managing Director and major shareholder, is the Director and shareholder of PCA, being the vendor for the Proposed Warehouse Acquisition; and
- (c) EF, which will form part of our Group upon the completion of the Proposed EF Acquisition, entered into the Warehouse SPA with PCA, which is 99.50%-owned by Peter Chai.

The Proposed EF Acquisition was completed on 27 December 2024, whereas the Proposed Warehouse Acquisition has yet to be completed as it is pending the fulfilment of payment for the purchase consideration of the industrial property.



## Audit and Risk Committee Report

The Audit and Risk Committee ("ARC") was established on 5 November 2018 by our Board with the primary objective of assisting our Board in fulfilling its fiduciary responsibilities relating to accounting and reporting practices, and internal control system of our Company and our Group. Our Board is pleased to present the Audit and Risk Committee Report for the financial year ended 31 May 2025.

### COMPOSITION AND MEETINGS

The ARC presently comprises the following members:

#### Chairman:

Fong Yoo Kaw @ Fong Yee Kow (Independent Non-Executive Director)

#### Members:

Datuk Seri Nurmala Binti Abd. Rahim (Senior Independent Non-Executive Director)

Lua Kok Hiyong (Independent Non-Executive Director)

Mr. Fong Yoo Kaw @ Fong Yee Kow, the Chairperson of the ARC is a Chartered Accountant of the Malaysian Institute of Accountants, which is in compliance with Rule 15.09(1) of the ACE LR of Bursa Securities. All members of the ARC are financially literate and are able to understand and interpret financial statements to effectively discharge their duties and responsibilities as members of the ARC. The details of the members of the ARC are contained in the Profile of Directors as set out in pages 7 to 9 of this Annual Report.

During the financial year, a total of six (6) ARC meetings were held and the details of the attendance are as follows:

	Meeting Attendance
Fong Yoo Kaw @ Fong Yee Kow	6/6
Datuk Seri Nurmala Binti Abd. Rahim	6/6
Lua Kok Hiyong	6/6

The Senior Management, External Auditors and persons carrying out the internal audit function or activity, or both are invited to attend the meeting to facilitate direct communication and to provide clarification on any audit issues whenever necessary. Our Company Secretaries are responsible for distributing the agenda of the meetings and relevant information to the ARC members in advance, and for recording the proceedings of the ARC meetings.

The Minutes of the ARC meetings were recorded and tabled for confirmation at the next ARC meeting and subsequently presented to our Board for notation. For the FYE 2025, the ARC Chairman presented to our Board the Committee's recommendations to approve the annual and quarterly financial statements, Internal Audit Plan, Internal Audit Report, Audit Planning Memorandum, Audit Review Memorandum and Risk Management Report. The ARC Chairman also reported to our Board matters of significant concern as and when raised by the External Auditors or Internal Auditors in the respective quarterly presentations.

The ARC complies with the Term of Reference which is available on our Company's website at <http://www.dpiaerosol.com>. It was created to oversee the Board's financial duties, ensuring they comply with company guidelines and to help the Board assess the quality and reliability of the Group's financial management, reporting, and internal controls.



## Audit and Risk Committee Report

### SUMMARY OF WORK OF THE ARC

During the FYE 2025, the ARC has carried out the following works in accordance with its terms of reference to meet its responsibilities:

#### Ensuring Financial Statements Comply with Applicable Financial Reporting Standards:

- a. Reviewed the unaudited quarterly financial results, annual audited financial statements and annual report of our Company and of our Group to ensure adherence to the regulatory reporting requirements and passing appropriate resolution prior to Board's consideration and approval. The ARC focus particularly on:-
  - compliance with accounting standards and regulatory requirements.
  - monitor the relationship between the company and its independent auditors.
  - evaluate the quality of the audit work performed.
- b. Discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.

#### Reviewing the Audit Findings of the External Auditors and Assessing their Performance, Suitability and Independence:

- a. Discussed and reviewed the audit plan of the External Auditors in terms of their scope of audit prior to their commencement of their annual audit.
- b. Reviewed the External Auditors' findings arising from audits and in particular, responses and appropriate action taken by our Management.
- c. Reviewed, together with the External Auditors, the annual report including the Statement on Risk Management and Internal Control of our Group for inclusion in the annual report.
- d. Discussed and reviewed the re-appointment of the External Auditors and their audit fees, after taking into consideration the independence and objectivity of the External Auditors and the cost effectiveness of their audit, before recommending to our Board for approval.
- e. Conducted private meetings with the External Auditors on 25 July 2025 and 22 September 2025 respectively without the presence of the Executive Directors and Management during the ARC meeting to enquire on significant findings, fraud consideration, if any, and/or management corporation level.

#### Overseeing the Governance Practices in our Group:

- a. Reviewed and confirmed the minutes of the ARC meetings, and also distributed the minutes to other members of our Board.
- b. Reviewed Risk Management Framework to ensure that organisational capabilities and resources are employed in an efficient and effective manner to manage both opportunities and threats.
- c. Reviewed the Terms of Reference of the ARC.
- d. Reported on the proceedings of each ARC Meeting (through the ARC Chairman).
- e. Ensure that framework is aligned with best practices and applicable regulations.

#### Reviewing the Audit Findings of the Internal Auditors and Assisting the Board in Reviewing the Effectiveness and Adequacy of Systems of Internal Control in the Key Operation Processes:

- a. Reviewed and approved the annual risk-based audit plan to ensure adequate scope and comprehensive coverage of our Group's activities.
- b. Reviewed the internal audit report prepared by the Internal Auditors and the action plans taken by the Management to resolve the issues to ensure adequacy of the internal control system.
- c. Reviewed the internal audit function of our Group.
- d. Reviewed the effectiveness and efficiency of the internal controls system in place and risk factors affecting our Company.
- e. Conducted private meeting with the Internal Auditors on 28 April 2025 without the presence of the Executive Directors and Management during the ARC meeting to enquire on significant findings, fraud consideration, if any, and/or management corporation level.



## Audit and Risk Committee Report

### INTERNAL AUDIT FUNCTION

Our Company recognises that an internal audit function is essential to ensuring the effectiveness of our Group's systems of internal control and is an integral part of the risk management process. The internal audit function for our Group has been outsourced to a professional service firm, Resolve IR Sdn. Bhd. ("Resolve") who conducts an independent review of our Group's key processes and control systems. Our Board had via the ARC evaluated their effectiveness by reviewing the results of the work done in ARC meetings.

The Engagement Managing Director overseeing the internal audit reviews possess extensive expertise in risk management, internal audit, corporate governance, performance and business management, IPOs, taxation, corporate finance and due diligence. The Engagement Managing Director is a Certified Internal Auditor and registered member of the Malaysian Institute of Accountants. Detailed profiles of the Engagement Managing Director is available in Practice 11.2 of the Corporate Governance Report.

The number of staff deployed for the internal audit reviews range from 3 to 4 staff per visit including the Engagement Managing Director. The staff involved in the internal audit reviews possess professional qualifications and/or a university degree. Certain staff are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflict of interest, which could impair their objectivity and independence. The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework ("IPPF").

During the financial year ended 31 May 2025, the internal audit activities were carried out according to the risk based internal audit plan resolved and approved by the ARC. The entities and business processes reviewed were as follows:

Entity	Business Processes
DPI Sdn. Bhd. and DPI Chemical Sdn. Bhd.	Health, Safety and Environmental Management
DPI Holdings Berhad	Anti-Corruption Management

The results of the audit reviews and the recommendations for improvement were discussed with Senior Management and subsequently presented to the ARC at their scheduled meetings. In addition, follow-up visits were also conducted to ascertain the status of implementation of agreed management action plans. The results of the follow-up reviews were also reported to the ARC. Based on the results of the internal audits conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report.

The total professional fees paid for the outsourcing of internal audit functions for the year ended 31 May 2025 amounted to RM48,014 with SST.

This report is made in accordance with the resolution of the Board dated 22 September 2025.



## Statement on Directors' Responsibilities

Our Directors are required under the Companies Act 2016 to prepare the financial statements for each financial year. These financial statements are to be drawn up in accordance with applicable approved accounting standards other than private entities as issued by Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of our Group and of our Company as at the end of the financial year and of their financial performance and cash flows for the financial year then ended.

In preparing these financial statements, our Directors have considered the following:

- That our Group and our Company have used appropriate accounting policies and are consistently applied;
- That reasonable and prudent judgements and estimates were made;
- That the applicable approved accounting standards in Malaysia have been applied; and
- That the preparation of the financial statements were on a going concern basis.

Our Directors are responsible for ensuring that our Group and our Company maintain proper accounting records which disclose, with reasonable accuracy, the financial positions of our Group and of our Company, which will enable them to ensure that the financial statements comply with the Companies Act 2016.

Our Directors have the general responsibility to take such steps that are reasonably available to them to safeguard the assets of our Group and of our Company, and to prevent and detect fraud and other irregularities.

This statement is made in accordance with a resolution of the Board dated 22 September 2025.



# Statement on Risk Management and Internal Control

## Introduction

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("ACE LR") and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, our Board of Directors ("Board") is pleased to present the Statement on Risk Management and Internal Control (the "Statement") which outlines the governance policies, key elements, nature and scope of risk management and internal control of our Group for the financial year ended 31 May 2025.

## Board's Responsibility

Our Board acknowledges its responsibility and re-affirms its commitment in maintaining sound systems of risk management and internal control to safeguard shareholders' investments and our Group's assets as well as reviewing the adequacy and effectiveness of these systems.

In evaluating the adequacy of the Group's risk management and internal control system, the Board is assisted by the Audit and Risk Committee ("ARC") which comprises Independent Directors in discharging the roles and responsibilities guided by Malaysian Code on Corporate Governance 2021 ("MCCG") and Rules 15.11 and 15.12 of the ACE Market Listing Requirements ("ACE LR"). The ARC meets and holds at least four (4) meetings in a year. In addition, the Chairman of the ARC may call for additional meetings at any time at his/her discretion. Notwithstanding the delegated responsibilities, the Board acknowledges its overall responsibility in the establishment and oversight of the Group's risk management and internal control system.

However, as with any system of risk management and internal control, there are inherent limitations. The systems implemented by our Management are designed to manage or mitigate risks, but cannot completely eliminate them. As such, they can only provide reasonable, rather than absolute, assurance against material misstatements, operational failures, fraud, or losses that may hinder the achievement of the Group's business objectives.

## Risk Management Framework

Our Board recognises the importance of identifying, evaluating and managing the significant risks that could potentially impact our Group.

On a day-to-day basis, the respective Heads of Department are responsible for the process of identifying, evaluating and managing risks of their departments. Significant risks identified and the corresponding internal controls implemented are discussed at regular meetings with the Heads of Department, Key Senior Management personnel and our Managing Director. These significant risks and its latest update are also brought to the attention of the ARC and our Board at their scheduled meetings via the Risk Management Working Group ("RMWG"). The RMWG consists of the Managing Director and all the 4 Key Senior Management personnel. The RMWG is responsible to review significant risks identified, and measuring and monitoring risks at satisfactory level, at quarterly meeting.

Our Board has put in place a Risk Management Framework (guided by COSO Framework) within our Group to ensure an on-going process of identifying, evaluating, monitoring and managing the significant risk exposures inherent in its business operations.

Our Board also recognises and acknowledges that the development of an appropriate risk management framework and effective internal control system is an on-going process.

The abovementioned risk management practices of our Group serve as the on-going process used to identify, evaluate and manage significant risks for the financial year under review and up to the date of approval of this Statement. Our Board shall re-evaluate the existing risk management practices, and where appropriate and necessary, revise such practices accordingly.

## Internal Audit Function

The Board has outsourced its internal audit function to Resolve IR Sdn. Bhd. ("Resolve"), an independent professional firm. Resolve assists the Board and ARC by conducting independent assessments of the adequacy and operational effectiveness of the Group's internal control system. Further details of the Internal Audit Function are set out in the Audit and Risk Management Committee Report on page 46 of this Annual Report.



## Statement on Risk Management and Internal Control

### Other Key Features of Internal Control

Other key features of our group's internal control are as follows:

#### Culture and employee conduct

- The vision and mission set the tone from the Board to employees and shape the culture for our Group;
- Code of conduct and ethics are in place to set out standards of ethics and conduct expected from its employees;
- Anti-Bribery and Anti-Corruption Policy to prohibit bribery and corruption in the business conduct of our Group;
- Whistleblowing Policy and Procedures are in place to enable individuals to raise genuine concerns without fear of retaliation; and
- The Group has established a Conflict of Interest Policy to safeguard our corporate culture and uphold the highest standards of employee conduct ensuring that personal interests do not compromise the best interests of the Company.

#### Authority and responsibilities

- Our group has in place an organisation structure with clearly defined authority limit matrix, review and approval procedures within the various operational segmental; and
- Our group conducts annual planning and budgetary exercise for the upcoming year.

#### Policies and procedures

- Policies and procedures for key processes are documented and communicated to employees for application across our group; and
- Continuous quality improvement initiatives to ensure accreditation such as ISO certification.

#### People

- Employee handbook outlines the employment terms and conditions, including compensation, leaves, benefits and other matters related to their employment; and
- Annual performance management is conducted to better align employee's interests with the business objectives.

#### Communication and Reporting

- An effective reporting system which ensures the timely generation of financial information for management review has been put in place. Financial results are reviewed and approved on a quarterly basis by the ARC and the Board respectively, before it is released to shareholders and stakeholders;
- Related party transactions policies and procedures to govern the identification, evaluation and monitoring of any transactions between our Group with any significant shareholder and director for compliance and disclosure purposes at the management's best endeavours. A summary of related party transactions, new transactions and its significance level, if any, to be presented to the ARC and the Board at their quarterly meetings; and
- Internal corporate disclosure policies and procedures are in place to govern the disclosure of material information to shareholders and stakeholders.

### Adequacy and Effectiveness of our Group's Risk Management and Internal Control System

Our Board has received assurance from our Managing Director and Chief Financial Officer that our Group's risk management and internal control system are operating adequately and effectively, in all material aspects. Our Board is of the view that the risk management and internal control system is satisfactory and no material control failures nor have any of the reported weaknesses resulted in material losses or contingencies during the financial year under review and up to the date of approval of this statement.



## Statement on Risk Management and Internal Control

### Review of the Statement by External Auditors

In accordance with Rule 15.23 of the ACE LR, our Company's External Auditors have reviewed this Statement of Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants for inclusion in our Company's Annual Report for the financial year ended 31 May 2025, and reported to our Board that nothing has come to their attention that would cause them to believe that the Statement intended to be included in this Annual Report, in all material respects:-

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

AAPG 3 does not require the External Auditors to consider whether the Statement of Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of our Group's risk management and internal control system including the assessment and opinion by our Board and Management.

This Statement was approved by the Board of Directors on 22 September 2025.



## Directors' Report

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 May 2025.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in "Subsidiaries" of this report. There have been no significant changes in the nature of these activities during the financial year except for the diversification into agency and distribution of consumer goods through the acquisition of a subsidiary.

### RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	<u>2,899,363</u>	<u>186,828</u>
Attributable to :-		
Owners of the Company	2,606,343	186,828
Non-controlling interests	<u>293,020</u>	<u>-</u>
	<u>2,899,363</u>	<u>186,828</u>

### DIVIDENDS

The Company paid a first single-tier dividend of 0.10 sen per ordinary share amounting to RM730,096 for the financial year ended 31 May 2024 on 28 August 2024.

The directors do not recommend the payment of any further dividends for the financial year.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

### ISSUES OF SHARES AND DEBENTURES

During the financial year :-

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

### OPTIONS GRANTED OVER UNISSUED SHARES

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



## Directors' Report

### **BAD AND DOUBTFUL DEBTS**

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

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

### **CURRENT ASSETS**

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

### **VALUATION METHODS**

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

### **CONTINGENT AND OTHER LIABILITIES**

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

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

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

### **CHANGE OF CIRCUMSTANCES**

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

### **ITEMS OF AN UNUSUAL NATURE**

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.



# Directors' Report

## DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows :-

Choy Mui Seng @ Chai Mui Seng  
 Chai Chun Vui  
 Datuk Seri Nurmala Binti Abd Rahim  
 Fong Yoo Kaw @ Fong Yee Kow  
 Lua Kok Hiyong

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows :-

Chieng Ging How  
 Ho Swee Boon  
 Janelle Lee Yi Wen  
 Lim Shee En  
 Ng Wee Ling  
 Siew Chiew Choung  
 Chai Voon Tok (Resigned on 30.05.2025)

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows :-

	<----- Number of Ordinary Shares ----->			
	At 1.6.2024	Bought	Sold	At 31.5.2025
<b>The Company</b>				
<i>Direct Interests</i>				
Choy Mui Seng @ Chai Mui Seng	415,997,508	-	-	415,997,508
Chai Chun Vui	124,258,992	-	-	124,258,992
Datuk Seri Nurmala Binti Abd Rahim	300,000	-	-	300,000
Fong Yoo Kaw @ Fong Yee Kow	700,000	-	-	700,000
Lua Kok Hiyong	250,000	-	-	250,000

By virtue of his shareholdings in the Company, Choy Mui Seng @ Chai Mui Seng is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.



## Directors' Report

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 40(b) to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose 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

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows :-

	From the Company RM	From the Subsidiaries RM
Fees	300,000	60,000
Salaries, bonuses and other benefits	19,000	1,634,307
Contributions to defined contribution benefits	-	54,450
	<u>319,000</u>	<u>1,748,757</u>

### INDEMNITY AND INSURANCE COST

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.



## Directors' Report

**SUBSIDIARIES**

The details of the Company's subsidiaries are as follows :-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
<i>Subsidiaries of the Company</i>				
DPI Sdn. Bhd.	Malaysia	<b>100</b>	100	Engaged in the business of development, manufacturing and distribution of aerosol products.
DPI Chemicals Sdn. Bhd. ("DPIC")	Malaysia	<b>100</b>	100	Engaged in the business of distributing aerosol products and trading of solvents and thinner blending.
DPI Resources Sdn. Bhd.	Malaysia	<b>100</b>	100	Dormant.
Dimethyl Ether Sdn. Bhd.	Malaysia	<b>100</b>	100	Dormant.
DPI Plastics Sdn. Bhd. ("DPIP")	Malaysia	<b>80</b>	80	Engaged in the business of manufacturing and trading of plastics products.
DPI Alliance Pte. Ltd. ("DPIA")	Republic of Singapore	<b>100</b>	100	Engaged in the business of development and distribution of aerosol products.
Eastern Forever Sdn. Bhd. ("EF")	Malaysia	<b>65</b>	-	Engaged in the business of agent and distributorship for consumer goods.
Eastern Forever (Sabah) Sdn. Bhd. ("EFSAB")	Malaysia	<b>100</b>	-	Dormant.
<i>Subsidiary of DPIA</i>				
DPI Japan Co. Ltd. ("DPIJ")	Japan	<b>90</b>	90	Dormant.
<i>Subsidiary of EF</i>				
Eastern Forever (Miri) Sdn. Bhd. ("EFMIR")	Malaysia	<b>51</b>	-	Engaged in the business of agency and distribution of consumer goods.
Eastern Forever (Sibu) Sdn. Bhd. ("EFSIB")	Malaysia	<b>55</b>	-	Engaged in the business of agency and distribution of consumer goods.



## Directors' Report

### SUBSIDIARIES (CONT'D)

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification other than the following :-

Name of Subsidiary	Audit Qualification
Dimethyl Ether Sdn. Bhd.	The auditors' report includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as the Company has undertaken to provide continuous financial support to the subsidiary.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 26 September 2024, the Company entered into the following agreements :-
- (i) a conditional share sale agreement with Choy Mui Seng @ Chai Mui Seng, Ng Wee Ling and Dato Chai Voon Tok for the proposed acquisition of 325,000 ordinary shares in EF, representing 65% equity interest in EF, for a purchase consideration of RM7.54 million to be satisfied entirely in cash ("Proposed EF Acquisition"); and
  - (ii) a shareholders' agreement with EF and the remaining shareholders of the EF and its subsidiaries ("EF Group") to regulate their rights, obligations and liabilities as shareholders of EF Group and govern the management and operation of EF Group upon completion of the Proposed EF Acquisition.

Concurrently, EF had on the same date entered into a conditional sale and purchase agreement with PCA Venture Sdn Bhd ("PCA") for the proposed acquisition of an industrial property from PCA for a purchase consideration of RM18.00 million to be satisfied entirely in cash ("Proposed Warehouse Acquisition").

Upon completion of the proposed EF Acquisition, DPI Group anticipates that EF Group will contribute 25% or more to the net profits of DPI Group moving forward. In view of this, DPI Group is required to seek the approval from shareholders for the Proposed Diversification.

The Proposed EF Acquisition, Proposed Warehouse Acquisition and Proposed Diversification was approved by the shareholders during the Extraordinary General Meeting held on 29 November 2024.

On 29 October 2024, the Company then entered into a supplemental share sale agreement with EF Vendors ("EF Supplemental SSA") to amend certain conditions in the conditional share sale agreement ("EF SSA") dated 26 September 2024 for the Proposed EF Acquisition. Subsequently, on 24 December 2024, following the fulfilment of the conditions precedent in the EF SSA as supplemented by the EF Supplemental SSA, both agreements became unconditional as of that date.

On 27 December 2024, upon the fulfilment of the payment for the purchase consideration of the EF Acquisition, the EF SSA (as supplemented by the EF Supplemental SSA) was completed. Consequently, the shareholders' agreement between DPI, EF and the remaining shareholders of the EF Group also took effect on the same day.



## Directors' Report

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (b) On 13 November 2024, the Company's wholly-owned subsidiary, DPIC, entered into a Sale and Purchase Agreement with Grand-Flo Resources Sdn. Bhd. for the acquisition of a single-storey detached warehouse with an annexed three-storey office, situated on a 99-year leasehold land expiring on 26 March 2103, held under Individual Title HSD 90965, PT 101876, Mukim Klang, Daerah Klang, Negeri Selangor, measuring approximately 3,357 square metres and bearing the postal address No. 6, Jalan Mandolin 33/5, Seksyen 33, 40400 Shah Alam, Selangor, for a total cash consideration of RM14,500,000.
- (c) On 22 April 2025, the Company incorporated a wholly-owned subsidiary, EFSAB with a total issued and paid-up capital of RM2.
- (d) On 30 May 2025, the Company subscribed for an additional 13,050,000 new ordinary shares in DPIC at RM1 per ordinary share by way of capitalising part of the amount owing from DPIC of RM13,050,000. DPIC remained a wholly owned subsidiary after the issuance of new shares.

### AUDITORS

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

The details of the auditors' remuneration for the financial year are as follows :-

	The Group RM	The Company RM
Audit fees	273,050	88,000
Non-audit fees	<u>5,000</u>	<u>5,000</u>
	<u>278,050</u>	<u>93,000</u>

Signed in accordance with a resolution of the directors dated 22 September 2025.

**Choy Mui Seng @ Chai Mui Seng**

**Chai Chun Vui**



## **Statement By Directors**

Pursuant to Section 251(2) of The Companies Act 2016

We, Choy Mui Seng @ Chai Mui Seng and Chai Chun Vui, being two of the directors of DPI Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 64 to 131 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 May 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 22 September 2025

**Choy Mui Seng @ Chai Mui Seng**

**Chai Chun Vui**

## **Statutory Declaration**

Pursuant to Section 251(1)(B) of The Companies Act 2016

I, Esther Quah Li Yee, MIA Membership Number: 52336, being the officer primarily responsible for the financial management of DPI Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 64 to 131 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Esther Quah Li Yee,  
at Kuala Lumpur  
in the Federal Territory  
on this 22 September 2025

Before me

**Esther Quah Li Yee**

**Shaiful Hilmi Bin Halim**  
Commissioner for Oaths  
No. W804



# Independent Auditors' Report

To the Members of DPI Holdings Berhad

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of DPI Holdings Berhad, which comprise the statements of financial position of the Group and the Company as at 31 May 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to financial statements, including material accounting policy information, as set out on pages 64 to 131.

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

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Purchase price allocation</b>	
<b>Key Audit Matter</b>	<b>How our audit addressed the Key Audit Matter</b>
<p>On 27 December 2024, the Group had completed the acquisition of Eastern Forever Sdn. Bhd. and its subsidiaries for a purchase consideration of RM7.54 million based on the terms and conditions of the Supplemental Share Sale and Purchase Agreement ("SSA") dated 26 September 2024.</p> <p>The Group assessed the fair value of the identified assets acquired and liabilities on the date of acquisition via a purchase price allocation ("PPA") exercise, the Group recorded a goodwill of approximately RM3.13 million as disclose in Note 9 to the financial statements.</p> <p>We have identified this is an important area of audit given this requires a significant judgement and estimation.</p>	<p>Our audit procedures included :-</p> <ul style="list-style-type: none"> <li>• Reviewed the SSA, PPA and any other relevant supporting documents.</li> <li>• Reviewed the compliance with MFRS 3 - Business Combinations.</li> <li>• Reviewed the appropriateness of the disclosures pertaining to the acquisition provided in the notes to the financial statements.</li> <li>• Assessed the objectivity, competence and capabilities of the management.</li> <li>• Assessed the methodologies and key assumptions used in determining the fair values of the assets acquired and liabilities assumed.</li> </ul>



# Independent Auditors' Report

To the Members of DPI Holdings Berhad

## Key Audit Matters (Cont'd)

We have determined the matters described below to be the key audit matters to be communicated in our report. (Cont'd)

<p><b>Impairment of goodwill</b> Refer to Note 9 to the financial statements</p>	
<p><b>Key Audit Matter</b></p> <p>The Group carries significant goodwill as disclosed in Note 9 to the financial statements. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually.</p> <p>The impairment test involved significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc.</p>	<p><b>How our audit addressed the Key Audit Matter</b></p> <p>Our audit procedures included :-</p> <ul style="list-style-type: none"> <li>• Evaluated whether the method used by the Group in measuring the recoverable amount is appropriate in the circumstances.</li> <li>• Enquired of and challenged management on the key assumptions and inputs used in the measurement method.</li> <li>• Evaluated whether the key assumptions and inputs used are reasonable and consistent by taking into consideration the past performance, future growth, market, development and etc.</li> <li>• Performed stress tests and sensitivity analysis to assess the impacts of those key assumptions and inputs on the measurement of recoverable amount.</li> </ul>
<p><b>Recoverability of trade receivables</b> Refer to Note 13 to the financial statements</p>	
<p><b>Key Audit Matter</b></p> <p>The trade receivables of the Group amounted to approximately RM27.9 million of which RM10.4 million are past due or exceeded credit terms granted by the Group.</p> <p>Management recognised the allowance for impairment losses on trade receivables based on specific known facts or customers' ability to pay. We focused on this area as determination of whether trade receivables are recoverable involves significant management judgement.</p>	<p><b>How our audit addressed the Key Audit Matter</b></p> <p>Our audit procedures included :-</p> <ul style="list-style-type: none"> <li>• Reviewed the ageing of trade receivables and tested its reliability.</li> <li>• Reviewed subsequent cash collections for major trade receivables and overdue amounts.</li> <li>• Evaluated the reasonableness and adequacy of the allowance for impairment loss recognised for identified exposures.</li> <li>• Tested the adequacy of the Group's impairment of trade receivables by assessing the relevant assumptions and historical data from the Group's previous collection experience.</li> </ul>
<p><b>Valuation of inventories</b> Refer to Note 11 to the financial statements</p>	
<p><b>Key Audit Matter</b></p> <p>The carrying amount of inventories held by the Group is approximately RM24.9 million.</p> <p>We focused on this area as the assessment of net realisable value is an area of significant judgement particularly in relation to the estimation of allowances for obsolete and slow-moving inventories.</p>	<p><b>How our audit addressed the Key Audit Matter</b></p> <p>Our audit procedures included :-</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Group's process for measuring the amount of inventories write down.</li> <li>• Reviewed the ageing analysis of inventories and tested its reliability.</li> <li>• Reviewed the net realisable value of inventories.</li> <li>• Evaluated the reasonableness and adequacy of the allowance for obsolete and slow-moving inventories recognised for identified exposures.</li> </ul>



# Independent Auditors' Report

To the Members of DPI Holdings Berhad

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

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

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

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

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

## **Responsibilities of the Directors for the Financial Statements**

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

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

## **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.



# Independent Auditors' Report

To the Members of DPI Holdings Berhad

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

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

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

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

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

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



# Independent Auditors' Report

To the Members of DPI Holdings Berhad

## **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 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.

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

**Lee Kui Lui**  
03832/05/2026 J  
Chartered Accountant

Kuala Lumpur

22 September 2025



## Statements of Financial Position

As at 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>ASSETS</b>					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	-	-	<b>58,172,785</b>	37,582,783
Property, plant and equipment	6	<b>27,130,712</b>	17,378,553	-	-
Right-of-use assets	7	<b>15,736,683</b>	4,587,984	-	-
Intangible asset	8	<b>224,792</b>	257,292	-	-
Goodwill	9	<b>3,130,234</b>	-	-	-
Deferred tax assets	10	<b>161,859</b>	8,004	-	-
		<b>46,384,280</b>	22,231,833	<b>58,172,785</b>	37,582,783
CURRENT ASSETS					
Inventories	11	<b>24,914,495</b>	16,151,528	-	-
Trade receivables	13	<b>27,947,194</b>	8,788,669	-	-
Other receivables, deposits and prepayments	14	<b>1,850,283</b>	780,554	<b>13,028</b>	1,716
Amount owing by subsidiaries	15	-	-	<b>4,882,485</b>	1,206,088
Current tax assets		<b>3,207,095</b>	2,369,466	<b>578,107</b>	463,357
Short-term investments	16	<b>6,097,675</b>	31,634,151	<b>3,026,807</b>	27,745,799
Fixed deposits with licensed banks	17	<b>8,621,487</b>	4,977,977	<b>5,629</b>	5,487
Cash and bank balances		<b>10,796,864</b>	10,625,581	<b>159,648</b>	161,927
		<b>83,435,093</b>	75,327,926	<b>8,665,704</b>	29,584,374
TOTAL ASSETS		<b>129,819,373</b>	97,559,759	<b>66,838,489</b>	67,167,157
<b>EQUITY AND LIABILITIES</b>					
EQUITY					
Share capital	18	<b>66,257,198</b>	66,257,198	<b>66,257,198</b>	66,257,198
Merger deficit	19	<b>(28,697,540)</b>	(28,697,540)	-	-
Foreign exchange translation reserve	20	<b>49,370</b>	69,637	-	-
Retained profits		<b>52,821,954</b>	50,945,707	<b>294,523</b>	837,791
Equity attributable to owners of the Company		<b>90,430,982</b>	88,575,002	<b>66,551,721</b>	67,094,989
Non-controlling interests		<b>4,789,411</b>	77,362	-	-
TOTAL EQUITY		<b>95,220,393</b>	88,652,364	<b>66,551,721</b>	67,094,989

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



## Statements of Financial Position

As at 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>NON-CURRENT LIABILITIES</b>					
Deferred tax liabilities	10	<b>97,267</b>	500	-	-
Lease liabilities	21	<b>286,132</b>	49,982	-	-
Bank borrowings	22	<b>1,120,200</b>	-	-	-
		<b>1,503,599</b>	50,482	-	-
<b>CURRENT LIABILITIES</b>					
Trade payables	24	<b>11,869,037</b>	7,014,221	-	-
Other payables and accruals	25	<b>5,295,733</b>	1,578,510	<b>215,535</b>	72,168
Amount owing to a subsidiary	15	-	-	<b>71,233</b>	-
Amount owing to a related party	26	<b>659,000</b>	150,000	-	-
Lease liabilities	21	<b>204,906</b>	114,182	-	-
Bank borrowings	22	<b>15,066,705</b>	-	-	-
		<b>33,095,381</b>	8,856,913	<b>286,768</b>	72,168
<b>TOTAL LIABILITIES</b>		<b>34,598,980</b>	8,907,395	<b>286,768</b>	72,168
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>129,819,373</b>	97,559,759	<b>66,838,489</b>	67,167,157

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



## Statements of Profit or Loss and Other Comprehensive Income

For The Financial Year Ended 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	27	<b>93,273,177</b>	55,787,855	<b>1,612,000</b>	1,560,000
COST OF SALES	28	<b>(74,522,115)</b>	(40,423,799)	-	-
GROSS PROFIT		<b>18,751,062</b>	15,364,056	<b>1,612,000</b>	1,560,000
OTHER INCOME	29	<b>2,306,585</b>	1,455,348	<b>769,459</b>	996,182
		<b>21,057,647</b>	16,819,404	<b>2,381,459</b>	2,556,182
SELLING AND MARKETING EXPENSES	30	<b>(5,108,188)</b>	(1,821,160)	-	-
ADMINISTRATIVE EXPENSES	31	<b>(10,599,453)</b>	(7,603,878)	<b>(2,156,014)</b>	(1,336,069)
OTHER EXPENSES	32	<b>(902,787)</b>	(2)	<b>(38,617)</b>	-
FINANCE COSTS	33	<b>(373,000)</b>	(14,247)	-	-
PROFIT BEFORE TAXATION		<b>4,074,219</b>	7,380,117	<b>186,828</b>	1,220,113
INCOME TAX EXPENSE	34	<b>(1,174,856)</b>	(2,676,431)	-	878
PROFIT AFTER TAXATION		<b>2,899,363</b>	4,703,686	<b>186,828</b>	1,220,991
OTHER COMPREHENSIVE INCOME					
<u>Items that Will be Reclassified Subsequently to Profit or Loss</u>					
Foreign currency translation differences		<b>(20,235)</b>	10,281	-	-
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<b>2,879,128</b>	4,713,967	<b>186,828</b>	1,220,991

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



# Statements of Profit or Loss and Other Comprehensive Income

For The Financial Year Ended 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>PROFIT AFTER TAXATION ATTRIBUTABLE TO :-</b>					
Owners of the Company		<b>2,606,343</b>	4,701,131	186,828	1,220,991
Non-controlling interests		<b>293,020</b>	2,555	-	-
		<b>2,899,363</b>	4,703,686	186,828	1,220,991
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :-</b>					
Owners of the Company		<b>2,586,076</b>	4,711,749	186,828	1,220,991
Non-controlling interests		<b>293,052</b>	2,218	-	-
		<b>2,879,128</b>	4,713,967	186,828	1,220,991
<b>EARNINGS PER SHARE (SEN)</b>					
Basic	35	<b>0.36</b>	0.64		
Diluted	35	<b>0.36</b>	0.64		

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



# Statements of Changes in Equity

For The Financial Year Ended 31 May 2025

	Non-Distributable		Distributable			Total Equity RM
	Share Capital RM	Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable To Owners of the Company RM	
Note						
<b>The Group</b>						
Balance at 1.6.2023	66,257,198	(28,697,540)	59,019	47,339,723	84,958,400	75,144
Profit after taxation for the financial year	-	-	-	4,701,131	4,701,131	2,555
Other comprehensive income for the financial year:						
- Foreign currency translation differences	-	-	10,618	-	10,618	(337)
Total comprehensive income for the financial year	-	-	10,618	4,701,131	4,711,749	2,218
Distributions to owners of the Company:						
- Dividends	-	-	-	(1,095,147)	(1,095,147)	-
Balance at 31.5.2024	66,257,198	(28,697,540)	69,637	50,945,707	88,575,002	77,362

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



## Statements of Changes in Equity

For The Financial Year Ended 31 May 2025

	Non-Distributable		Distributable			Total Equity RM
	Share Capital RM	Merger Deficit RM	Foreign Exchange Translation Reserve RM	Retained Profits RM	Attributable To Owners of the Company RM	
Note						
<b>The Group</b>						
Balance at 1.6.2024	66,257,198	(28,697,540)	69,637	50,945,707	88,575,002	77,362
Profit after taxation for the financial year	-	-	-	2,606,343	2,606,343	293,020
Other comprehensive income for the financial year:						
- Foreign currency translation differences	-	-	(20,267)	-	(20,267)	32
Total comprehensive income for the financial year	-	-	(20,267)	2,606,343	2,586,076	293,052
Distributions to owners of the Company:						
- Dividends	-	-	-	(730,096)	(730,096)	-
Changes in ownership interests in subsidiaries						
- Acquisitions of a subsidiary	-	-	-	-	-	4,418,997
Balance at 31.5.2025	66,257,198	(28,697,540)	49,370	52,821,954	90,430,982	4,789,411

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



## Statements of Changes in Equity

For The Financial Year Ended 31 May 2025

	Note	Share Capital RM	Distributable Retained Profits RM	Total Equity RM
<b>The Company</b>				
Balance at 1.6.2023		66,257,198	711,947	66,969,145
Profit after taxation/Total comprehensive income for the financial year		-	1,220,991	1,220,991
Distributions to owners of the Company:				
- Dividends	36	-	(1,095,147)	(1,095,147)
Balance at 31.5.2024/1.6.2024		<b>66,257,198</b>	<b>837,791</b>	<b>67,094,989</b>
Profit after taxation/Total comprehensive income for the financial year		-	<b>186,828</b>	<b>186,828</b>
Distributions to owners of the Company:				
- Dividends	36	-	(730,096)	(730,096)
Balance at 31.5.2025		<b>66,257,198</b>	<b>294,523</b>	<b>66,551,721</b>

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



## Statements of Cash Flows

For The Financial Year Ended 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES					
Profit before taxation		<b>4,074,219</b>	7,380,117	<b>186,828</b>	1,220,113
Adjustments for :-					
Amortisation of trademark		<b>32,500</b>	32,500	-	-
Depreciation of property, plant and equipment		<b>1,386,362</b>	835,735	-	-
Depreciation of right-of-use assets		<b>452,571</b>	411,532	-	-
Interest expense on:					
- bank overdrafts		<b>59,794</b>	-	-	-
- term loans		<b>20,099</b>	-	-	-
- bankers' acceptances		<b>197,230</b>	-	-	-
- hire purchase payables		<b>35,503</b>	-	-	-
- lease liabilities		<b>18,270</b>	14,247	-	-
Property, plant and equipment written off		<b>4,997</b>	2	-	-
Unrealised loss/(gain) on foreign exchange		<b>794,297</b>	(99,072)	<b>38,617</b>	(14,549)
Dividend income		-	-	<b>(1,612,000)</b>	(1,560,000)
Interest income		<b>(936,640)</b>	(1,266,246)	<b>(769,459)</b>	(981,633)
Gain on lease modification		-	(12,576)	-	-
Gain on disposal of property, plant and equipment		<b>(11,999)</b>	-	-	-
Operating profit/(loss) before working capital changes		<b>6,127,203</b>	7,296,239	<b>(2,156,014)</b>	(1,336,069)
Decrease/(Increase) in inventories		<b>1,468,077</b>	(964,944)	-	-
(Increase)/Decrease in trade and other receivables		<b>(5,518,529)</b>	(899,437)	<b>(11,312)</b>	2,725
Decrease in amount owing by subsidiaries		-	-	<b>284,986</b>	907,102
Increase/(Decrease) in amount owing to a subsidiary		-	-	<b>71,233</b>	(3,929)
Increase in amount owing to a related party		<b>509,000</b>	6,000	-	-
(Decrease)/Increase in trade and other payables		<b>(4,652,784)</b>	1,147,733	<b>143,367</b>	(12,022)
Decrease in amount owing to a director		<b>(1,040,259)</b>	-	-	-

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



## Statements of Cash Flows

For The Financial Year Ended 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH (FOR)/FROM OPERATIONS		<b>(3,107,292)</b>	6,585,591	<b>(1,667,740)</b>	(442,193)
Income tax paid		<b>(2,021,211)</b>	(2,484,454)	<b>(114,750)</b>	(140,250)
Tax refunded		<b>119,075</b>	-	-	-
<b>NET CASH (FOR)/FROM OPERATING ACTIVITIES</b>		<b>(5,009,428)</b>	4,101,137	<b>(1,782,490)</b>	(582,443)
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>					
Acquisition of subsidiaries, net of cash and cash equivalents acquired	37	<b>(4,977,747)</b>	-	<b>(7,540,002)</b>	-
Additional investment in an existing subsidiary		-	-	<b>(13,050,000)</b>	-
Advances to a subsidiary		-	-	<b>(4,000,000)</b>	-
Dividend received		-	-	<b>1,612,000</b>	1,560,000
Interest income received		<b>936,640</b>	1,266,246	<b>769,459</b>	981,633
Increase in pledged fixed deposits with licensed bank		<b>(493,337)</b>	-	-	-
Increase in fixed deposit with tenure more than 3 months		<b>(45,088)</b>	-	-	-
Purchase of property, plant and equipment	38(a)	<b>(7,892,416)</b>	(2,816,703)	-	-
Purchase of right-of-use assets	38(a)	<b>(10,633,015)</b>	-	-	-
Proceeds from disposal of property, plant and equipment		<b>11,999</b>	-	-	-
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		<b>(23,092,964)</b>	(1,550,457)	<b>(22,208,543)</b>	2,541,633
<b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES</b>					
Dividend paid		<b>(730,096)</b>	(1,095,147)	<b>(730,096)</b>	(1,095,147)
Repayment of lease liabilities	38(b)	<b>(152,127)</b>	(119,108)	-	-
Interest paid		<b>(328,327)</b>	(8,292)	-	-
Repayment of hire purchase payables	38(b)	<b>(224,580)</b>	-	-	-
Repayment of term loans	38(b)	<b>(301,767)</b>	-	-	-
Net proceeds from bankers' acceptances	38(b)	<b>2,115,311</b>	-	-	-
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>		<b>378,414</b>	(1,222,547)	<b>(730,096)</b>	(1,095,147)

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



## Statements of Cash Flows

For The Financial Year Ended 31 May 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<b>(27,723,978)</b>	1,328,133	<b>(24,721,129)</b>	864,043
EFFECTS OF FOREIGN EXCHANGE TRANSLATION		<b>63,189</b>	(20,147)	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		<u><b>47,237,709</b></u>	<u>45,929,723</u>	<u><b>27,913,213</b></u>	<u>27,049,170</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	38(d)	<u><b>19,576,920</b></u>	<u>47,237,709</u>	<u><b>3,192,084</b></u>	<u>27,913,213</u>

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



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows :-

Registered office : B-25-2, Block B, Jaya One,  
No. 72A, Jalan Prof. Diraja Ungku Aziz,  
46200 Petaling Jaya,  
Selangor.

Principal place of business : K69, Jalan Perindustrian 6,  
Kawasan Perindustrian Tanjung Agas,  
84000 Kesang, Tangkak,  
Johor Darul Takzim.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statements of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

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

## 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year except for the diversification into agency and distribution of consumer goods through the acquisition of a subsidiary.

## 3. BASIS OF PREPARATION

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

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any) :-

### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

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

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

- 3.1 The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company except as follows :-

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

The amendments require liabilities to be classified as current at the reporting date unless the Group or the Company has the right to defer settlement for at least 12 months beyond that date. Additionally, the Amendments clarify that covenants the Group and the Company must comply with on or before the reporting date are considered when determining whether loan arrangements with covenants should be classified as current or non-current. Covenants that require compliance after the reporting date do not affect this classification. The new accounting requirements have resulted in a change in the classification of certain term loans of the Group as disclosed in Note 22 to the financial statements.

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year :-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows :-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The Group and the Company are currently assessing the impact of implementing this new standard.



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

#### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below :-

#### **(a) Depreciation of Property, Plant and Equipment**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

#### **(b) Impairment of Goodwill**

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date and the sensitivity analysis are disclosed in Note 9 to the financial statements.

#### **(c) Impairment of Investment in Subsidiaries, Property, Plant and Equipment and Right-of-use Assets**

The Group and the Company determines whether its investment in subsidiaries, property, plant and equipment and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investment in subsidiaries, property, plant and equipment and right-of-use assets as at the reporting date are disclosed in Note 5, Note 6 and Note 7 to the financial statements respectively.

#### **(d) Write-down of Inventories**

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 11 to the financial statements.



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Key Sources of Estimation Uncertainty (Cont'd)*

#### (e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 13 to the financial statements.

#### (f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by subsidiaries as at the reporting date are disclosed in Note 14 and Note 15 to the financial statements respectively.

#### (g) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets of the Group and the Company as at reporting date are RM3,207,095 and RM578,107 (2024 - RM2,369,466 and RM463,357) respectively.

#### (h) Purchase Price Allocation

Purchase prices related to business combinations are allocated to the underlying acquired assets and liabilities based on their estimated fair value at the time of acquisition. The determination of fair value required the Group to make assumptions, estimates and judgements regarding future events. The allocation process is inherently subjective and impacts the amount assigned to individually identifiable assets and liabilities. As a result, the purchase price allocation impacts the Group's reported assets (including goodwill) and liabilities, future net earnings due to the impact on future depreciation and amortisation expense and impairment tests. The fair values of the assets acquired and liabilities assumed under the business combinations made during the current financial year are disclosed in Note 37 to the financial statements.

#### (i) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

#### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below :-

#### **(a) Lease Terms**

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

#### **(b) Contingent Liabilities**

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies for matters in the ordinary course of business.

### 4.2 FINANCIAL INSTRUMENTS

#### **(a) Financial Assets**

##### Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

##### Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financial component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

#### **b) Financial Liabilities**

##### Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

##### Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

#### **(c) Equity**

##### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflect the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital and capital reserves of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

### 4.4 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

### 4.5 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

### 4.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are :-

Long-term leasehold land	Over remaining lease-term
Factory buildings	2%
Machinery, factory and laboratory equipment	10%
Renovation, office equipment, electrical, furniture and fittings	10% - 33.33%
Motor vehicles	20%

Capital work-in-progress represent factory buildings under construction. They are not depreciated until such time when the asset is available for use.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

##### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

##### (b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

##### (c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities’ incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

#### 4.8 INTANGIBLE ASSET

Intangible assets are initially measured at cost. Subsequent to the initial recognition, the intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

The trademark are amortised using the straight-line method to allocate their depreciable amounts over 10 years.

#### 4.9 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025 RM	2024 RM
Unquoted shares, at cost	<b>58,647,462</b>	38,057,460
Accumulated impairment losses	<b>(474,677)</b>	(474,677)
	<b>58,172,785</b>	<b>37,582,783</b>

The details of the subsidiaries are as follows :-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
<i>Subsidiaries of the Company</i>				
DPI Sdn. Bhd.	Malaysia	<b>100</b>	100	Engaged in the business of development, manufacturing and distribution of aerosol products.
DPI Chemicals Sdn. Bhd. ("DPIC")	Malaysia	<b>100</b>	100	Engaged in the business of distributing aerosol products and trading of solvents and thinner blending.
DPI Resources Sdn. Bhd.	Malaysia	<b>100</b>	100	Dormant.
Dimethyl Ether Sdn. Bhd. *	Malaysia	<b>100</b>	100	Dormant.
DPI Plastics Sdn. Bhd. ("DPIP")	Malaysia	<b>80</b>	80	Engaged in the business of manufacturing and trading of plastics products.
DPI Alliance Pte. Ltd. ("DPIA") ^	Republic of Singapore	<b>100</b>	100	Engaged in the business of development and distribution of aerosol products.
Eastern Forever Sdn. Bhd. ("EF")	Malaysia	<b>65</b>	-	Engaged in the business of agency and distribution of consumer goods.
Eastern Forever (Sabah) Sdn. Bhd. ("EFSAB") ~	Malaysia	<b>100</b>	-	Dormant.
<i>Subsidiary of DPIA</i>				
DPI Japan Co. Ltd. ("DPIJ")	Japan	<b>90</b>	90	Dormant.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

The details of the subsidiaries are as follows (Cont'd) :-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025 %	2024 %	
<i>Subsidiary of EF</i>				
Eastern Forever (Miri) Sdn. Bhd. ("EFMIR")	Malaysia	51	-	Engaged in the business of agency and distribution of consumer goods.
Eastern Forever (Sibu) Sdn. Bhd. ("EFSIB")	Malaysia	55	-	Engaged in the business of agency and distribution of consumer goods.

\* The auditors' report on the financial statements of the subsidiary includes a "Material Uncertainty Related to Going Concern" regarding the ability of the subsidiary to continue as a going concern in view of its capital deficiency position as at the end of the current reporting period. The financial statements were prepared on a going concern basis as the Company has undertaken to provide continuous financial support to the subsidiary.

^ This subsidiary was audited by other firm of chartered accountants.

~ There is no audit carried out on the financial statements of the subsidiary for the financial year as it was incorporated on 22 April 2025.

(a) During the current financial year,

- (i) the Company has acquired 65% equity interests in EF. The details of the acquisition are disclosed in Note 37 to the financial statements;
- (ii) the Company has incorporated a wholly-owned subsidiary, EFSAB with a total issued and paid-up capital of RM2; and
- (iii) the Company has subscribed additional RM13,050,000 new ordinary shares in DPIC by way of capitalising part of amount owing from DPIC of RM13,050,000 on 30 May 2025 to retain its 100% equity interest.

(b) The non-controlling interests at the end of the reporting period comprise the following :-

	Effective Equity Interest		The Group	
	2025 %	2024 %	2025 RM	2024 RM
EF	35	-	4,707,887	-
Other individually immaterial subsidiaries	10 - 20	10 - 20	81,524	77,362
			<b>4,789,411</b>	<b>77,362</b>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

- (c) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group is as follows :-

	EF 2025 RM
<u>At 31 May</u>	
Non-current assets	4,581,414
Current assets	37,409,322
Non-current liabilities	(1,354,829)
Current liabilities	<u>(30,892,314)</u>
 Net assets	 <u>9,743,593</u>
<u>5-months Period Ended 31 May</u>	
Revenue	39,887,583
Profit for the financial year	531,734
Total comprehensive income	<u>531,734</u>
 Total comprehensive income attributable to non-controlling interests	 <u>288,265</u>
 Net cash flows from operating activities	 (2,496,065)
Net cash flows from investing activities	(824,496)
Net cash flows from financial activities	<u>1,205,712</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 6. PROPERTY, PLANT AND EQUIPMENT

The Group	At 1.6.2024		Additions	Write Off	Depreciation Charges	Acquisition of a Subsidiary (Note 37)	Translation Differences	At 31.5.2025
	RM	RM						
<b>2025</b>								
<i>Carrying Amount</i>								
Factory buildings	2,652,915	4,510,000	-	(80,462)	1,000,001	-	8,082,454	
Machinery, factory and laboratory equipment	4,040,256	1,283,552	-	(586,701)	-	-	4,737,107	
Renovation, office equipment, electrical, furniture and fittings	1,931,539	1,369,600	(4,996)	(478,871)	1,183,181	(14,120)	3,986,333	
Motor vehicles	266,164	259,573	(1)	(240,328)	1,082,040	-	1,367,448	
Capital work-in-progress	8,487,679	469,691	-	-	-	-	8,957,370	
	<b>17,378,553</b>	<b>7,892,416</b>	<b>(4,997)</b>	<b>(1,386,362)</b>	<b>3,265,222</b>	<b>(14,120)</b>	<b>27,130,712</b>	
The Group	At 1.6.2023		Additions	Write Off	Depreciation Charges	Translation Differences	At 31.5.2024	
	RM	RM						RM
<b>2024</b>								
<i>Carrying Amount</i>								
Factory buildings	2,729,015	-	-	-	(76,100)	-	2,652,915	
Machinery, factory and laboratory equipment	2,181,149	2,255,966	-	-	(396,859)	-	4,040,256	
Renovation, office equipment, electrical, furniture and fittings	2,073,238	126,795	-	-	(271,192)	2,698	1,931,539	
Motor vehicles	215,452	142,298	(2)	(91,584)	-	-	266,164	
Capital work-in-progress	8,196,035	291,644	-	-	-	-	8,487,679	
	<b>15,394,889</b>	<b>2,816,703</b>	<b>(2)</b>	<b>(835,735)</b>	<b>2,698</b>	<b>17,378,553</b>		



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>2025</b>			
Factory buildings	<b>9,421,186</b>	<b>(1,338,732)</b>	<b>8,082,454</b>
Machinery, factory and laboratory equipment	<b>9,232,936</b>	<b>(4,495,829)</b>	<b>4,737,107</b>
Renovation, office equipment, electrical, furniture and fittings	<b>6,739,374</b>	<b>(2,753,041)</b>	<b>3,986,333</b>
Motor vehicles	<b>5,518,483</b>	<b>(4,151,035)</b>	<b>1,367,448</b>
Capital work-in-progress	<b>8,957,370</b>	-	<b>8,957,370</b>
	<b>39,869,349</b>	<b>(12,738,637)</b>	<b>27,130,712</b>
<b>2024</b>			
Factory buildings	3,805,002	(1,152,087)	2,652,915
Machinery, factory and laboratory equipment	7,977,383	(3,937,127)	4,040,256
Renovation, office equipment, electrical, furniture and fittings	2,872,021	(940,482)	1,931,539
Motor vehicles	1,570,395	(1,304,231)	266,164
Capital work-in-progress	8,487,679	-	8,487,679
	24,712,480	(7,333,927)	17,378,553

- (a) Included in the factory buildings of the Group with a total carrying amount of RM995,639 (2024 - Nil) have been charged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 22 to the financial statements.
- (b) Included in property, plant and equipment of the Group are office equipment and motor vehicles held under hire purchase arrangements with a total carrying amount of RM1,210,298 (2024 - Nil). These assets have been secured against the hire purchase payables of the Group as disclosed in Note 23 of the financial statements.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 7. RIGHT-OF-USE ASSETS

The Group	At 1.6.2024 RM	Addition RM	Modification of Lease Liabilities RM	Depreciation Charges RM	Acquisition of a Subsidiary (Note 37) RM	Translation Differences RM	At 31.5.2025 RM
<b>2025</b>							
<i>Carrying Amount</i>							
Leasehold land	3,163,060	10,633,015	-	(172,864)	500,022	-	14,123,233
Buildings and office equipment	1,424,924	-	253,160	(279,707)	284,377	(69,304)	1,613,450
	<b>4,587,984</b>	<b>10,633,015</b>	<b>253,160</b>	<b>(452,571)</b>	<b>784,399</b>	<b>(69,304)</b>	<b>15,736,683</b>

The Group	At 1.6.2023 RM	Modification of Lease Liabilities RM	At 1.6.2023 RM	Modification of Lease Liabilities RM	Depreciation Charges RM	Translation Differences RM	At 31.5.2024 RM
<b>2024</b>							
<i>Carrying Amount</i>							
Leasehold land	3,333,721	-	-	-	(170,661)	-	3,163,060
Buildings and office equipment	1,591,218	46,847	46,847	(240,871)	27,730	27,730	1,424,924
	<b>4,924,939</b>	<b>46,847</b>	<b>46,847</b>	<b>(411,532)</b>	<b>27,730</b>	<b>27,730</b>	<b>4,587,984</b>



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 7. RIGHT-OF-USE ASSETS (CONT'D)

- (a) The Group leases several pieces of leasehold land, various buildings and office equipment of which the leasing activities are summarised below :-
- (i) Leasehold land      The Group has entered into 8 (2024 - 5) non-cancellable operating lease agreements for the use of land. The leases are for a period ranging from 29 to 80 years (2024 - 29 to 46 years) with no renewal or purchase option included in the agreements.
  - (ii) Buildings            The Group has leased various buildings for office and warehouse that run between 2 years to 21 years (2024 - 2 years to 21 years) with an option to renew the lease after that date. The Group is not allowed to sublease these buildings.
  - (iii) Office equipment    The Group has leased office equipment that runs for a period of 5 years (2024 - 5 years) with an option to renew the lease after that date.
- (b) The Group also has leases with lease terms of 12 months or less. The Group has applied the "short-term lease" recognition exemptions for these leases.

## 8. INTANGIBLE ASSET

The Group	At 1.6.2024 RM	Amortisation RM	At 31.5.2025 RM
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### 2025

Carrying Amount

Trademark	<b>257,292</b>	<b>(32,500)</b>	<b>224,792</b>
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	At 1.6.2023 RM	Amortisation RM	At 31.5.2024 RM
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### 2024

Carrying Amount

Trademark	289,792	(32,500)	257,292
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## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 9. GOODWILL

	2025 RM
Cost :-	
At 1 June	-
Acquisition of a subsidiary (Note 37)	<u>3,130,234</u>
At 31 May	<u>3,130,234</u>

The carrying amount of goodwill allocated to the cash-generating unit is EF.

The Group has assessed its recoverable amount which is determined using the value in use approach. Cash flow projections are based on 5 years of financial budgets approved by management. The key assumptions used in the determination of the recoverable amount are as follows :-

- Projected revenue growth rates - The projected revenue growth rates used ranged from 13.52% to 31.85% taking into consideration past business performance and management's expectations of current and future market conditions.
- Projected gross profit margins - The projected gross profit margins used ranged from 14.34% to 16.02%, based on historical margins achieved or predetermined profits margins for relevant products.
- Discount rate is based on the average pre-tax Weighted Average Cost of Capital ("WACC") rate of the consumer goods business of 7.10%.

The value assigned to the key assumptions above reflect management's past experience and its assessment of future trends in the cash-generating unit, based on both external sources and internal historical data.

Based on the assessment, no impairment on goodwill was required as the recoverable amount of the goodwill exceeded its carrying amount.

Management believes that any reasonably possible change in any of these key assumptions would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

## 10. DEFERRED TAX ASSETS/(LIABILITIES)

The Group	At 1.6.2024 RM	Acquisition of a Subsidiary (Note 37) RM	Recognised in Profit or Loss RM	At 31.5.2025 RM
<b>2025</b>				
<i>Deferred Tax Assets/(Liabilities)</i>				
Provisions	65,004	194,520	243,336	502,860
Property, plant and equipment	(57,500)	(22,378)	(378,520)	(458,398)
Right-of-use assets	-	(30,806)	(62,367)	(93,173)
Hire purchase payables	-	-	28,512	28,512
Lease liabilities	-	-	65,414	65,414
Others	-	-	19,377	19,377
	<u>7,504</u>	<u>141,336</u>	<u>(84,248)</u>	<u>64,592</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 10. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The Group	At 1.6.2023 RM	Recognised in Profit or Loss RM	At 31.5.2024 RM
<b>2024</b>			
<i>Deferred Tax Assets/(Liabilities)</i>			
Provisions	65,004	-	65,004
Property, plant and equipment	(57,500)	-	(57,500)
	7,504	-	7,504

The deferred tax assets/(liabilities) are attributable to the following :-

	The Group	
	2025 RM	2024 RM
<i>Deferred Tax Assets</i>		
Provisions	<b>194,520</b>	65,004
Property, plant and equipment	<b>(33,414)</b>	(57,000)
Right-of-use assets	<b>(93,173)</b>	-
Hire purchase payables	<b>28,512</b>	-
Lease liabilities	<b>65,414</b>	-
	<b>161,859</b>	8,004
<i>Deferred Tax Liabilities</i>		
Provisions	<b>308,340</b>	-
Property, plant and equipment	<b>(424,984)</b>	(500)
Others	<b>19,377</b>	-
	<b>(97,267)</b>	(500)
	<b>64,592</b>	7,504



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 11. INVENTORIES

	The Group	
	2025 RM	2024 RM
Raw materials	<b>5,532,397</b>	7,475,789
Work-in-progress	<b>1,051,075</b>	1,164,081
Packing materials	<b>2,192,886</b>	1,875,961
Goods-in-transit	<b>308,086</b>	226,966
Finished goods	<b>5,553,149</b>	5,408,731
Consumable goods	<b>10,052,242</b>	-
	<b>24,689,835</b>	16,151,528
Rights to recover returned goods (Note 12)	<b>224,660</b>	-
	<b>24,914,495</b>	16,151,528

The amount of inventories recognised as an expense in cost of sales was RM74,522,115 (2024 - RM40,423,799).

## 12. RIGHT TO RECOVER RETURNED GOODS/(REFUNDED LIABILITIES)

	The Group	
	2025 RM	2024 RM
Right to recover returned goods (Note 11)	<b>224,660</b>	-
Refunded liabilities (Note 25)	<b>(255,200)</b>	-

An asset for a right to recover returned goods and the corresponding refund liabilities are recognised for the right to recover consumable goods from customers when the customers exercise their right of return. These are measured by reference to the carrying amounts of consumable goods sold less any expected costs to recover those inventories and any potential decrease in value.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**13. TRADE RECEIVABLES**

	The Group	
	2025 RM	2024 RM
Trade receivables	<b>29,559,129</b>	9,575,102
Allowance for impairment losses (Note 44.1(b)(iii))	<b>(1,611,935)</b>	(786,433)
	<b>27,947,194</b>	8,788,669

The Group's normal trade credit terms range from 7 to 90 (2024 - 7 to 90) days. Other credit terms are assessed and approved on a case-by-case basis.

**14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	<b>832,350</b>	6,310	-	-
Deposits	<b>503,101</b>	511,790	<b>1,000</b>	1,000
Prepayments	<b>514,832</b>	262,454	<b>12,028</b>	716
	<b>1,850,283</b>	780,554	<b>13,028</b>	1,716

**15. AMOUNTS OWING BY/(TO) SUBSIDIARIES**

	The Company	
	2025 RM	2024 RM
Amount owing by:		
- non-trade balances	<b>4,882,485</b>	1,206,088
Amount owing to:		
- non-trade balance	<b>(71,233)</b>	-

(a) Included in the amount owing by subsidiaries (non-trade balances) of the Company at the end of the reporting period amounting to RM4,876,421 (2024 - RM825,329) is unsecured, interest-bearing loan ranging from 1.50% to 4.50% (2024 - 1.50% to 3.60%) per annum. The amount owing is repayable on demand and is to be settled in cash.

(b) Other than as disclosed in Note 15(a) to the financial statements, the other non-trade balances represent unsecured, interest-free payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**16. SHORT-TERM INVESTMENTS**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Money market funds, at fair value (Note 38(d))	<u>6,097,675</u>	<u>31,634,151</u>	<u>3,026,807</u>	<u>27,745,799</u>

The short-term money market fund represents the Group's and the Company's investment in money market fund which seeks to provide income and liquidity by investing primarily in fixed income securities, money market instruments and deposits. The redemption proceeds for investment in money market fund will normally be collected by the next business day. Therefore, the Group and the Company considered the investment in money market funds represented investment in highly liquid money market instruments which are readily convertible to known amount of cash, and are subject to an insignificant risk of changes in value.

**17. FIXED DEPOSITS WITH LICENSED BANKS**

- (a) The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bore effective interest rates ranging from 2.10% to 3.40% (2024 - 2.40% to 3.20%) per annum and 2.50% (2024 - 2.65%) per annum respectively. The fixed deposits have maturity periods of 1 to 12 (2024 - 3) months and 3 (2024 - 3) months for the Group and the Company respectively.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM3,575,757 (2024 - Nil) which has been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 22 to the financial statements.

**18. SHARE CAPITAL**

	The Group/The Company			
	2025 Number Of Shares	2024	2025 RM	2024 RM

**Issued and Fully Paid-Up**

Ordinary Shares

At 1 June/31 May	<u>730,096,498</u>	<u>730,096,498</u>	<u>66,257,198</u>	<u>66,257,198</u>
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The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

**19. MERGER DEFICIT**

The merger deficit arose from the difference between the carrying value of the investment and the nominal value of the shares of subsidiaries upon consolidation under the merger accounting principles.

**20. FOREIGN EXCHANGE TRANSLATION RESERVE**

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currency is different from the Group's presentation currency.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**21. LEASE LIABILITIES**

	The Group	
	2025 RM	2024 RM
At 1 June	<b>164,164</b>	387,046
Acquisition of a subsidiary (Note 37)	<b>295,272</b>	-
Interest expense recognised in profit or loss	<b>18,270</b>	14,247
Changes due to lease modification	<b>253,160</b>	34,271
Reclassification	<b>(72,000)</b>	(144,000)
Repayment of principal	<b>(152,127)</b>	(119,108)
Repayment of interest expense	<b>(15,701)</b>	(8,292)
	<b>491,038</b>	164,164
Analysed by :-		
Current liabilities	<b>204,906</b>	114,182
Non-current liabilities	<b>286,132</b>	49,982
	<b>491,038</b>	164,164

**22. BANK BORROWINGS**

	The Group	
	2025 RM	2024 RM
<b>Non-current</b>		
Hire purchase payables (Note 23)	<b>735,405</b>	-
Term loans	<b>384,795</b>	-
	<b>1,120,200</b>	-
<b>Current</b>		
Bank overdrafts	<b>2,318,261</b>	-
Bankers' acceptances	<b>11,587,604</b>	-
Hire purchase payables (Note 23)	<b>531,148</b>	-
Term loans	<b>629,692</b>	-
	<b>15,066,705</b>	-



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 22. BANK BORROWINGS (CONT'D)

- (a) Bank borrowings are secured by :-
  - (i) property, plant and equipment of the Group as disclosed in Note 6;
  - (ii) legal charge over properties and registered under former director of subsidiaries;
  - (iii) joint and several guarantees by the directors of the Group and former directors of subsidiaries;
  - (iv) pledged over fixed deposits as disclosed in Note 17;
  - (v) against guarantee coverage by Syarikat Jaminan Pembiayaan Perniagaan Berhad (SJPP);
  - (vi) guarantee by the Government of Malaysia under Working Capital Guarantee Scheme and Bank Negara Malaysia's Fund for Small and Medium Enterprise - Special Relief Facility; and
  - (vii) corporate guarantee of the Company.
  
- (b) In connection with certain borrowings, the Group has to comply with the following significant covenants :-
  - (i) declaration of dividends requires consent from the bank;
  - (ii) non-trade advances to related parties to be capped at RM544,000 from financial year end 31 December 2021 onwards. No further advances are allowed prior to Bank's written consent; and
  - (iii) gearing ratio of not more than 2.25 times.

The covenants are tested on the financial year ended 31 May 2025.

The Group breached (i) debt covenant for its bank borrowings. Consequently, the Group initiated discussions with the lenders in the second quarter of 2025 to seek a waiver for the breach. Since the negotiations remain on going, the lenders retain the right to demand immediate repayment of the outstanding bank borrowings comprising bankers' acceptances of RM8,841,000 and a term loan of RM223,496 at 31 May 2025. In addition, the Group has issued performance guarantees of RM3,030,000 to suppliers. These guarantees are not a financial liability to the lenders and is not subject to the breached covenants. Accordingly, it is excluded from the amount potentially subject to immediate repayment. The loan agreement contains cross-default provisions with other lenders. However, as of the reporting date, no defaults have been declared by other lenders, and no cross-default has arisen.

The Group has evaluated its liquidity position and believes it has sufficient resources to meet its obligations as they fall due. Management is actively negotiating with the lenders to resolve the breach and obtain appropriate waivers.

- (c) The bank borrowings bore weighted average effective interest rate as follows :-

	The Group	
	2025 %	2024 %
Bank overdrafts	6.85	-
Bankers' acceptances	3.31 - 5.22	-
Hire purchase payables	4.09 - 7.11	-
Term loans	3.50 - 7.97	-



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**23. HIRE PURCHASE PAYABLES**

	The Group	
	2025 RM	2024 RM
Minimum hire purchase payments :-		
- not later than one year	594,740	-
- later than one year and not later than five years	748,501	-
- later than five years	70,382	-
	<b>1,413,623</b>	-
Less: Future finance charges	(147,070)	-
Present value of hire purchase payables	<b>1,266,553</b>	-
Analysed by :-		
Current liabilities	531,148	-
Non-current liabilities	735,405	-
	<b>1,266,553</b>	-

**24. TRADE PAYABLES**

The normal trade credit terms granted to the Group range from 30 to 90 (2024 - 30 to 90) days.

**25. OTHER PAYABLES AND ACCRUALS**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables :-				
Third parties	1,519,486	385,253	28,605	21,338
A director	1,959,741	-	-	-
Advance from a customer	-	41,870	-	-
Refunded liabilities (Note 12)	255,200	-	-	-
Sales and service tax payable	604,624	661,473	-	-
	<b>4,339,051</b>	1,088,596	<b>28,605</b>	21,338
Accruals	<b>956,682</b>	489,914	<b>186,930</b>	50,830
	<b>5,295,733</b>	1,578,510	<b>215,535</b>	72,168



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 25. OTHER PAYABLES AND ACCRUALS (CONT'D)

- (a) The amount owing to a director is non-trade in nature, comprising unsecured and interest-free advances. The amount owing is repayable on demand and is to be settled in cash.
- (b) In the previous financial year, the advance from a customer was unsecured and interest-free. The amount owing was offset against sales to the customer during the year.

### 26. AMOUNT OWING TO A RELATED PARTY

The amount owing is non-trade in nature, comprising unsecured and interest-free rental expenses. The amount owing is repayable on demand and is to be settled in cash.

### 27. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from Contracts with Customers</b>				
<u>Recognised at a point in time</u>				
Sale of industrial chemical and plastic products	53,792,280	55,787,855	-	-
Sale of consumable goods	39,480,897	-	-	-
<b>Revenue from Other Source</b>				
Dividend income	-	-	1,612,000	1,560,000
	<b>93,273,177</b>	<b>55,787,855</b>	<b>1,612,000</b>	<b>1,560,000</b>

- (a) The information on the disaggregation of revenue by geographical market is disclosed in Note 41.2 to the financial statements.
- (b) The information about the performance obligations in contracts with customers is summarised below :-
- (i) **Sale of Industrial Chemical and Plastic Products**

Revenue from sale of industrial chemical and plastic products is recognised at a point in time when goods have been delivered and accepted by customers.

There is no significant financing component in the selling price as the sales are made on normal credit terms not exceeding 90 days.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**27. REVENUE (CONT'D)**

(b) The information about the performance obligations in contracts with customers is summarised below (Cont'd) :-

**(ii) Sale of consumable goods**

Revenue from sale of consumable goods is recognised when goods have been delivered and accepted by customers.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

It is the Group's policy to sell consumable goods with a right of return within a specified period. Therefore, a refund liability (included in other payables) and a right to the return goods (included in inventories) are recognised for the goods expected to be returned by the customers. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level. The Group uses the expected value method to estimate goods that will not be returned in arriving at the amount of revenue.

There is no significant financing component in the selling price as the sales are made on normal credit terms not exceeding 90 days.

(c) The information of the revenue from other source is summarised below :-

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

**28. COST OF SALES**

	The Group	
	2025 RM	2024 RM

Included in cost of sales are the following items :-

Depreciation:

- property, plant and equipment	<b>897,490</b>	667,358
- right-of-use assets	<b>251,664</b>	244,633

Lease expense:

- short-term lease	<b>219,952</b>	168,000
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Staff costs:

- short-term employee benefits	<b>3,877,607</b>	3,877,693
- defined contribution benefits	<b>445,450</b>	449,202
- others	<b>63,204</b>	62,617



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 29. OTHER INCOME

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in other income are the following items :-				
Gain on disposal of property, plant and equipment	<b>11,999</b>	-	-	-
Gain on foreign exchange:				
- realised	-	6,585	-	-
- unrealised	-	99,072	-	14,549
Gain on modification of leases	-	12,576	-	-
Interest income from short-term investments	<b>710,874</b>	1,073,983	<b>681,008</b>	965,523
Interest income on financial assets measured at amortised cost:				
- amount owing by subsidiaries	-	-	<b>88,309</b>	13,703
- fixed deposits with licensed banks	<b>210,840</b>	164,358	<b>142</b>	2,407
- cash at banks	<b>14,926</b>	27,905	-	-
Lease income	<b>76,000</b>	-	-	-

### 30. SELLING AND MARKETING EXPENSES

	The Group	
	2025 RM	2024 RM
Included in selling and marketing expenses are the following items :-		
Depreciation:		
- property, plant and equipment	<b>118,997</b>	-
- right-of-use assets	<b>24,515</b>	-
Lease expenses:		
- low value assets	<b>3,088</b>	-
Staff costs:		
- short-term employee benefits	<b>1,725,258</b>	-
- defined contribution benefits	<b>237,327</b>	-



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**31. ADMINISTRATIVE EXPENSES**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in administrative expenses are the following items :-				
Amortisation of trademark	<b>32,500</b>	32,500	-	-
Auditors' remuneration:				
- audit fees:				
- current financial year	<b>273,050</b>	144,487	<b>88,000</b>	32,000
- underprovision in the previous financial year	<b>4,000</b>	-	<b>4,000</b>	-
- non-audit fees:				
- auditors of the Company	<b>5,000</b>	5,000	<b>5,000</b>	5,000
- local affiliates of auditors of the Company	<b>145,200</b>	34,200	<b>116,000</b>	5,000
Depreciation:				
- property, plant and equipment	<b>369,875</b>	168,377	-	-
- right-of-use assets	<b>176,392</b>	166,899	-	-
Directors' remuneration (Note 39(a)):				
- fees	<b>360,000</b>	360,000	<b>300,000</b>	300,000
- salaries, bonuses and other benefits	<b>1,653,307</b>	1,555,302	<b>19,000</b>	-
- defined contribution benefits	<b>54,450</b>	45,000	-	-
Lease expenses:				
- short-term leases	<b>526,300</b>	24,000	-	-
Staff costs (including other key management personnel as disclosed in Note 39(b)):				
- short-term employee benefits	<b>3,828,921</b>	3,032,725	<b>600,451</b>	604,172
- defined contribution benefits	<b>491,586</b>	388,790	<b>63,864</b>	72,557



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 32. OTHER EXPENSES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in other expenses are the following items :-				
Property, plant and equipment written off	<b>4,997</b>	2	-	-
Bad debt written off	<b>21,374</b>	-	-	-
Loss on foreign exchange:				
- realised	<b>82,119</b>	-	-	-
- unrealised	<b>794,297</b>	-	<b>38,617</b>	-

### 33. FINANCE COSTS

	The Group	
	2025 RM	2024 RM
Included in finance costs are the following items :-		
Interest expense on lease liabilities	<b>18,270</b>	14,247
Bank overdraft interest	<b>59,794</b>	-
Bankers' acceptance interest	<b>197,230</b>	-
Hire purchase interest	<b>35,503</b>	-
Term loan interest	<b>20,099</b>	-



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**34. INCOME TAX EXPENSE**

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax:				
- for the financial year	<b>1,367,402</b>	1,920,144	-	-
- (over)/under provision in the previous financial year	<b>(276,794)</b>	490,609	-	(878)
Real property gains tax	-	265,678	-	-
	<b>1,090,608</b>	2,676,431	-	(878)
Deferred tax (Note 10):				
- origination and reversal of temporary differences	<b>84,248</b>	-	-	-
	<b>1,174,856</b>	2,676,431	-	(878)

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before taxation	<b>4,074,219</b>	7,380,117	<b>186,828</b>	1,220,113
Tax at the statutory tax rate of 24% (2024 - 24%)	<b>977,813</b>	1,771,228	<b>44,839</b>	292,827
Tax effects of :-				
Non-deductible expenses	<b>1,029,871</b>	469,483	<b>342,041</b>	81,573
Non-taxable income	<b>(550,229)</b>	(387,167)	<b>(386,880)</b>	(374,400)
Deferred tax assets not recognised during the financial year	-	50,849	-	-
Utilisation of deferred tax assets previously not recognised	<b>(8,194)</b>	(8,277)	-	-
Differential in tax rates of foreign subsidiaries	<b>2,389</b>	24,028	-	-
Real property gains tax	-	265,678	-	-
(Over)/Under provision of current tax in the previous financial year	<b>(276,794)</b>	490,609	-	(878)
	<b>1,174,856</b>	2,676,431	-	(878)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 35. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2025 RM	2024 RM
Profit after taxation attributable to owners of the Company (RM)	<u>2,606,343</u>	<u>4,701,131</u>
Weighted average number of ordinary shares in issue	<u>730,096,498</u>	<u>730,096,498</u>
Basic earnings per share (Sen)	<u>0.36</u>	<u>0.64</u>

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

### 36. DIVIDENDS

	The Group/The Company	
	2025 RM	2024 RM
<u>In respect of financial year ended 31 May 2023</u>		
A first interim single-tier dividend of 0.15 sen per ordinary share	-	1,095,147
<u>In respect of financial year ended 31 May 2024</u>		
A first interim single-tier dividend of 0.10 sen per ordinary share	<u>730,096</u>	<u>-</u>
	<u>730,096</u>	<u>1,095,147</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 37. ACQUISITION OF A SUBSIDIARY

On 27 December 2024, the Company acquired 65% equity interests in EF. The acquisition of this subsidiary is to enable the Group to expand and diversify its business's income stream, enhance its earnings base and reduce its reliance on the sale of aerosol products.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	The Group 2025 RM
Property, plant and equipment (Note 6)	3,265,222
Right-of-use assets (Note 7)	784,399
Deferred tax assets (Note 10)	141,336
Inventories	10,231,044
Trade and other receivables	15,504,022
Fixed deposits with licensed banks	3,517,857
Cash and bank balances	3,311,407
Current tax assets	453,916
Trade payables, other payables and accruals	(10,930,582)
Amount owing to directors	(3,000,000)
Amount owing to shareholders	(262,500)
Current tax liabilities	(427,815)
Lease liabilities (Note 21)	(295,272)
Hire purchase payables	(1,491,133)
Term loans	(1,316,254)
Bank overdrafts	(1,184,591)
Banker acceptances	<u>(9,472,293)</u>
Net identifiable assets acquired	8,828,763
Less: Non-controlling interests, measured at the proportionate share of the fair value of the net identifiable assets	(4,418,997)
Add: Goodwill on acquisition (Note 9)	<u>3,130,234</u>
Total purchase consideration, to be settled by cash	7,540,000
Less: Cash and cash equivalents of subsidiary acquired	<u>(2,562,253)</u>
Net cash outflow from the acquisition of a subsidiary	<u>4,977,747</u>



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 37. ACQUISITION OF A SUBSIDIARY (CONT'D)

- (a) The goodwill is attributable mainly to the control premium paid. In addition, the purchase consideration also included benefits derived from the expected revenue growth of the subsidiary, its future market development as well as a customer list. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The goodwill is not deductible for tax purposes.
- (b) The subsidiary has contributed revenue of RM39,480,897 and profit after taxation of RM533,625 to the Group since the date of acquisition.

If the acquisition was effective at the beginning of the current financial year, the Group's revenue and profit after taxation for the current financial year would have been RM141,434,926 and RM2,904,099 respectively.

There were no acquisitions of new subsidiaries in the previous financial year.

## 38. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows :-

	The Group	
	2025 RM	2024 RM
<b>Property, plant and equipment</b>		
Cost of property, plant and equipment purchased (Note 6)	<u>7,892,416</u>	<u>2,816,703</u>
<b>Right-of-use assets</b>		
Cost of right-of-use assets acquired (Note 7)	<u>10,633,015</u>	<u>-</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**38. CASH FLOW INFORMATION (CONT'D)**

(b) The reconciliations of liabilities arising from financing activities are as follows :-

The Group	Bankers' Acceptance RM	Term Loans RM	Hire Purchase Payables RM	Lease Liabilities RM	Total RM
<b>2025</b>					
At 1 June	-	-	-	164,164	164,164
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	21,230,176	-	-	-	21,230,176
Repayment of principal	(19,114,865)	(301,767)	(224,580)	(152,127)	(19,793,339)
Repayment of interests	(197,230)	(20,099)	(35,503)	(15,701)	(268,533)
	1,918,081	(321,866)	(260,083)	(167,828)	1,168,304
<u>Other Changes</u>					
Acquisition of a subsidiary (Note 37)	9,472,293	1,316,254	1,491,133	295,272	12,574,952
Modification of leases (Note 21)	-	-	-	253,160	253,160
Interest expense recognised in profit or loss (Note 33)	197,230	20,099	35,503	18,270	271,102
Reclassification	-	-	-	(72,000)	(72,000)
	9,669,523	1,336,353	1,526,636	494,702	13,027,214
At 31 May	11,587,604	1,014,487	1,266,553	491,038	14,359,682



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 38. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd) :-

The Group	Lease Liabilities RM
<b>2024</b>	
At 1 June	387,046
<u>Changes in Financing Cash Flows</u>	
Repayment of principal	(119,108)
Repayment of interests	(8,292)
	(127,400)
<u>Other Changes</u>	
Modification of leases (Note 21)	34,271
Interest expense recognised in profit or loss (Note 33)	14,247
Reclassification	(144,000)
	<u>(95,482)</u>
At 31 May	<u>164,164</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**38. CASH FLOW INFORMATION (CONT'D)**

(c) The total cash outflows for leases as a lessee are as follows :-

	The Group	
	2025 RM	2024 RM
Payment of short-term leases	<b>746,252</b>	192,000
Payment of low-value assets	<b>3,088</b>	-
Interest paid on lease liabilities	<b>15,701</b>	8,292
Payment of lease liabilities	<b>152,127</b>	119,108
	<b>917,168</b>	319,400

(d) The cash and cash equivalents comprise the following :-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	<b>8,621,487</b>	4,977,977	<b>5,629</b>	5,487
Cash and bank balances	<b>10,796,864</b>	10,625,581	<b>159,648</b>	161,927
Money market funds (Note 16)	<b>6,097,675</b>	31,634,151	<b>3,026,807</b>	27,745,799
Bank overdrafts (Note 22)	<b>(2,318,261)</b>	-	-	-
	<b>23,197,765</b>	47,237,709	<b>3,192,084</b>	27,913,213
Less:				
Fixed deposits pledged to licensed banks	<b>(3,575,757)</b>	-	-	-
Fixed deposits with tenure more than 3 months	<b>(45,088)</b>	-	-	-
	<b>19,576,920</b>	47,237,709	<b>3,192,084</b>	27,913,213



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**39. KEY MANAGEMENT PERSONNEL COMPENSATION**

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows :-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	<b>360,000</b>	360,000	<b>300,000</b>	300,000
- salaries, bonuses and other benefits	<b>1,653,307</b>	1,555,302	<b>19,000</b>	-
	<b>2,013,307</b>	1,915,302	<b>319,000</b>	300,000
Defined contribution benefits	<b>54,450</b>	45,000	-	-
	<b>2,067,757</b>	1,960,302	<b>319,000</b>	300,000
<u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- fees	<b>24,000</b>	24,000	-	-
- salaries, bonuses and other benefits	<b>371,673</b>	103,643	-	-
	<b>395,673</b>	127,643	-	-
Defined contribution benefits	<b>45,531</b>	15,093	-	-
	<b>441,204</b>	142,736	-	-
	<b>2,508,961</b>	2,103,038	<b>319,000</b>	300,000
<b>(b) Other Key Management Personnel</b>				
Short-term employee benefits	<b>814,042</b>	848,446	<b>218,815</b>	317,707
Defined contribution benefits	<b>112,832</b>	114,789	<b>26,100</b>	37,768
Total compensation for other key management personnel	<b>926,874</b>	963,235	<b>244,915</b>	355,475



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 40. RELATED PARTY DISCLOSURES

#### (a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

#### (b) Significant Related Party Transactions and Balances

The Group and the Company also carried out the following transactions with the related parties during the financial year :-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Dividend from a subsidiary	-	-	<b>1,612,000</b>	1,560,000
Interest income receivable from subsidiaries	-	-	<b>88,309</b>	13,703
Loan to a subsidiary	-	-	<b>4,000,000</b>	-
Rental of premise paid or payable to a company in which a director of the Company has a substantial financial interest	<b>559,500</b>	72,000	-	-
Staff costs paid or payable to a spouse of the Company's director	<b>364,047</b>	320,903	-	-

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in Note 15 and 26 to the financial statements.

### 41. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products provided.

The Group is organised into 5 main reportable segments as follows :-

- (a) Aerosol products segment - involved in the business of development, manufacturing and distribution of aerosol products.
- (b) Solvents and thinners segment - involved in the business of trading of solvents and thinners.
- (c) Plastic products - involved in the business of manufacturing and trading of plastic products.
- (d) Fast moving consumer goods ("FMCG") - involved in the business of agency and distribution of consumer products.
- (e) Others - dormant and investment holding.

The directors assess the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Each reportable segment assets is measured based on all assets of the segment other than tax-related assets.

Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 41. OPERATING SEGMENTS (CONT'D)

## 41.1 BUSINESS SEGMENTS

2025	Aerosol products RM	Solvents and thinners RM	Plastic products RM	FMCG RM	Others RM	The Group RM
<b>Revenue</b>						
External revenue	41,203,284	11,652,705	712,168	39,480,897	224,123	93,273,177
Inter-segment revenue	24,978,462	-	970,586	-	1,612,000	27,561,048
	<u>66,181,746</u>	<u>11,652,705</u>	<u>1,682,754</u>	<u>39,480,897</u>	<u>1,836,123</u>	<u>120,834,225</u>
Consolidation adjustments						<u>(27,561,048)</u>
Consolidated revenue						<u>93,273,177</u>
<b>Results</b>						
Segment profit before interest and taxation	<u>3,697,771</u>	<u>973,960</u>	<u>4,806</u>	<u>1,129,751</u>	<u>(1,359,069)</u>	<u>4,447,219</u>
Segment profit includes the following :-						
Amortisation of trademark	-	(32,500)	-	-	-	(32,500)
Bad debt written off	-	-	-	(21,374)	-	(21,374)
Depreciation of property, plant and equipment	(930,523)	(72,145)	(99,500)	(284,194)	-	(1,386,362)
Depreciation of right-of-use assets	(233,510)	(111,340)	(81,003)	(26,718)	-	(452,571)
Gain on disposal of property, plant and equipment	11,999	-	-	-	-	11,999
Interest expenses	-	(6,317)	(2,997)	(321,582)	-	(330,896)
Interest income	61,655	69,401	-	25,606	779,978	936,640
Property, plant and equipment written off	(4,997)	-	-	-	-	(4,997)
Unrealised loss on foreign exchange	<u>(794,297)</u>	-	-	-	-	<u>(794,297)</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 41. OPERATING SEGMENTS (CONT'D)

## 41.1 BUSINESS SEGMENTS (CONT'D)

2025	Aerosol products RM	Solvents and thinners RM	Plastic products RM	FMCG RM	Others RM	The Group RM
<b>Assets</b>						
Segment assets	64,886,742	21,922,971	1,260,685	39,943,101	67,100,147	195,113,646
Unallocated assets :-						
- deferred tax assets						161,859
- current tax assets						3,207,095
Consolidation adjustments						<u>(68,663,227)</u>
Consolidation total assets						<u>129,819,373</u>
Additions to non-current assets other than financial instruments and deferred tax assets :-						
Property, plant and equipment	2,787,872	4,594,710	223,763	286,071	-	7,892,416
Right-of-use assets	-	10,633,015	-	-	-	10,633,015
Goodwill	-	-	-	3,130,234	-	3,130,234
<b>Liabilities</b>						
Segment liabilities	14,054,835	1,339,686	862,206	30,927,667	423,013	47,607,407
Unallocated liabilities :-						
- deferred tax liabilities						97,267
- lease liabilities						491,038
Consolidation adjustments						<u>(13,596,732)</u>
Consolidated total liabilities						<u>34,598,980</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 41. OPERATING SEGMENTS (CONT'D)

## 41.1 BUSINESS SEGMENTS (CONT'D)

2024	Aerosol products RM	Solvents and thinners RM	Plastic products RM	Others RM	The Group RM
<b>Revenue</b>					
External revenue	42,885,928	12,015,428	595,014	291,485	55,787,855
Inter-segment revenue	25,655,441	-	887,460	1,560,000	28,102,901
	<u>68,541,369</u>	<u>12,015,428</u>	<u>1,482,474</u>	<u>1,851,485</u>	<u>83,890,756</u>
Consolidation adjustments					<u>(28,102,901)</u>
Consolidated revenue					<u>55,787,855</u>
<b>Results</b>					
Segment profit before interest and taxation	<u>7,063,575</u>	<u>535,595</u>	<u>39,901</u>	<u>(244,707)</u>	<u>7,394,364</u>
Segment profit includes the following :-					
Amortisation of trademark	-	(32,500)	-	-	(32,500)
Interest income	166,887	108,460	-	990,899	1,266,246
Interest expenses	-	(7,942)	(6,305)	-	(14,247)
Depreciation of property, plant and equipment	(669,476)	(81,253)	(85,006)	-	(835,735)
Depreciation of right-of-use assets	(236,188)	(101,372)	(73,972)	-	(411,532)
Property, plant and equipment written off	(2)	-	-	-	(2)
Unrealised gain on foreign exchange	<u>99,072</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,072</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 41. OPERATING SEGMENTS (CONT'D)

## 41.1 BUSINESS SEGMENTS (CONT'D)

2024	Aerosol products RM	Solvents and thinners RM	Plastic products RM	Others RM	The Group RM
<b>Assets</b>					
Segment assets	63,507,289	10,274,375	1,022,021	67,468,606	142,272,291
Unallocated assets:					
- deferred tax assets					8,004
- current tax assets					2,369,466
Consolidation adjustments					<u>(47,090,002)</u>
Consolidation total assets					<u>97,559,759</u>
Additions to non-current assets other than financial instruments and deferred tax assets :-					
Property, plant and equipment	<u>2,614,481</u>	<u>169,615</u>	<u>32,607</u>	-	<u>2,816,703</u>
<b>Liabilities</b>					
Segment liabilities	13,907,826	2,961,174	679,848	185,575	17,734,423
Unallocated liabilities :-					
- deferred tax liabilities					500
- lease liabilities					164,164
Consolidation adjustments					<u>(8,991,692)</u>
Consolidated total liabilities					<u>8,907,395</u>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 41. OPERATING SEGMENTS (CONT'D)

#### 41.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments.

The Group	Revenue		Non-current Assets	
	2025 RM	2024 RM	2025 RM	2024 RM
Malaysia	<b>81,430,362</b>	43,094,892	<b>45,029,892</b>	20,699,755
Outside Malaysia	<b>11,842,815</b>	12,692,963	<b>1,354,388</b>	1,532,078
	<b><u>93,273,177</u></b>	<u>55,787,855</u>	<b><u>46,384,280</u></b>	<u>22,231,833</u>

The information on the disaggregation of revenue based on geographical region is summarised below :-

	At A Point in Time	
	2025 RM	2024 RM
Malaysia	<b>81,430,362</b>	43,094,892
Outside Malaysia	<b>11,842,815</b>	12,692,963
	<b><u>93,273,177</u></b>	<u>55,787,855</u>

#### 41.3 MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**42. CAPITAL COMMITMENTS**

	The Group	
	2025 RM	2024 RM
Approved and not contracted for :-		
Property, plant and equipment	-	11,161,762
Approved and contracted for :-		
Property, plant and equipment	<u>17,900,000</u>	<u>734,537</u>
	<u>17,900,000</u>	<u>11,896,299</u>

**43. CONTINGENT LIABILITIES**

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement :-

	The Group	
	2025 RM	2024 RM
Performance guarantee extended by subsidiaries to suppliers	<u>3,880,000</u>	<u>-</u>

**44. FINANCIAL INSTRUMENTS**

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

**44.1 FINANCIAL RISK MANAGEMENT POLICIES**

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

**(a) Market Risk****(i) Foreign Currency Risk**

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



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(a) Market Risk (Cont'd)**

## (i) Foreign Currency Risk (Cont'd)

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

*Foreign Currency Exposure*

<b>The Group</b>	<b>USD RM</b>	<b>NZD RM</b>	<b>JPY RM</b>	<b>SGD RM</b>
<b>2025</b>				
<u>Financial Assets</u>				
Trade receivables	<b>1,646,467</b>	<b>321,245</b>	-	<b>816,558</b>
Other receivable and deposit	-	-	<b>808</b>	<b>5,427</b>
Short-term investments	<b>2,583,114</b>	-	-	-
Cash and bank balances	<b>1,165,201</b>	-	<b>52,046</b>	<b>1,657,948</b>
	<b>5,394,782</b>	<b>321,245</b>	<b>52,854</b>	<b>2,479,933</b>
<u>Financial Liabilities</u>				
Trade payables	<b>(481,597)</b>	-	<b>(266,126)</b>	<b>(218,592)</b>
Other payables and accruals	-	-	<b>(6,646)</b>	<b>(71,029)</b>
	<b>(481,597)</b>	-	<b>(272,772)</b>	<b>(289,621)</b>
Net financial assets/(liabilities)	<b>4,913,185</b>	<b>321,245</b>	<b>(219,918)</b>	<b>2,190,312</b>
Less: Net financial assets denominated in the respective entities' functional currency	-	-	<b>(46,208)</b>	<b>(2,364,329)</b>
Currency Exposure	<b>4,913,185</b>	<b>321,245</b>	<b>(266,126)</b>	<b>(174,017)</b>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(a) Market Risk (Cont'd)**

## (i) Foreign Currency Risk (Cont'd)

*Foreign Currency Exposure (Cont'd)*

The Group	USD RM	JPY RM	SGD RM
<b>2024</b>			
<u>Financial Assets</u>			
Trade receivables	1,418,239	-	816,340
Other receivable and deposit	-	823	6,122
Cash and bank balances	4,277,931	19,393	1,144,681
	5,696,170	20,216	1,967,143
<u>Financial Liabilities</u>			
Trade payables	(592,354)	(204,899)	(26,617)
Other payables and accruals	-	(223)	(23,876)
	(592,354)	(205,122)	(50,493)
Net financial assets/(liabilities)	5,103,816	(184,906)	1,916,650
Less: Net financial assets denominated in the respective entities' functional currency	-	(19,993)	(1,927,967)
Currency Exposure	5,103,816	(204,899)	(11,317)

The Company	SGD RM
<b>2025</b>	
<u>Financial Assets</u>	
Amount owing by subsidiaries	703,614
<b>2024</b>	
<u>Financial Assets</u>	
Amount owing by subsidiaries	697,913



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

### 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

##### *Foreign Currency Risk Sensitivity Analysis*

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

		The Group	
		2025 RM	2024 RM
<b>Effects on Profit After Taxation</b>			
USD/RM	- strengthened by 10%	<b>+373,402</b>	+387,890
	- weakened by 10%	<b>-373,402</b>	-387,890
NZD/RM	- strengthened by 10%	<b>+24,415</b>	-
	- weakened by 10%	<b>-24,415</b>	-
JPY/RM	- strengthened by 10%	<b>-20,226</b>	-15,572
	- weakened by 10%	<b>+20,226</b>	+15,572
SGD/RM	- strengthened by 10%	<b>-13,225</b>	-860
	- weakened by 10%	<b>+13,225</b>	+860

		The Company	
		2025 RM	2024 RM
<b>Effects on Profit After Taxation</b>			
SGD/RM	- strengthened by 10%	<b>+53,475</b>	+53,041
	- weakened by 10%	<b>-53,475</b>	- 53,041



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

### 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (a) Market Risk (Cont'd)

##### (ii) Interest Rate Risk

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

The fixed rate debt instruments of the Group is not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 22 to the financial statements.

##### *Interest Rate Risk Sensitivity Analysis*

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

##### (iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, are not exposed to equity price risk.

#### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances, fixed deposits with licensed banks and short-term investments), the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

##### (i) Credit Risk Concentration Profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

##### (ii) Maximum Exposure to Credit Risk

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

In addition, the Company's maximum exposure to credit risks also includes corporate guarantees provided to its subsidiaries of RM2,517,000 (2024 - Nil) at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

### 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group and the Company closely monitor the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred :-

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 120 days past due.

#### Trade Receivables

The Group applies the simplified approach to measuring expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

#### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on an individual basis.

The expected loss rates are based on the payment profiles of sales over 1 year (2024 - 1 year) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the unemployment rate, Gross Domestic Product (GDP) and inflation rate as the key macroeconomic factors of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(b) Credit Risk (Cont'd)**

## (iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)*Allowance for Impairment Losses*

The information about the credit exposure and loss allowances recognised for trade receivables are as follows :-

The Group	Gross Amount RM	Lifetime Individual Allowance RM	Lifetime Collective Allowance RM	Carrying Amount RM
<b>2025</b>				
Current (not past due)	<b>17,618,428</b>	-	<b>(70,778)</b>	<b>17,547,650</b>
1 to 30 days past due	<b>6,791,716</b>	-	<b>(83,543)</b>	<b>6,708,173</b>
31 to 60 days past due	<b>2,718,541</b>	-	<b>(29,356)</b>	<b>2,689,185</b>
More than 61 days past due	<b>1,066,646</b>	-	<b>(64,460)</b>	<b>1,002,186</b>
Credit impaired	<b>1,363,798</b>	<b>(718,625)</b>	<b>(645,173)</b>	-
	<b>29,559,129</b>	<b>(718,625)</b>	<b>(893,310)</b>	<b>27,947,194</b>
<b>2024</b>				
Current (not past due)	5,595,088	-	(2,248)	5,592,840
1 to 30 days past due	1,700,867	-	(19,661)	1,681,206
31 to 60 days past due	1,103,456	-	(29,356)	1,074,100
More than 61 days past due	457,066	-	(16,543)	440,523
Credit impaired	718,625	(718,625)	-	-
	9,575,102	(718,625)	(67,808)	8,788,669

There has not been any significant change in the gross amounts of trade receivables that impacted the allowance for impairment losses.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(b) Credit Risk (Cont'd)**

## (iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)*Allowance for Impairment Losses (Cont'd)*

The reconciliations of allowance for impairment losses are as follows :-

The Group	Non-credit Impaired RM	Credit Impaired RM	Carrying Amount RM
<u>Trade Receivables</u>			
Balance at 1.6.2023	26,404	760,029	786,433
Additions	41,404	-	41,404
Reversals	-	(41,404)	(41,404)
	<b>67,808</b>	<b>718,625</b>	<b>786,433</b>
Balance at 31.5.2024/1.6.2024	<b>180,329</b>	<b>645,173</b>	<b>825,502</b>
Acquisition of a subsidiary			
	<b>248,137</b>	<b>1,363,798</b>	<b>1,611,935</b>
Balance at 31.5.2025			

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

#### 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Other Receivables (Cont'd)

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)*

The Group uses 3 categories to reflect its credit risk and how the loss allowance is determined for each category :-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on an individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on a collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts using the linear regressive analysis. The Group has identified the unemployment rate, Gross Domestic Product (GDP) and inflation rate as the key macroeconomic factors of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

##### *Allowance for Impairment Losses*

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

#### 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

###### (iii) Assessment of Impairment Losses (Cont'd)

###### Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

###### Amount Owing by Subsidiaries (Non-trade Balances)

The Company also applies the 3-stage general approach (see information in other receivables above) to measuring expected credit losses for all inter-company balances.

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

###### *Allowance for Impairment Losses*

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

###### Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when :-

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

###### *Allowance for Impairment Losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(c) Liquidity Risk**

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

*Maturity Analysis*

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

The Group	Effective Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
<b>2025</b>					
<u>Non-derivative Financial Liabilities</u>					
Trade payables	-	11,869,037	11,869,037	11,869,037	-
Other payables and accruals	-	2,476,168	2,476,168	2,476,168	-
Amount owing to a director	-	1,959,741	1,959,741	1,959,741	-
Amount owing to related parties	-	659,000	659,000	659,000	-
Bank borrowings	3.31 - 7.97	16,186,905	16,610,743	15,395,382	1,215,361
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiary	-	-	2,517,000	2,517,000	-
		<b>33,150,851</b>	<b>36,091,689</b>	<b>34,876,328</b>	<b>1,215,361</b>
<u>Other Financial Liability</u>					
Lease liabilities	3.50 - 6.89	491,038	549,150	231,400	317,750
		<b>33,641,889</b>	<b>36,640,839</b>	<b>35,107,728</b>	<b>1,533,111</b>
<b>2024</b>					
<u>Non-derivative Financial Liabilities</u>					
Trade payables	-	7,014,221	7,014,221	7,014,221	-
Other payables and accruals	-	875,167	875,167	875,167	-
Amount owing to a related party	-	150,000	150,000	150,000	-
		8,039,388	8,039,388	8,039,388	-
<u>Other Financial Liability</u>					
Lease liabilities	3.50 - 5.40	164,164	171,450	119,500	51,950
		<b>8,203,552</b>	<b>8,210,838</b>	<b>8,158,888</b>	<b>51,950</b>



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

**44. FINANCIAL INSTRUMENTS (CONT'D)**

## 44.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

**(c) Liquidity Risk***Maturity Analysis (Cont'd)*

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

The Company	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM
<b>2025</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	215,535	215,535	215,535	-
Amount owing to a related party	71,233	71,233	71,233	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiary	-	2,517,000	2,517,000	-
	<b>286,768</b>	<b>2,803,768</b>	<b>2,803,768</b>	-
<b>2024</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	72,168	72,168	72,168	-

## 44.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

There were no change in the approach to capital management during the financial year.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

## 44.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Financial Assets</b>				
<u>Mandatorily at Fair Value Through Profit or Loss</u>				
Short-term investments (Note 16)	<b>6,097,675</b>	31,634,151	<b>3,026,807</b>	27,745,799
<u>Amortised Cost</u>				
Trade receivables (Note 13)	<b>27,947,194</b>	8,788,669	-	-
Other receivables (Note 14)	<b>832,350</b>	6,310	-	-
Amount owing by subsidiaries (Note 15)	-	-	<b>4,882,485</b>	1,206,088
Fixed deposits with licensed banks (Note 17)	<b>8,621,487</b>	4,977,977	<b>5,629</b>	5,487
Cash and bank balances	<b>10,796,864</b>	10,625,581	<b>159,648</b>	161,927
	<b>48,197,895</b>	24,398,537	<b>5,047,762</b>	1,373,502
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Trade payables (Note 24)	<b>11,869,037</b>	7,014,221	-	-
Other payables and accruals (Note 25)	<b>2,476,168</b>	875,167	<b>215,535</b>	72,168
Amount owing to a director (Note 25)	<b>1,959,741</b>	-	-	-
Amount owing to a subsidiary (Note 15)	-	-	<b>71,233</b>	-
Amount owing to a related party (Note 26)	<b>659,000</b>	150,000	-	-
Bank borrowings (Note 22)	<b>16,186,905</b>	-	-	-
	<b>33,150,851</b>	8,039,388	<b>286,768</b>	72,168



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

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

#### 44.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss by:				
- mandatorily required by MFRS 9	<u>710,874</u>	<u>1,073,983</u>	<u>681,008</u>	<u>965,523</u>
<u>Amortised Cost</u>				
Net (loss)/gain recognised in profit or loss	<u>(672,024)</u>	<u>297,920</u>	<u>49,834</u>	<u>30,659</u>
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Net loss recognised in profit or loss	<u>(312,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### 44.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

## 44.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period :-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
<b>The Group</b>								
<b>2025</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	6,097,675	-	-	-	-	6,097,675	6,097,675
<u>Financial Liability</u>								
Bank borrowings	-	-	-	-	16,610,743	-	16,610,743	16,186,905
<b>2024</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	31,634,151	-	-	-	-	31,634,151	31,634,151



# Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

## 44. FINANCIAL INSTRUMENTS (CONT'D)

### 44.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value at the end of the reporting period (Cont'd) :-

	Fair Value of Financial Instruments Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>The Company</b>					
<b>2025</b>					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	-	3,026,807	-	3,026,807	3,026,807
<b>2024</b>					
<u>Financial Asset</u>					
Short-term investments:					
- money market funds	-	27,745,799	-	27,745,799	27,745,799

#### (a) Fair Value of Financial Instruments Carried at Fair Value

(i) The fair values above have been determined using the following basis :-

The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

(ii) There were no transfer between level 1 and level 2 during the financial year.

#### (b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis :-

(i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

(ii) The fair value of hire purchase liabilities that carry fixed interest rates approximated their carrying amounts as the impact of discounting is not material. The fair value is determined by discounting the relevant cash flows using current market interest rates for similar instruments and the fair value is within level 2 of the fair value hierarchy.



## Notes To The Financial Statements

For The Financial Year Ended 31 May 2025

### 45. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 26 September 2024, the Company has entered into the following agreements :-

- (i) a conditional share sale agreement with Choy Mui Seng @ Chai Mui Seng, Ng Wee Ling and Dato Chai Voon Tok for the proposed acquisition of 325,000 ordinary shares in EF, representing 65% equity interest in EF, for a purchase consideration of RM7.54 million to be satisfied entirely in cash ("Proposed EF Acquisition"); and
- (ii) a shareholders' agreement with EF and the remaining shareholders of the EF and its subsidiaries ("EF Group") to regulate their rights, obligations and liabilities as shareholders of EF Group and govern the management and operation of EF Group upon completion of the Proposed EF Acquisition.

Concurrently, EF had on the same date entered into a conditional sale and purchase agreement with PCA Venture Sdn Bhd ("PCA") for the proposed acquisition of an industrial property from PCA for a purchase consideration of RM18.00 million to be satisfied entirely in cash ("Proposed Warehouse Acquisition").

Upon completion of the proposed EF Acquisition, DPI Group anticipates that EF Group will contribute 25% or more to the net profits of DPI Group moving forward. In view of this, DPI Group is required to seek the approval from shareholders for the Proposed Diversification.

The Proposed EF Acquisition, Proposed Warehouse and Proposed Diversification was approved by the shareholders during the Extraordinary General Meeting held on 29 November 2024.

On 29 October 2024, the Company had entered into a supplemental share sale agreement with EF Vendors ("EF Supplemental SSA") to amend certain conditions in the conditional share sale agreement ("EF SSA") dated 26 September 2024 for the Proposed EF Acquisition. Subsequently, on 24 December 2024, following the fulfilment of the conditions precedent in the EF SSA as supplemented by the EF Supplemental SSA, both agreements became unconditional as of that date.

On 27 December 2024, upon the fulfilment of the payment for the purchase consideration of the EF Acquisition, the EF SSA (as supplemented by the EF Supplemental SSA) was completed. Consequently, the shareholders' agreement between DPI, EF, and the remaining shareholders of the EF Group also took effect on the same day.

- (b) On 13 November 2024, the Company's wholly-owned subsidiary, DPIC, had entered into a Sale and Purchase Agreement with Grand-Flo Resources Sdn. Bhd. for the acquisition of a single-storey detached warehouse with an annexed three-storey office, situated on a 99-year leasehold land expiring on 26 March 2103, held under Individual Title HSD 90965, PT 101876, Mukim Klang, Daerah Klang, Negeri Selangor, measuring approximately 3,357 square metres and bearing the postal address No. 6, Jalan Mandolin 33/5, Seksyen 33, 40400 Shah Alam, Selangor, for a total cash consideration of RM14,500,000.
- (c) On 22 April 2025, the Company incorporated a wholly-owned subsidiary, EFSAB with a total issued and paid-up capital of RM2.
- (d) On 30 May 2025, the Company subscribed for an additional 13,050,000 new ordinary shares in DPIC at RM1 per ordinary share by way of capitalising part of the amount owing from DPIC of RM13,050,000. DPIC remained a wholly owned subsidiary after the issuance of new shares.



## List of Properties

As at 31 May 2025

Location/Postal Address	Description/ Existing use	Tenure/Date of expiry of lease	Year of Acquisition*	Land area/ Built-up area (Approximate) (sq. ft.)	Approximate Age of Building (Years)	Net Book Value as at 31 May 2025 (RM)
K69, Jalan Perindustrian 6, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Single storey detached factory with a double storey office annexed.  Existing use: Factory and office	Leasehold  Date of expiry: 30 January 2050	2004	Land area: 42,733  Built-up area: 26,340	31	1,293,721
K69-1, Jalan Perindustrian 6, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Single storey detached factory building  Existing use: Storage	Leasehold  Date of expiry: 25 April 2046	2007	Land area: 17,416  Built-up area: 12,978	30	561,000
K26, Jalan Perindustrian 6, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Industrial land  Existing use: Factory	Leasehold  Date of expiry: 30 January 2050	2011	Land area: 21,776	-	298,518
K68 & K68-A, Jalan Perindustrian 5, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Double storey detached factory  Existing use: Storage	Leasehold  Date of expiry: 30 January 2050	2011	Land area: (i) K68 - 10,893 (ii) K68-A - 10,882  Built-up area: 21,779	30	785,786
Lot 11078, Jalan Perindustrian Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Vacant land  Existing use: Nil	Leasehold  Date of expiry: 31 May 2035	2006	Land area: 131,869	-	845,146



## List of Properties

As at 31 May 2025

Location/Postal Address	Description/ Existing use	Tenure/Date of expiry of lease	Year of Acquisition*	Land area/ Built-up area (Approximate) (sq. ft.)	Approximate Age of Building (Years)	Net Book Value as at 31 May 2025 (RM)
K861, Jalan Perindustrian 5, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Single storey detached factory building Existing use: Storage	Leasehold Date of expiry: 9 March 2051	2017	Land area: 21,775 Built-up area: 10,800	20	870,687
K862, Jalan Perindustrian 5, Kawasan Perindustrian Tanjung Agas, 84000 Kesang, Tangkak, Johor.	Single storey detached factory building Existing use: Storage	Leasehold Date of expiry: 26 March 2051	2017	Land area: 21,775 Built-up area: 10,800	19	914,354
10 Buroh Street #06-22 Singapore 627564	Leasehold building Existing use: Warehouse	Leasehold Date of expiry: 24 September 2043	2021	Unit size: 1,733	11	1,136,162
No. 6 Jalan Mandolin 33/5, Seksyen 33, Premier Industrial Park, 40400 Shah Alam, Selangor.	Leasehold building Existing use: Warehouse	Leasehold Date of expiry: 26 March 2103	2025	Land area: 36,134 Built-up area: 19,964	10	15,143,015
Lot 3032-3033, Permyjaya Technology Park, Bandar Baru Permyjaya, 98000 Miri, Sarawak, Malaysia.	Leasehold building Existing use: Warehouse	Leasehold Date of expiry: 19 July 2094	2014	Land area: 10,245	19	1,493,457

\* Based on the date of Sales and Purchase Agreement.



## Analysis of Shareholdings

As at 29 August 2025

Issued Share Capital : 730,096,498 Ordinary Shares  
 Class of Shares : Ordinary Shares  
 Voting Rights : One (1) vote for each ordinary share  
 Number of Shareholders : 4,030

### DISTRIBUTION OF SHAREHOLDINGS

Size of holdings	No. of Holders	No. of Shares	%
Less than 100	232	10,331	0.00
100 – 1,000	327	148,095	0.02
1,001 – 10,000	1,438	8,424,278	1.16
10,001 – 100,000	1,719	60,322,075	8.26
100,001 – 36,504,823 (*)	312	120,935,219	16.56
36,504,823 and above (**)	2	540,256,500	74.00
<b>Total</b>	<b>4,030</b>	<b>730,096,498</b>	<b>100.00</b>

Remark: \* - Less than 5% of issued holdings  
 \*\* - 5% and above of issued holdings

### SUBSTANTIAL SHAREHOLDERS

The following are the substantial shareholders of the Company according to the Register of Substantial Shareholders:

No.	Name	No. of Shares	%
1.	Choy Mui Seng @ Chai Mui Seng	415,997,508	56.98
2.	Chai Chun Vui	124,258,992	17.02

### DIRECTORS' SHAREHOLDINGS

No.	Name	No. of Shares	%
1.	Choy Mui Seng @ Chai Mui Seng	415,997,508	56.98
2.	Chai Chun Vui	124,258,992	17.02
3.	Datuk Seri Nurmala Binti Abd. Rahim	300,000	0.04
4.	Fong Yoo Kaw @ Fong Yee Kow	700,000	0.10
5.	Lua Kok Hiyong	250,000	0.03



## Analysis of Shareholdings

As at 29 August 2025

### LIST OF THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1.	CHOY MUI SENG @ CHAI MUI SENG	415,997,508	56.98
2.	CHAI CHUN VUI	124,258,992	17.02
3.	TEO PEAK YING	6,000,000	0.82
4.	MAYBANK NOMINEES (TEMPATAN) SDN BHD TEO PEAK YING	5,447,750	0.75
5.	HO CHYE THUAN	4,127,700	0.56
6.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIA BOON CHIN (E-KLG)	3,081,400	0.42
7.	TOH KEAN WEE	2,941,400	0.40
8.	NG SENG SER	2,535,000	0.35
9.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR OH BOON HOWE (PENANG-CL)	2,500,000	0.34
10.	KENANGA NOMINEES (TEMPATAN) SDN BHD KONG TIONG KIAN	2,500,000	0.34
11.	PROPELL ENTERPRISE SDN. BHD.	2,340,000	0.32
12.	ONG LIAN TECK	1,952,700	0.27
13.	NG SIEW MUN	1,643,800	0.22
14.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SOON THIAM YEW (AMPANG-CL)	1,150,000	0.16
15.	MOI TAI @ LOY SHUE HUA	1,022,850	0.14
16.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH KIAN LANG (E-KLC)	1,019,200	0.14
17.	CHIN CHEE KUAN	1,000,000	0.14
18.	NG SHO LIN	995,000	0.14
19.	WO MEI PEING	950,000	0.13
20.	LEM BE ENG	905,400	0.12
21.	KWANG WAI PING	857,500	0.12
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM YEW FOONG (PENANG-CL)	842,000	0.11
23.	CHIA SOO HOCK	800,000	0.11
24.	MAYBANK NOMINEES (TEMPATAN) SDN BHD THERESA TEO PEAK YIAN	795,000	0.11
25.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHUA KWANG NGUAN (TAMAN CHERAS-CL)	788,400	0.11
26.	CHAI VOON TOK	776,000	0.11
27.	LEE YONG KUEN	750,000	0.10
28.	FONG YOO KAW @ FONG YEE KOW	700,000	0.10
29.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIEW YUEH MING	700,000	0.10
30.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TOH KEAN WEE	695,000	0.09
	<b>TOTAL</b>	<b>590,072,600</b>	<b>80.82</b>



## Administrative Notes

For Shareholders/Proxies Attending The AGM

### 8<sup>th</sup> Annual General Meeting (AGM)

to be held on Wednesday, 19 November 2025 at 10.30 a.m.

at the Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor, Malaysia.

### PARKING

- The Company will only bear parking charges of flat rate of RM8 per entry incurred by shareholders/proxies attending the AGM and who park their vehicles at the car park at Setia City Convention Centre.
- This is a CASHLESS PARKING with Touch 'n Go. To enjoy free parking, kindly bring your Touch 'n Go card and validate at the counter.
- The Company will NOT provide cash reimbursements for parking charges incurred by shareholders/proxies attending the AGM and who park their vehicles at the car parks of other buildings, or use the valet parking service at Setia City Convention Centre.

### REGISTRATION

- Registration will commence at 9.00 a.m. at Function Room 1, Setia City Convention Centre and will end at a time as may be directed by the Chairman of the meeting. Shareholders/proxies attending the AGM are requested to be punctual for the AGM which commences at 10.30 a.m.
- Please present your original Identity Card (IC) to the registration staff for verification.
- No person will be allowed to register on behalf of another person even with the original IC of the other person.
- After registration, you will be given an identification wristband with personalised passcode for purpose of voting at the AGM. You must wear the identification wristband throughout the AGM as no person will be allowed to enter the meeting hall without wearing the identification wristband. There will be no replacement in the event you lose or misplace the identification wristband.

### Entitlement to Participate and Vote at the 8<sup>th</sup> AGM

In respect of deposited securities, only members whose names appear in the Record of Depositors as at Tuesday, 11<sup>th</sup> November 2025 shall be entitled to attend, participate, speak and vote in the meeting or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf.

### Corporate Members

Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Boardroom Share Registrars Sdn. Bhd. ("BSR") not less than 48 hours before the time for holding the meeting.

Attorneys appointed by power of attorney are required to deposit their power of attorney with Boardroom not later than Monday, 17<sup>th</sup> November 2025 at 10.30 a.m. to attend and vote at the 8<sup>th</sup> AGM.

### Proxy Form

If you are unable to attend the 8<sup>th</sup> AGM, you are encouraged to appoint a proxy or the Chairman as your proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

Please ensure that the original Proxy Form is deposited with Boardroom Share Registrars Sdn. Bhd. (BSR) not less than 48 hours before the time appointed for holding the meeting. Details of BSR can be found in the enquiry section of this document.

Alternatively, you may deposit your Proxy Form by electronic means through the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com>.



## Administrative Notes

For Shareholders/Proxies Attending The AGM

### **Proxy Form (Cont'd)**

Table – Proxy Appointment via BSIP:

#### **Step 1 – Register Online with BSIP (for first time registration only)**

Note: If you have already signed up with BSIP, you are not required to register again. You may proceed to Step 2.

- Access the website at <https://investor.boardroomlimited.com>.
- Click "Register" to sign up as a user.
- Complete registration with all the required information. Upload and attach a softcopy of your Identity Card (NRIC) (front and back) or Passport. Click "Register".
- You will receive an email from BSIP Online for email address verification. Click on "Verify Email Address" from the email received to continue with the registration.
- For corporate shareholder, kindly upload the authorisation letter as well. Click "Sign up".
- Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number.
- Click on "Request OTP Code" and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click "Enter" to complete the process.
- Once your mobile number is verified, registration of your new BSIP account will be pending for final verification.
- An email will be sent to you to inform the approval of your BSIP account within one (1) business day.
- Subsequently, you can login at <https://investor.boardroomlimited.com> with the email address and password filled up by you during the registration to proceed.

#### **Step 2 – Appointment of Proxy**

##### **Individual and Corporate Shareholder**

- Log in to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- Select [DPI HOLDINGS BERHAD EIGHTH ANNUAL GENERAL MEETING] from the list of Meeting Event and click "Enter".
- Click "Submit eProxy form".
- Read and accept the General Terms and Conditions and enter your CDS account number.
- Enter your CDS account number and the number of shares held.
- Select your proxy — either the Chairman of the meeting or individual named proxy(ies) and enter the required particulars of your proxy(ies).
- Indicate your voting instructions — FOR or AGAINST or ABSTAIN. If you wish to have your proxy(ies) to act upon his/her discretion, please indicate DISCRETIONARY.
- Review and confirm your proxy(ies) appointment. Click "Apply". Download or print the eProxy form as acknowledgement.

##### **Authorised Nominee and Exempt Authorised Nominee**

- Login to <https://investor.boardroomlimited.com> using your user ID and password from Step 1 above.
- Select [DPI HOLDINGS BERHAD EIGHTH ANNUAL GENERAL MEETING] from the list of Meeting Event and click "Enter".
- Click on "Submit eProxy Form".
- Select the company you would like to represent.
- Proceed to download the file format for "Submission of Proxy Form" from the investor portal.
- Prepare the file for the appointment of proxy(ies) by inserting the required data.
- Proceed to upload the duly completed proxy(ies) appointment file.
- Review and confirm your proxy(ies) appointment and click "Submit".
- Download or print the eProxy Form as acknowledgement.
- If you wish to attend the AGM yourself, please do not submit any proxy form. You will not be allowed to attend the 8<sup>th</sup> AGM together with a proxy appointed by you.
- If you have submitted your proxy form prior to the AGM and subsequently decided to attend the 8<sup>th</sup> AGM yourself, please proceed to the Help Desk located at the meeting venue to revoke the appointment of your proxy.



## Administrative Notes

For Shareholders/Proxies Attending The AGM

### **Revocation of Proxy**

If you have submitted your Proxy Form and subsequently decide to appoint another person or wish to attend, participate, speak and vote at the 8<sup>th</sup> AGM yourself, please write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy 48 hours before the 8<sup>th</sup> AGM.

### **LIGHT REFRESHMENT**

There will be light refreshment served before (9.00 a.m. to 10.30 a.m.) and after the AGM. Coffee and tea are available throughout the AGM.

### **BASIS OF ENTITLEMENT TO DOOR GIFT**

Shareholders/proxies will be given door gift upon successful registration, in the following manner:

- Attending as shareholder – One (1) door gift.
- Attending as shareholder – One (1) door gift irrespective of the number of the shareholders represented.  
and also as proxy
- Attending as proxy – One (1) door gift irrespective of the number of shareholders represented.

In the case where 2 proxies are appointed by the same shareholder, only One (1) door gift will be given, and these will be given to the proxy who registers first.

There will be NO additional door gift to be given to those who have completed the voting.

### **VOTING PROCEDURES**

- Pursuant to Clause 72 of the Company's Constitution, all resolutions as set out in the Notice will be put to vote by poll.
- The polling process by way of electronic voting (e-voting) will be managed by the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. ("Boardroom") as Poll Administrator, and by U Search Management Services as Scrutineers to verify and validate the poll results.
- E-voting for each of the resolutions as set out in the Notice of 8<sup>th</sup> AGM will take place only upon the conclusion of the deliberation of all the businesses transacted at the AGM.
- Shareholders/proxies will vote at the e-voting kiosks set up by Boardroom. Detailed instructions will be provided at the meeting before the start of the e-voting session.

### **Enquiry**

If you have any enquiries prior to the 8<sup>th</sup> AGM, please contact the following during office hours from Monday to Friday (8.30 a.m. to 5.30 p.m.):

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

General line : 603-7890 4700  
Fax number : 603-7890 4670  
Email : [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)



## Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Eighth (8<sup>th</sup>) Annual General Meeting of the Company will be held at Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor, Malaysia on Wednesday, 19<sup>th</sup> November 2025, at 10.30 a.m. for the following purposes:

### A G E N D A

#### AS ORDINARY BUSINESSES

1. To table the Audited Financial Statements for the year ended **31 May 2025** together with the Reports of the Directors and Auditors thereon. **(Please refer to Note A)**
2. To approve the payment of Directors' Fees of RM360,000 and benefits of RM1,707,757 for the financial year ended **31 May 2025**. **(Resolution 1)**
3. To approve the payment of Directors' Fees and benefits to Non-Executive Directors up to an amount not exceeding RM360,000 from 1 June 2025 until the next Annual General Meeting. **(Resolution 2)**
4. To re-elect the following Directors retiring in accordance with Clause 95 of the Constitution of the Company:
  - (a) Mr. Chai Chun Vui **(Resolution 3)**
  - (b) Datuk Seri Nurmala Binti Abd. Rahim **(Resolution 4)**
5. To re-appoint Messrs Crowe Malaysia PLT (LLP0018817-LCA) (AF 1018) as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

#### AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without any modifications, the following as Ordinary Resolution:

6. **ORDINARY RESOLUTION - AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 & 76 OF THE COMPANIES ACT, 2016**

"THAT subject to the Companies Act, 2016, the Constitution of the Company and the approvals of Bursa Malaysia Securities Berhad and other relevant governmental and/or regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered pursuant to Sections 75 & 76 of the Companies Act, 2016 to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten per centum (10%) of the total issued share capital of the Company for the time being and THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company."

THAT pursuant to Section 85 of the Companies Act, 2016, read together with Clause 5 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares pursuant to Sections 75 & 76 of the Companies Act, 2016. **(Resolution 6)**

By Order of the Board

**WONG YOUN KIM (F) (MAICSA 7018778) (SSM PC No.: 201908000410)**

**LEE CHIN WEN (F) (MAICSA 7061168) (SSM PC No.: 202008001901)**

Company Secretaries

30 September 2025



## Notice of Annual General Meeting

### **Notes:**

- (A) The Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda item is not put forward for voting.
- (1) A member of the Company entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- (2) Subject to Note (3) below, where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- (3) The instrument appointing a proxy in the case of an individual shall be signed by the appointor or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney duly authorised.
- (4) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (5) Where the Form of Proxy is executed by a corporation, it must be executed under its seal or under the hand of its attorney.
- (6) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must, to be valid, be deposited at the office of the Company's Registrars, Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, the form of proxy may also be lodged electronically via <https://investor.boardroomlimited.com> not less than forty-eight (48) hours, i.e. latest by Monday, 17<sup>th</sup> November 2025 at 10.30 a.m, before the time appointed for holding the Meeting, or any adjournment thereof.
- (7) Only a depositor whose name appears on the Record of Depositors as at 11 November 2025 shall be entitled to attend the said meeting and to appoint a proxy or proxies to attend, speak and/or vote on his/her behalf.
- (8) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Clause 72 of the Company's Constitution, all resolutions set out in this Notice will be put to vote by way of poll.

### **Explanatory notes on Special Business:**

- (9) Resolution 6

Ordinary Resolution - Authority to allot and issue shares pursuant to Sections 75 & 76 of the Companies Act, 2016

The proposed Ordinary Resolution 6 is a renewable mandate for the issue of shares under Sections 75 & 76 of the Companies Act, 2016. If passed, will give flexibility to the Directors of the Company to issue shares up to a maximum of ten per centum (10%) of the issued share capital of the Company at the time of such issuance of shares (other than bonus or rights issue) and for such purposes as they consider would be in the best interests of the Company without having to convene separate general meetings. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

THAT pursuant to Section 85 of the Companies Act, 2016, read together with Clause 5 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from any issuance of new shares pursuant to Sections 75 & 76 of the Companies Act, 2016.

No shares have been issued and allotted by the Company since obtaining the said authority from its shareholders at the last AGM held on 29<sup>th</sup> November 2024 pursuant to this authority.

The general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to the placing of shares, funding future investment(s), acquisition(s) and working capital and thereby reducing administrative time and cost associated with the convening of such meeting(s).



## Statement Accompanying The Notice of Annual General Meeting

1. The Directors who are standing for re-election at the Annual General Meeting of the Company are as follows: -

- (a) Mr. Chai Chun Vui **(Resolution 3)**
- (b) Datuk Seri Nurmala Binti Abd. Rahim **(Resolution 4)**

2. The profile of the above Directors who are standing for re-election are set out in the Directors' Profile set out on pages 6 and 7 of the Annual Report and their securities holdings in the Company are set out in the Analysis of Shareholdings on pages 134 to 135.

3. Board Meetings held in the financial year ended 31 May 2025.

There were seven (7) Board Meetings held during the financial year ended 31 May 2025. Details of the attendance of the Directors are as follows:

Directors	Attendance
CHOY MUI SENG @ CHAI MUI SENG	7/7
CHAI CHUN VUI	7/7
DATUK SERI NURMALA BINTI ABD. RAHIM	7/7
FONG YOO KAW @ FONG YEE KOW	7/7
LUA KOK HIYONG	7/7

4. Place, Date and Time of Meeting

The Eighth (8<sup>th</sup>) Annual General Meeting of the Company will be held at Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor, Malaysia on Wednesday, 19<sup>th</sup> November 2025, at 10.30 a.m.

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**DPI HOLDINGS BERHAD**  
Registration No. 201701035607 (1249778-M)

## Proxy Form

\*I/ \*We ..... NRIC/Company No: .....  
(Full Name in Block Letters)

of .....  
(Full Address)

Email Address: ..... Mobile No.: .....

being member/members of DPI Holdings Berhad hereby appoint:

1) Name of proxy: ..... NRIC No: .....  
(Full Name in Block Letters)

Address: ..... No. of shares represented: .....  
(Full Address)

Email Address: ..... Mobile No.: .....

and/or

2) Name of proxy: ..... NRIC No: .....  
(Full Name in Block Letters)

Address: ..... No. of shares represented: .....  
(Full Address)

Email Address: ..... Mobile No.: .....

or failing him/her, \*the Chairman of the Meeting as \*my/\*our proxy to vote for \*me/\*us on \*my/\*our behalf at the **Eighth (8<sup>th</sup>) Annual General Meeting of DPI Holdings Berhad** to be held at Function Room 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor, Malaysia on Wednesday, 19<sup>th</sup> November 2025, at 10.30 a.m. or at any adjournment thereof.

\*My/\*Our Proxy(ies) is/are to vote as indicated below:

No.	RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees of RM360,000 and benefits of RM1,707,757 for the financial year ended 31 May 2025.		
2.	To approve the payment of Directors' fees and benefits to Non-Executive Directors up to an amount not exceeding RM360,000 from 1 June 2025 until the next Annual General Meeting.		
3.	To re-elect Mr. Chai Chun Vui as Director.		
4.	To re-elect Datuk Seri Nurmala Binti Abd. Rahim as Director.		
5.	To re-appoint Messrs Crowe Malaysia PLT (LLP0018817-LCA) (AF 1018) as Auditors of the Company and to authorise the Directors to determine their remuneration.		
6.	<b>Special Business</b> - Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016.		

(Please indicate with an "X" in the appropriate space above how you wish your votes to be cast. If you do not do so, the Proxy will vote or abstain from voting at his/her discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signature / Seal of Shareholders: \_\_\_\_\_  
[\* Delete if not applicable]

Number of shares held	
CDS Account No.	

Notes:

- (A) The Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this agenda item is not put forward for voting.
- (1) A member of the Company entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.
- (2) Subject to Note (3) below, where a member appoints two (2) or more proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- (3) The instrument appointing a proxy in the case of an individual shall be signed by the appointor or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney duly authorised.
- (4) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.
- (5) Where the Form of Proxy is executed by a corporation, it must be executed under its seal or under the hand of its attorney.
- (6) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must, to be valid, be deposited at the office of the Company's Registrars, Boardroom Share Registrars Sdn. Bhd., 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Alternatively, the form of proxy may also be lodged electronically via <https://investor.boardroomlimited.com> not less than forty-eight (48) hours, i.e. latest by Monday, 17<sup>th</sup> November 2025 at 10.30 a.m, before the time appointed for holding the Meeting, or any adjournment thereof.
- (7) Only a depositor whose name appears on the Record of Depositors as at 11 November 2025 shall be entitled to attend the said meeting and to appoint a proxy or proxies to attend, speak and/or vote on his/her behalf.
- (8) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Clause 72 of the Company's Constitution, all resolutions set out in this Notice will be put to vote by way of poll.

Please fold across the line and fold

**AFFIX  
STAMP**

The Company's Registrars  
**DPI HOLDINGS BERHAD**  
Registration No. 201701035607 (1249778-M)

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

Please fold across the line and fold

## **EXPANDING HORIZONS, EXPANDING EAST MALAYSIA**

The strategic acquisition of Eastern Forever marks a new chapter, diversifying us into the fast-moving consumer goods (FMCG) segment, expanding our reach, and positioning us for long-term progress in global market.



**TRUSTED SINCE 1982**

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Kawasan Perindustrian Tanjung Agas,  
84000 Kesang, Tangkak,  
Johor Darul Takzim, Malaysia.

Tel: +606 952 2854  
Fax: +606 951 3543  
Email: [general@dpiaerosol.com](mailto:general@dpiaerosol.com)

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